



## REPORT TO ECOSYSTEM PLANNING AND BUDGET USDA FOREST SERVICE, ALASKA REGION

---

# TONGASS NATIONAL FOREST: 2018 SAWMILL CAPACITY AND PRODUCTION REPORT

---

## INTRODUCTION

---

Since 2000, the United States Forest Service (USFS), Alaska Region Office has conducted an annual key-informant survey of sawmills across the Tongass National Forest, spanning from Haines to Metlakatla. The purpose of the annual survey is to gather information regarding current sawmill operations including total estimated capacity, actual production, harvested lands, forest products, market destinations, and general business expansion and retention challenges. The *Tongass National Forest: 2018 Sawmill Capacity and Production Report* summarizes key survey findings, provides brief supplemental discussion, and presents a longitudinal perspective of sawmill performance during the past eighteen years. Survey findings are organized into seven substantive sections including:

- Longitudinal Survey Results
- Sawmill Overview
- Capacity and Production Volume
- Harvested Lands
- Primary Product by Species
- Production Volume by Product
- Markets

Sawmill key-informant survey results provide a framework for assessing sawmill performance over time, exploring current business conditions and challenges, tracking products and markets, and following public and private land timber harvest.

---

## METHODS

---

The 2018 sawmill survey, covering January to December 2018 production, was conducted from June to July 2019. In contrast to traditional surveys that oftentimes utilize a random sample method to collect input, the USFS Alaska Region implemented a key-informant survey of all Southeast medium to large sawmills operating on a regular basis. Surveys were conducted via onsite or telephone interviews. To allow comparative longitudinal analysis, the survey instrument and population frame remained consistent from 2000 to 2018 and includes a variety of business profile, sawmill activity, and products and markets questionnaire items (Table 1).

PREPARED BY:

DANIEL PARRENT, NATURAL RESOURCES SPECIALIST, NICOLE GREWE, REGIONAL ECONOMIST, AND JEAN DANIELS, RESEARCH FORESTER  
USDA FOREST SERVICE, ALASKA REGION (REGION 10)

JULY 2019



**Table 1. Survey Instrument Summary**

Business Profile	Sawmill Activity	Primary Products	Other
Business Name, Owner's Name, Location, Sawmill Description, Sawmill Size Classification	Estimated Processing Capacity, Actual Production, Percent Overrun, Percent Underrun	Primary Products, Destination Markets	Log Source, Employment

## POPULATION FRAME

The population frame of consistently-operating medium to large sawmills was carefully established during 2000 using criteria that required: 1) regular operation and 2) medium to large size classification. In 2000, there were 20 sawmills that evolved into 22 sawmills with the subdivision of one sawmill (2007). To maintain longitudinal consistency and preserve comparative value, the annual sawmill survey has only included the original 22 sawmills. Of noteworthy importance, numerous small sawmills that operate on a seasonal, part-time, or contingent basis have operated across the region since 2000, each with varying degrees of success. While these sawmills are a component of the greater Southeast Alaska forest products industry, they are outside the original survey population frame and are subsequently not surveyed and excluded from further analysis and this report.

During 2000, 22 medium- to large-scale sawmills operated across the Tongass National Forest with the greatest concentration located in southern Southeast Alaska (Table 2). Since 2000, more than half (59%) of these sawmills have closed and been uninstalled; no new sawmills of equal size classification have been established during the same timeframe. During 2018, seven sawmills (32%) remained active and thirteen sawmills (59%) were no longer in production (i.e., decommissioned, uninstalled). Two sawmills (9%) remain installed with significant equipment onsite but were idle during calendar year 2018. Of noteworthy importance, ownership of Good Faith Lumber Company reverted to Thorne Bay Wood Products during late 2017.

