“The Anacortes Veneer Story”

Mel Holland put together a very thorough history of the Anacortes Plywood formation and early days in a manuscript written, but unpublished, including a list of the 1939 shareholders. A copy is available for viewing at the Anacortes Museum. This is an excellent resource.
A New Plywood Venture – How Anacortes Plywood Started

- 1934 (Fall) – Initial discussions began when J. J. Lucas and Ed Westman, employees of Washington Veneer in Olympia, contacted several people about organizing a group of employees to pool their capital to build a cooperative mill; the plan appealed to them. It offered job security and an opportunity to share the profits of the company, together with complete management of it.

- 1936 -Olympia Veneer employees of Washington Veneer decided to organize their own cooperative plywood mill.

- Their undertaking was representative of the many “cooperative” efforts in the mid-1930s, from farming to lumber mills, which flourished in the midst of the Great Depression

- A committee\(^3\) (Al Eriks, John Carlson and Ted Ness) was formed to look at alternative sites for the mill. The Olympia group initially considered Seattle and Forks, Washington.

- On May 31, 1936 Ali Eriks and his wife drove to Forks to inspect the town. He was convinced that it was not a good location and that Port Angeles had better facilities. His suggestion was accepted and Port Angeles was selected for their mill site and organized on January 29, 1937 as Port Angeles Plywood Inc.
Port Angeles

• J.J. Lucas, H.H. Balch and G.O. Johnson were listed as the incorporators. The articles of incorporation authorized 8000 shares of common stock with no par value, and $500 paid in capital to begin business.

• First Board of Directors – February 6, 1937
  
  • Raymond Abbott
  • William Brown
  • Alf Bowman
  • Ernie Erickson
  • Ali Eriks
  • Alfred Fors (resigned and Harold Fors (son) was elected to fill vacancy
  • Chris Hoyt
  • Theodore Newell
  • G.O. Johnson – Vice President
  • J.J. Lucas - President
  • H.H. Balch – Secretary-Treasurer

  (Lucas resigned as president and was elected as General Manager with a 5-year contract)
Port Angeles

- Unfortunately, the choice by Lucas’ group of Port Angeles as a site for a co-op mill met with a cool reception. Money was tight in 1937 and few were willing to risk their savings. Further, the stock originally offered at $500 per share increased to $1,000.

- Lucas appealed to the Port Angeles Chamber of Commerce, but the City fathers wanted no part of a worker-owned plant in their community. “A wild socialistic idea!” “No socialists and no communists, “ they said, and so no “co-op” plywood mill for Port Angeles then.

Note - This was an interesting statement as the Swedish speaking Finlanders had little if any communist leanings, even though Russia controlled the country from 1809 - 1918. The co-op concept, however, was not new and appealed to them.
Anacortes Veneer, Inc (AVI)

- The problems with Port Angeles gave the Anacortes Chamber of Commerce an avenue to pursue.
- Paul Luvera led a delegation to Olympia (Gus Dalstead, Archie Allan, Ed Schwartz and Will Parks) to meet with the newly formed plywood board and presented Anacortes as an alternative
- Anacortes American reported on “Meeting in Olympia” on May 20, 1937
- On May 17, 1937, the Olympia group abandoned Port Angeles and chose Anacortes as its new site
- On June 4, 1937 the Supplemental Articles of Incorporation were approved by the Secretary of State; company was knows officially as the Anacortes Plywood, Inc.
- In December, 1939, the business reorganized under the name of Anacortes Veneer, Inc.
Anacortes Veneer, Inc (AVI)

• It was a cooperative and employee owned.

• Individuals initially contributed $1000 per person; later, added another $1000 per individual.

• In 1939 the Anacortes American reported that AVI had signed 200 of the 240 stockholders needed for the completion of its new organization.

• By December, 1939 the cooperative adventure had started operations and made its first shipment of 60,000 feet of veneer wood.

• 183 individuals (or entities) were listed as attending the first shareholder meeting on July 15, 1939.

• Early 1940 - added a second shift with increase in shareholders reported at 233.

• Selected “Armorbond” as the company’s tradename.
Anacortes Plywood Summary

1937-1939  A plywood cooperative is organized as Anacortes Plywood Inc.

