Alaska’s Timber Harvest and Forest Products Industry, 2011

Erik C. Berg, Charles B. Gale, Todd A. Morgan, Allen M. Brackley, Charles E. Keegan, Susan J. Alexander, Glenn A. Christensen, Chelsea P. McIver, and Micah G. Scudder
Authors

Erik C. Berg is a research forester, Todd A. Morgan is director of Forest Industry Research, Charles E. Keegan is an emeritus research professor, Chelsea P. McIver is a research assistant, and Micah G. Scudder is a research assistant, Bureau of Business and Economic Research, The University of Montana, 32 Campus Drive, Missoula, MT 59812; Charles B. Gale is a manufacturing business analyst, Stimson Lumber Company, 520 SW Yamhill, Suite 700, Portland, OR. 97402; Allen M. Brackley is a research forester, U.S. Department of Agriculture, Forest Service, Pacific Northwest Research Station, Alaska Wood Utilization Research and Development Center, 204 Siginaka Way, Sitka, AK 99835; Susan J. Alexander is a program manager, U.S. Department of Agriculture, Forest Service, Pacific Northwest Research Station, Forestry Sciences Laboratory, 11175 Auke Lake Way, Juneau, AK 99801; and Glenn A. Christensen is a forester, U.S. Department of Agriculture, Forest Service, Pacific Northwest Research Station, Forestry Sciences Laboratory, 620 SW Main, Suite 400, Portland, OR 97205.
Alaska’s Timber Harvest and Forest Products Industry, 2011

Erik C. Berg, Charles B. Gale, Todd A. Morgan, Allen M. Brackley, Charles E. Keegan, Susan J. Alexander, Glenn A. Christensen, Chelsea P. McIver, and Micah G. Scudder

U.S. Department of Agriculture, Forest Service
Pacific Northwest Research Station
Portland, Oregon
General Technical Report PNW-GTR-903
November 2014

Published in cooperation with:
Bureau of Business and Economic Research
University of Montana
Missoula, Montana
Abstract


This report traces the flow of timber harvested in Alaska during calendar year 2011, describes the composition and operations of the state’s primary forest products industry, and quantifies volumes and uses of wood fiber. Historical wood products industry changes are discussed, as well as trends in timber harvest, production, export, sales of primary wood products, employment, and emerging issues important to Alaska’s forest industry.

Keywords: Alaska, forest economics, lumber production, mill residue, primary forest products, timber products.
Highlights

- Alaska’s total timber harvest in 2011 was 175.3 million board feet (MMBF) Scribner, approximately 35 percent less than the 2005 timber harvest.
- Sawlogs made up nearly 97 percent of the total harvest. Southeast Alaska boroughs/census areas contributed more than 80 percent of this volume.
- Alaskan log exports increased more than 27 percent between 2005 and 2011.
- A total of 77 Alaska primary wood products facilities were identified as active in 2011:
  - 50 sawmills
  - 18 log home plants
  - 9 other facilities that produced fuelwood products, cedar products, log furniture, tonewood (wood used to make musical instruments), and novelty items.
- Alaska sawmills recovered an average of 1.19 board feet lumber tally per board foot Scribner of log input, a 6-percent decrease from 2005. This reduction in overrun parallels findings in other Western States.
- Although the number of active Alaska sawmills remained unchanged from 2005, 13 of the sawmills active in 2005 became inactive, and 5 sawmills had closed permanently by 2011.
- Alaska’s 50 sawmills produced just over 21.2 MMBF of lumber, 38 percent less than in 2005. House log production fell by more than 55 percent from 2005 to 2011.
- Timber-processing capacity of active facilities in the sawmill sector fell by more than 40 percent since 2005 to 108.8 MMBF Scribner annually.
- Capacity utilization in Alaska’s sawmill and house log sectors fell to less than 16 percent in 2011, the lowest of any Western State.
- Alaska’s primary forest products industry shipped products valued at $17.4 million (freight on board [f.o.b.] the producing mill) in 2011. Sawlog and pulpwood exports contributed an additional $115.8 million to sales.
- Fuelwood products (firewood and wood pellets) generated more than $3 million in sales. The majority of these 2011 products were sold in interior Alaska. Alaskans are progressively turning to wood as a primary heating fuel.
## Contents

1. **Introduction**
2. **Methods**
   1. Forest Industries Data Collection System
   2. Historical Overview
   3. Recent History
   4. Alaska Timberlands
   5. *Alaska’s Timber Harvest and Flow*
   6. Harvest by Ownership
   7. Harvest by Species
   8. Harvest by Product Type
   9. Harvest by Geographic Source
3. **Timber Use**
   10. Timber Received at Alaska Wood Products Facilities
   11. Volume Received by Ownership and Product Type
   12. Volume Received by Species and Product type
   13. Volume Received by Geographic Source
4. **Alaska’s Forest Products Industry**
   14. Forest Industry Sectors
   15. Sawmill Sector
   16. Log Home Sector
   17. Fuelwood Sector
   18. Other Products Sector
   19. Export Sector—Including Sort Yards
   20. Capacity
5. **Mill Residue: Quantity, Types, and Use**
6. **Forest Products Sales**
7. **Employment**
8. **Emerging Issues**
9. **Common and Scientific Names of Tree Species**
10. **Metric Equivalents**
11. **Acknowledgments**
12. **Literature Cited**
13. **Glossary**
Introduction

This report details timber harvest and describes the composition and operations of the primary forest products industry in Alaska during calendar year 2011, and compares these results to 2005 findings (Halbrook et al. 2009). It presents a brief history of Alaska’s forest industry and timber harvest and summarizes emerging forest issues. Alaska’s 2011 timber harvest is characterized by ownership, species composition, types of timber products harvested and processed, and geographic sources. Alaska’s forest products industry and timber uses are reviewed by major sector. Timber-processing and production capacities, utilization of mill residue, forest product exports, and sales and employment are also discussed.

The focus of this report is timber used in the direct manufacture of wood products. Products directly manufactured from timber are referred to as “primary products” and include lumber, boards, timbers, house logs, log furniture, cedar products (mostly shingles), and tonewood. Material chipped from timber, as well as the disposition of mill residue (i.e., bark, sawdust, slabs, edging, trim, chips, and planer shavings) generated in the production of primary products, are also included. Derivative, or “secondary” products (e.g., window frames, doors, and trusses) are not reported.

Methods

The foremost source of data for this report was a statewide census of Alaska’s primary timber processors operating during 2011. Firms were identified through Internet searches, telephone directories, directories of the forest products industries, expert knowledge, and with assistance from the Juneau Economic Development Council (JEDC). The JEDC surveyed both logging and primary timber processing facilities in 2011, and this census built on JEDC survey results to characterize Alaska’s 2011 forest industry. Technical terms are defined in the glossary.

Forest Industries Data Collection System

This census of Alaska timber processors is a cooperative effort between The University of Montana’s Bureau of Business and Economic Research (BBER) and the Pacific Northwest (PNW) Research Station Forest Inventory and Analysis program. The BBER, in cooperation with the Forest Inventory and Analysis (FIA) programs in the Rocky Mountain and PNW Research Stations, developed the Forest Industries Data Collection System (FIDACS) to collect, compile, and make available state- and county-level information on the operations of the forest products industry. The FIDACS is based on a census of primary forest product manufacturers.
Through a written questionnaire or telephone interview, manufacturers provided the following information for each of their facilities for 2011:

- Plant production, capacity, and employment
- Log lengths and small- and large-end diameters
- Volume of raw material received, by borough/census area and ownership
- Species of timber received and live vs. dead proportions
- Finished product volumes, types, sales value, and market locations
- Utilization and marketing of manufacturing residue

This effort is the second application of FIDACS in Alaska; the first census of the Alaskan industry was based on calendar year 2005 operations (Halbrook et al. 2009). The BBER and the Forest Service research stations have been reporting on the forest industries in all Rocky Mountain and Pacific Coast States except Washington for more than 30 years. The Washington Department of Natural Resources reports on periodic surveys of that state’s industry (WDNR 2014). Information collected through FIDACS is stored at the BBER in Missoula, Montana. Additional information is available by request; however, individual firm-level data are confidential and will not be released.

**Historical Overview**

This section builds on BBER’s previous summary of Alaskan timber industry history (Halbrook et al. 2009) and highlights industry developments since 2005. Prior to World War I, Alaska’s timber industry supported local mining and fishing industries by providing wood for constructing fish traps, fish packing cases, harbor pilings, wharf material, mine timbers, and railroad ties (Hoffman 1913). Annual Alaska timber harvest summed to less than 30 million board feet (MMBF) Scribner until World Wars I and II increased demand for aircraft-quality spruce, and led to construction projects that spurred additional timber harvest and new sawmill construction. Timber harvest in southeast Alaska reached approximately 90 MMBF by the end of World War II (Halbrook et al. 2009).

After World War II, timber harvest volumes ramped up to meet the increasing demands of the rayon industry in Japan and postwar Asian rebuilding needs. The Tongass National Forest provided the vast majority of this harvest through the 1960s and 1970s; total Forest Service timber harvest peaked at 591.6 MMBF in 1973 (fig. 1) (Brackley et al. 2009). This steady upward trend was halted by the passage of The Alaska Native Claims Settlement Act of 1971, (ANCSA), which authorized the transfer of 550,000 acres of the Tongass National Forest to native corporations (Knapp 1992).

Starting in 1921 with the construction of Alaska’s first pulp mill, Alaska’s forest products industry and timber harvest policies have largely been framed by pulp and paper ventures (Mackovjak 2010). Long-term timber supply contracts authorized by the Tongass Timber Act of 1947 set the stage for an exponential increase in Alaska’s forest industry. Most of this expansion was built around two southeast Alaska pulp mills, Ketchikan Pulp and Paper and Alaska Pulp Company in Sitka. Both mills negotiated and signed 50-year timber supply contracts with the Forest Service in the 1950s (Harris and Farr 1974, Smith 1975). Weakening pulp markets, costly upgrades of pollution abatement equipment, and declining availability of affordable timber were cited as reasons for shuttering all pulp facilities in Sitka in 1993 and in Ketchikan in 1997 (Crone 2005, Donovan et al. 2005, Eastin and Braden 2000).
Recent History

The 2005 census of the Alaskan industry (Halbrook et al. 2009) occurred during a period of strong wood product markets and easily obtained mortgage credit that fueled speculative housing construction throughout the United States (Woodall et al. 2012). After recognizing that new residential construction had substantially overreached sustainable levels, inventories of unsold homes spiked, construction slowed, and housing prices plummeted (Woodall et al. 2012). Housing starts in the United States fell from more than 2 million units in 2005 to 554,000 in 2009. Alaska housing starts fell from 3,133 units in 2005 to 916 units in 2009 with a rate of decline similar to that of the entire Nation (USDC CB 2013).

