

We shipped through the Rib Lake yard 38,735,700 Ft. and wholesaled 13,703,680 Ft., or, a total of 52,439,380 Ft., a difference of 5,123,465 Ft. over 1942.

The 1942 Hemlock inventory was reduced from 8,045,819 Ft. to 1,796,543 Ft., or 6,249,276 Ft., and Hardwoods and Pine were reduced from 3,731,409 Ft. to 896,292 Ft., or by 2,835,317 Ft., making the total reduction in yard inventory the past fiscal year of 9,084,393 Ft.

OVER RUN

Logs put through mill:

	<u>Log Scale</u>	<u>Lumber Scale</u>	<u>Overrun</u>
Hemlock Logs	14,524,860 Ft. Produced	17,986,204 ft.	23.83%
Hardwood Logs & Pine Logs	<u>9,144,530 ft.</u> "	<u>10,986,913 ft.</u>	<u>20.15%</u>
	23,669,390 ft. "	28,973,117 ft.	22.41%

*Reconciling with above figures, difference represents lumber purchased put through Rib Lake yard.

LUMBER SHIPMENTS

	<u>Lumber</u>	<u>Amount Received</u>	<u>Per M</u>	<u>Plus 2% C.D. Deducted</u>	<u>*Average</u>
Hemlock	23,851,994'	\$822,357.33	\$34.48	.69	\$35.17
Hardwood & Pine	14,447,810'	779,817.16	53.97	1.08	55.05

*Average prices carry a deduction of 2% for Cash Discount which should be added for proper comparison.

BY-PRODUCTS SALES

During the year we sold By-Products as follows:

Lath	\$ 6,600.89
Dimension	14,005.80
Chips	<u>91,132.09</u>

Ground slumps, trimmings, etc.

Gross sales of By-Products \$111,738.78

The By-Products sales decreased compared to 1942 which was principally due to inability to get sufficient labor as this labor had to be used to keep up lumber production. Figuring these sales on the basis of 23,669,390 Ft. of logs put through the mill produced an average of \$4.72 per M Ft. The cost of producing these By-Products on the same log scale basis amounts to \$1.46 per M Ft., or a net realization of \$3.26 per M Ft. of logs put through the mill.

WHOLESALE - LUMBER

In connection with regular lumber sales we carried on a wholesale lumber business covering lumber shipped from seller's yard to the trade direct as follows:

	<u>Feet Handled</u>	<u>Profit</u>	<u>Profit Per M</u>
Outside Purchases	3,615,077'	\$ 7,375.33	\$2.04
Ahonen Lumber Co.	<u>9,941,370'</u>	<u>30,347.63</u>	3.05
Total	13,556,447'	\$37,722.96 per M	\$2.78