1939-1969  Plant begins production (November 27, 1939) under the name of Anacortes Veneer Inc. First carload of plywood shipped December 21, 1939

1951      Hardboard plant begins operation

1969      Cooperative sold to Publishers’ Paper Company (employees organized under a union when Publishers took over)

1983      Publishers’ closed the mill (sat idle for a period of time)

1984-1986 Anacortes Plywood, Inc. (a new co-op of former shareholders)

1987-1989 Anacortes Plywood Inc. leased to Custom Plywood Inc. and then sold to them

1990-1992 Custom Plywood Corp.

1992      Plywood closed for the last time after many temporary closures

1992      Mill burned (November 29, 1992)
AVI First Production

November 27, 1939

(Anacortes American)
AVI First Shipment

December 21, 1939

(Anacortes American)
Log Loans

- When the board would bid and buy timber, they would take out loans with the shareholders
- Most loans were for $5,000
- Gained interest on the investment (likely above bank rates)
- Bob Tillson recalls that his dad, Blaine, always invested in them
<table>
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<tr>
<th>General Managers</th>
<th>Mill Superintendents</th>
<th>Hardboard Plant Superintendents</th>
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<tr>
<td><strong>AVI</strong></td>
<td></td>
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<tr>
<td>J.J. Lucas</td>
<td>Ernst Lindell</td>
<td>Kjell Stordalen</td>
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<td>Harley LaPlant</td>
<td>N.H. Jacobsen</td>
<td>Art Carlson</td>
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<td>(1940-1942)</td>
<td>Cliff Pearson</td>
<td>Leroy Erickson</td>
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<td>Fred Johnson</td>
<td>Walt Hutula</td>
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<td>(1942-1950)</td>
<td>Harvey Moen</td>
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<td>Gus Arneson</td>
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<td>(1954-1957)</td>
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<td>Tom Bentley</td>
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<td>(1957-1962)</td>
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<td>John Martinson</td>
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<td>(1962-1969)</td>
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<td><strong>Publishers’ Paper Company</strong></td>
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<tr>
<td>John Martinson</td>
<td>Stan Sandvik (1972-73)</td>
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<td>(1972-1974)</td>
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<tr>
<td>Stan Sandvik</td>
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<td><strong>Anacortes Plywood</strong></td>
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<td>Dennis Spencer</td>
<td>Dan LaSage</td>
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<td>Chuck Menken</td>
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<td><strong>Custom Plywood</strong></td>
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Anacortes Veneer, Inc. – Board Presidents

Charles Carlson (1940)
E.A. Backman (1941)
The Plywood Process

- Log purchasing
- Log storage (pond)
- Debarking
- Peeling
- Grading and sorting wet veneer - green chain
- Dryer and dry chain sorting
- Composing the sheets (surface and core) - gluing
- Pressing
- Quality check
- Sanding and trimming
- Packing, stacking and shipping
Plywood Mill under construction – 1937
Veneer dryer under construction
Plywood Ticket – Celebrating the opening of the mill, 1940
Peeler Log after debarking \(^{23}\)
Peeler Log with Tom Forsyth and Al Eriks
Clipper – cutting peeled veneer into widths (54 inch, 28 inch or random) Based on quality of the wood peeled.
Gluing Plywood - Early Spreader
Gluing Veneer Sheets to make Plywood (Spreader)
Feeding wet veneer into dryer
Veneer after dryer sorted by size and quality on the dry chain
Warehouse – plywood being loaded onto rail cars for shipment
Warehouse
Anacortes Veneer Company

No. 18 in a series of monographs on the history of West Coast plywood plants

Published September, 1978

Plywood Pioneers Association
John Martinson

Manager: 1962-1969  
(Anacortes Veneer Inc.)
1972-1974  
(Publishers)

Martinson has been president of the industry-wide Douglas Fir Plywood Association since 1961. Headquartered in Tacoma, the association is charged with research, promotion and quality control for 133 member mills.

He is also a member of the U.S. Department of Commerce standing committee on commercial standards for softwood plywood.

Martinson is no stranger to the directors of the Anacortes mill. In May, 1961, Anacortes Veneer, Puget Sound Plywood and North Pacific Plywood of Tacoma, another worker-owned plant, launched Mount Adams Veneer Co. at Randle, which serves as a green end for all three and supplies each mill with approximately 2 million square feet of veneer a month.

