

Tongass Sawmill Capacity and Production Report for CY 2010

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Mill Capacity and Utilization Survey, CY 2010

During the spring and summer of 2011 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 2010 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 2010, three were idle, and nine had been decommissioned or were no longer in production (i.e., “uninstalled”).

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. They had a fire in November 2009 and did not operate in 2010, but appeared to be planning to rebuild.)

Uninstalled Mills (9): Ketchikan Renaissance Group (formerly Gateway Forest Products (veneer)), Gateway Forest Products (lumber mill), 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 (10) active mills and the three idle mills. For CY 2010, that capacity stood at **155,850 MBF**.

Total installed capacity in CY 2010 decreased by **93,500 MBF** board feet from CY 2009, which reflects a reduction of the installed capacities at Icy Straits Lumber and Milling (20,500 MBF) and Thorne Bay Enterprises (3,000 MBF) due to fires; the decommissioning of the Silver Bay mill (65,000 MBF), and miscellaneous equipment sales at Northern Star Cedar (2,500 MBF) and The Mill, Inc (2,500 MBF), which reduced their installed capacities.

Mill production in CY 2010 amounted to approximately **15,807 MBF**, up approximately 2,385 MBF from CY 2009. Six mills reported higher production in CY 2010 totaling approximately 2,480.5MBF and four mills (one of which was active in 2009 and idle in 2010) reported decreased production totaling approximately 95 MBF. One mill reported no change in production from 2009 to 2010. Percent mill utilization, based on total installed capacity amounted to **10.142%**. Statistically, this appears to be a major improvement over 2009. However, it is more reflective of the reduction in installed capacity rather than the increase in production.

Mill employment in CY 2010 amounted to **63.5 FTE** including owner-operators; a slight (~ 10%) increase over CY 2009, but still about 50% less than the running average since 2002.

A comparison of survey results from CY 2000 through CY 2010 is presented in Table 1.

Table 1. Comparison of survey results, CY 2000 through CY 2010

	CY 2000	CY 2002	CY 2003	CY 2004	CY 2005	CY 2006	CY 2007	CY 2008	CY 2009	CY 2010
Installed Mill Capacity (MBF)	501,850	453,850	369,850	370,350	359,850	354,350	292,350	282,350	249,350	155,850
Estimated Mill Production (MBF)	87,117.0	39,701.6	32,005.2	31,027.4	34,694.8	32,140.7	31,717.33	23,665.75	13,421.86	15,807
Volume NOT included in mill production (MBF)										
Mfg. products ^a	46,079.0	9,163.5	762.7	509.0	0	7,619.70	4,015.4	3,513.04	1,250.0	385
Log exports	27,522.0	4,940.0	17,030.3	3,087.9	3,540.54	2,645.84	-- c	-- c	-- c	-- c
Total	73,601.0	14,103.5	17,793.0	3,596.9	3,540.54	10,265.54	NA	NA	NA	NA
Percent Mill Utilization	17.36	8.75	8.65	8.38	9.64	9.07	10.85	8.38	5.38	10.14
Employees	321	159.5	155	148	136	122.75	158 ^b	94	57.5	63.5
^a Primarily chips and bark manufactured from utility logs, but may also include firewood ^b Included 35 positions reported at the re-opened Ketchikan Renaissance Group veneer mill, which only operated for a few months ^c 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 2010

Mill Name	Location	Description	Status	# Employees
Icy Straits Lumber & Milling Co.	Hoonah	Conventional carriage, circle saw headrig, edger, bull edger, trim saw, log debarker & merchandiser, resaw, dry kiln, planer, moulder. NOTE: Major mill fire July 22, 2010.	Active	12
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	32
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	MightyMite sawmill	Idle (partially subdivided)	0
Western Gold Cedar Products (part of Northern Star Cedar break-up)	Thorne Bay	Shake & shingle mills	Active	1
Thorne Bay Enterprises (part of Northern Star Cedar break-up)	Thorne Bay	Log and lumber decks are all that remained in 2010 following the fire in November 2009.	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	1
Thorne Bay Wood Products	Thorne Bay	Portable circle saw mill, trim saw, log and lumber decks, dry kiln, planer/moulder	Active	8
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	3
Porter Lumber Co.	Thorne Bay	Portable circle saw mill, dry kiln	Active	1
Silver Bay, Inc.	Wrangell	Conventional carriages, band saw headrigs, linebar resaw edgers, trim saw, planer mill, log debarker and merchandiser;	Uninstalled	0