**Table 2. Sawmill Population Frame, Calendar Years 2000 – 2018**

Active (7)	Idle (2)	Uninstalled (13)
Viking Lumber Company Icy Straits Lumber and Milling Company Western Gold Cedar Products D and L Woodworks Thuja Plicata Lumber The Mill Falls Creek Forest Products	Thorne Bay Wood Products (formerly Good Faith Lumber) St. Nick Forest Products	Gateway Forest Products Ketchikan Renaissance Group Herring Bay Lumber Pacific Log and Lumber Annette Island Sawmill Metlakatla Forest Products Silver Bay Incorporated Alaska Fibre Kasaan Mountain Lumber and Log Chilkoot Lumber Company Thorne Bay Enterprises Porter Lumber Company Northern Star Cedar



## LONGITUDINAL SURVEY RESULTS

For the purposes of this report, “total installed capacity” includes the capacity of seven active sawmills and two idle sawmills (N = 9). Capacity is an estimate of sawmill processing capability based on the amount of net sawlog volume that could be utilized by the sawmill, as currently configured, during a standard 250-day per year, two shifts per day annual operating schedule – and not limited by availability of workforce, raw materials, or market conditions. During 2018, installed capacity of Southeast’s 9 sawmills totaled 107,900 board feet (MBF), which is a decrease of 5,750 MBF from 2017 (Table 3).

Actual sawmill production during 2018 totaled approximately 15,250 MBF, a decrease of 294 MBF (-2%) compared to 2017. Only two sawmills (22%) reported higher production during 2018. In contrast, four sawmills (44%) reported decreased production and three sawmills (33%) indicated total production from 2017 to 2018 remained the same. 2018 region-wide sawmill utilization, based on total installed capacity of 107,900 MBF, is estimated at 14 percent. Notably, Southeast Alaska sawmill capacity remains significantly underutilized.

2018 sawmill employment totaled approximately 52 full-time equivalent (FTE) positions including owners, operators, and other employees. Both annual production and employment were, essentially, unchanged from 2017 to 2018.

**Table 3. Annual Sawmill Survey Results, Calendar Years 2000 – 2018** [Scribner Log Scale, MBF]

Year	Total Active Sawmills (#)	Sawmill Employment (FTEs)	Installed Sawmill Capacity (MBF)	Estimated Sawmill Production (MBF)	Volume NOT Included in Sawmill Production			Sawmill Utilization (percent)
					Manufactured Products <sup>a</sup>	Log Exports	Total	
2018	7	52	107,900	15,250	750	c	NA	14
2017	8	51	113,650	15,544	550	c	NA	14
2016	9	58	113,650	17,912	1,300	c	NA	16
2015	9	51	113,650	18,540	145	c	NA	16
2014	10	54	119,400	18,830	570	c	NA	16
2013	10	60	120,400	17,593	920	c	NA	15
2012	10	58	120,400	13,842	899	c	NA	12
2011	10	56	160,000	11,546	1,295	c	NA	7
2010	10	64	155,850	15,807	385	c	NA	10
2009	11	58	249,350	13,422	1,250	c	NA	5
2008	11	94	282,350	23,666	3,513	c	NA	8
2007	14	158 <sup>b</sup>	292,350	31,717	4,015	c	NA	11
2006	11	123	354,350	32,141	7,620	2,646	10,266	9
2005	12	136	359,850	34,695	0	3,541	3,541	10
2004	13	148	370,350	31,027	509	3,088	3,597	8
2003	13	155	369,850	32,005	763	17,030	17,793	9
2002	11	160	453,850	39,702	9,164	4,940	14,104	9
2000	19	321	501,850	87,117	46,079	27,522	73,601	17

<sup>a</sup> Manufactured products primarily include chips and bark manufactured from utility logs, but may also include firewood.

<sup>b</sup> Included 35 positions reported at the reopened Ketchikan Renaissance Group veneer mill, which only operated for a few months.

<sup>c</sup> Data not collected.

Note: The annual sawmill capacity and production survey was not conducted during 2001.

