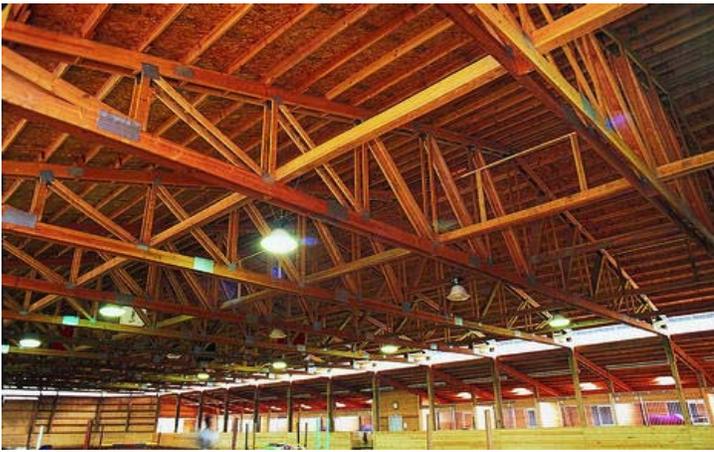
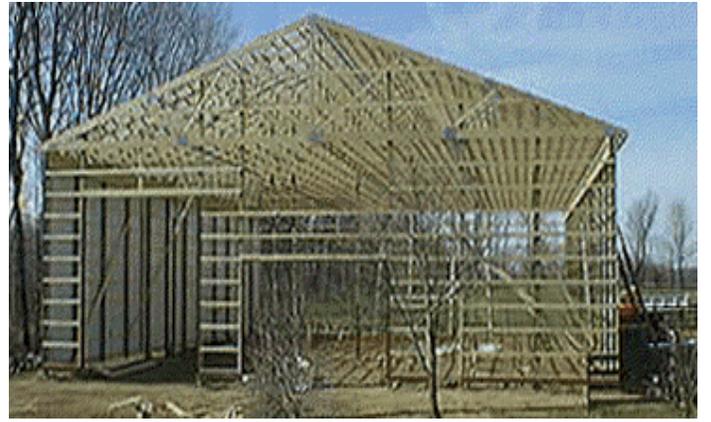


**United States Department of Agriculture, Forest Service**

**Black Hills National Forest**

# **FOREST PRODUCT INDUSTRY MARKET STUDY**



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Neiman Enterprises

- Rushmore forest Products
- Devils Tower Forest Products
- Mountain West Millwork

Wyoming Sawmills  
Sturgis Sawmill  
Forest Product Distributors  
Merrilat Industries  
Baker Timber Products  
Hulett Post & Pole  
Jorgensen Log Homes  
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We want to thank the leadership and personnel of the BHNF, Region 2, and all of the organizations above for their contribution and support to the Black Hills Forest Product Industry Market Study.

## **EXECUTIVE SUMMARY**



In November of 1899, the federal government sold its first timber sale to Homestake Mining Company of \$14,967.32 for about 15 million board feet of live and dead timber. Unlike the catchy names now given to timber sales, it was simply called “Case No. 1.” Case No. 1 marks the beginning of federal forestry in America. Logging on Case No. 1 – the first ever government regulated timber sale – began just before Christmas 1899 in the Black Hills Forest Reserve, now the Black Hills National Forest.

Since Case No. 1 was completed, 5 billion board feet of timber have been harvested from the BHNF – all of it milled by South Dakota and Wyoming companies that sell their products in the Midwest. Despite the continuous harvesting, a 1986 inventory revealed the Forest contains 5.1 billion board feet of timber meaning as much timber is growing in the BHNF today as has been harvested in the last 103 years.

Today the Forest Services, companies and communities surrounding the BHNF have realized the value of sustainable forest management. Being an active part of forest management allows communities to sustain a renewable resource while serving the needs and interests of the community. Many elements are shaping the new forest product industry in the Black Hills; with declining volumes and lower quality volumes from forest Service lands resulting from environmental and amenity restrictions have been the theme. Also, domestic and international competitive pressures have increased.

Forest product industries, like most other industries are undergoing continuous change in their method of operation and in kind of products produced. However, the Forest Product industry in the Black Hill is also impacted by public policy, community concerns and environmental challenges. The objectives of the BHNF Forest Product Industry Market Study was to obtain more detailed information on the specific community, economic, industry, and social conditions in the Black Hills region that are impacted by the BHNF.