

# Southport Forest Products, LLC

Coos Bay, Oregon

TPM Member Since  
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Often we are impressed with how long a sawmill has been in business and how they have changed over the past 50 years, or more, to stay in business. Southport Forest Products (SFP) in Coos Bay, Oregon, is just a seedling of a sawmill in comparison.



*A panoramic view the Southport Forest Products (SFP) log yard and barge slip.*

The company was founded by Jason Smith and Jim Lyons in 1998. Both Smith and Lyons shared the vision of creating a lumber manufacturing facility to produce higher value products from underutilized pulp logs.

Jim Lyons started his professional career shortly after graduating from college. In the late 1980's Jim took over as operations manager of Ocean Terminals, a family owned dock and terminal located in North Bend, Oregon. At the time, Ocean Terminals was involved in handling lumber and plywood for export customers, primarily in Europe. As the European export business tapered off, Ocean Terminals transitioned from handling export lumber and plywood to handling logs for export to Japan and China. Jim continues to manage Ocean Terminals today, and the company enjoys a steady business.



*A view of SFP log merchandiser line.*

Jason Smith graduated from Oregon State with a BS in Forest Engineering in 1993. After graduation, Smith went to work for Coos Head Timber, a family business that at one time operated three sawmills, two plywood plants, a pulp mill and docks located in both Coos Bay, Oregon and Longbeach, California. Jason worked primarily in the woods, cruising timber, surveying and administrating logging operations. After several years of working in the woods he began to develop an idea of building a small log sawmill to process lumber out of logs that had been traditionally chipped. He got the idea from visiting the Hew Saw booth at one of the sawmill clinics that are held in Portland each year. Through a mutual acquaintance, Jim and Jason met and developed a business plan and started Southport Forest Products, LLC.

SFP's first sawmill, operating concurrently with a whole log chipping operation, was built primarily with used equipment. The primary line was an Optimil system and logs were delivered to the mill with a European philosophy. Logs were sorted by sawing configurations and ribbon fed through the mill. Boards were then surfaced, graded and sorted



*Loaded log trucks.*

on a manual green chain. As the business began to prosper, SFP started looking at ways to grow its business. The management at SFP realized that the location of the sawmill lacked access to critical transportation infrastructure; the mill site had no rail siding and no direct access to barging. Jim and Jason ultimately decided to branch out, seeking a new site with the desired infrastructure and transportation systems that would be advantageous to building a new sawmill.



*The SFP lumber yard.*

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Before building the new sawmill, Jason and Jim traveled extensively throughout North America and Europe looking at modern sawmill technologies. With a fresh prospective, SFP went about the business of picking vendors for the new mill. Three major vendors were chosen for the mill: PSI Systems for the log merchandising line, USNR for the primary line, and Baxley Equipment for the lumber handling systems. The choice for USNR as the supplier of the primary line was a gamble; at the time, it was the first for USNR that was doing profiling of sideboards prior to removal at the quad arbor saw. In addition, SFP implemented top and bottom chip head profiling at its vertical shape saw. SFP was the first mill in the United States to install the Fin Scan board scanner and optimizer. The mill has been quite successful in running the Fin Scan system and still operate the finish side of the sawmill with no graders on the line.



*A loaded chip barge ready to leave the dock.*



*A loaded rail car at Southport Lumber.*

The gamble on the new mill paid off and today, SFP is a high speed, high tech manufacturing operation which is one of the most efficient lumber and wood chip manufacturing operations in North America. In just 15 years, SFP has grown to become a thoroughly modern operation capable of producing over 200 million board feet of lumber annually, milling small logs and providing whole log chips to the pulp and paper industry.

The new sawmill's performance yields substantially higher lumber recovery per ton of log input, while at the same time reducing manufacturing costs through improved efficiencies in the mill. In addition, the new facility provides transportation systems that lower shipping costs to customers and opens market opportunities that were unavailable at the old (SFP) mill. Today, SFP operates two facilities, the state of the art sawmill located in North Bend, Oregon and their older facility where SFP runs a log sort yard and whole log chipping operation in Coos Bay, Oregon.

SFP produces dimensional lumber, wood chips, planer shavings, hog fuel and logs for resale. Dimensional lumber customers include lumber wholesalers, retailers and big box centers. Chip customers are pulp and paper mills located in the Pacific Northwest as well as Japan and China. Other by-products are sold to secondary manufacturing facilities and cogeneration plants in Western Oregon.

SFP's shipping methods include truck, rail and barge. The company has an active book of business loading chip barges for customers on the Columbia River and have been quite active in the past purchasing logs and barging them to its mill in Coos Bay. SFP is exploring options to utilize its barge slip to load lumber barges for shipments to Southern California and Mexico.



*Inside the sawmill. Dual trimmer sorter stacker lines with the rough on the left and dry on the right.*

When asked what had prompted SFP to join TPM, Jason Smith said, "One of the reasons that we became involved with TPM was their Small Business Timber Coalition (SBTC) and the work that they were doing. We depend on logs from both the BLM and Forest Service to run our mill. I attended a meeting of the SBTC and was quite impressed with the group of members and the direction that they were heading. This prompted us to explore membership in TPM."

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