



Click here to view the digital version

(https://forestnet.com/digital_publications/2020/sj-march-april-2020/)

On the Cover:

Alberta forest company Millar Western recently invested in a new Andritz 35-tonne overhead portal crane for the log yard at their sawmill in Whitecourt, and some \$10 million into completely modernizing the Whitecourt planer mill. Investments have also been made in the Whitecourt sawmill's primary breakdown line. Read all about the upgrade beginning on page 18 of this issue (Cover shot by Tony Kryzanowski).

Biofuel projects planned for Alberta —and maybe Newfoundland
([biofuel.php](#))

British biofuel company AEG has switched its focus to Western Canada and the U.S., but it is still interested in a biofuel plant for Newfoundland.

From farming to forestry... (farming-to-forestry.php) The Lusted Family started out in farming, but made the transition to logging back in 1995, and has grown significantly since then—these days it has upwards of 20 pieces of equipment to do harvesting work in B.C.'s southern interior.

Millar Western starts its second century...with mill upgrades

([millar.php](#)) Millar Western recently celebrated its 100th anniversary, and the Alberta forest products company has started its second century in business with a capital expenditures bang—by investing \$36 million in its operations.

Equipment Combo (equipment-combo.php)

Logging contractor Ian Kerr is working with smaller Canadian and European logging equipment to thin the forests of B.C.'s West Kootenays region, leaving a light footprint—and achieving better wood utilization.

Canada's Top Lumber Producers!

([soft-market.php](#))
Logging and Sawmilling Journal's annual



MILLAR WESTERN STARTS ITS SECOND CENTURY... WITH MILL UPGRADES

Millar Western recently celebrated its 100th anniversary, and the Alberta forest products company has started its second century in business with a capital expenditures bang—by investing \$36 million in its operations.

By Tony Kryzanowski

Alberta lumber, pulp and bioenergy producer Millar Western Forest Products has been experiencing a major revitalization as it celebrates 100 years since its founder, James William (J.W.) Millar, started the business in 1919. In 2019 alone, the company invested about \$36 million into its operations.

Millar Western Forest Products owns and operates two fully modern sawmills, a specialty wood products mill, a bleached chemi-thermomechanical pulp (BCTMP) mill and a bioenergy plant connected to the pulp facility.

The company produces about 345 million board feet of dimension lumber annually at its sawmill in Whitecourt and another 120 million board feet at its mill in Fox Creek, with 65 per cent of its lumber sold in Canada, 35 percent in the United States, and five percent offshore. The Whitecourt pulp mill produces about 350,000 tonnes of pulp per year, for Asian, European and North American markets. The company employs more than 700 workers and is the largest employer in the Alberta communities of Whitecourt and Fox Creek.

Leading the recent effort to upgrade Millar Western Forest Products facilities were (left to right), Darcy Veillette, Operations Manager at the Whitecourt sawmill; Tom Thompson, General Manager, Wood Products; and, Dave Anderson, company CEO.

Recognizing it was nearing the limits of its ability to grow as a family-owned enterprise, the company elected in 2017 to enter into partnership with Atlas Holdings LLC. The equity firm acquired a majority stake in Millar Western's forestry business, in a transaction that saw the company's existing management structure, business approach, and corporate culture remain firmly in place. The Millar family retained both a significant ownership stake and participation in management, with Mac Millar, grandson of the founder, sitting on the board. Now backed by greater financial strength, Millar Western was in a solid position to launch a new phase of growth.

Millar Western CEO Dave Anderson, who has been with the company for 15 years, says bringing Atlas Holdings into the picture in 2017 accomplished three goals. It helped to significantly reduce the debt on their balance sheet; it enabled the company to invest significant capital into their operations; and it allowed them to explore new investment opportunities.

In January 2018, the Edmonton-based company purchased value-added wood product manufacturer Spruceland Millworks, located in Acheson, just west of Edmonton. Then, they started a massive program of capital investments into their existing facilities in both Whitecourt and Fox Creek.

Of the Spruceland Millworks investment, Anderson says that Millar Western already had a well-established relationship of over 25 years with the company, as a green, rough lumber supplier. Company sawmills currently supply about 60 million board feet, or 12 per cent of their total sawmill production, to the Spruceland division.



