Montana Forest Products Marketing News

MSU Extension Forestry

May 2006

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Check it Out:

A Quiet Revolution

Timber, conservation groups reach deal on Beaverhead-Deerlodge Forest plan

China suddenly the world's top exporter of wood products

U.S. Forest Service sued over plans to cut fire risks

Judge rejects Bush forest regulations

Fourth Quarter '05 Delivered log prices in Montana

The chart to the right shows Montana's average delivered saw log and veneer log prices during the third quarter of 2005. The prices are calculated from surveys conducted by the University of Montana's Bureau of Business and Economic Research.

Forest landowners can *approximate* stumpage value (the amount they receive for selling standing timber) by subtracting logging and log hauling costs from the delivered log price.

Quarter 4, 2005

Delivered log prices per thousand board feet, Scribner Scale

	Saw logs				Veneer logs	
	Eastern Montana	change from previous	Western Montana	change from previous	Statewide	change from previous
Ponderosa Pine						
Yellow	$438	$80	$491	$44	xx	
Bull	$345	$28	$404	$40	xx	
Lodgepole Pine	$451	$0	$445	$2	xx	
Douglas-fir	$460	$4	$472	$6	$570	$27
Western Larch			$474	$14	$543	($7)
Engelmann Spruce	$451	($2)	$444	$0	xx	
Subalpine fir	$384	($8)	$388	($3)	xx	
Grand fir	xx		$381	($5)	xx	
Western Red Cedar	xx		$517	$4	xx	
Hemlock	xx		$386	($6)	xx	
White Pine	xx		$427	($42)	xx	
Other species	xx		xx		$413	$0

Typical Log Hauling and Logging costs (for three different logging systems) are:

Helicopter logging	$325 to $375 per thousand BF
Cable/Line Logging	$175 to $225 per thousand BF
Ground/Tractor Logging	$125 to $200 per thousand BF
Log Hauling	$50 to $125 per thousand BF

Montana Timber and Conservation Groups Seek Solutions

A collaborative group (*see graphic to the right*) made up of timber industry and conservation groups formed this past January after the individual organizations realized they were not happy with the proposed forest management plan on the Beaverhead-Deerlodge National Forest (BDLNF).

According to press reports, the sometime adversaries found a lot of common ground during the course of their meetings and the result is a partnership strategy, which was released in late April for review by the US Forest Service and County Commissioners in the counties affected by the proposal.

The strategy aims to increase timber harvests, Wilderness areas, and opportunities for hunting, fishing, and recreation. Stewardship contracting, which allows timber revenue to fund other local stewardship projects, is the tool that would be used to accomplish those objectives.

Ecosystem Research Group (ERG), a Missoula-based consulting firm assisted in the development of the partnership strategy.

Seeking a solution to the gridlock on our National Forests, the organizations above developed a partnership strategy for the management of the Beaverhead Deer Lodge National Forest.

Restoration Forestry—Wildland Conservation Services Style

Wildland Conservation Services, a Missoula company owned by Mark Vander Meer, specializes in forest restoration—the process of applying ecologically responsible forestry methods to restore and sustain long-term forest use and vitality.

There are plenty of other companies making the same claim, but Vander Meer's operation is unique because he does all of the work. He starts by conducting a comprehensive biophysical assessment on a forest—not just measuring the volume of timber present. Vander Meer then uses the assessment information combined with the landowner's objectives to author a written forest management plan.

A characteristic of forest restoration work is that generally a forest's smaller trees are harvested while most of the large trees are left standing. The catch is that the removal of the small trees can be financially problematic for landowners because their low value does not offset the cost of doing the work. Thus, the cost is borne by the landowner. Harvesting bigger, more valuable trees, in contrast, pays its own way and can provide income to the landowner.

Vander Meer has at least partially figured out forest restoration economics problems thanks to his array of low-impact logging and log processing equipment.

An example of a restored forest—many smaller trees have been harvested leaving a few larger trees. The result of such work is that natural forest processes are maintained, appropriate native species are favored, stand structural diversity is enhanced, tree vigor is increased, fire hazard is decreased, and wildlife habitat is enhanced.

It all starts with a small John Deere tractor equipped with a Farmi winch for dragging logs out of the woods to a log landing. At the landing they are picked up by his small log trailer and hauled to his log yard in Missoula.