The negative financial impacts of “The Great Recession” of 2007 persisted through 2011 and triggered further reductions in Alaskan forest industry outputs (Keegan et al. 2012). Alaska wood products revenues dropped during this downturn, but reductions in wood products sales prices per thousand board feet (MBF) lumber tally were less severe than experienced by facilities in the lower 48 states. Alaska wood products markets are relatively insulated—most mill outputs are sold in-state. To invigorate the Alaskan forest products industry in light of depressed wood products markets, the Tongass National Forest approved interstate export of up to 50 percent of individual timber sale log volumes, including high-value western redcedar and Alaska yellow-cedar in 2007. This policy was expanded to include exports to foreign markets in 2008 (USDA FS 2010). Slow recovery defined most of Alaska’s 2012 forest industry with a small rebound in Alaskan production in response to increased residential construction activity in 2012 (994 units) and 2013 (1,081 units).

United States lumber prices rebounded in late summer and fall of 2013, climbing about 20 percent from early 2013 levels. Both new construction and repairs and remodeling supported the resurgence (Random Lengths 2013). Most observers predict continuing improvement in wood products markets through 2014, with the understanding that fundamental economic drivers of the forest industry remain volatile (APA 2012).

Robust timber exports, mostly destined for China, have served as the “good news” for the Alaskan forest industry (Portman 2012). However, although this export activity has fueled timber harvest on native corporation and private lands, low federal timber harvests and lack of demand for wood products within Alaska chilled mill outputs and sales for much of 2005–2011 (Keegan et al. 2012, Portman 2012).

1 Brackley, A.M. 2013. Lumber sales values in Alaska. Personal communication. abrackley@fs.fed.us (December 19).
Alaska Timberlands

Timberland information for this report is based on coastal Alaska permanent-plot-derived forest statistics. There is currently no permanent-plot-based forest inventory program for interior Alaska, and managers lack comprehensive and scalable interior forest data. However, in 2014, FIA will pilot a reduced-scale inventory of interior Alaska through a novel combination of widely spaced permanent forest inventory plots and remote sensing (USDA FS 2013a).

The Coastal Alaska forest inventory unit stretches from Kodiak Island to Ketchikan and covers about 6.0 million ac of timberland. Most coastal timberland is publicly owned, with 3.6 million ac in the Tongass National Forest, 0.3 million ac in the Chugach National Forest, 0.1 million ac in other federal land, and 0.8 million ac in other public (state and local) ownership. Some 24 percent of coastal Alaska’s timberland (1.5 million ac) is owned by Alaska Native corporations. Coastal Alaska timberlands support approximately 29 billion cubic feet in growing stock trees, and 157 billion board feet of mostly conifer sawtimber (Barrett and Christensen 2011). Western hemlock dominates growing stock in the coastal inventory unit with 45 percent of all cubic foot stocking, followed by Sitka spruce at 35 percent, 7 percent mountain hemlock, 6 percent Alaska yellow-cedar, and 5 percent western redcedar. The vast majority of coastal forest lands lack feasible access for timber harvest operations. More than 90 percent of federally owned coastal lands are classified as roadless area or other management designations that essentially prohibit logging.¹

Unlike much of the forested land in other Western States covered with vast acreages of second- or third-growth timber ready to harvest but with little older timber, coastal Alaska’s timberland age class distribution is decidedly skewed towards trees aged 200+ years (39 percent of timberland acreage). In comparison, only 2 percent of all U.S. timberlands are populated with 200+-year-old timber (Barrett and Christensen 2011).

Alaska’s Timber Harvest and Flow

Timber harvest statistics in Alaska are problematic, especially with respect to log exports. In most Western States, log exports represent a small fraction of harvested volume, and in-state or neighboring state’s mills receive the majority of harvested timber (Gale et al. 2012, Morgan et al. 2012, Zhou and Warren 2012). Starting in 2006, reported annual Alaska sawlog export volumes exceeded published total

timber harvest volumes by more than 80 MMBF (Alexander 2012, Zhou 2013). This
trend continued through 2011, when published sawlog exports equaled 275.1 MMBF
and statewide harvest totaled only 175.3 MMBF (Zhou and Warren 2012). Brackley\(^3\)
and Alexander\(^4\) have suggested that this disparity largely stemmed from methods
used to measure and report exports. Specifically, export log scaling practices
and the factors used to convert International Trade Commission reported metric
volumes to MBF Scribner have resulted in published sawlog export volumes that
exceed reported total timber harvest volumes. Reconciling this discrepancy was one
of the most challenging aspects of producing this report.

To remedy these accounting problems, the authors combined information
provided by mills responding to the FIDACS census with published data to estimate
Alaska’s total timber harvest volume, timber volumes processed by Alaska mills,
and export timber harvest volume:

- **Total timber harvest**: Zhou and Warren’s (2012) reported total 2011
  Alaska timber harvest of 175.3 MMBF was used in this report.

- **Timber processed by mills**: Timber volume received and processed by
  Alaskan mills during 2011 was estimated to be 23.3 MMBF Scribner
  based on BBER’s FIDACS census of Alaska timber processors.

- **Export timber harvest**: Total export timber harvest volume was cal-
  culated as a residual value equal to the difference between the state
  harvest volume and volume processed by Alaskan mills, which equals
  approximately 152 MMBF.

Land managers lack sound timber harvest and export volume information,
which complicates the framing of rational timber harvest policy in Alaska. The
authors suggest that research is needed to clearly identify timber harvest and log
export volume reporting problems and potential remedies.

### Harvest by Ownership

Recent timber harvest levels are on par with the mid 1950s but considerably below
harvest levels seen from 1960 through 1999 (fig. 1). Timber harvest in Alaska fell
from 1,033 MMBF in 1990 to 268.3 MMBF in 2001 (Halbrook et al. 2009) and then
to 175.3 MMBF in 2011. During this period, national forest harvest levels dropped
by 90 percent and Native/private harvest by about 80 percent. However, strong

communications. abrackley@fs.fed.us. (December 21).

communications. salexander@fs.fed.us. (December 14).
Asian demand for logs drove Native timber corporation and other private lands harvest up from just over 50 MMBF in 2008 to 128 MMBF in 2011 (Alexander 2012). Although most timber harvested during 2011 came from Native corporations and other private lands, 16.4 percent came from national forests, while state and other public lands supplied the remaining 10.6 percent (table 1). Since the 1950s, the State of Alaska Division of Forestry has been a significant provider of timber, particularly to western, south-central, and interior mills (State of Alaska 2010, 2011). Bureau of Business and Economic Research researchers found that 23 of 44 total mills located in these areas each received more than 75 percent of their raw material inputs from state timber sales.

**Harvest by Species**

Sitka spruce was the leading species harvested in Alaska during 2011, accounting for 111.4 MMBF or 63.5 percent of total harvest (table 2), compared to 47 percent in 2005 (Halbrook et al. 2009), and 19 percent in 1995 (Hill and Hull 1997). Western hemlock followed the opposite trend: 20 percent of harvest in 2011, 29 percent in 2005, and 58 percent in 1995 (Hill and Hull 1997). Hemlock harvest levels in the 1990s were mostly related to Tongass National Forest pulp mill long-term timber sale contracts (Brackley et al. 2009); hemlock is an excellent pulping species. Rising Sitka spruce harvest levels reflects rising demand in foreign markets (Alexander 2012). White spruce was the major species harvested in interior, south-central, and western Alaska in 1995 (Hill and Hull 1997), 2005, and 2011.

**Table 1—Alaska timber harvest by ownership class and product type, 2011**

<table>
<thead>
<tr>
<th>Ownership class</th>
<th>Sawlogs</th>
<th>House logs</th>
<th>Fuelwood</th>
<th>Other products</th>
<th>All products</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Thousand board feet, Scribner</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Private—including Native corporations</td>
<td>126,076</td>
<td>191</td>
<td>1,423</td>
<td>300</td>
<td>127,990</td>
</tr>
<tr>
<td>National forest</td>
<td>28,381</td>
<td>73</td>
<td>143</td>
<td>91</td>
<td>28,688</td>
</tr>
<tr>
<td>State and other public</td>
<td>14,856</td>
<td>1,046</td>
<td>2,689</td>
<td>—</td>
<td>18,590</td>
</tr>
<tr>
<td>All owners</td>
<td>169,313</td>
<td>1,309</td>
<td>4,255</td>
<td>391</td>
<td>175,267</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Ownership class</th>
<th>Percentage of harvest</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Private—including Native corporations</td>
<td>74.5</td>
<td>14.6</td>
</tr>
<tr>
<td>National forest</td>
<td>16.8</td>
<td>5.5</td>
</tr>
<tr>
<td>State and other public</td>
<td>8.8</td>
<td>79.9</td>
</tr>
<tr>
<td>All owners</td>
<td>96.6</td>
<td>0.8</td>
</tr>
</tbody>
</table>

*Other timber products include cedar product logs, logs for furniture, tonewood, and novelty items.
### Table 2—Alaska timber harvest by species and product type, 2011

<table>
<thead>
<tr>
<th>Species</th>
<th>Sawlogs</th>
<th>Other products&lt;sup&gt;a,b&lt;/sup&gt;</th>
<th>All products</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Thousand board feet, Scribner</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sitka spruce</td>
<td>111,166</td>
<td>198</td>
<td>111,364</td>
</tr>
<tr>
<td>Western hemlock</td>
<td>35,011</td>
<td>148</td>
<td>35,159</td>
</tr>
<tr>
<td>Western redcedar</td>
<td>18,042</td>
<td>321</td>
<td>18,362</td>
</tr>
<tr>
<td>Alaska yellow-cedar</td>
<td>1,644</td>
<td>142</td>
<td>1,786</td>
</tr>
<tr>
<td>White spruce</td>
<td>2,920</td>
<td>3,253</td>
<td>6,173</td>
</tr>
<tr>
<td>Birch species</td>
<td>335</td>
<td>1,326</td>
<td>1,660</td>
</tr>
<tr>
<td>Other&lt;sup&gt;c&lt;/sup&gt;</td>
<td>196</td>
<td>566</td>
<td>762</td>
</tr>
<tr>
<td>All species</td>
<td>169,312</td>
<td>5,954</td>
<td>175,267</td>
</tr>
</tbody>
</table>

**Percentage of harvest**

<table>
<thead>
<tr>
<th>Species</th>
<th>65.7</th>
<th>3.3</th>
<th>63.5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Western hemlock</td>
<td>20.7</td>
<td>2.5</td>
<td>20.1</td>
</tr>
<tr>
<td>Western redcedar</td>
<td>10.7</td>
<td>5.4</td>
<td>10.5</td>
</tr>
<tr>
<td>Alaska yellow-cedar</td>
<td>1.0</td>
<td>2.4</td>
<td>1.0</td>
</tr>
<tr>
<td>White spruce</td>
<td>1.7</td>
<td>54.6</td>
<td>3.5</td>
</tr>
<tr>
<td>Birch species</td>
<td>0.2</td>
<td>22.3</td>
<td>0.9</td>
</tr>
<tr>
<td>Other&lt;sup&gt;c&lt;/sup&gt;</td>
<td>0.1</td>
<td>9.5</td>
<td>0.4</td>
</tr>
<tr>
<td>All species</td>
<td>96.6</td>
<td>3.4</td>
<td>100</td>
</tr>
</tbody>
</table>

<sup>a</sup> Other products include houselogs, fuelwood logs, cedar products logs, logs for furniture, tonewood, and novelty items.

