

# **Tongass Sawmill Capacity and Production Report for CY 2011**

**Final Report  
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## Mill Capacity and Utilization Survey, CY 2011

During the spring and summer of 2012, mill production capacity and utilization information was gathered directly from major producers in southeast Alaska. Mills to be surveyed, data to be collected, and survey forms developed by the Forest Service Alaska Region and the PNW Research Station for use in previous survey years were used for the CY 2011 survey. Sampling was conducted on-site in most cases with the remainder conducted via telephone interviews.

Originally, the twenty largest and/or most active sawmills were included in the survey, which began in 2001 (for CY 2000). In 2007 the 20 original mills became 22 with the partial subdivision and sale of one mill. Of those 22 mills, ten were active in 2011, three were idle, and nine had been decommissioned or were no longer in production (i.e., “uninstalled”). See Note A below.

Active Mills (10): Icy Straits Lumber & Milling, Viking Lumber Co., D&L Woodworks, Thorne Bay Wood Products, Thuja Plicata Lumber, Porter Lumber, St. Nick Forest Products (formerly W.R. Jones & Son Lumber Co.), The Mill Inc., Falls Creek Forest Products (formerly Southeast Alaska Wood Products), and Western Gold Cedar Products. (WGCP was part of the partial subdivision and sale of Northern Star Cedar)

Idle Mills (3): Northern Star Cedar, Pacific Log and Lumber, and Thorne Bay Enterprises (TBE was part of the partial subdivision and sale of Northern Star Cedar. Pacific Log & Lumber was idle most of 2011 and was decommissioned in September.)

Uninstalled Mills (9): Ketchikan Renaissance Group (formerly Gateway Forest Products (vener)), Gateway Forest Products (lumber), Herring Bay Lumber, Alaska Fibre, Annette Island Sawmill (formerly KPC Hemlock mill), Metlakatla Forest Products, Kasaan Mountain Logging and Lumber, Silver Bay, Inc and Chilkoot Lumber Co.

For the purposes of this report, “total installed capacity” includes the capacity of the ten active mills and the three idle mills. For CY 2011, that capacity stood at **160,000** MBF. Total installed capacity in CY 2011 increased by 4,150 MBF board feet from CY 2010, which reflects the following changes:

- Additional capacity at Icy Straits Lumber and Milling (2,500 MBF)
- Mill improvements at Thorne Bay Wood Products (500 MBF)
- Mill improvements at St. Nick Forest Products (150 MBF)
- Replacement capacity at Thorne Bay Enterprises (1,000 MBF)

Total mill production in CY 2011 amounted to approximately **11,546** MBF, down 4,261 MBF from CY 2010. Two mills reported higher production in CY 2011 totaling approximately 154 MBF and eight mills reported decreased production totaling approximately 4,415 MBF. Percent mill utilization, based on total installed capacity amounted to **7.22%**. Statistically, this appears to be a major decrease from 2010. However, it is the product of *both* increased installed capacity *and* decreased production.

Mill employment in CY 2011 amounted to **55.75** FTE including owner-operators; a 12.2% decrease from CY 2010.

A comparison of survey results from CY 2000 through CY 2011 is presented in Table 1.

**Note A: Recently, a new sawmill was established in Wrangell, AK – Mike Allen Enterprises. Multiple attempts were made to solicit survey data from Mr. Allen, but ultimately he declined to participate. It is estimated that his installed mill capacity is ~1,000 MBF.**