Mill Name	Location	Description	Status	# Employees
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	< 0.5
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	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 2010

Mill Name	Estimated Mill Capacity (log scale, MBF) ¹	Estimated Mill Production (log scale, MBF) ²	Percent Utilization of Installed Capacity
Icy Straits Lumber & Milling Co.	500 ³	500 ³	NA ³
Viking Lumber Co.	80,000	13,892	17.4
D&L Woodworks	1,750	120	6.86
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	250	3.85
Thorne Bay Enterprises	0	Idle	0
Herring Bay Lumber	Uninstalled		
Alaska Fibre	Uninstalled		
Falls Creek Forest Products (formerly Southeast Alaska Wood Products)	3,000	30	1.0
Thorne Bay Wood Products	5,000	600	12.0
Annette Island Sawmill (KPC)	Uninstalled		
Metlakatla Forest Products	Uninstalled		
Thuja Plicata Lumber	7,500	165	2.2
Porter Lumber Co.	2,500	30	1.2
Silver Bay, Inc.	Uninstalled		
St. Nick Forest Products (formerly W.R. Jones & Son Lumber Co.)	1,000	200	20.0
Kasaan Mountain Lumber & Log	Uninstalled		
The Mill	6,000	20	0.33
Pacific Log & Lumber	39,600	Idle	0
Chilkoot Lumber Co.	Uninstalled		
Total	155,850	15,807	10.142

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.

3 Reduced from 21,000 as a result of a major mill fire in July 2010. Mill production occurred prior to fire.

Table 4a. Sources of logs processed (source of volume included in actual mill production), CY 2010

Mill Name	National Forest	Other Federal	State of Alaska ^a	Private Native	Private Other	Import	Total
	(Scribner log scale, MBF)						
Icy Straits Lumber & Milling Co.			500				500
Viking Lumber Co.	12,642		1,250				13,892
D&L Woodworks	120						120
Gateway Forest Products (lumber)	Uninstalled						
Ketchikan Renaissance Group	Uninstalled						
Northern Star Cedar	Idle						
Western Gold Cedar Products			250				250
Thorne Bay Enterprises	Idle						
Herring Bay Lumber	Uninstalled						
Alaska Fibre	Uninstalled						
Falls Creek Forest Products (formerly Southeast Alaska Wood Products)	30						30
Thorne Bay Wood Products	540		60				600
Annette Island Sawmill (KPC)	Uninstalled						
Metlakatla Forest Products	Uninstalled						
Thuja Plicata Lumber	145				20		165
Porter Lumber Co.	30						30
Silver Bay, Inc.	Uninstalled						
St. Nick Forest Products (formerly W.R. Jones & Son Lumber Co).	180				20		200
Kasaan Mountain Lumber & Log	Uninstalled						
The Mill	16				4		20
Pacific Log & Lumber	Idle						
Chilkoot Lumber Co.	Uninstalled						
Total	13,703		2,060		44		15,807
^a Source: Alaska Dept of Natural Resources, Div. of Forestry unless noted otherwise							

Table 4b. Sources of logs processed (source of volume NOT included in actual mill production), CY 2010

	National Forest	Other Federal	State of Alaska ^a	Private Native	Private Other	Import	Total
	(Scribner log scale, MBF)						
Total	385						385