<sup>b</sup> Products by species were combined to prevent disclosure.

<sup>c</sup> Other species include cottonwood, quaking aspen, black spruce, lodgepole pine, mountain ash, red alder, sugar maple, and Douglas-fir.

**Harvest by Product Type**

Sawlogs made up 169.3 MMBF, nearly 97 percent of Alaska’s 2011 harvest, up from 88 percent in 2005 (table 2). This trend reflects the increase in sawlog exports from 2005 to 2011; 90 percent of all sawlogs were exported in 2011 (Alexander 2012). Native corporations and other private lands contributed almost 58 percent of all sawlogs. State and other public lands supplied approximately 80 percent of house log volume (table 1).

**Harvest by Geographic Source**

This report uses borough or census area boundaries to define five geographic regions in Alaska—southeast, south-central, interior, western, and far north (fig. 2 and tabulation below). Timber resources can be found in all but the far north; the southeast region historically dominated Alaska’s timber harvest. South-central and
western region data are reported together to prevent the possible release of confidential information.

Alaska timber resource and borough/census areas:

**Resource area**

**Interior:**
- Fairbanks North Star Borough
- Denali Borough
- Yukon-Koyukuk
- Southeast Fairbanks Census Area

**South-central:**
- Anchorage Borough
- Kenai Peninsula Borough
- Matanuska-Susitna Borough
- Valdez-Cordova Census Area

**Southeast:**
- Haines Borough
- Juneau Borough
- Ketchikan Gateway Borough
- Prince of Wales–Outer Ketchikan Census Area
- Sitka Borough
- Skagway-Hoonah-Angoon Census Area
- Wrangell-Petersburg Census Area
- Yakutat Borough

**Western:**
- Bethel Census Area
- Kodiak Island Borough
Timber harvest by resource area shifted dramatically between 2005 and 2011: nearly 37 percent of 2011’s timber was harvested in south-central and western Alaska, compared to less than 25 percent in 2005 (table 3). Southeast Alaska’s contribution declined from nearly 74 percent in 2005 to 60 percent in 2011. Much of this 2005 to 2011 expansion in the south-central and western resource areas harvest stemmed from an approximately 30 MMBF increase in Native corporation timber harvest on and around Kodiak Island (Alexander 2012). Interior Alaska’s contribution may be relatively small (3.7 percent) compared to the state total, but the 2011 interior harvest was 67 percent greater than that of 2005.

**Timber Use**

Timber use volumes are specified in cubic feet rather than board feet Scribner to allow reporting of mill residues and primary wood products in the same units. Alaska’s 2011 timber harvest of approximately 30,612 thousand cubic feet (MCF)
Table 3—Alaska timber harvest by resource area, 2011

<table>
<thead>
<tr>
<th>Resource area</th>
<th>Harvest volume</th>
<th>Percentage of total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interior</td>
<td>6,427</td>
<td>3.7</td>
</tr>
<tr>
<td>South-central and western³</td>
<td>64,448</td>
<td>36.8</td>
</tr>
<tr>
<td>Southeast</td>
<td>104,393</td>
<td>59.6</td>
</tr>
<tr>
<td>State total</td>
<td>175,267</td>
<td>100</td>
</tr>
</tbody>
</table>

³Resource areas combined to avoid disclosure.

was used by five primary manufacturing sectors: sawlog and chip exports, sawmills, log home manufacturers, energy firms, and manufacturers of other products, including tonewood used for musical instruments, novelty items, cedar products, and furniture (fig. 3). Bark is not included in these figures. The following factors were used to convert Scribner board foot volume to cubic feet:

- 5.78 board feet per cubic foot for sawlogs, including exports
- 5.05 board feet per cubic foot for house logs
- 5.00 board feet per cubic foot for fuelwood products
- 4.53 board feet per cubic foot for all other products

These board-foot-to-cubic-foot (bf/cf) ratios were derived using methods outlined by Keegan et al. (2011a). Ratios have changed through time as a result of changes in product recovery and residue production. For example, the Alaskan 2005 sawlog bf/cf ratio was 5.09—substantially less than the 2011 ratio of 5.78. This difference may reflect an increasing use of residues for fuelwood products. When residue production increases relative to product (e.g. lumber) output, bf/cf ratios can increase (Blatner et al. 2012, Keegan et al. 2011a). Changes in log size (i.e., diameter) also influence bf/cf ratios. However, mill census data show that log diameter in timber harvested in Alaska did not change significantly between 2005 and 2011. In 2011, 28 percent of milled timber was less than 10 inches in small-end diameter compared to 24 percent in 2005. Further, 34 percent of 2011 milled timber was greater than 24 inches in diameter compared to 39 percent in 2005.

Figure 3 traces the flow of wood fiber inputs and outputs of Alaska’s primary timber industry by sector. For example, of the 2,995 MCF of timber received by sawmills, 1,191 MCF (40 percent) was milled into finished lumber or other sawn products; finished products are located at the end of the solid line “stem” at the bottom of figure 3. Ancillary products, such as residues destined for use by another sector, branch off the stem and are portrayed as dashed lines. Approximately 716
Figure 3—Use of Alaska’s 2011 timber harvest.

\[ \text{Total harvest 30,612 MCF}^a \]

- Other manufacturers\(^b\) 190 MCF
- House log and log home manufacturers 259 MCF
- Fuelwood manufacturers 869 MCF
- Log and chip exports 26,299 MCF
- Sawmills 2,995 MCF

\[ \text{Residue for fuelwood 742 MCF} \]

\[ \text{Residue for fuelwood 716 MCF} \]

\[ \text{Residue for miscellaneous uses 137 MCF} \]

\[ \text{Unutilized residue 164 MCF} \]

\[ \text{Shrinkage 45 MCF} \]

\[ \text{Unutilized residue 34 MCF} \]

\[ \text{Unutilized residue 27 MCF} \]

\[ \text{Unutilized residue 57 MCF} \]

\[ \text{Residue for miscellaneous uses 18 MCF} \]

\[ \text{Residue for miscellaneous uses 9 MCF} \]

\[ \text{Residue for fuelwood 59 MCF} \]

\[ \text{Residue for fuelwood 4 MCF} \]

\[ \text{Shrinkage 4 MCF} \]

\[ \text{Products produced by other manufacturers}^b \]

\[ \text{103 MCF} \]

\[ \text{Products produced by house log sector} \]

\[ \text{155 MCF} \]

\[ \text{Products produced by fuelwood sector} \]

\[ \text{1,631 MCF} \]

\[ \text{Exported logs and chips} \]

\[ \text{27,015 MCF} \]

\[ \text{Product produced by sawmill sector} \]

\[ \text{1,191 MCF} \]

\(^a\) Thousand cubic feet (MCF) excludes bark.

\(^b\) Other manufacturers include manufacturers of log furniture, tonewood, novelty items, and cedar products.
MCF of chipped roundwood was exported. About 742 MCF of sawmill residue was utilized for energy (firewood, wood pellet production, boilers, etc.). Two remaining categories of residue, unutilized (164 MCF), and residue for miscellaneous uses, such as animal bedding and landscaping (137 MCF), complete the array of Alaska sawmill products. Shrinkage of lumber volume due to moisture lost during drying is also accounted for (45 MCF).

The vast majority (26,299 MCF) of Alaska’s 2011 timber harvest was exported (fig. 3). Only 10 percent of total harvest was processed by Alaskan sawmills, compared to 19 percent in 2005. House log volumes received by Alaska facilities declined only 6 percent from 2005 to 2011. Cedar product manufacturing (shakes and shingles) accounted for most of the 264 percent increase in the other product sector between 2005 and 2011. This contrasts sharply with the decline of the cedar products industry noted in Oregon between 2003 and 2008 (Gale et al. 2012).

Reflecting the increasing demand for wood as a heating fuel in Alaska, increased manufacturing of firewood and wood pellets was identified in 2011. Although sawmill residue volume used for fuelwood products in 2011 (742 MCF) is virtually identical to that of 2005 (736 MCF), the percentage of all residues (not including chip exports) used for fuelwood products was 72 percent in 2011, compared to 45 percent in 2005. During periods when fuelwood products such as firewood logs and slabs command high selling prices relative to lumber, mills have little incentive to produce lumber. Instead, mill operators capture added value through the manufacture and marketing of mill residue for fuel.

**Timber Received at Alaska Wood Products Facilities**

Alaska’s proportion of timber harvested for export versus milled in local facilities is radically different from other West Coast states. In 2011, only 13.2 percent (23,259 MBF Scribner) of total harvest was received by Alaskan mills for processing, compared to nearly 80 percent in Oregon (Zhou and Warren 2012).