At the log yard, Vander Meer uses a semi-portable Brand X sawmill to convert the logs into a variety of products including lumber that is used for cabinets and fine woodworking, special dimension beams, and logs flattened on two sides for use in structures. Another aspect of Vander Meer's operation is that he tracks the wood from the landowner's property to his log yard and ultimately through to the finished products. He has found that a strong selling point for some consumers is knowing that a particular product comes from a forest restoration project.

Vander Meer's "value-added" timber utilization approach, contrasts with the limited options available to most landowners—either pile and burn the low-value material, or sell it to relatively low value pulp and post and pole markets. Despite the advantages of adding value to small logs, Vander Meer cautions that his approach is not feasible on all projects and does not guarantee no out-of-pocket expenses for a landowner seeking to complete a restoration project.

Mark Vander Meer can be reached at 406-541-2565 or vandy@bigsky.net or check out www.vanwild.com

Restoration Forestry...continued

Mark Vander Meer uses this small tractor which is equipped with a winch and 160 feet of cable to move logs from the woods to a log landing.

Once a load of logs has been accumulated at the landing, Vander Meer uses this small log loader and trailer to transport logs from the landing to his log yard in Missoula.

At the log yard, Vander Meer uses this Brand X sawmill (which is made in Montana) to convert the logs to lumber and larger dimension beams.

On some logs, Vander Meer uses the sawmill to cut off two sides so that they can more easily be used to build barns, sheds, and saunas (as shown in the partially constructed sauna above).

Global Forest and Paper Industry Conference

PricewaterhouseCoopers is hosting the 19th annual global forest and paper industry conference in Vancouver, Canada on May 11. CEOs from the world's leading forest products companies will discuss recent successes and challenges around the theme of *Global Sourcing, Local Impacts*.

Excellent networking opportunities will be available as the conference is expected to draw over 400 CEOs and senior forest and paper industry executives, industry analysts, customers, suppliers and government policy makers.

The Honourable Rich Coleman, British Columbia's Minister of Forests and Range and Minister Responsible for Housing, will provide a keynote presentation. Also speaking will be several forest industry CEOs including Rick Holley of Plum Creek, Jim Lopez of Tembec, Carlos Aguiar of Aracruz Cellulose in Brazil, Frank Greaves of Ilim Pulp in St. Petersburg Russia, and Russell Horner, Catalyst Paper Corporation.

Click here for more info.

MONTANA STATE UNIVERSITY EXTENSION

Forestry · 32 Campus Dr. Missoula, MT 59812-0606

Montana State University Extension Forestry is a branch of the MSU Extension Service and is housed cooperatively with College of Forestry and Conservation at the University of Montana in Missoula, Montana.

The mission of Extension Forestry is to provide education and outreach to non-industrial private forest landowners, forestry industry, and other forestry-related organizations in Montana.

Extension Forestry carries out its mission by providing its stakeholders with educational workshops, publications, news-releases, brochures, and videos. Common topics include forest stewardship planning, forest insect and disease, windbreaks/living snow fences, alternative forest management practices, wildfire hazard reduction, forest products marketing, and tree pruning & care.

We're on the Web:

http://www.forestry.umt.edu/hosting/forestproducts/index.htm

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Do you have comments, story ideas, or other suggestions?

If so, send them to Roy Anderson, newsletter editor

Forestry Educational Calendar

Family Forestry Expo
May 8th through May 14th
Columbia Falls, MT
call Denise Germann 406-758-5252

Forest Roads Maintenance
June 2nd and 9th
Missoula, MT
call Caren Stewart at 243-2773 for info

Thinning and Pruning Field Day
June 9 Orofino, ID
June 17 Sandpoint, ID
click here for info

Forest Discovery Days
May 10-12
Pattee Canyon near Missoula, MT
call 406-543-6623 for info

Using GPS
June 2 Moscow, ID
June 10 Coeur D' Alene, ID
Call Yvonne at (208) 885-7718 for info

Insect and Disease Management in Forested Ecosystems
June 22 & 23
Butte, MT
call Amy Kearney 406-542-4283

Forest Stewardship Workshop
May 11,12, & 19th
Swan Valley, MT
call Caren Stewart at 243-2773 for info

Forest Stewardship Workshop
June 15,16, & 23
Seeley Lake, MT
call Caren Stewart at 243-2773 for info

Silviculture, Fire,& Fuels
May 22 & 23rd
Lubrecht Forest, Ovando, MT
call Caren Stewart at 243-2773 for info

Habitat Field Day
June 9
Coeur D' Alene, ID
click here for info

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