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 2010

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.	500	80	120	300		
Viking Lumber Co.	13,892	3,998	4,759	4,912	223	
D&L Woodworks	120	65	15		40	
Gateway Forest Products (lumber)	Uninstalled					
Ketchikan Renaissance Group	Uninstalled					
Northern Star Cedar	Idle					
Western Gold Cedar Products	250			250		
Thorne Bay Enterprises	Idle					
Herring Bay Lumber	Uninstalled					
Alaska Fibre	Uninstalled					
Falls Creek Forest Products (formerly Southeast Alaska Wood Products)	30	10	15	1	4	
Thorne Bay Wood Products	600	180	240	120	60	
Annette Island Sawmill (KPC)	Uninstalled					
Metlakatla Forest Products	Uninstalled					
Thuja Plicata Lumber	165	50		110	5	
Porter Lumber Co.	30	1.5	28.5			
Silver Bay, Inc.	Uninstalled					
St. Nick Forest Products (formerly W.R. Jones & Son Lumber Co.)	200	20	100	70	10	
Kasaan Mountain Lumber & Log	Uninstalled					
The Mill	20	3.5	14		2.5	
Pacific Log & Lumber	Idle					
Chilkoot Lumber Co.						
Total	15,807	4,408	5,291.5	5,763	344.5	0

Table 5b. Primary manufactured product by species, NOT included in actual mill production, CY 2010

	Total	Sitka Spruce	Western Hemlock	Western Redcedar	Alaska Yellow Cedar	Other
	(Scribner log scale, MBF)					
Total	385	46.5	330	0	8.5	0

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 2010

Mill Name	Total Est. Mill Production	Dimension Lumber	Shop Lumber	Cants Timbers	Other
	(Scribner log scale, MBF)				
Icy Straits Lumber & Milling Co.	500	80	260	160	
Viking Lumber Co.	13,892	2,666	5,807	5,419	
D&L Woodworks	120	100	20		
Gateway Forest Products (lumber)	Uninstalled				
Ketchikan Renaissance Group	Uninstalled				
Northern Star Cedar	Idle				
Western Gold Cedar Products	250				250
Thorne Bay Enterprises	Idle				
Herring Bay Lumber	Uninstalled				
Alaska Fibre	Uninstalled				
Falls Creek Forest Products (formerly Southeast Alaska Wood Products)	30	30			
Thorne Bay Wood Products	600	150	324	126	
Annette Island Sawmill (KPC)	Uninstalled				
Metlakatla Forest Products	Uninstalled				
Thuja Plicata Lumber	165	125		40	
Porter Lumber Co.	30	30			
Silver Bay, Inc.	Uninstalled				
St. Nick Forest Products (formerly W.R. Jones & Son Lumber Co.)	200	70	130		
Kasaan Mountain Lumber & Log	Uninstalled				
The Mill	20	2.5		17.5	
Pacific Log & Lumber	Idle				
Chilkoot Lumber Co.	Uninstalled				
Total	15,807	3,253.5	6,541	5,762.5	250

Table 7a. Destination of products manufactured from volume included in estimated mill production, CY 2010

Mill Name	Total Est. Mill Production	Alaska	Continental U.S.	Canada	Pacific Rim	Other
(Scribner log scale, MBF)						
Icy Straits Lumber & Milling Co.	500	450	50			
Viking Lumber Co.	13,892		9,585.5		4,306.5	
D&L Woodworks	120	120				
Gateway Forest Products (lumber)	Uninstalled					
Ketchikan Renaissance Group	Uninstalled					
Northern Star Cedar	Idle					
Western Gold Cedar Products	250	5	245			
Thorne Bay Enterprises	Idle					
Herring Bay Lumber	Uninstalled					
Alaska Fibre	Uninstalled					
Falls Creek Forest Products (formerly Southeast Alaska Wood Products)	30	30				
Thorne Bay Wood Products	600	600				
Annette Island Sawmill (KPC)	Uninstalled					
Metlakatla Forest Products	Uninstalled					
Thuja Plicata Lumber	165	20	145			
Porter Lumber Co.	30	30				
Silver Bay, Inc.	Uninstalled					
St. Nick Forest Products (formerly W.R. Jones & Son Lumber Co.)	200	200				
Kasaan Mountain Lumber & Log	Uninstalled					
The Mill	20	20				
Pacific Log & Lumber	Idle					
Chilkoot Lumber Co.	Uninstalled					
Total	15,807	1,475	10,025.5		4,306.5	

Table 7b. Destination of products manufactured from non-sawlog volume, CY 2010

	Total	Alaska	Continental U.S.	Canada	Pacific Rim	Other
(Scribner log scale, MBF)						
Total	385	135		250		