**Volume Received by Ownership and Product Type**

Because much of the private/Native corporation lands timber harvest in Alaska is exported, mills in Alaska are highly dependent on federal and state lands for timber. National forests supplied 12.1 MMBF or 52 percent of all timber received by mills in Alaska (table 4), followed by state and other public lands (33.5 percent), and private and Native corporation lands (14.5 percent). Sawlogs accounted for the
### Table 4—Timber volume received by Alaska facilities by ownership class and product type, 2011

<table>
<thead>
<tr>
<th>Ownership class</th>
<th>Sawlogs</th>
<th>House logs</th>
<th>Fuelwood&lt;sup&gt;a&lt;/sup&gt;</th>
<th>Other products&lt;sup&gt;b&lt;/sup&gt;</th>
<th>2011—All products</th>
<th>2005—All products&lt;sup&gt;c&lt;/sup&gt;</th>
</tr>
</thead>
<tbody>
<tr>
<td>Private—including Native corporations</td>
<td>1,450</td>
<td>191</td>
<td>1,423</td>
<td>300</td>
<td>3,364</td>
<td>3,743</td>
</tr>
<tr>
<td>National forest</td>
<td>11,792</td>
<td>73</td>
<td>143</td>
<td>91</td>
<td>12,099</td>
<td>23,866</td>
</tr>
<tr>
<td>State and other public</td>
<td>4,062</td>
<td>1,046</td>
<td>2,689</td>
<td>0</td>
<td>7,796</td>
<td>17,252</td>
</tr>
<tr>
<td><strong>All owners</strong></td>
<td>17,305</td>
<td>1,309</td>
<td>4,255</td>
<td>391</td>
<td>23,259</td>
<td>44,861</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Ownership class</th>
<th>Percentage of volume received</th>
</tr>
</thead>
<tbody>
<tr>
<td>Private—including Native corporations</td>
<td>8.4</td>
</tr>
<tr>
<td>National forest</td>
<td>68.1</td>
</tr>
<tr>
<td>State and other public</td>
<td>23.5</td>
</tr>
<tr>
<td><strong>All owners</strong></td>
<td>74.4</td>
</tr>
</tbody>
</table>

<sup>a</sup> Includes residential firewood and industrial fuelwood received and processed by Alaskan facilities.

<sup>b</sup> Other timber products include logs for furniture, tonewood, novelty items, and cedar products.

<sup>c</sup> From Halbrook et al. (2009).

Majority (74 percent) of timber received by Alaskan mills and national forests were the predominant source of these sawlogs. State and other public lands provided the majority of timber used for house logs and fuelwood, corresponding to 5.6 percent and 18.3 percent of the volume received by Alaska timber processing facilities, respectively.

### Volume Received by Species and Product Type

Overall, white spruce was the leading species received by Alaska mills in 2011 (table 5), accounting for more than 26 percent of volume received. Western hemlock comprised only 13 percent of volume received by mills, which is a dramatic change from the 2005 census. In 2005, Halbrook et al. (2009) noted that western hemlock made up more than 52 percent of mill receipts, and Bones (1963) reported that 53 percent of all 1961 mill receipts were western hemlock. This major change is due to reductions in southeast Alaska mill outputs and the shuttering and idling of several mills that had processed mostly western hemlock and Sitka spruce while operating in 2005.
### Table 5—Timber volume received by Alaska facilities by species and product type, 2011

<table>
<thead>
<tr>
<th>Species</th>
<th>Sawlogs</th>
<th>House logs</th>
<th>Fuelwood&lt;sup&gt;a&lt;/sup&gt;</th>
<th>Other products&lt;sup&gt;b&lt;/sup&gt;</th>
<th>2011—all products</th>
<th>2005—all products</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Thousand board feet, Scribner</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sitka spruce</td>
<td>4,928</td>
<td>128</td>
<td>58</td>
<td>c</td>
<td>5,114</td>
<td>10,877</td>
</tr>
<tr>
<td>Western hemlock</td>
<td>2,966</td>
<td>83</td>
<td>65</td>
<td>c</td>
<td>3,114</td>
<td>23,539</td>
</tr>
<tr>
<td>Western redcedar</td>
<td>5,639</td>
<td>21</td>
<td>11</td>
<td>c</td>
<td>5,671</td>
<td>1,857</td>
</tr>
<tr>
<td>Alaska yellow-cedar</td>
<td>320</td>
<td>29</td>
<td>23</td>
<td>c</td>
<td>373</td>
<td>1,099</td>
</tr>
<tr>
<td>White spruce</td>
<td>2,920</td>
<td>932</td>
<td>2,321</td>
<td>c</td>
<td>6,174</td>
<td>6,154</td>
</tr>
<tr>
<td>Birches</td>
<td>335</td>
<td>87</td>
<td>1,239</td>
<td>c</td>
<td>1,660</td>
<td>230</td>
</tr>
<tr>
<td>Other&lt;sup&gt;d&lt;/sup&gt;</td>
<td>196</td>
<td>28</td>
<td>538</td>
<td>391&lt;sup&gt;c&lt;/sup&gt;</td>
<td>762</td>
<td>1,105</td>
</tr>
<tr>
<td><strong>All species</strong></td>
<td>17,305</td>
<td>1,309</td>
<td>4,255</td>
<td>391</td>
<td>23,259</td>
<td>44,861</td>
</tr>
</tbody>
</table>

**Percentage of volume received**

<table>
<thead>
<tr>
<th>Species</th>
<th>2011—all products</th>
<th>2005—all products</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sitka spruce</td>
<td>28.5</td>
<td>22.0</td>
</tr>
<tr>
<td>Western hemlock</td>
<td>17.1</td>
<td>13.4</td>
</tr>
<tr>
<td>Western redcedar</td>
<td>32.6</td>
<td>24.4</td>
</tr>
<tr>
<td>Alaska yellow-cedar</td>
<td>1.9</td>
<td>1.6</td>
</tr>
<tr>
<td>White spruce</td>
<td>16.9</td>
<td>26.5</td>
</tr>
<tr>
<td>Birches</td>
<td>1.9</td>
<td>7.1</td>
</tr>
<tr>
<td>Other&lt;sup&gt;d&lt;/sup&gt;</td>
<td>1.1</td>
<td>3.3</td>
</tr>
<tr>
<td><strong>All species</strong></td>
<td>74.4</td>
<td>100</td>
</tr>
</tbody>
</table>

<sup>a</sup> Includes residential firewood and industrial fuelwood received and processed by Alaskan facilities.

<sup>b</sup> Other timber products include logs for furniture, tonewood, novelty items, and cedar products.

<sup>c</sup> Species combined to avoid disclosure.

<sup>d</sup> Other species include black cottonwood, quaking aspen, Douglas-fir, sugar maple, lodgepole pine, red alder, willow, mountain ash, and black spruce.

### Volume Received by Geographic Source

Approximately 13.8 MMBF or 59 percent of the timber processed by Alaska facilities during 2011 originated in southeast Alaska (table 6) compared to 85 percent in 2005. Interior Alaska timber contributed 28 percent (8 percent in 2005), and south-central and western resource areas provided 13 percent (6 percent in 2005). Changes in receipts among resource areas between 2005 and 2011 can again be attributed to production cutbacks and mill closures in southeast Alaska.
Table 6—Timber volume received by Alaska facilities by resource area and product type, 2011

<table>
<thead>
<tr>
<th>Resource area</th>
<th>Sawlogs</th>
<th>House logs</th>
<th>Fuelwood&lt;sup&gt;a&lt;/sup&gt;</th>
<th>Other products&lt;sup&gt;b&lt;/sup&gt;</th>
<th>All products</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Thousand board feet, Scribner</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Southeast</td>
<td>13,136</td>
<td>165</td>
<td>120</td>
<td>391</td>
<td>13,812</td>
</tr>
<tr>
<td>South-central and western&lt;sup&gt;c&lt;/sup&gt;</td>
<td>1,532</td>
<td>642</td>
<td>848</td>
<td></td>
<td>3,022</td>
</tr>
<tr>
<td>Interior</td>
<td>2,637</td>
<td>502</td>
<td>3,287</td>
<td></td>
<td>6,425</td>
</tr>
<tr>
<td>All areas</td>
<td>17,305</td>
<td>1,309</td>
<td>4,255</td>
<td>391</td>
<td>23,259</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Percentage of volume received</th>
</tr>
</thead>
<tbody>
<tr>
<td>Southeast</td>
</tr>
<tr>
<td>South-central and western&lt;sup&gt;c&lt;/sup&gt;</td>
</tr>
<tr>
<td>Interior</td>
</tr>
<tr>
<td>All areas</td>
</tr>
</tbody>
</table>

<sup>a</sup> Includes residential firewood and industrial fuelwood received and processed by Alaskan facilities.

<sup>b</sup> Other timber products include logs for furniture, tonewood, novelty items, and cedar products.

<sup>c</sup> Resource areas combined to avoid disclosure.

<sup>d</sup> Less than 0.5 MBF Scribner.

Alaska’s Forest Products Industry

Primary timber processors in Alaska produced an array of products, including dimension lumber, board and shop lumber, timbers, finished house logs, log homes, energy wood products (wood pellets and firewood), log furniture, pulp chips from roundwood, cedar products (mostly shingles and shakes), tonewood used for musical instruments, and novelty items such as bowls, spoons, and mugs. Southeast Alaska facilities led with 16.1 MMBF lumber tally or 76 percent of all lumber and sawn product outputs; south-central and western mills led house log production, and interior mills dominated fuelwood outputs (table 7).

The 2011 census tallied 77 active facilities located in 13 of Alaska’s 27 borough/census areas (fig. 2; table 8). Total active mill count has changed little over the past 50 years. Bones (1963) identified 72 active Alaska facilities in 1961 (67 sawmills, 2 house log plants, 2 pulp mills, and 1 preservative plant). The 2005 FIDACS census tallied 78 facilities with virtually the same number of mills by sector as found in 2011. However, many facilities changed operating status over the 6 years: 12 facilities active in 2005 were dismantled and permanently closed, 17 facilities active in 2005 were inactive by 2011, and 8 facilities inactive in 2005 were permanently closed by 2011. Mill managers cited lack of available timber and unfavorable market conditions as the primary reasons for idling or closing facilities. Fourteen startup mills were surveyed in 2011; most of these ventures were small facilities with low
Table 7—Alaska lumber, house log, and fuelwood production by resource area, 2011

<table>
<thead>
<tr>
<th>Resource area</th>
<th>Lumber and other sawn products</th>
<th>House logs</th>
<th>Fuelwood products&lt;sup&gt;a&lt;/sup&gt;</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Thousand board feet, lumber tally</td>
<td>Thousand lineal feet</td>
<td>Bone-dry units&lt;sup&gt;b&lt;/sup&gt;</td>
</tr>
<tr>
<td>Southeast</td>
<td>16,084</td>
<td>68</td>
<td>391</td>
</tr>
<tr>
<td>South-central and western&lt;sup&gt;c&lt;/sup&gt;</td>
<td>2,490</td>
<td>184</td>
<td>1,819</td>
</tr>
<tr>
<td>Interior</td>
<td>2,648</td>
<td>127</td>
<td>11,112</td>
</tr>
<tr>
<td><strong>All areas</strong></td>
<td><strong>21,222</strong></td>
<td><strong>378</strong></td>
<td><strong>13,322</strong></td>
</tr>
</tbody>
</table>

<sup>a</sup> Includes firewood and wood pellets.<br>
<sup>b</sup> Bone-dry unit = 2,400 pounds of oven-dry wood.<br>
<sup>c</sup> Resource areas combined to avoid disclosure.

