

[Click here to download a PDF of this article](#)

## Timber Foundation

A focus on large dimension wood has proven to be a strong foundation for Garden Lake Timber's move into value-added products, and allowed it to invest in equipment that will add to its higher-end wood products.

*By Tony Kryzanowski*



*Garden Lake Timber co-owner Sandy Smith (above) can hardly believe how what started out as a winter job salvaging wood has turned into a well-established secondary wood product manufacturing business.*

Mention “value-added” wood products to most individuals and what typically comes to mind are thin, clear, and decorative pieces of shorter dimension wood. Most experienced secondary wood product manufacturers will explain that trying to build a business around these products is a lot like trying to eat dessert before the main course. And to take the comparison a bit further, how you handle the main course often determines how profitable that dessert is.

Thunder Bay area secondary manufacturer Garden Lake Timber knows from experience that the less handling to produce a marketable product, the better, and having a reasonably sized and consistent local market certainly helps.

The company—owned by Sandy and Basil Smith—has been in business since 1980. The term, “ties that bind” typically refers to close family connections. But in the case of Sandy Smith and his father, Basil, ties also bound them to the forest industry, even though they had no background or experience in the industry.

Back in 1980, Basil was operating a gravel business while Sandy was two years out of high school. A local forest fire suddenly made a large amount of surplus wood available. “We started cutting railway ties out of the burn area,” says Sandy.

“It started out as a job for the winter to see where it would take us. We had three or four portable sawmills working for us at the time.” The company produced over 100,000 ties before the wood had deteriorated to the point where it was no longer merchantable.

The business continued to manufacture ties until about 10 years ago, when its focus changed to producing timbers primarily for the mining industry. Garden Lake Timber's production process consists of two main equipment areas. The first is a Jackson circular sawmill where logs are converted into cants. This is where the timbers are manufactured— with four cuts and edging, a timber is ready to air dry and ship.

“There are certain size timbers that we know we have to keep in stock,” says Sandy. “However, there are times when you look at 200 pieces and wonder when they are going to sell. The next

thing you know, you are behind 200 pieces.”



*Garden Lake Timber co-owners Basil (left) and Sandy Smith have replaced an old planer with a new Leadermac planer, which will give their secondary wood products a finer finish.*

Sandy also knows that occasionally he will receive a request for a specialty item like a 12x12 timber. To accommodate that customer, he will keep his eyes open for a log big enough to fill the order and will store the log itself in inventory until—predictably— an order arrives.

“We’re sawing timbers mainly to get as much board feet out of a log as we can,” says Sandy. “If you are sawing an 8x8, you are not making very many units and you are still retaining the board feet in the log. All

the other material is basically byproduct.”

Unlike large volume sawmills, he says his sawmill needs to produce 6x6s, 8x8s and 10x10s to achieve any reasonable amount of production per day. They leave the 2x4s and 2x6s to others, which in the end works to their advantage. “We are not interfering in someone else’s market by focusing on timber,” says Sandy. “That’s why they don’t mind us being here.”

In fact, Garden Lake Timber acquires a portion of its wood supply from other forestry operations. Typically, these are oversized logs that dimension sawmills can not break down economically or wood species that they’d like to avoid such as birch, cedar, tamarack and black ash. Sandy says a phone call from a wood supplier is how Garden Lake broke into the birch lumber market. They started to develop a market sawing hardwood rail ties, grade lumber and hardwood cants. The ties and cants were exported to the US.

In the event that a cant is destined for further value adding, or “expense adding” depending on your point of view, the company rips the cants on a Brewco two-headed band resaw that it purchased some time ago and has rebuilt at least once. They have built their own dry kiln and some of the wood will also air dry. At present, the dried lumber is moulded on a Preston planer, but Garden Lake Timber has made a major investment into a Leadermac six-headed moulder.

Leadermac is a Taiwanese-based company that has been in business since 1972. It moved into a new factory in 2005 and has a significant presence, particularly in Europe. In Canada and the Western United States, the company is represented by Akhurst Machinery Limited.

This ranks as one of Garden Lake Timber’s most significant purchases in new equipment, and they believe it will take the quality of their product to a new level.

“It will allow us to do a lot of things,” says Basil Smith. “The planer we are using now does a decent job but it runs at 3,500 rpm. The Leadermac runs at 8,000 rpm, so we will get a much finer finish on our paneling and flooring.”

In effect, the company’s strong focus on timbers over the years is helping it invest in equipment that will allow it to improve on its higher-end wood products.

For example, the company manufactures decking as well as tongue and groove paneling from cedar in dimensions from 2x4 to 2x8. They visually grade the wood, pull any clears, and can

produce wood products as small as 1x2, which can be sold as trim or moulding. The company also produces lath, grade stakes, strapping material and some special sized pallets.

Having an efficient new planer to create a finer finish is particularly important when attempting to capture maximum value from wood species like black ash. It is used for flooring, wall paneling and trailer decks.

“The only thing worth anything from black ash is the high grade,” says Sandy. “You can hardly plane the material with knots because it is so hard. If it’s a clear, it makes a nice product. Anything less than that and the value drops off in a hurry.”

Garden Lake Timber has tried to produce patio decking from tamarack, but they have had problems with twists, cracks and raised grain that can lead to splinters.



*Since Garden Lake Timber produces wood products that don't compete with larger sawmills, those sawmills are quite willing to sell the company lesser used species and oversized wood, to convert into marketable solid wood products.*

They've found it is more suitable as an industrial wood for use as low bed trailer decks because it is so heavy and tough. They've also discovered that it is easier to saw when it is frozen.

Although spruce and pine are what the company principally uses today, that has not always been the case. “Three years ago, we were sawing 100 per cent hardwoods,” says Sandy. “Before that, it was pine and cedar. Whatever seems to make sense at the time is where we go.”

Because the company has been in business for over 25 years, it has established a fairly solid customer base, but that does not necessarily mean that they are entirely certain where the business will come from.

Sandy says they try to stay at least a week ahead on production, “but a lot of our customers base their needs on just-in-time delivery.” One of the benefits of experience is they have developed an understanding of the most popular items and maintain a small inventory in the yard.



*The Jackson sawmill is the starting point and backbone of the secondary manufacturing process at Garden Lake Timber.*

The Garden Lake Timber business model is similar to secondary manufacturers who supply lumber to the oil and gas sector for use in their exploration or extraction activities. Other resource industries have a need for it because wood is often readily available, is a cheaper building material, and easy to handle and versatile.

There are two operating mines within 300 kilometres of Garden Lake Timber and several more within an accessible distance. Exploration for precious metals is booming all over Canada at the moment. “They are drilling, developing, and exploring all over the place right now,” says Sandy. “The mining industry is

part of what keeps us going.”

In addition to timbers, the company also manufactures a specialty product for the mining industry: core trays. They are a wood tray and storage system where the drilling company places the core samples it gathers for assaying. There are many different sizes and shapes of core trays.

Garden Lake Timber, with its various products, has become a major supplier to the mining and exploration sector. And the growth and evolution of the business has surprised even the Smiths, considering it was originally intended as a short-term winter job. Yet Sandy and Basil say the journey has been quite satisfying