PREPARED BY:

DANIEL PARRENT, NATURAL RESOURCES SPECIALIST, NICOLE GREWE, REGIONAL ECONOMIST AND JEAN DANIELS, RESEARCH FORESTER  
 USDA FOREST SERVICE, ALASKA REGION (REGION 10)

JULY 2019



## SAWMILL OVERVIEW

**Table 4. 2018 Active, Idle, and Uninstalled Sawmills [N = 22]**

Sawmill	Community	Description	Current Status	Sawmill FTEs
Viking Lumber Company	Craig	Conventional carriage, band saw headrig, linebar and gang resaws, edgers, trim saw, log debarker and merchandiser, end-dogging circle saw scragg. Added a chipping head "slabber" to large mill in 2018.	Active	38
Icy Straits Lumber and Milling Company	Hoonah	Mighty Mite sawmill, horizontal band resaw, log debarker and merchandiser (not installed), dry kiln, planer, moulder	Active	8
Western Gold Cedar Products (part of Northern Star Cedar breakup)	Thorne Bay	Shake and shingle mills	Active	4
D & L Woodworks	Hoonah	Portable circle sawmill	Active	.1
Thuja Plicata Lumber	Thorne Bay	Portable circle sawmills, carriage mill with circle saw headrig, shake mill, shingle mill	Active	1.2
The Mill	Petersburg	Two portable circle sawmills	Active	.1
Falls Creek Forest Products (formerly Southeast Alaska Wood Products)	Petersburg	Portable circle sawmill, trim saw, log and lumber decks, dry kiln, moulder	Active	.2
Thorne Bay Wood Products (formerly Good Faith Lumber Company)	Thorne Bay	Portable circle sawmill, trim saw, log and lumber decks, dry kiln, planer, moulder	Idle	0
Alaskan Music Wood ?? (formerly St. Nick Forest Products) (formerly W.R. Jones and Son Lumber Company)	Craig	Portable circle sawmill, dry kiln, planer, moulder	Idle	0
Northern Star Cedar	Thorne Bay	Mighty Mite sawmill	Uninstalled	0
Porter Lumber Company	Thorne Bay	Portable circle sawmill, dry kiln, planer	Uninstalled	0
Thorne Bay Enterprises (part of Northern Star Cedar breakup)	Thorne Bay	Portable circle sawmill, log infeed and lumber outfeed decks	Uninstalled	0
Gateway Forest Products	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
Herring Bay Lumber	Ketchikan	Conventional carriage, circle saw headrig, resaw edger, trim saw	Uninstalled	0
Pacific Log and Lumber	Ketchikan	Conventional carriage mills (2) with circle saw headrigs, horizontal band resaw, edger, trim saw, log debarker and merchandiser, dry kiln, planer mill, 60-foot band mill	Uninstalled	0
Annette Island Sawmill (aka KPC Hemlock Mill)	Metlakatla	Conventional carriage, single cut band saw headrig, linebar resaw, gang edger/resaw, edger, trim saw, log debarker, merchandiser	Uninstalled	0
Metlakatla Forest Products	Metlakatla	Conventional carriage, circle saw headrig with top saw, horizontal resaw, edger, log debarker, merchandiser	Uninstalled	0
Silver Bay Incorporated	Wrangell	Conventional carriages, band saw headrigs, linebar resaw edgers, trim saw, planer mill, log debarker, merchandise	Uninstalled	0
Alaska Fibre	Petersburg	Portable circle sawmill, horizontal band resaw, edger	Uninstalled	0
Kasaan Mountain Lumber and Log	Kasaan	Conventional carriage, circle saw headrig, circle saw linebar resaw, edger, debarker	Uninstalled	0
Chilkoot Lumber Company	Haines	Conventional carriage, eight-foot band headrig, six and seven foot band resaws, debarker, chipper, and edger	Uninstalled	0

PREPARED BY:

DANIEL PARRENT, NATURAL RESOURCES SPECIALIST, NICOLE GREWE, REGIONAL ECONOMIST AND JEAN DANIELS, RESEARCH FORESTER  
 USDA FOREST SERVICE, ALASKA REGION (REGION 10)

