Manufacturer of the Year 2019: Freres Lumber, Family-owned Company co-award winner

After nearly a century in operation, the family involved in a family-owned business can grow significantly. During the past 97 years, the Freres family has grown to include a significant swath of the North Santiam Canyon.

Founded by T.G. Freres in 1922, the Freres Lumber Co. now encompasses six plants in Lyons and Mill City. Various members of the Freres family hold stakes in the business, with six still employed by the company. T.G.’s grandson, Freres President Robert Freres Jr., and his twin cousins, Vice Presidents Kyle and Tyler Freres, hold the company’s voting shares.

“Our offices are close by each other, so we’re going from office to office discussing things all day long,” Robert Freres Jr. said of his business relationship with his cousins. “If someone has hard feelings or concerns about a direction we’re taking, we just don’t go there.”

Meanwhile, Freres Lumber also employs more than 450 workers at its facilities during a challenging period for the Oregon timber industry. In 1978, timber accounted for 81,400 jobs and more than 10 percent of private-sector employment here. By 2016, that declined to 29,000, or just 1.9 percent of private employment.
“We’ve grown up in these small communities in the North Santiam Canyon,” Robert Freres said. “We celebrate many of life’s happy moments, and we grieve with the passing of our friends and family together.”

In the 1950s, T.G. Freres set up a profit-sharing plan for his employees’ retirement savings and built a foundation to help charitable causes, with emphasis on the Regis and St. Mary Catholic schools in Stayton. Those communities still factor heavily in not only Freres’ blog entries and events like barbecues and trap-shooting outings, but its future plans.

Though Freres Lumber shifted focus from timber to veneer and plywood midway through the 20th century, it’s betting on a new product for its survival. A few years ago, Robert Freres heard Canadian architect Michael Green espouse the virtues of tall, wooden buildings and cross-laminated timber.

It got Freres thinking, “You know, plywood is already cross-laminated.” He just needed to convince his family to consider the option.

After an inspirational trip to a wood-products show in Hannover, Germany, Freres and his cousins teamed with Oregon State University and developed the mass plywood panel. It could be cut to the thickness of cross-laminated timber, but used 20 percent less wood to produce. Freres Lumber then spent between $35 million and $40 million building a mass plywood plant in Lyons.

“We had the raw material, we had the experience pressing wood, and it just seemed like a natural progression to go longer, go thicker and go wider,” Freres said.

It also was a risk. It took Freres a year just to get mass plywood certified as building material. Builders were unfamiliar with it, and even the 100 projects and $16 million in orders Freres slated for 2020 required months of lead time. But Freres couldn’t wait.

As Robert Freres pointed out, plywood has lost roughly 90 percent of homebuilding market to cheaper substitutes. By contrast, mass plywood can create more demand (and higher prices) for Freres products.

“That’s exactly the mission of this plant: To preserve the viability of the other six plants and build upon it” Freres said. “We’ve made a major investment in the future of the Santiam Canyon, our company and our communities.”
Closer Look

The company  Freres Lumber Co. Inc.

Headquarters  Lyons, Oregon

Employees  450+

What they manufacture  Plywood, veneer, mass plywood

Website  frereslumber.com