Company founder J.W. Millar began Millar Western Forest Products with a blacksmith shop in North Battleford, Saskatchewan (right).

of the commodity lumber market, so the Spruceland addition has brought enhanced stability to Millar Western's cash flow.



ranking of Canada's Top Lumber Producers, and industry outlook, coordinated with top ranked industry consultants Forest Economic Advisors (FEA).

Equipment evolution (equipment-evolution.php)

Christian Roy followed a steady path toward becoming a mechanized logging contractor, with his equipment evolving —his highly efficient harvest team now consists of two Ponsse Scorpion harvesters and a Ponsse Elephant King forwarder.

The Edge (edge.php)

Included in this edition of The Edge, Canada's leading publication on research in the forest industry, are stories from Alberta Innovates, Canadian Wood Fibre Centre (CWFC) and FPIInnovates.

The Last Word (last-word.php)

Canada has won the interim softwood lumber tariff fight, but a long term trade reset is needed, says Tony Kryzanowski.

DEPARTMENTS

Tech Update (tech-update.php)

Supplier Newslines (supplier-newsline.php)

For all the latest industry news, subscribe to our twice monthly newsletter!

Subscribe

* indicates required
Email Address *

First Name

Last Name

Subscribe

On the capital side, Millar Western has invested \$22 million into a new Andritz 35-tonne overhead portal crane for the log yard in Whitecourt, and \$10 million into completely modernizing the Whitecourt planer mill, which now includes an Autolog fully automatic ProGrader lumber grading system. Investments have also been made in the Whitecourt sawmill's primary breakdown line, such as a new Raptor Integration trimmer scanner. But they aren't finished yet. Shortly, they will invest in a major upgrade to their Optimil center line. Phase one will include replacing variable frequency drives, PLC and the setwork controls.

Tom Thompson, General Manager for Wood Products, responsible for both Whitecourt and Fox Creek, notes that these investments have resulted in significant improvements.

"With the planer project, we were able to increase our efficiency and productivity, and to reduce our costs," says Thompson. "We have also improved our grade recovery quite significantly by going to our automatic grading system."

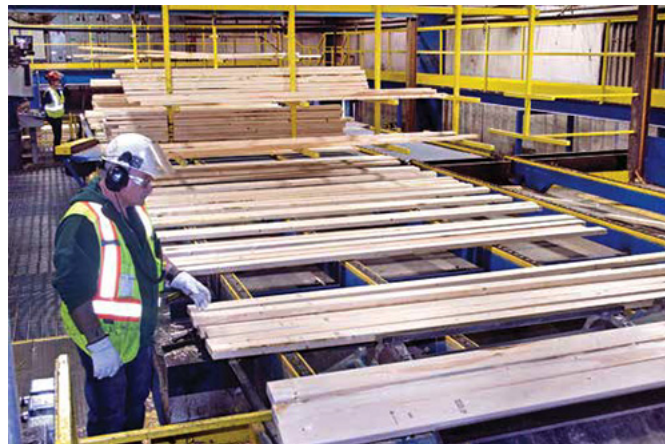
For Whitecourt's log yard overhead crane installation in 2019, a significant amount of site work was required. Engineering the civil and crane rail installation and conducting on site management was Morrison Hershfield. Civil work was done by Kichton Contracting, with Thurber Engineering managing the geotechnical aspect of the project. Westar Aggregates supplied the aggregate material, while PNR Railworks installed the crane ties and rail. Andritz supplied the 35-tonne overhead crane, and oversaw the crane construction. High Octane Welding worked on the crane installation and Team Power Solutions handled all electrical aspects related to the crane.

The planer upgrade in Whitecourt was also completed in 2019. The front end of the planer mill was revitalized with a Mill Tech Industries tilt-hoist and infeed system. Wolftek supplied the electric drive conversion, feedworks, and tensioning system that were integrated with the existing planer. This component of the upgrade was essential to the success of the overall project, says Millar Western. With the company's past history and excellent working relationship, selecting Wolftek as a vendor was an easy choice, says the company's Tom Thompson. Wolftek again demonstrated their ability to supply and install industry-leading technology, with no issues and a smooth start-up, he added.