Table 8—Number of active timber-processing facilities by borough/census area and product produced, 2011

<table>
<thead>
<tr>
<th>Borough/census area</th>
<th>Lumber</th>
<th>House logs</th>
<th>Other&lt;sup&gt;a&lt;/sup&gt;</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anchorage Borough</td>
<td>1</td>
<td>3</td>
<td>1</td>
<td>5</td>
</tr>
<tr>
<td>Bethel Census Area</td>
<td>1</td>
<td>—</td>
<td>—</td>
<td>1</td>
</tr>
<tr>
<td>Fairbanks North Star Borough</td>
<td>5</td>
<td>3</td>
<td>2</td>
<td>10</td>
</tr>
<tr>
<td>Haines Borough</td>
<td>1</td>
<td>1</td>
<td>—</td>
<td>2</td>
</tr>
<tr>
<td>Juneau Borough</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>0</td>
</tr>
<tr>
<td>Kenai Peninsula Borough</td>
<td>7</td>
<td>4</td>
<td>1</td>
<td>12</td>
</tr>
<tr>
<td>Ketchikan Gateway Borough</td>
<td>4</td>
<td>—</td>
<td>—</td>
<td>4</td>
</tr>
<tr>
<td>Kodiak Island Borough</td>
<td>2</td>
<td>—</td>
<td>—</td>
<td>2</td>
</tr>
<tr>
<td>Matanuska-Susitna Borough</td>
<td>8</td>
<td>4</td>
<td>—</td>
<td>12</td>
</tr>
<tr>
<td>Prince of Wales–Outer Ketchikan Census Area</td>
<td>8</td>
<td>—</td>
<td>4</td>
<td>12</td>
</tr>
<tr>
<td>Skagway-Hoonah-Angoon Census Area</td>
<td>3</td>
<td>—</td>
<td>—</td>
<td>3</td>
</tr>
<tr>
<td>Southeast Fairbanks Census Area</td>
<td>3</td>
<td>3</td>
<td>1</td>
<td>7</td>
</tr>
<tr>
<td>Valdez-Cordova Census Area</td>
<td>1</td>
<td>—</td>
<td>—</td>
<td>1</td>
</tr>
<tr>
<td>Wrangell-Petersburg Census Area</td>
<td>6</td>
<td>—</td>
<td>—</td>
<td>6</td>
</tr>
<tr>
<td><strong>2011 state total</strong></td>
<td><strong>50</strong></td>
<td><strong>18</strong></td>
<td><strong>9</strong></td>
<td><strong>77</strong></td>
</tr>
<tr>
<td><strong>2005 state total&lt;sup&gt;b&lt;/sup&gt;</strong></td>
<td><strong>50</strong></td>
<td><strong>20</strong></td>
<td><strong>8</strong></td>
<td><strong>78</strong></td>
</tr>
</tbody>
</table>

<sup>a</sup> Other facilities include producers of fuelwood products, cedar products, log furniture, tonewood, and novelty items.<br>
<sup>b</sup> From Halbrook et al. (2009).
timber processing capacity. Three larger fuelwood processing facilities opened for business since 2005. Small multiproduct mills often shift their product mix to maximize revenues. Multiproduct mills are the norm in Alaska, not the exception, which creates challenges for reporting mills by product type over time.

Forest Industry Sectors

Sawmill Sector

South-central, western, and interior Alaskan facilities are typified by small, portable circle or band sawmills; a few larger mills capable of producing more than 2 MMBF lumber tally per year are located in these regions. Southeast Alaska has historically supported several mills with annual timber processing capacities greater than 20 MMBF (Alexander and Parrent 2012).

The 2011 census identified 50 sawmills operating in Alaska during 2011 that produced nearly 21 MMBF of lumber (f.o.b. the producing mill) (table 9). The seven largest mills produced 85 percent of all lumber produced in the state. About 40 percent of Alaska’s sawmill lumber production was dimension and studs, 33 percent board and shop lumber, and 24 percent timbers, while the remaining 3 percent included specialty items such as flooring, siding, and molding.

Alaska sawmills produced approximately 1.19 board feet of lumber for every board foot Scribner of timber processed. This average overrun of 19 percent is the smallest sawmill overrun of any Western State (Keegan et al. 2011b). Overrun declined about 6 percent from the 2005 statewide average of 1.27 mostly as a function of two factors:

- **Smaller proportion of timber processed by large mills in 2011 compared to 2005.** The 2011 census identified fewer active large mills capable of producing more than 1 MMBF lumber tally per year than were found in 2005. Keegan et al. (2011b) noted that large mills typically yield higher overruns than small mills because they often incorporate advanced technologies such as thin-kerf saw blades that enhance lumber recovery.

- **Increased sawmill production of roundwood firewood and fuelwood residues with commensurate reductions in lumber output.** Many sawmill managers testified of high fuelwood selling prices during the 2011 census. They shifted production from lumber to fuelwood to maximize revenues. Bureau of Business and Economic Research researchers observed sawlog sections with minor defects (even less than 10 percent defect by volume) being merchandised into firewood at several Alaskan sawmills.

---

**Most Alaskan wood products facilities are equipped with small, portable circle or bandsaws capable of milling multiple products, including lumber, house logs, and fuelwood.**

**Many Alaska mill managers shifted production from lumber to fuelwood to maximize 2011 revenues.**
Table 9—Alaska annual lumber production and average overrun by mill size, 2011

<table>
<thead>
<tr>
<th>Annual lumber production size class</th>
<th>Number of mills</th>
<th>2011 lumber production&lt;sup&gt;a&lt;/sup&gt;</th>
<th>Percentage of total</th>
<th>Average overrun</th>
</tr>
</thead>
<tbody>
<tr>
<td>Thousand board feet, lumber tally</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>&lt; 150 MBF lumber tally</td>
<td>34</td>
<td>1,189</td>
<td>6</td>
<td>1.17</td>
</tr>
<tr>
<td>150 to 500 MBF lumber tally</td>
<td>9</td>
<td>1,813</td>
<td>9</td>
<td>1.03</td>
</tr>
<tr>
<td>&gt; 500 MBF lumber tally</td>
<td>7</td>
<td>17,556</td>
<td>85</td>
<td>1.21</td>
</tr>
<tr>
<td>Total</td>
<td>50</td>
<td>20,558</td>
<td>100</td>
<td>1.19</td>
</tr>
<tr>
<td>2005 state total&lt;sup&gt;b&lt;/sup&gt;</td>
<td>50</td>
<td>54,861</td>
<td></td>
<td>1.27</td>
</tr>
</tbody>
</table>

<sup>a</sup>Does not include sawn products from the house log sector.

<sup>b</sup>From Halbrook et al. (2009)


Most Alaskan lumber is not planed or kiln-dried, and lumber grading is sporadic. Federally funded dry kiln and grading incentive programs have experienced limited success; only 12 percent of Alaska’s kiln capacity was used to dry lumber in 2004 (Nicholls et al. 2006). Log scaling at most Alaska mills was often not overseen by independent scaling bureaus. However, the quality of Alaskan dimension and board lumber is generally excellent; Alaskan spruce and cedar species lumber is particularly praised for superb structural quality (Petersen and Bruns 2005).

Log Home Sector

Multi-product log home and sawmill facilities produced most of Alaska’s house log outputs during 2011. Most products were sawn double round logs and “D” logs (logs sawn on one side only, which creates a “D” shape when viewed from the log end) used in cabin kits; only 13 percent were either hand-peeled or milled by lathe. Facilities (including sawmills) that manufactured house logs utilized approximately 1,300 MBF Scribner of timber and produced slightly over 378 thousand lineal feet (MLF) of house logs (tables 6 and 7), less than half of 2005 production. This reduction is likely in response to poor local residential construction markets in 2011 vs. 2005.
Fuelwood Sector

Interior Alaska facilities produced 11,112 bone dry units (BDU) or 83 percent of all statewide fuelwood outputs (i.e., firewood and wood pellets) (table 7). Pellets were produced from mill residue (e.g., sawdust and shavings) and chipped roundwood. Most sawmills and house log plants sold firewood either in roundwood form or in slabs. Bureau of Business and Economic Research researchers found that interior Alaska residents purchased the vast majority of fuelwood products.

Small rural Alaska communities generally do not have access to electricity generated by natural gas or hydropower. Residents of isolated villages can pay very high prices for diesel-generated electric power. For example, residents of Healy Lake paid $0.65 per kilowatt hour for electricity in 2010, more than three times the price paid by residents of Fairbanks (Melendez and Fay 2012). In response to the need for affordable rural power, several sawmills are exploring the possibility of building wood-fueled cogeneration plants (ADECD 2012, Brehmer 2012). Also, the high cost of commercial electricity inhibits production of wood products throughout much of Alaska (Alexander et al. 2010).

Other Products Sector

Alaska’s “other products” facilities manufacture tonewood, cedar products (shingles and shakes), furniture, and novelty items such as cups and bowls. Most of these manufacturers are located in southeast Alaska (table 8). The southeast’s highly productive growing sites support large-diameter Sitka spruce and redcedar needed to produce tonewood and cedar products. Cedar product firms salvage much of the timber needed for their mill inputs from logs that have washed-up on ocean beaches (State of Alaska 2011). The sales value of these products was approximately $800,000 in 2011.

Export Sector—Including Sort Yards

During the last decade, strengthening Pacific Rim demand has driven significant increases in Asian log and wood product imports (Alexander 2012, Roos et al. 2010). This expansion has been spurred by growing Asian populations, increased ease of international trade through new legislation, and greater personal and corporate wealth (Wisertrade 2013).

Virtually all of Alaska’s 2011 forest industry export revenues were derived from sawlogs ($115.8 million) (Alexander 2012). Finished lumber, woodchip, and other product export sales were less than $3 million (Alexander 2012). A striking change spanning 2005 to 2011 is the rapid growth in Alaska exports to China, coupled with substantial reductions in exports to Japan and South Korea. Sales to China...
increased from $8.1 million in 2005 (in 2011 dollars) to $57.2 million in 2011, but sales to Japan dropped from $65.9 million to $28.3 million and sales to South Korea shrank from $58.2 million to $25.1 million over the same 6-year period (fig. 4) (Alexander 2012).