**Table 1. Comparison of survey results, CY 2000 through CY 2011**

	<b>CY 2000</b>	<b>CY 2002</b>	<b>CY 2003</b>	<b>CY 2004</b>	<b>CY 2005</b>	<b>CY 2006</b>	<b>CY 2007</b>	<b>CY 2008</b>	<b>CY 2009</b>	<b>CY 2010</b>	<b>CY 2011</b>
<b>Installed Mill Capacity (MBF)</b>	501,850	453,850	369,850	370,350	359,850	354,350	292,350	282,350	249,350	155,850	160,000
<b>Estimated Mill Production (MBF)</b>	87,117	39,702	32,005	31,027	34,695	32,141	31,717	23,666	13,422	15,807	11,546
<b>Volume NOT included in mill production (MBF)</b>											
Mfg. products <sup>a</sup>	46,079	9,164	763	509	0	7,620	4,015	3,513	1,250	385	1,295
Log exports	27,522	4,940	17,030	3,088	3,541	2,646	-- c				
Total	73,601	14,104	17,793	3,597	3,541	10,266	NA	NA	NA	NA	NA
<b>Percent Mill Utilization</b>	17.36	8.75	8.65	8.38	9.64	9.07	10.85	8.38	5.38	10.14	7.22
<b>Employees</b>	321	159.5	155	148	136	122.75	158 <sup>b</sup>	94	57.5	63.5	55.75
<sup>a</sup> Primarily chips and bark manufactured from utility logs, but may also include firewood											
<sup>b</sup> Included 35 positions reported at the re-opened Ketchikan Renaissance Group veneer mill, which only operated for a few months											
<sup>c</sup> Data not collected											

Data collected consisted of the following items:

1. Mill Name
2. Owner's Name(s)
3. Mill Location
4. Mill Description
5. Estimated Mill Capacity
6. Estimated Mill Production
7. Mill Employment
8. Mill Size Classification
9. Percent Over-run or Under-run
10. Source(s) of Logs Processed by the Mill
11. Products Produced
12. Market Information

Table 2. Basic Mill Information, CY 2011

Mill Name	Location	Description	Status	# Employees
Icy Straits Lumber & Milling Co.	Hoonah	Mighty Mite sawmill, horizontal band resaw, log debarker & merchandiser (not installed), dry kiln, planer, moulder	Active	7
Viking Lumber Co.	Craig	Conventional carriage, band saw headrig, linebar and gang resaws, edgers, trim saw, log debarker and merchandiser, end-dogging circle saw scragg	Active	34
D&L Woodworks	Hoonah	Portable band saw mill and portable circle saw mill	Active	2
Gateway Forest Products (lumber)	Ketchikan	Twin band mill with end-dogging carriage, resaws, edgers, trim saw, log debarker and merchandiser	Uninstalled	0
Ketchikan Renaissance Group, formerly Gateway Forest Products	Ketchikan	Rotary veneer mill, log debarker and merchandiser	Uninstalled	0
Northern Star Cedar	Thorne Bay	Mighty Mite sawmill	Idle (partially subdivided)	0
Western Gold Cedar Products (part of Northern Star Cedar break-up)	Thorne Bay	Shake & shingle mills	Active	3
Thorne Bay Enterprises (part of Northern Star Cedar break-up)	Thorne Bay	Portable circle saw mill, log infeed and lumber outfeed decks	Idle	0
Herring Bay Lumber	Ketchikan	Conventional carriage, circle saw headrig, resaw edger, trim saw	Uninstalled	0
Alaska Fibre	Petersburg	Portable circle saw mill, horizontal band resaw, edger	Primary processing equipment sold in 2005 and 2008	0
Falls Creek Forest Products (formerly Southeast Alaska Wood Products)	Petersburg	Portable circle saw mill, trim saw, log and lumber decks, dry kiln, moulder	Active	0.5
Thorne Bay Wood Products	Thorne Bay	Portable circle saw mill, trim saw, log and lumber decks, dry kiln, planer/moulder	Active	4
Annette Island Sawmill (KPC Hemlock mill)	Metlakatla	Conventional carriage, single cut band saw headrig, linebar resaw, gang edger/resaw, edger, trim saw, log debarker and merchandiser	Uninstalled	0
Metlakatla Forest Products	Metlakatla	Conventional carriage, circle saw headrig with top saw, horizontal resaw, edger, log debarker and merchandiser	Uninstalled	0
Thuja Plicata Lumber	Thorne Bay	Portable circle saw mills, carriage mill w/ circle saw headrig, shake/shingle mill	Active	2
Porter Lumber Co.	Thorne Bay	Portable circle saw mill, dry kiln	Active	0.5
Silver Bay, Inc.	Wrangell	Conventional carriages, band saw headrigs, linebar resaw edgers, trim saw, planer mill, log debarker and merchandiser;	Uninstalled	0
St. Nick Forest Products (formerly W.R. Jones & Son Lumber Co.)	Craig	Portable circle saw mill, dry kiln, planer/moulder	Active	2.5
Kasaan Mountain Lumber & Log	Kasaan	Conventional carriage, circle saw headrig, circle saw linebar resaw, edger, debarker	Uninstalled	0
The Mill	Petersburg	(3) portable circle saw mills	Active	< 0.25