It was installed on the 614 Stetson-Ross planer to increase speed and throughput, leading to the Autolog ProGrader. Graded lumber proceeds to the Carbotech lug loader and then through a USNR infinite fence, past a machine-stress-rated system using an acoustic Falcon Engineering A-grader supplied by Autolog, and then through a new Mill Tech Industries trimmer and pusher/sorter. All controls were completed by Autolog. All mechanical demolition and construction was completed safely by Salem Contracting and electrical demolition and installation was handled by Milltron Electric. Project engineering was completed by Mel Hamanishi at SKS Engineering.

Project management on both the crane installation and planer mill project was handled by owner Al Harrison, at Nanaimo-based Harrison Mills Systems Ltd.

Millar Western's Dave Anderson and Tom Thompson commended all suppliers involved for bringing both these major projects in free of any safety incidents.



A reflection of Millar Western's commitment to employee well-being is seen in its strong focus on safety. Over the past two years, the Alberta Forest Products Association has recognized exceptional company safety performance, with awards presented to the company's Whitecourt sawmill, its Fox Creek sawmill, and its Whitecourt pulp mill.

The projects are just the latest examples of Millar Western's capital investments. At the Fox Creek sawmill, acquired in 2007 and rebuilt in 2011, the company has installed a new USNR lineal high grader. And at the pulp mill, located next to their Whitecourt sawmill, the company has recently built a bioenergy facility and implemented pulping process optimization projects that have significantly reduced both greenhouse gas emissions and input costs.

Building and investing for the future has been a

strong theme throughout the company's long history.

Founder J.W. Millar established his first independent business, a blacksmith shop, in North Battleford, Saskatchewan, in 1906. In 1919, he incorporated Western Construction Ltd., which the company marks as the official start of the business now known as Millar Western. The company's foray into logging and sawmilling in Alberta began in the winter of 1921-22, when Millar acquired a timber berth in the Whitecourt area, northwest of Edmonton. The expansion of Millar Western accelerated under the leadership of his sons, Hugh, Allan, and Keith. Grandsons Jim, Mac, and Ken then came on board to lead the company's next growth phase, which included building Alberta's first BCTMP mill in 1988.

“When my grandfather came to Alberta all those years ago, he was drawn by the extensive resources and enterprising spirit of this province,” Mac Millar said during an event held last summer to celebrate the company’s centennial, adding that his grandfather would be proud to see his company of hard working people still going strong.

Tom Thompson has been with Millar Western for almost a decade and says that he appreciates the family feel within the company, where every employee is valued and treated as part of the family. As one example, he notes the concern that the company had for the welfare of its employees during the staffing reduction arising from the planer mill upgrade, which was handled entirely through attrition.

The company’s commitment to employee well-being is most clearly shown in its strong safety focus. Last year, the company’s newly acquired Spruceland operation celebrated its first big safety milestone, marking a year of operation without lost time accidents. Also in 2019, the Fox Creek sawmill passed a full year of operation without safety incidents of any kind—zero lost time, medical aids or first aids. Over the past two years, the Alberta Forest Products Association has recognized exceptional company safety performance, with awards presented to the Fox Creek sawmill, Whitecourt sawmill and Whitecourt pulp mill, an indicator of success that management credits to strong employee involvement in safety planning and programming.

Staff input into all aspects of general operations is very welcomed—in fact, company management considers the ideas and contributions put forward by employees to be key to Millar Western’s longevity and success.

“Most companies consider their employees to be their greatest asset, but Millar Western has the productivity data to back it up,” says Anderson. “As managers, our most important job is to support our people, and keep investing in the training, tools and technology they need to keep this company moving forward as we enter our second century.”

This page and all contents ©1996-2021 Logging and Sawmilling Journal (LSJ) and TimberWest Magazine. For personal or non-commercial use only. Any questions or comments on this site can be directed to Anthony Robinson (mailto:robinson@forestnet.com), Principal (L&S J). Site design by Spilled Ink Studio (<http://www.spilledinkmarketing.com>)