One of the original shareholders when Puget Sound Plywood was formed in 1942, Martinson has spent nearly all his working life there. He was born in Canada but came to Tacoma with his parents in 1919. He and his wife, Eleanor, have two sons, Robert, 15, and James, 12, and live on a berry farm in the Puyallup Valley.
Hardboard Plant Opens in 1951

ANACORTES DAILY MERCURY published an article on May 26, 1948, announcing that Anacortes Veneer would build a $500,000 hard board plant. "The new plant will utilize waste material from mills. This waste material will be ground, cooked, mixed with other materials, and finally put through a hot press." This produces a hard board panel 4 by 8 feet and 1/4 inch thick.
Hardboard Plant Under Construction 1951
Hardboard Plant

Quality Control

Art Carlson – Manager

Photo from Anacortes Museum
Timber

- Purchased wood on the open market for several years
- Late 1940s - Purchased control of the old Cascade Timber Company in the Seattle Cedar River watershed
- Acquired block of Timber from St. Paul & Tacoma Lumber Company
- Outbid competitors for high grade Douglas Fir in the Darrington area.
Struggles Plywood Mill Faced Over Time

(Need more information for this section)
Raw Material Availability (logs)

Availability of good, reasonably priced logs was always an issue. Anacortes was visionary in purchasing some of its own raw material.

However, even in the mid-1960s there was a struggle for wood. After the Columbus Day storm in 1962, when a lot of timber was blown down, the log export business was established by Weyerhaeuser to move this downed wood to market before it deteriorated. This alternative market created problems for those who bought logs on the open market (availability and price).

Local employees and spouse went so far as to protest against log exports since it was hurting the plywood mill’s profitability/bottom line. “It must have been a big issue at the time since my mother, Ruby Erickson, joined other mill family members (protestors) in Olympia as the legislators to ban log exports. As far as I know, this was the only protest she was ever involved with.” 22 Curbing log exports didn’t happen and the price of logs did go up which is expected in a free market economy.
Involvement with other Veneer Operations

Arrangement with Richmond (B.C.) Plywood and Veneer Company – obtained exclusive sales rights in return for financing. Sales company (Trans American Plywood) was sold to Richmond Plywood upon repayment of financing (1962)

Entered into tri-party contract (1959) with North Pacific and Puget Sound (both “co-op” plywood producers in Tacoma. Veneer and profits were to be divided equally. A plan was built in Randall, WA (Mt. Adams Veneer)
Anacortes Plywood: Mill History

12/4/2019

Anacortes Plywood is a roundwood forest products manufacturer in Washington State. The company was founded in 1905 by J. Frank Paine and several partners. The mill was originally established to produce plywood, and it has since expanded to include a variety of other products, including oriented strand board (OSB) and engineered lumber. The company is headquartered in Anacortes, Washington, and it operates several mills and facilities throughout the state.

Over the years, Anacortes Plywood has been a leader in the forest products industry, and it has played a significant role in the development of the local economy. The company has a long history of commitment to environmental stewardship, and it has implemented a number of initiatives to reduce its environmental impact.

In 2019, Anacortes Plywood announced plans to invest in new technologies and expand its operations in order to remain competitive in the global market. The company is committed to continued innovation and growth, and it is dedicated to providing high-quality products to its customers.
Input from Ray Wicks – August, 2015

There were two types of shares: A and B stock

For a working share you needed so many A shares or B shares or a combination of the two.
Log Raft at AVI

1950s

Photo – taken by
Leroy Erickson
Log Pond and Mill – 1956
Plywood Mill Chip Silo for Hardboard Plant

Anacortes Plywood
• Organized by former shareholders in 1984 - ran until 1986
• Bob Tilson and Bob Steele were active in trying to get the mill restarted along Carl Sundman
• Not many jobs in the area so it seemed like a good option for many individuals
• Share cost was $5,000
• Fewer people operating the facility than when owned by AVI or Publishers
  • 150-200 people

Custom Plywood
• Facility leased to Custom Plywood in 1987 and then sold to them in 1989
• Ran by Custom Plywood until 1992

(Need more information on these developments)
The Day the Plywood Mill Burned
November 29, 1992