Mill Name	Location	Description	Status	# Employees
Pacific Log & Lumber	Ketchikan	(2) conventional carriage mills with circle saw headrigs, horizontal band resaw, edger, trim saw, log debarker and merchandiser, dry kiln, planing mill. 60-ft bandmill added in 2006.	Idle (Decommissioned in September 2011)	0
Chilkoot Lumber Co.	Haines	Conventional carriage, 8-ft band headrig, 6-ft and 7-ft band resaws, debarker, chipper, edger, etc.	Uninstalled	0

Table 3. Estimated Mill Capacity and Estimated Mill Production, CY 2011

Mill Name	Estimated Mill Capacity (log scale, MBF) <sup>1</sup>	Estimated Mill Production (log scale, MBF) <sup>2</sup>	Percent Utilization of Installed Capacity
Icy Straits Lumber & Milling Co.	3,000	400	13.3
Viking Lumber Co.	80,000	9,994.5	12.5
D&L Woodworks	1,750	62.5	3.57
Gateway Forest Products (lumber)	Uninstalled		
Ketchikan Renaissance Group veneer mill	Uninstalled		
Northern Star Cedar (NSC)	2,500	Idle	0
Western Gold Cedar Products	6,500	400	6.15
Thorne Bay Enterprises	1,000	Idle	0
Herring Bay Lumber	Uninstalled		
Alaska Fibre	Uninstalled		
Falls Creek Forest Products (formerly Southeast Alaska Wood Products)	3,000	25	0.83
Thorne Bay Wood Products	5,500	400	7.27
Annette Island Sawmill (KPC)	Uninstalled		
Metlakatla Forest Products	Uninstalled		
Thuja Plicata Lumber	7,500	100	1.33
Porter Lumber Co.	2,500	34	1.36
Silver Bay, Inc.	Uninstalled		
St. Nick Forest Products (formerly W.R. Jones & Son Lumber Co.)	1,150	115	10.0
Kasaan Mountain Lumber & Log	Uninstalled		
The Mill	6,000	15	0.25
Pacific Log & Lumber	39,600	Idle	0
Chilkoot Lumber Co.	Uninstalled		
<b>Total</b>	<b>160,000</b>	<b>11,546</b>	<b>7.22</b>

Footnotes for Table 3:

**1 Estimated Mill Capacity:** an estimate of the processing capability of the mill based on the amount of net sawlog volume (Scribner log scale) that could be utilized by the mill, as currently configured, during a standard 250-day per year, two shifts per day, annual operating schedule, not limited by availability of employment, raw materials or market.

**2 Estimated Mill Production:** the net sawlog volume (Scribner log scale) that received primary manufacture during the calendar year. This is the estimated net sawlog volume used during the year to manufacture sawn products.

Table 4a. Sources of logs processed (sources of volume included in actual mill production), CY 2011

Mill Name	National Forest	Other Federal	State of Alaska <sup>a</sup>	Private Native	Private Other	Import	Total
	(Scribner log scale, MBF)						
Icy Straits Lumber & Milling Co.	320				80		400
Viking Lumber Co.	9,494.7		499.7				9,994.4
D&L Woodworks	62.5						62.5
Gateway Forest Products (lumber)	Uninstalled						
Ketchikan Renaissance Group	Uninstalled						
Northern Star Cedar	Idle						
Western Gold Cedar Products	280		40	80			400
Thorne Bay Enterprises	Idle						
Herring Bay Lumber	Uninstalled						
Alaska Fibre	Uninstalled						
Falls Creek Forest Products (formerly Southeast Alaska Wood Products)	25						25
Thorne Bay Wood Products	400						400
Annette Island Sawmill (KPC)	Uninstalled						
Metlakatla Forest Products	Uninstalled						
Thuja Plicata Lumber	100						100
Porter Lumber Co.	34						34
Silver Bay, Inc.	Uninstalled						
St. Nick Forest Products (formerly W.R. Jones & Son Lumber Co.)	100				15		115
Kasaan Mountain Lumber & Log	Uninstalled						
The Mill					15 <sup>b</sup>		15
Pacific Log & Lumber	Idle						
Chilkoot Lumber Co.	Uninstalled						
<b>Total</b>	<b>10,816.2</b>	<b>-</b>	<b>539.7</b>	<b>80</b>	<b>110</b>	<b>-</b>	<b>11,545.9</b>
<b>Percent</b>	<b>93.68</b>	<b>-</b>	<b>4.67</b>	<b>0.69</b>	<b>0.95</b>	<b>-</b>	<b>100</b>