JULY 2019



**CAPACITY AND PRODUCTION VOLUME**

**Table 5. 2018 Estimated Sawmill Capacity and Actual Production [Includes 7 Active and 2 Idle Sawmills, N = 9]**

Sawmill	Estimated Sawmill Capacity [Scribner Log Scale, MBF] <sup>1</sup>	Actual Sawmill Production [Scribner Log Scale, MBF] <sup>2</sup>	Utilization of Installed Capacity [Percent]
Viking Lumber Company	80,000	14,000	18
Icy Straits Lumber and Milling Company	3,000	500	17
Western Gold Cedar Products	6,500	700	11
D & L Woodworks	1,000	1.5	< 1
Thuja Plicata Lumber	1,000	31	3
The Mill	6,000	2.5	< 1
Falls Creek Forest Products	3,000	15	1
Thorne Bay Wood Products	6,250	Idle	--
St. Nick Forest Products	1,150	Idle	--
<b>Total</b>	<b>107,900</b>	<b>15,250</b>	<b>14%</b>

<sup>1</sup> Estimated Sawmill Capacity: An estimate of sawmill processing capability based on the amount of net sawlog volume (Scribner log scale) that could be utilized by the sawmill, as currently configured, during a standard 250-day per year, two shifts per day, annual operating schedule, and not limited by availability of workforce, raw materials, or market.

<sup>2</sup> Actual Sawmill Production: The net sawlog volume (Scribner log scale) used during the year to manufacture sawn products.



**HARVESTED LANDS**

**Table 6a. 2018 Processed Log Sources, Volume Included in Actual Sawmill Production [N = 7]**

Sawmill	National Forest	Other Federal	State of Alaska	Private Native	Private Other	Import	Total
Viking Lumber Company	7,000		7,000				14,000
Icy Straits Lumber and Milling Company	300				200		500
Western Gold Cedar Products	350			350			700
D & L Woodworks	1.5						1.5
Thuja Plicata Lumber	20		1		10		31
The Mill	2.5						2.5
Falls Creek Forest Products	15						15
<b>Total [Scribner Log Scale, MBF]</b>	<b>7,689</b>		<b>7,001</b>	<b>350</b>	<b>210</b>		<b>15,250</b>
<b>Percent</b>	<b>50.4</b>		<b>45.9</b>	<b>2.3</b>	<b>1.4</b>		<b>100</b>

**Table 6b. 2018 Processed Log Sources, Volume Not Included<sup>1</sup> in Actual Sawmill Production**

2.3Sawmill	National Forest	Other Federal	State of Alaska	Private Native	Private Other	Import	Total
<b>Total [Scribner Log Scale, MBF]</b>	<b>550</b>		<b>200</b>				<b>750</b>
<b>Percent</b>	<b>73.3</b>		<b>26.7</b>				<b>100</b>

<sup>1</sup> Primary manufactured products NOT included in actual sawmill production consists of all non-sawn products (e.g., chips, firewood, poles, house logs) that are manufactured independently of normal sawmill operations – products from logs that do not go through the sawmill. Non-sawn products, including chips and firewood, that result from processing sawmill residues and byproducts are not included in this category.



**PRIMARY PRODUCT BY SPECIES**

**Table 7a. 2018 Primary Product by Species, Volume Included in Actual Sawmill Production**

Sawmill	Sitka Spruce	Western Hemlock	Western Red Cedar	Alaska Yellow Cedar	Other	Total Sawmill Production
Viking Lumber Company	3,000	3,000	7,200	800		14,000
Icy Straits Lumber and Milling Company	300	100		100		500
Western Gold Cedar Products			700			700
D & L Woodworks	1.5					1.5
Thuja Plicata Lumber	1	5	23	2		31
The Mill				2.5		2.5
Falls Creek Forest Products	7.5			7.5		15
<b>Total [Scribner Log Scale, MBF]</b>	<b>3,310</b>	<b>3,105</b>	<b>7,923</b>	<b>912</b>		<b>15,250</b>
<b>Percent</b>	<b>21.7</b>	<b>20.3</b>	<b>52</b>	<b>6</b>		<b>100</b>