Mirroring declining timber values seen across the United States, sales values of exported Alaska logs averaged $639 per MBF in 2005 (in 2011 dollars), then plummeted to $419 per MBF in 2011. Average values rose to $506 per MBF in 2012 (Zhou 2013). The volume of exported logs increased 35 percent during this same 7-year period (fig. 5) (Alexander 2012). Reduced values are partly a response to Chinese demands for lower quality logs to produce concrete forms, which are not as valuable as the high-quality logs typically sent to Japan. Alaska’s 2011 share of log exports from primary Western log export states (which include California, Oregon, Washington, Idaho, and Montana) was 292.1 MMBF (18 percent) (WWPA 2012, Zhou 2013).

Timber slated for export is trucked from harvest units to approximately 10 privately owned sort yards located throughout southeast and south-central Alaska, where it is bucked to meet customer length and quality specifications. These newly

---

5 Brackley, A.M. 2013. Export sort yards in Alaska. Personal communication. abrackley@fs.fed.us. (December 22).
bucked short logs are then transported to waterfront landings for export. At least 152 MMBF Scribner of the timber harvested in Alaska during 2011 was converted into export-ready logs at these sort yards. The vast majority of this timber was harvested on Native corporation lands. Minor amounts of timber transported to these sort yards were merchandised into short logs and sold to local mills. Sort yard bucking of long logs yields 130 to 150 bone-dry tons per year of residue such as long butts, cull sections, and log ends per processed MMBF Scribner; these residues are a potential source of woody biomass for electric cogeneration (TSS Consultants 2000).

Capacity

The authors characterized Alaska wood products facilities capacities by two different measures: production capacity and timber-processing capacity.

**Production capacity:** This is the potential ability of a facility to produce outputs per shift or per work year. Production capacity was reported by mill owners or managers during the 2011 FIDACS census, assuming firm market demand for mill outputs and sufficient supply of timber inputs. For sawmills, production capacity was expressed as MBF lumber tally output per work year. House log plants reported production capacity as MLF of house log output per work year. The authors used production capacity to characterize potential lumber and house log production by resource area and at the state level. Southeast resource area mills dominated lumber production capacity with 105.7 MMBF lumber tally, down from 218.3 MMBF...

**Timber-processing capacity**: This measure gauges the volume of timber mills could use if they operated at stated production capacity and is expressed as MBF Scribner log scale of timber per shift or per work year. The BBER computes a facility’s timber-processing capacity by dividing its production capacity by its product recovery ratio. For example, assume that a house log plant’s owner-reported production capacity is 100 MLF per work year and its recovery ratio is 0.3 MLF of house log output per 1 MBF Scribner of timber input. The mill’s timber-processing capacity would then be 100 MLF/0.3 MLF per MBF Scribner = 333 MBF Scribner.

Timber-processing capacity is generally expressed in MBF Scribner log scale, regardless of wood products manufacturing sector, and is therefore useful in characterizing the timber consumption potential of an entire state’s forest products industry (table 11). Natural resource policymakers find timber-processing capacity useful when setting timber harvest volume targets because timber-processing capacity relates directly to the quantity of timber needed to manufacture lumber or other products (Alexander 2012, Alexander and Parrent 2012).

Timber-processing capacity of active facilities in Alaska during 2011 was approximately 133 MMBF Scribner (table 11). Alaska followed the same downward trend in timber-processing capacity and capacity utilization through time as other Western States (Keegan et al. 2006, 2012) (fig. 6).

Of particular concern is the rate of Alaska’s timber-processing capacity reduction between 2005 and 2011—a statewide drop of only 2 percent (3.9 MMBF) from 1998 to 2005 (Halbrook et al. 2009, Hill 2000) is dwarfed by the 2005 to 2011

### Table 10—Alaska production capacity by resource area and sector, 2011

<table>
<thead>
<tr>
<th>Resource area</th>
<th>Lumber production capacity</th>
<th>House log production capacity</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Thousand board feet, lumber tally</td>
<td>Thousand lineal feet</td>
</tr>
<tr>
<td>Southeast</td>
<td>105,695</td>
<td>30</td>
</tr>
<tr>
<td>South-central and western</td>
<td>8,906</td>
<td>836</td>
</tr>
<tr>
<td>Interior</td>
<td>22,730</td>
<td>874</td>
</tr>
<tr>
<td>All resource areas</td>
<td>137,331</td>
<td>1,740</td>
</tr>
<tr>
<td>2005—all resource areas</td>
<td>240,159</td>
<td>2,603</td>
</tr>
</tbody>
</table>

*Includes mills active during 2011.
*See table 8 for a list of borough/census areas located within resource areas.
*Resource areas combined to avoid disclosure.
Table 11—Alaska annual timber-processing capacity and use by size class and sector, 2011

<table>
<thead>
<tr>
<th>Annual timber-processing capacity size class</th>
<th>Number of active facilities</th>
<th>Annual capacity</th>
<th>2011 timber use</th>
<th>Capacity utilization within size class</th>
</tr>
</thead>
<tbody>
<tr>
<td>Thousand board feet, Scribner</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sawmill sector:</td>
<td></td>
<td>Thousand board</td>
<td>Thousand board</td>
<td>Percent</td>
</tr>
<tr>
<td>&lt; 250 MBF</td>
<td>20</td>
<td>2,883</td>
<td>837</td>
<td>29.0</td>
</tr>
<tr>
<td>251–500 MBF</td>
<td>6</td>
<td>2,272</td>
<td>255</td>
<td>11.2</td>
</tr>
<tr>
<td>501–1,000 MBF</td>
<td>11</td>
<td>7,865</td>
<td>2,392</td>
<td>30.4</td>
</tr>
<tr>
<td>&gt;1,000 MBF</td>
<td>13</td>
<td>95,809</td>
<td>13,831</td>
<td>14.4</td>
</tr>
<tr>
<td>Sawmill sector total</td>
<td>50</td>
<td>108,829</td>
<td>17,315</td>
<td>15.9</td>
</tr>
<tr>
<td>House log and other sectors:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>&lt;500 MBF</td>
<td>23</td>
<td>2,916</td>
<td>1,119</td>
<td>38.4</td>
</tr>
<tr>
<td>&gt;501 MBF</td>
<td>4</td>
<td>21,049</td>
<td>2,307</td>
<td>11.0</td>
</tr>
<tr>
<td>House log sector total</td>
<td>27</td>
<td>23,965</td>
<td>3,426</td>
<td>14.3</td>
</tr>
<tr>
<td>2011 combined sector totals</td>
<td>77</td>
<td>132,794</td>
<td>20,741</td>
<td>15.6</td>
</tr>
<tr>
<td>2005 combined sector totals</td>
<td>77</td>
<td>202,156</td>
<td>46,131</td>
<td>21.4</td>
</tr>
</tbody>
</table>

- Includes mills active during 2011 only.
- Other sectors include cedar products, log furniture, tonewood, and novelty item manufacturers.
- From Halbrook et al. (2009).

plunge of 34 percent (nearly 70 MMBF) (table 11). Other Western States have also seen substantial reductions in annual timber-processing capacity (Gale et al. 2012, Keegan et al. 2012). Most of the 2005 to 2011 loss stemmed from reductions in southeast Alaska large mill (capable of processing more than 1 MMBF annually) capacity.

Only 15.6 percent of the timber-processing capacity in Alaska was utilized in 2011 (table 11), the lowest of any Western State (Keegan et al. 2006, Gale et al. 2012). Extremely low utilization carries the risk that additional mills may close in the near future but also suggests the potential for rapid increases in production if market conditions or timber supply improve (Keegan et al. 2012).

Alaskan analysts (Alexander and Parrent 2012, Kilborn et al. 2004, Parrent 2012) have historically reported timber-processing capacity differently than have BBER analysts. They have reported design or installed capacity as the maximum timber volume that a mill can process in a 250-day work year based on machinery capabilities and two 8-hour shifts per day. Although BBER’s and the Alaskan analysts capacity methodologies differ, trends over time and the implications for timber demands by Alaska’s industry are similar for both methods.

**Mill Residue: Quantity, Types, and Use**

Residue volumes and uses were reported by facilities that sold all or most of their residues in 2011. For facilities that did not track residue production, residue volume factors (residue volume generated per unit of finished product) were derived from reporting facilities data and used to estimate missing residue volumes.

Residue factors, bone-dry-units (BDUs) of residue per MBF lumber tally, were computed for “sole-purpose” sawmills that produced only lumber as a primary product (table 12). Trends in residue factors in Alaska are quite different from those observed in other Western States (Blatner et al. 2012). Brooks and Haynes (1994) reported that Alaska sawmill residue factors had increased through time: 0.58 in 1975, 0.61 in 1980, and 0.82 in 1990. The total sawmill residue factor for 2011 was 1.05, only 5 percent less than in 2005. Rogers (1991) summarized the percentage of cubic foot solid wood equivalent (SWE) of primary lumber product versus residue. He found that small Alaska sawmills in the 1980s produced 43 percent residues by SWE. The BBER’s census found that 2011 sawmill residues, excluding exported chipped roundwood, amounted to 35 percent (summed residues of 1,043 MCF divided by 2,995 MCF sawmill inputs—fig. 3). The 2011 coarse residue factor increased 18 percent from 2005 likely in response to increased markets for slabs used for firewood.
Table 12—Alaska sawmill<sup>a</sup> residue factors, 2011

<table>
<thead>
<tr>
<th>Type of residue</th>
<th>BDU&lt;sup&gt;b&lt;/sup&gt; per MBF lumber tally</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coarse</td>
<td>0.71</td>
</tr>
<tr>
<td>Sawdust</td>
<td>0.17</td>
</tr>
<tr>
<td>Planer shavings</td>
<td>0.14&lt;sup&gt;c&lt;/sup&gt;</td>
</tr>
<tr>
<td>Bark</td>
<td>0.17</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1.05</strong></td>
</tr>
</tbody>
</table>

<sup>a</sup> Includes sawmills producing only lumber and no other products.

<sup>b</sup> Bone-dry unit (BDU = 2,400 lbs of oven-dry wood) of residue generated for every 1,000 board feet of lumber manufactured.

<sup>c</sup> This factor represents only the few Alaska mills that planed lumber. The combined planer shavings factor was 0.01 for all sawmills, whether or not the mills planed lumber.