<sup>a</sup> Source: Alaska Dept of Natural Resources, Div. of Forestry unless noted otherwise

<sup>b</sup> This material was generated as "salvage" from a power line right-of-way clearing. There were likely multiple ownerships involved.

Table 4b. Sources of logs processed (source of volume NOT included in actual mill production), CY 2011

	National Forest	Other Federal	State of Alaska <sup>a</sup>	Private Native	Private Other	Import	Total
	(Scribner log scale, MBF)						
<b>Total</b>	<b>1244.0</b>	<b>-</b>	<b>36.0</b>	<b>-</b>	<b>15.0</b>	<b>-</b>	<b>1,295</b>
<b>Percent</b>	<b>96.1</b>	<b>-</b>	<b>2.8</b>	<b>-</b>	<b>1.2</b>	<b>-</b>	<b>100</b>

<sup>a</sup> Source: Alaska Dept of Natural Resources, Div. of Forestry unless noted otherwise

NOTE: "Primary manufactured products NOT included in actual mill production" consists of all non-sawn products (e.g., chips, firewood, poles, house logs) that are manufactured independently of normal sawmill operations (in other words, products from logs that do not go through the sawmill). Non-sawn products, such as chips or firewood that result from processing sawmill residues and by-products are not included in this category.

Table 5a. Primary manufactured product by species, included in actual mill production (formerly labeled Estimated Mill Production by Species), CY 2011

Mill Name	Total Est. Mill Production	Sitka Spruce	Western Hemlock	Western Redcedar	Alaska Yellow Cedar	Other
	(Scribner log scale, MBF)					
Icy Straits Lumber & Milling Co.	400	120	240	10	30	0
Viking Lumber Co.	9,994.46	2,942.4	2077	4967.6	7.46	0
D&L Woodworks	62.5	36.25	1.25	0	25	0
Gateway Forest Products (lumber)	Uninstalled					
Ketchikan Renaissance Group	Uninstalled					
Northern Star Cedar	Idle					
Western Gold Cedar Products	400	0	0	400	0	0
Thorne Bay Enterprises	Idle					
Herring Bay Lumber	Uninstalled					
Alaska Fibre	Uninstalled					
Falls Creek Forest Products (formerly Southeast Alaska Wood Products)	25	22.5	1.25	0	1.25	0
Thorne Bay Wood Products	400	150	150	80	20	0
Annette Island Sawmill (KPC)	Uninstalled					
Metlakatla Forest Products	Uninstalled					
Thuja Plicata Lumber	100	0	0	100	0	0
Porter Lumber Co.	34	30	0	4	0	0
Silver Bay, Inc.	Uninstalled					
St. Nick Forest Products (formerly W.R. Jones & Son Lumber Co.)	115	5	55	55	0	0
Kasaan Mountain Lumber & Log	Uninstalled					
The Mill	15	0	12	0	3	0
Pacific Log & Lumber	Idle					
Chilkoot Lumber Co.	Uninstalled					
<b>Total</b>	<b>11,545.96</b>	<b>3,306.15</b>	<b>2,534.5</b>	<b>5,612.6</b>	<b>92.71</b>	<b>0</b>

Table 5b. Primary manufactured product by species, NOT included in actual mill production, CY 2011

	Total	Sitka Spruce	Western Hemlock	Western Redcedar	Alaska Yellow Cedar	Other
	(Scribner log scale, MBF)					
<b>Total</b>	<b>1,295</b>	<b>219</b>	<b>1,060</b>	<b>0</b>	<b>16</b>	<b>0</b>

NOTE: "Primary manufactured products NOT included in actual mill production" consists of all non-sawn products (e.g., chips, firewood, poles, house logs) that are manufactured independently of normal sawmill operations (in other words, products from logs that do not go through the sawmill). Non-sawn products, such as chips or firewood that result from processing sawmill residues and by-products are not included in this category.