**Table 7b. 2018 Primary Product by Species, Volume Not Included<sup>1</sup> in Actual Sawmill Production**

Sawmill	Sitka Spruce	Western Hemlock	Western Red Cedar	Alaska Yellow Cedar	Other	Total Sawmill Production
<b>Total [Scribner Log Scale, MBF]</b>	<b>175</b>	<b>575</b>				<b>750</b>
<b>Percent</b>	<b>23.3</b>	<b>76.7</b>				<b>100</b>

<sup>1</sup> Primary manufactured products NOT included in actual sawmill production consists of all non-sawn products (e.g., chips, firewood, poles, house logs) that are manufactured independently of normal sawmill operations – products from logs that do not go through the sawmill. Non-sawn products, including chips and firewood, that result from processing sawmill residues and byproducts are not included in this category.



**PRODUCTION VOLUME BY PRODUCT**

**Table 8. 2018 Sawmill Production by Product, Volume Included in Actual Sawmill Production**

Sawmill	Dimension Lumber	Shop Lumber	Cants Timbers	Other	Total Sawmill Production
Viking Lumber Company	8,000	2,850	3,150		14,000
Icy Straits Lumber and Milling Company	165	145	190		500
Western Gold Cedar Products				700	700
D & L Woodworks		1.5			1.5
Thuja Plicata Lumber	29.5	1	0.5		31
The Mill	1.8		0.7		2.5
Falls Creek Forest Products	2.5		12.5		15
<b>Total [Scribner Log Scale, MBF]</b>	<b>8,198.8</b>	<b>2,997.5</b>	<b>3,353.7</b>	<b>700</b>	<b>15,250</b>
<b>Percent</b>	<b>53.8</b>	<b>19.6</b>	<b>22</b>	<b>4.6</b>	<b>100</b>

PREPARED BY:

DANIEL PARRENT, NATURAL RESOURCES SPECIALIST, NICOLE GREWE, REGIONAL ECONOMIST AND JEAN DANIELS, RESEARCH FORESTER  
 USDA FOREST SERVICE, ALASKA REGION (REGION 10)

JULY 2019



**MARKETS**

**Table 9a. 2018 Product Destination, Volume Included in Actual Sawmill Production [N = 7]**

Sawmill	Alaska	Continental United States	Canada	Pacific Rim	Other	Total Sawmill Production
Viking Lumber Company		11,144		2,856		14,000
Icy Straits Lumber and Milling Company	500					500
Western Gold Cedar Products		700				700
D & L Woodworks	1.5					1.5
Thuja Plicata Lumber	30	1				31
The Mill	2.5					2.5
Falls Creek Forest Products	15					15
<b>Total [Scribner Log Scale, MBF]</b>	<b>549</b>	<b>11,845</b>		<b>2,856</b>		<b>15,250</b>
<b>Percent</b>	<b>3.6</b>	<b>77.7</b>		<b>18.7</b>		<b>100</b>

**Table 9b. 2018 Product Destination, Volume Not Included<sup>1</sup> in Actual Sawmill Production**

Sawmill	Alaska	Continental United States	Canada	Pacific Rim	Other	Total Sawmill Production
<b>Total [Scribner Log Scale, MBF]</b>	<b>250</b>		<b>500</b>			<b>750</b>
<b>Percent</b>	<b>33.3</b>		<b>66.7</b>			<b>100</b>

<sup>1</sup> Primary manufactured products NOT included in actual sawmill production consists of all non-sawn products (e.g., chips, firewood, poles, house logs) that are manufactured independently of normal sawmill operations – products from logs that do not go through the sawmill. Non-sawn products, including chips and firewood, that result from processing sawmill residues and byproducts are not included in this category.