Table 13—Production and disposition of mill residue from Alaska’s forest products industry, 2011

<table>
<thead>
<tr>
<th>Residue disposition</th>
<th>Pulp chips</th>
<th>Fuelwood&lt;sup&gt;a&lt;/sup&gt;</th>
<th>Other uses&lt;sup&gt;b&lt;/sup&gt;</th>
<th>Unused</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Bone-dry units&lt;sup&gt;c&lt;/sup&gt;</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Coarse&lt;sup&gt;d&lt;/sup&gt;</td>
<td>10,090</td>
<td>4,267</td>
<td>103</td>
<td>1,004</td>
<td>15,464</td>
</tr>
<tr>
<td>Sawdust</td>
<td>—</td>
<td>2,802</td>
<td>803</td>
<td>593</td>
<td>4,198</td>
</tr>
<tr>
<td>Shavings/peelings</td>
<td>—</td>
<td>148</td>
<td>621</td>
<td>167</td>
<td>936</td>
</tr>
<tr>
<td>Bark</td>
<td>—</td>
<td>3,232</td>
<td>418</td>
<td>556</td>
<td>4,206</td>
</tr>
<tr>
<td><strong>All residues</strong></td>
<td>10,090</td>
<td>10,449</td>
<td>1,945</td>
<td>2,320</td>
<td>24,804</td>
</tr>
</tbody>
</table>

<sup>a</sup> Fuel wood uses include fuel for heating and wood pellet production.

<sup>b</sup> Other uses primarily include animal bedding, mulch, and landscape material.

<sup>c</sup> Bone-dry unit = 2,400 pounds of oven dry wood.

<sup>d</sup> Coarse residue includes chips, edgings, and slabs.

The proportion of unused mill residue dropped from 21 percent to 9 percent between 2005 and 2011, largely in response to increasing demand for fuelwood residues.

Alaska timber processors produced 24,804 BDU of mill residue during 2011, of which 94 percent came from sawmills (table 13). About 9 percent of mill residues were unused, down from 21 percent unused in 2005. This drop likely stemmed from increased demand for fuelwood. Pulp chip production dropped from 26,854 BDUs in 2005 to 10,090 BDUs in 2011 in response to reductions in primary lumber and ancillary chip production, and closure of a chipping operation in south-central Alaska. Unused residue in Alaska frequently is burned, piled, or graded into low-lying areas.
Forest Products Sales

Alaska primary wood product sales (f.o.b. the producing mill or free alongside ship), including log exports and mill residue, totaled more than $134 million during 2011 (table 14), down from $170.1 million (2011 dollars) reported in 2005. Fuelwood sales exceeded $3 million in 2011. Exports of sawlogs and chipped roundwood eclipsed all other revenue sources, with sales totaling $115.8 million and accounting for 86 percent of Alaska’s total primary wood product sales. The vast majority of log exports were shipped to Pacific Rim countries, especially China (Alexander 2012, Zhou and Warren 2012). Of $17.4 million in domestic product sales, 72 percent (over $12.6 million) was sold within Alaska.

Employment

United States Department of Commerce Bureau of Economic Analysis (USDC BEA 2013) and Alaska Department of Labor (2013) data were combined to report Alaska primary and secondary forest industries employment (fig. 7). Alaskan forest industry employment has generally paralleled changes in timber harvest volume through time. Of particular note is the complete loss of pulp and paper employment in the late 1990s after all pulp mills had closed. Also, logging and milling employment dropped steeply after the U.S. Forest Service’s southeast Alaska 50-year timber sale contracts terminated in the early 2000s (fig. 7) (Alexander 2012).

Table 14—Destination and sales value of Alaska’s primary wood products and mill residue, 2011

<table>
<thead>
<tr>
<th>Product</th>
<th>Alaska</th>
<th>West Coast</th>
<th>Other states</th>
<th>Pacific Rim</th>
<th>Other countries</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Thousands</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>of 2011</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lumber</td>
<td>5,312</td>
<td>2,448</td>
<td>673</td>
<td>945</td>
<td>62</td>
<td>9,440</td>
</tr>
<tr>
<td>Other</td>
<td>7,304</td>
<td>141</td>
<td>60</td>
<td>120</td>
<td>338</td>
<td>7,963</td>
</tr>
<tr>
<td>Total primary product</td>
<td>12,616</td>
<td>2,589</td>
<td>733</td>
<td>1,065</td>
<td>400</td>
<td>17,403</td>
</tr>
<tr>
<td>Residues</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1,186</td>
<td>115,823</td>
</tr>
<tr>
<td>Sawlog and pulpwood exports</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2011 total sales value</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>134,412</td>
</tr>
<tr>
<td>2005 total sales value</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>149,537</td>
</tr>
</tbody>
</table>

a West Coast states include California, Hawaii, Oregon, and Washington.

b Other countries include Canada and countries located in Europe and the Middle East.
c Other products include house logs, firewood, wood pellets, cedar products, furniture, tonewood, and novelty items.
d Residue products include firewood, garden mulch, animal bedding, and pulp-quality wood chips.
e Data pooled across destinations to prevent disclosure of confidential information.
f Derived from Alexander (2012).
g From Halbrook et al. (2009).
Alaskan forest industry employment enjoyed a minor rally during the housing boom of 2004 and 2005 when forest industry jobs (full-time equivalents or FTEs) increased from 1,370 in 2003 to 1,417 in 2005 (fig. 7). Primary and secondary forest products industry employment then declined 29 percent from 2005 to 2011 (Keegan et al. 2012). Data from the USDC BEA (2013) and Alaska Department of Labor (2013) suggest that the rate of decline in primary and secondary statewide forest industry employment has slowed over the past several years owing in part to industry stabilization after Forest Service long-term timber contracts ended (Alexander 2012). Reductions in primary wood product manufacturing employment (based on BBER’s 2005 and 2011 surveys) were more acute; primary facility FTEs plummeted 48 percent between 2005 and 2011, with more than 126 jobs lost.

After a precipitous drop starting in 2005, southeast Alaska forest industry employment increased from 216 FTEs in 2009 to 262 in 2011 (Alexander 2012). Much of this change was in response to increased logging employment; many southeast Alaska jobs were tied to flourishing Native corporation logging and timber export businesses. Employment recovery has been slower in south-central, western, and interior Alaska (Alaska Department of Labor 2013).

Figure 7—Alaska’s forest products industry employment, 1969–2011 (based on analysis of NAICS 113—forestry and logging; NAICS 321—wood products manufacturing; and NAICS 322—pulp and paper manufacturing). Sources: Alaska Department of Labor 2013, USDC BEA 2013.
Emerging Issues

The foremost concern shaping Alaskan forest industries is the lack of available timber for log export and processing in Alaska’s mills (Portman 2012). The following emerging issues—management of Alaska’s young-growth timber, proposed state forest expansion, increased western Alaska native corporation harvesting, and settlement of Sealaska’s claims to additional forest lands—are timber availability issues that were frequently mentioned by land and mill managers during BBER’s 2011 survey.

- **Young-growth vs. older timber.** Disagreement about uses of southeast Alaska’s young-growth timber resource has become a major issue among federal land managers, environmental advocacy groups, and mill owners. Environmental advocates and U.S. Department of Agriculture leaders have touted the ecological benefits of steering timber management away from older timber to younger age classes resulting from timber harvest and natural disturbances such as wind damage (see footnote 2) (Alexander et al. 2010, USDA 2013, USDA FS 2013b). However, southeast Alaska mills have mostly been designed to process large-diameter timber harvested in older stands. Mill managers see little return for investments in machinery capable of efficiently milling smaller diameter timber when young growth will likely not grow to commercial size for at least another 15 to 20 years. They worry that young-growth trees will yield low-grade, low-value lumber. Further, managers predict that abundant small-diameter timber found throughout the lower 48 states will be more efficiently processed by local mills that enjoy low-cost shipping to major lumber markets in the Midwest and Eastern United States (RDCA 2013).

- **State forest expansion.** Largely to meet industrial needs for timber, the state of Alaska has sought to expand its state forest holdings by approximately 2.5 million ac (ADEC 2012). About 80 percent of these lands are currently part of the Tongass National Forest, and the remaining 20 percent are state-owned and located in south-central and interior Alaska.

- **ANCSA settlement.** If made into law, H.R. 740 and S. 340, U.S. House and Senate versions of “The Southeast Alaska Native Land Entitlement Finalization and Jobs Protection Act” would convey about 70,000 ac of the Tongass National Forest (mostly timberlands) to Sealaska Corporation (CBO 2013, Govtrack 2013). This additional land is needed to continue significant Native corporation harvest and export of timber from southeast Alaska over the next several years.
These issues are related to one another and are working in concert to change both the quantities and sizes of timber available for Alaska’s domestic mills and the export market. For example, if enacted, ANCSA settlement legislation would change ownership patterns, sustain Sealaska’s log export production for at least 3 to 5 years, and change the proportions of managed young-growth and older timber in southeast Alaska.

**Common and Scientific Names of Tree Species**

<table>
<thead>
<tr>
<th>Alaska yellow-cedar</th>
<th>Cupressus nootkatensis D. Don</th>
</tr>
</thead>
<tbody>
<tr>
<td>Black cottonwood</td>
<td>Populus balsamifera L.</td>
</tr>
<tr>
<td>Black spruce</td>
<td>Picea mariana (Mill.) Britton, Sterns &amp; Poggenb.</td>
</tr>
<tr>
<td>Douglas-fir</td>
<td>Pseudotsuga menziesii (Mirb.) Franco</td>
</tr>
<tr>
<td>Mountain ash</td>
<td>Sorbus scopulina Greene var. scopulina</td>
</tr>
<tr>
<td>Mountain hemlock</td>
<td>Tsuga mertensiana (Bong.) Carrière</td>
</tr>
<tr>
<td>Quaking aspen</td>
<td>Populus tremuloides Michx.</td>
</tr>
<tr>
<td>Red alder</td>
<td>Alnus rubra Bong.</td>
</tr>
<tr>
<td>Sitka spruce</td>
<td>Picea sitchensis (Bong.) Carrière</td>
</tr>
<tr>
<td>Sugar maple</td>
<td>Acer saccharum Marshall</td>
</tr>
<tr>
<td>White spruce</td>
<td>Picea glauca (Moench) Voss</td>
</tr>
<tr>
<td>Western hemlock</td>
<td>Tsuga heterophylla (Raf.) Sarg.</td>
</tr>
<tr>
<td>Western redcedar</td>
<td>Thuja plicata Donn ex D. Don</td>
</tr>
</tbody>
</table>

**Metric Equivalents**

<table>
<thead>
<tr>
<th>When you know:</th>
<th>Multiply by:</th>
<th>To find:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inches (in)</td>
<td>2.54</td>
<td>Centimeters</td>
</tr>
<tr>
<td>Feet (ft)</td>
<td>.305</td>
<td>Meters</td>
</tr>
<tr>
<td>Square feet (ft²)</td>
<td>.093</td>
<td>Square meters</td>
</tr>
<tr>
<td>Cubic feet (ft³)</td>
<td>.028</td>
<td>Cubic meters</td>
</tr>
<tr>
<td>Cubic yards (yd³)</td>
<td>.765</td>
<td>Cubic meters</td>
</tr>
<tr>
<td>Acres (ac)</td>
<td>.405</td>
<td>Hectares</td>
</tr>
<tr>
<td>Pounds (lbs)</td>
<td>.454</td>
<td>Kilograms</td>
</tr>
<tr>
<td>Tons (t)</td>
<td>.907</td>
<td>Tonnes or megagrams</td>
</tr>
</tbody>
</table>
Acknowledgments

The authors thank Dan Parrent, U.S. Forest Service Alaska Region natural resources specialist, for sharing his in depth knowledge of the Alaska forest industry. Margaret O’Neal of the Juneau Economic Development Council (JEDC) graciously shared the results of JEDC’s 2011 survey of the Alaska logging and primary forest products industries in 2011. The JEDC identified many firms that could not have been found by BBER researchers. Alaska State Forester Chris Maisch and his staff provided extensive background on Alaska’s wood products industry and served as excellent hosts during BBER's 2012 census. Randy Coleman, U.S. Forest Service Alaska Region, contributed substantial content for the emerging issues section.