Table 6. Estimated Mill Production by Product, CY 2011

Mill Name	Total Est. Mill Production	Dimension Lumber	Shop Lumber	Cants Timbers	Other
	(Scribner log scale, MBF)				
Icy Straits Lumber & Milling Co.	400	72	100	228	0
Viking Lumber Co.	9,994.46	2,558.45	4,952.01	2,484	0
D&L Woodworks	62.5	2.5	22.5	37.5	0
Gateway Forest Products (lumber)	Uninstalled				
Ketchikan Renaissance Group	Uninstalled				
Northern Star Cedar	Idle				
Western Gold Cedar Products	400	0	0	0	400
Thorne Bay Enterprises	Idle				
Herring Bay Lumber	Uninstalled				
Alaska Fibre	Uninstalled				
Falls Creek Forest Products (formerly Southeast Alaska Wood Products)	25	25	0	0	0
Thorne Bay Wood Products	400	58	192	150	0
Annette Island Sawmill (KPC)	Uninstalled				
Metlakatla Forest Products	Uninstalled				
Thuja Plicata Lumber	100	100	0	0	0
Porter Lumber Co.	34	0	0	34	0
Silver Bay, Inc.	Uninstalled				
St. Nick Forest Products (formerly W.R. Jones & Son Lumber Co.)	115	73.75	41.25	0	0
Kasaan Mountain Lumber & Log	Uninstalled				
The Mill	15	6	0	9	0
Pacific Log & Lumber	Idle				
Chilkoot Lumber Co.	Uninstalled				
<b>Total</b>	<b>11,545.96</b>	<b>2,895.7</b>	<b>5,307.76</b>	<b>2,942.5</b>	<b>400</b>

Table 7a. Destination of products manufactured from volume included in estimated mill production, CY 2011

Mill Name	Total Est. Mill Production	Alaska	Continental U.S.	Canada	Pacific Rim	Other
	(Scribner log scale, MBF)					
Icy Straits Lumber & Milling Co.	400	380	20	0	0	0
Viking Lumber Co.	9,994.46	0	6,196.57	0	3,797.89	0
D&L Woodworks	62.5	62.5	0	0	0	0
Gateway Forest Products (lumber)	Uninstalled					
Ketchikan Renaissance Group	Uninstalled					
Northern Star Cedar	Idle					
Western Gold Cedar Products	400	0	400	0	0	0
Thorne Bay Enterprises	Idle					
Herring Bay Lumber	Uninstalled					
Alaska Fibre	Uninstalled					
Falls Creek Forest Products (formerly Southeast Alaska Wood Products)	25	25	0	0	0	0
Thorne Bay Wood Products	400	400	0	0	0	0
Annette Island Sawmill (KPC)	Uninstalled					
Metlakatla Forest Products	Uninstalled					
Thuja Plicata Lumber	100	70	30	0	0	0
Porter Lumber Co.	34	0	34	0	0	0
Silver Bay, Inc.	Uninstalled					
St. Nick Forest Products (formerly W.R. Jones & Son Lumber Co.)	115	110	5	0	0	0
Kasaan Mountain Lumber & Log	Uninstalled					
The Mill	15	15	0	0	0	0
Pacific Log & Lumber	Idle					
Chilkoot Lumber Co.	Uninstalled					
<b>Total</b>	<b>11,545.96</b>	<b>1,062.5</b>	<b>6,685.56</b>	<b>0</b>	<b>3,797.89</b>	<b>0</b>

Table 7b. Destination of products manufactured from non-sawlog volume, CY 2011

	Total	Alaska	Continental U.S.	Canada	Pacific Rim	Other
	(Scribner log scale, MBF)					
<b>Total</b>	<b>1,295</b>	<b>95</b>	<b>0</b>	<b>1,200</b>	<b>0</b>	<b>0</b>