

Antoine company receives \$95,000 grant to manufacture fuel pellets

SPECIAL TO THE STANDARD
Clark County has received a \$95,000 federal grant to help develop a new line of business under which an established company will manufacture fuel pellets using waste products from the company's timber operations.

The company, Antoine Hardwoods, Inc., will receive technical assistance under a U.S. Department of Agriculture-Rural Development Business Enterprise Grant to create a profitable line of business manufacturing and selling

fuel pellets. This Clark County-based operation is expected to create at least 20 new "green" jobs over two years.

Fuel pellets are a key strategy in the push by the federal government to support renewable energy sources, reduce fossil fuel dependency, and limit carbon dioxide release into the atmosphere. Manufacture of wood pellets is already a \$770 million industry in the United States, and Antoine Hardwoods could help establish this important industry in south-

west Arkansas, which is rich in timber resources.

Founded in 1996, Antoine Hardwoods is a saw mill and chip mill producing hardwood and pine chips to various paper mills in the area. The company also produces hardwood cants, crossties, and rough sawn lumber to flooring manufacturers and railroad contractors. Antoine Hardwoods recently began producing firewood in bundles and cooking woods, such as smoking chips, chunks and planks in various hardwoods.

"We are excited and opti-

mistic about moving into the fuel pellet business," said company owner and founder Charles Ledbetter. "This is a natural fit with Antoine Hardwoods' existing operations, and we are proud to play a role in helping bring this industry to Clark County and southwest Arkansas."

Technical assistance for the project will be provided by Southern Bancorp Capital Partners, a nonprofit affiliate of Arkadelphia-based Southern Bancorp, the nation's largest rural development bank. SBCP in partner-

ship with the Arkansas Small Business Development Center at Henderson State University in Arkadelphia will assist Antoine Hardwoods to develop a detailed business plan for the fuel pellet business. SBCP also will assist Antoine Hardwoods in finding and securing loan financing for the project.

"Southern is pleased to help facilitate the development of this very promising industry in Clark County and southwest Arkansas," said Phil Baldwin, President and Chief

Executive Officer of Southern Bancorp. "We look forward to working in partnership with Antoine Hardwoods, Henderson State University and other key stakeholders in the county to make this project a sustainable success."

The fuel pellet project addresses a key need identified in the Clark County Strategic Plan, a public-private development initiative developed by more than 500 Clark County residents during See "Grant," p. 10

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Continued From Page 1

an 18-month planning process and formally announced in October 2007. The strategic plan specifically identifies the creation of new value-added wood products businesses as a high priority for economic development in Clark County.

Pellet stoves, which are woodstoves that burn fuel pellets, have increased dramatically in popularity in recent years, as they are a convenient, economical, and environmentally friendly way of heating homes and other build-

ingly 850,000 American homes were heated by pellet stoves. In 2008, wood pellet manufacturers announced quantity limits on retail sales of wood pellets, because they were unable to keep up with the increasing demand from consumers. Over the past five years, annual growth rates in sales of wood pellets have averaged more than 19 percent.

A 2007 report by the International Energy Agency concluded that fuel pellets are a "green technology" with the potential to reduce carbon dioxide emissions and other environmental problems associated with tra-

ditional heating technologies. The American Recovery and Reinvestment Act of 2009 includes a 30 percent tax credit (up to \$1,500) for households that purchase a pellet stove. These federal incentives ensure that the market for wood fuel pellets will continue to grow.

"USDA-Rural Development has a strong desire to assist in the development of renewable energy resources which improve the energy independence of our country and help protect our environment," said Timothy S. Smith, USDA-Rural Development Business