

Forest History Foundation, Inc.
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ORAL HISTORY INTERVIEW

with

L. J. Olson
Libby, Montana
August 19, 1953

by John Larson

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Interview with
L. J. OLSON
of the J. Neils Lumber Company
Libby, Montana
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I was born in Stockholm, Sweden, July 14, 1881. My parents immigrated to the United States when I was about three years old and settled in Sauk Rapids, Minnesota, where I lived continuously until 1912.

In 1902 I was employed by the J. Neils Lumber Company as office clerk. My duties were to collect cash for wood hauled out of their wood yards and to check invoices for lumber sold in a company yard at St. Cloud, Minnesota. A lumberman by the name of Mathew Hall managed the yard on a 10% basis. Later he purchased the yard and at this time is still operating the yard with the help of his sons and is a good customer of ours. His age is about 93 years. The Sauk Rapids mill was the first sawmill owned and operated by the J. Neils Lumber Company.

The headrig was a circular saw and the capacity of the mill was about 50,000 feet per day. Our log supply came from northern Minnesota and was driven down the Mississippi River to the Sauk Rapids mill during most of its operating period. In the last few years logs were delivered by rail. It was interesting to observe the yearly spring drive. A crew of river hogs or river pigs, as they were named, drove the entire river each spring while the water was still high. The purpose was to break up all jams and to put to float all logs stranded on the banks and on bars, etc. The crew was very colorful in their red and green wool clothing. They often worked in the ice cold water waist deep. The boats they used to navigate the river with were named bateaus. Following the crew down river were large flat bottom boats called wannigans. They were in fact a floating kitchen and commissary to serve the crew. Most of the crew slept in tents.

As many companies which were situated on the river also drove their logs it was necessary for each mill to select their own logs as they passed down the river. Consequently not all logs were recovered by the owner but logs belonging to other mills were found in the mill pond. Each company identified its logs by end marks and bark marks. These marks were registered with the Mississippi & Rum River Boom Company scaler who was stationed at each mill. It was the duty of this scaler to scale what was termed as foreign logs and record the end marks and bark marks for identification. The logs were then allowed to pass through the mill and became the property of the mill sawing such logs. At the end of the season each mill received an invoice for all foreign logs sawed during the season and received a check covering their logs which were sawed by other mills.

Lumber sawed at Sauk Rapids was shipped to independent lumber yards in Minnesota and to some sash and door factories. The mill was situated on the main line of the Northern Pacific but the Great Northern Railway Company gave daily switching service from their St. Cloud yards on cars which were routed for GN delivery. The company had very little labor trouble. There were no labor unions to deal with and many employees worked year after year at the same job, such as piling, sorting, grading, etc. Common wages in the early years were \$1.10 per day of 10 hours. During the harvest time the rate was increased to \$1.25. This continued for several years. Lumber was moved from the mill to the yard on lumber buggies which were pushed by hand to location it was to be piled. Trams eight or ten feet above ground were constructed from the mill to the yard. Steel tracks were laid on these trams in order to provide a smoother surface on which to push the loaded lumber buggies. Lumber was then piled on both sides of these trams. Lumber sawed on the night shift was stored on a special tram and sorted the following day. Movement of lumber from yard to planing mill was accomplished with horses. Sawing season was usually from April 1st to Thanksgiving. After the river started freezing in the fall until the spring breakup the only activity was in the shipping department. All lumber was air dried.

I had my first experience in accounting between 1904 and 1912. As the Shevlins were interested in the J. Neils Lumber Company, the Sauk Rapids records were supervised by a Shevlin auditor. Under his supervision I was allowed to take over the company records without any previous experience. In comparison with today's requirements the procedure was quite simple. For a number of years we had no cost systems and no federal income tax. No one seemed to worry about the results until the end of the year. Inventories were taken and inventory values and charge offs for depreciation were decided by the management.

In 1900 the company expanded by constructing mill #2 at Cass Lake, Minnesota. This plant operated until 1922. In 1910 the J. Neils Lumber Company sold the Sauk Rapids mill to Crookston Lumber Company of Bemidji, Minnesota. It was operated by them for about one year, after which it was closed down and dismantled. During 1911 I was placed in charge of the operations which consisted of shipping the balance of the lumber stock on hand and dismantling the plant and disposing of buildings and equipment.

In 1910 the company expanded further by purchasing a sawmill plant at Libby, Montana. This plant was operated under the name of Libby Lumber Company. It was a small plant and far from efficient. In the spring of 1912 I accepted the offer from the J. Neils Lumber Company to go to Libby as office manager. At that time the office force consisted of four men in addition to the manager. The Shevlin system of lumber accounting was installed under the direct supervision of the Shevlin auditor. This required a complete analysis of the system in use and the starting of new

records with cost statements and daily reports. After a year of hard work our office was operating fairly well when the company decided to wreck the old plant and build a more modern mill of greater capacity. Work was started on January 2, 1913 and the new plant was ready to operate on May 25th. As of January 1, 1915 the Shevlins and Neils agreed to separate and in the transaction the Shevlins retained the Libby plant and operated it until January 1, 1919, when J. Neils Lumber Company purchased it outright.

There have been many improvements and changes in methods of operations. In the logging department as well as the plant horses supplied the power for skidding logs, moving lumber from sawmill to yard and from yard to planing mill. In the woods donkey engines were used for skidding to a landing and for loading on cars. Logs were transported to the mill by company owned railroad. Since that time the above methods have been replaced by tractors for skidding and logging trucks have replaced the railroad. This requires extensive construction of truck roads. At the plant a much greater percentage of lumber is now kiln dried and immediately stored in sheds to protect against moisture. Carriers and lift trucks have replaced horses and lumber is now moved in packages by power instead of piece by piece by hand.

We are not entirely confined to lumber but have a box factory, grain door operation and Pres-to-logs plant. Several years ago there was constructed a modern pole treating plant to which has been added facilities for prefabricating and treating lumber. As all of these additions have required more power, a hydro-electric plant was purchased in 1944 at Troy, Montana and a high line constructed to bring the needed power to Libby.

More modern methods of handling office records have of necessity followed. Also a large increase in office personnel. As stated previously in 1912 our office force consisted of four men while at this time we number about 50. Every person has a calculator on their desk and typewriters are available to anyone. We have further mechanized our accounting by installing accounting machines in our payroll department, bookkeeping department and to handle warehouse inventories. Additional installations are being considered to handle accounts payable, accounts receivable, etc. Over the period of 51 years I have been connected with the J. Neils Lumber Company as accountant and auditor many problems have presented themselves such as purchases and sales of plants, destruction of plant by fire, abandonment and demolition, and reconstruction as well as enlargements.

I have also been involved in federal income tax procedures and settlements, the never-to-be-forgotten 1918 Timber Questionnaire, Renegotiations and Necessity Certificates. In all it has been intensely interesting and still continues to be so.

When the Cass Lake mill neared the end of its operation the company again expanded its operations by purchasing a sawmill plant and timber at Klickitat, Washington on June 1, 1922.

After operating a few years the mill was destroyed by fire and this was followed by the construction of a complete modern electric sawmill plant.

Both plants are working on a sustained yield cutting basis which with the present timber supply tributary to both mills should mean a permanent operation for both plants.