The authors thank the U.S. Forest Service Pacific Northwest Research Station Forest Inventory and Analysis program for funding this work.

Literature Cited


Gale, C.B.; Keegan, C.E., III; Berg, E.C.; Daniels, J.; Christensen, G.A.;
Sorensen, C.B.; Morgan, T.A.; Polzin, P. 2012. Oregon’s forest products
Department of Agriculture, Forest Service, Pacific Northwest Research Station.
55 p.

and Jobs Protection Act—synopsis. https://www.govtrack.us/congress/bills/113/
hr740#summary. (December 1, 2013).

Halbrook, J.M.; Morgan, T.A.; Brandt, J.P.; Keegan, C.E., III; Dillon, T.;
Forest Service, Pacific Northwest Research Station. 30 p.

Service, Pacific Northwest Forest and Range Experiment Station. 109 p.

Laufenberg, T.L.; Brady, B.K., eds. Proceedings: linking healthy forests and
PNW-GTR-500. Portland, OR: U.S. Department of Agriculture, Forest Service,
Pacific Northwest Research Station: 203–223.

1995. Anchorage, AK: University of Alaska Anchorage, Institute of Social and
Economic Research. 15 p.

Hoffmann, B.E. 1913. Alaska woods, their present and prospective uses. Journal of

Keegan, C.E., III; Morgan, T.A.; Blatner, K.A.; Daniels, J.M. 2011a. Trends
in lumber processing in the Western United States. Part I: board foot Scribner
volume per cubic foot of timber. Forest Products Journal. 60(2): 133–139.

Keegan, C.E., III; Morgan; T.A.; Blatner, K.A.; Daniels, J.M. 2011b. Trends
in lumber processing in the Western United States. Part II: Overrun and lumber
Keegan, C.E., III; Morgan, T.A.; Gebert, K.M.; Brandt, J.P.; Blatner, K.A.;
Spoelma, T.P. 2006. Timber-processing capacity and capabilities in the Western

Keegan, C.E., III; Sorenson, C.B.; Morgan, T.A.; Hayes, S.W.; Daniels, J.M.
2012. Impact of the Great Recession and housing collapse on the forest products

Forest Service, Pacific Northwest Research Station. 15 p.

processing capacity for Tongass timber. Res. Note PNW-RN-545. Portland, OR:
U.S. Department of Agriculture, Forest Service, Pacific Northwest Research
Station. 12 p.

PNW-GTR-284. Portland, OR: U.S. Department of Agriculture, Forest Service,
Pacific Northwest Research Station. 48 p.

Mackovjak, J. 2010. Tongass timber: a history of logging and timber utilization in

Research summary No. 73. Anchorage, AK: University of Alaska Anchorage,
Institute of Social and Economic Research. 5 p.

Morgan, T.A.; Brandt, J.P.; Songster, K.E.; Keegan, C.E., III. 2012. California’s
GTR-866. Portland, OR: U.S. Department of Agriculture, Forest Service, Pacific
Northwest Research Station. 48 p.

industry—impacts from a federal grant program. Gen. Tech. Rep. PNW-
GTR-683. Portland, OR: U.S. Department of Agriculture, Forest Service, Pacific
Northwest Research Station. 23 p.

Final report. October 16, 2012. Anchorage, AK: U.S. Department of Agriculture,
Forest Service, Alaska Region. 9 p.

Business Monthly. 21(8): 70.


Anchorage, AK: Alaska Energy Authority. 19 p.


Western Wood Products Association [WWPA]. 2012. 2011 statistical yearbook of the Western lumber industry. Portland, OR.


Glossary

**Board foot**—A unit of measure applied to lumber that is 1-ft long, 1-ft wide, and 1-in thick (or its equivalent) and also associated with roundwood as to its potential yield of such products.

**Bone dry unit (BDU)**—The amount of wood residue that weighs 2,400 lb (1,088 kg) at 0 percent moisture content. One BDU equals approximately 9.49 yd$^3$ or 96 ft$^3$ of solid wood.

**Cubic foot**—A unit of true volume that measures 1 by 1 by 1 ft (30.48 by 30.48 by 30.48 cm).

**Forest land**—Land at least 10-percent stocked with trees of any size, or formerly having had such tree cover, and not currently developed for nonforest use. (Note: Stocking is measured by comparing specified standards with basal area and/or number of trees, age or size, and spacing.) The minimum area for classification of forest land is 1 ac. Roadside, streamside, and shelterbelt strips of timber must have a crown width of at least 120 ft to qualify as forest land. Unimproved roads and trails, streams or other bodies of water, or clearings in forest areas shall be classified as forest if less than 120 ft wide.

**Growing stock**—All live trees 5.0 in (12.7 cm) diameter at breast height (d.b.h.) or larger that meet (now or prospectively) regional merchantability requirements in terms of saw-log length, grade, and cull deductions. Excludes rough and rotten cull trees.

**House log**—Roundwood timber used to construct log homes. Products manufactured from house logs can be sawn, scribed by hand, notched, or milled by lathe to meet customer construction needs. House log timber is often dead (by choice—“green” logs usually require drying before they can be used for construction) and of lower value than sawlogs.

**Lumber recovery factor (LRF)**—The volume of lumber recovered (in board feet) per cubic foot of log processed.

**Lumber tally**—The volume of sawn products, usually expressed in board feet.
Nonforest land—Land that does not support or has never supported forests and lands formerly forested where use for timber management is precluded by development for other uses. Includes areas used for crops, improved pasture, residential areas, city parks, improved roads of any width and adjoining rights-of-way, power line clearings of any width, and non-census water. If intermingled in forest areas, unimproved roads and nonforest strips must be >120 ft wide, and clearings, etc., >1 ac, to qualify as nonforest land.

Nonreserved forest land—Forested land available for wood products utilization through statute or administrative designation.

Overrun—The volume of lumber actually obtained from a log in excess of the estimated volume of the log, based on log scale.

Production capacity (owner reported)—Potential facility product output per shift or 240-day year, assuming one 8-hour shift per day, firm market demand for products, and sufficient supply of raw materials. For sawmills, expressed as thousand board feet lumber tally per shift or per year.

Recovery—The volume of output per unit of input, a measure of mill efficiency.

Reserved forest land—Land permanently reserved from wood products utilization through statute or administrative designation.

Residue—The wood or bark that is left after manufacturing of timber. Three types are generated:

Coarse—edgings, slabs, trim, mis-cuts, log ends.

Fine—sawdust and planer shavings.

Bark.

Sawlog—A log that meets minimum regional standards of diameter, length, and defect, intended for sawing.

Scaling—Or “log scaling;” the measurement of volume in a log based on specific log rules, for example the Scribner log rule. In this report, all scaled volumes are reported in Scribner. Two versions of Scribner log scale are commonly used—west side and east side. Maximum log length is 40 ft for west-side Scribner, and 20 ft for east-side scale.

Scribner—A diagram log rule originating in the 1800s that assumes 1-in (2.54-cm) boards and 0.25-in (0.64-cm) kerf, is based on diameter at the small end of the log, disregards taper, and does not provide for overrun—note that the Scribner rule underestimates lumber yield on small logs and on long logs with taper.
Standing volume—Total aboveground stem volume, net of cull, calculated on a cubic-foot basis for all trees larger than 5 in diameter at breast height (d.b.h.). Scribner board-foot volume, net of cull, was calculated for all trees larger than 9 in d.b.h.

Timberland—Forest land that is producing or capable of producing in excess of 20 ft^3 per acre per year of wood at culmination of mean annual increment. Timberland excludes reserved forest lands.

Timber-processing capacity—The volume of timber reported in MBF Scribner that could be processed given sufficient supplies of raw materials and firm market demand for products—estimated for each facility by applying the product recovery ratios to production capacity.
Non-Discrimination Policy
The U.S. Department of Agriculture (USDA) prohibits discrimination against its customers, employees, and applicants for employment on the bases of race, color, national origin, age, disability, sex, gender identity, religion, reprisal, and where applicable, political beliefs, marital status, familial or parental status, sexual orientation, or all or part of an individual's income is derived from any public assistance program, or protected genetic information in employment or in any program or activity conducted or funded by the Department. (Not all prohibited bases will apply to all programs and/or employment activities.)

To File an Employment Complaint
If you wish to file an employment complaint, you must contact your agency’s EEO Counselor (PDF) within 45 days of the date of the alleged discriminatory act, event, or in the case of a personnel action. Additional information can be found online at http://www.ascr.usda.gov/complaint_filing_file.html.

To File a Program Complaint
If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form (PDF), found online at http://www.ascr.usda.gov/complaint_filing_cust.html, or at any USDA office, or call (866) 632-9992 to request the form.
You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax (202) 690-7442 or email at program.intake@usda.gov.

Persons with Disabilities
Individuals who are deaf, hard of hearing or have speech disabilities and you wish to file either an EEO or program complaint please contact USDA through the Federal Relay Service at (800) 877-8339 or (800) 845-6136 (in Spanish).

Persons with disabilities, who wish to file a program complaint, please see information above on how to contact us by mail directly or by email. If you require alternative means of communication for program information (e.g., Braille, large print, audiotape, etc.) please contact USDA’s TARGET Center at (202) 720-2600 (voice and TDD).

Supplemental Nutrition Assistance Program
For any other information dealing with Supplemental Nutrition Assistance Program (SNAP) issues, persons should either contact the USDA SNAP Hotline Number at (800) 221-5689, which is also in Spanish or call the State Information/Hotline Numbers.

All Other Inquiries
For any other information not pertaining to civil rights, please refer to the listing of the USDA Agencies and Offices for specific agency information.