

Montana Forest Products Marketing News

MSU Extension Forestry

October 2005

Delivered Forest Products Prices in Montana

The chart to the right shows Montana's average delivered saw log and veneer log prices during the second 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.

In addition to log prices, the BBER also monitors delivered prices on a variety of other forest products. For the second quarter of 2005, the average delivered price of house logs was \$185-270/ton. While this is a very attractive price, the specifications for house logs are strict. Visit the Montana Manufacturers Information System ([MMIS](#)) to obtain a list of potential house log buyers.

Whips are another product tracked by BBER. Whips is the name given to small di-

Quarter 2, 2005

Delivered log prices per thousand board feet, Scribner Scale

	Sawlogs		Veneer logs
	Eastern	Western	Statewide
	Montana	Montana	

Ponderosa Pine			
Yellow	\$461	\$487	xx
Bull	\$338	\$394	xx
Lodgepole Pine	\$444	\$438	xx
Douglas-fir	\$461	\$460	\$520
Western Larch	xx	\$461	\$520
Engelmann Spruce	\$444	\$439	xx
Subalpine fir	\$383	\$388	xx
Grand fir	xx	\$386	xx
Western Red Cedar	xx	\$550	xx
Hemlock	xx	\$392	xx
White Pine	xx	\$468	xx
Other species	xx	xx	\$400

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

iameter trees (usually lodgepole pine) which then have the bark peeled off to make fence posts, small poles, and fence rails. The average delivered price for whips in the second quarter of 2005 was \$40/ton.

Pulpwood is another Montana forest product market. Although not tracked by BBER, the delivered pulpwood price at

Smurfit Stone, Montana's only pulp manufacturer, is \$26 per ton. An additional hauling cost allowance may be paid on pulpwood that is being delivered a long distance.

Finally, logging slash and sub-merchantable size trees that are chipped and then sold as hog fuel have a delivered value of about \$10/ton.

In This Issue:

What is SFI?	2
Educating MT's Forest Landowners	3
Educational Calendar	4

Check it Out:

[Timber Project in Kootenai Quashed](#)

[State forester argues for state to manage national lands](#)

[Canfor Targets Chinese Market for Lumber Sales](#)

[MT: Judge OKs Basin Creek logging](#)

Upcoming Workshop:

Timber Sale Management

There is still time left to register for this workshop about the process of selling timber. The workshop will be held October 13 and 14 at the Lubrecht Forest. [Click here for info](#)

What is SFI and What Does it Mean for Montana's Landowners?

Like an "organic" label on food products, a "forest certification" label is meant to assure consumers that forest products come from forests managed in accordance with environmental standards. Emerging almost 15 years ago, forest certification has evolved into a worldwide movement that boasts several different certification programs ([FSC](#), [PEFC](#), & [SFI](#)) and over 500 million acres under some form of certified forest management.

The dominant forest certification program in Montana is the Sustainable Forestry Initiative (SFI). It is based on the principles of meeting market demands through perpetual tree growth and harvest, all while using environmentally responsible practices that promote the protection of wildlife, plants, soil, air and water quality. Participating companies put those principles into action through 13

sustainable forestry objectives which address an array of issues including land management, procurement, forestry research, training and education, legal and regulatory compliance, public and landowner involvement in the practice of sustainable forestry, and management review and continual performance improvement.

Since each participating company's business methods differ, each company writes their own policy describing how they will meet the 13 objectives. To insure that each company is complying with the sustainable forestry principles, independent audit teams perform frequent office and field evaluations. In Montana, Plum Creek, Smurfit-Stone, and Stimson all participate in the SFI program.

All three companies buy raw material (logs, pulpwood, or standing timber) from Mon-

tana's private forest landowners. Therefore, each company has a written third-party certified procurement system. Thus, private forest landowners dealing with these three SFI program participants can expect them to:

1. Encourage landowners to reforest and to use Best Management Practices (BMP's) when harvesting timber. In addition, each company can provide advice and informational material related to those subjects.
2. Encourage landowners to utilize the services of qualified natural resource and logging professionals. Montana's SFI companies promote logger training and each company can recommend accredited logging professionals.
3. Have policies in place to ensure that procurement activities do not compromise adherence to the principles of sustainable forestry.
4. Have a verifiable monitoring system in place that assures the effectiveness of the company's sustainable forestry efforts and which promotes continuous improvement.

The following are SFI contacts for each of Montana's participating companies:

- Smurfit-Stone—Bill Chandler
(406) 626-5296.
- Plum Creek—Jim Kranz
(406) 892-6328.
- Stimson—Scott Kuehn
(406) 258-2124.



This SFI label appears on forest products that originated in forests managed in accordance with the principles of sustainable forestry. The label can appear on products only if:

- 1) The manufacturer is an SFI program participant that has been independently certified to the SFI standard.
- 2) All primary raw material sources have been accounted for as either certified to be in compliance with the SFI Standard or the American Tree Farm System® and/or be procured through a third-party certified procurement system.

Assessing the Educational Needs of Montana's Private Forest Landowners

In 1991, State & Private Forestry (S&PF), a branch of the USDA Forest Service, started the *Forest Stewardship Program* to help landowners develop forest management plans. The program still exists and is carried out through partnerships with state agencies.

Montana has taken a unique approach to meeting the Forest Stewardship Program's objectives. Rather than having a state agency forester write a landowner's forest management plan, the State of Montana provides forest landowners with forestry education so that they can write their plan. This concept is based on the idea that information empowers individuals with the ability to implement land management principles and leads to a life-long forest stewardship commitment.

The core component of Montana's approach is a forest stewardship workshop that is delivered by the Montana State University Extension Forestry office. During the workshop, trained instructors coach landowners using an established curriculum. Workshop graduates will have: inventoried their property's natural resources, identified their land management goals, and written a forest management plan. In addition to the basic forest stewardship workshop, MSU Extension Forestry offers several advanced topic workshops to provide additional in-depth training.

During the last 14 years, over 100 forest stewardship workshops have been held at a variety of locations across Montana. As a result of those efforts, over 1,400 ownerships representing nearly 1 million acres have participated.

While Montana's forest stewardship program will continue, there is also a need for the program to evolve so that it still meets the needs of private forest landowners, the forest products industry, and state and federal agencies.

Therefore, this past summer MSU Extension Forestry surveyed a variety Montana's forestry organizations about the educational needs of Montana's private forest landowners. The groups surveyed included: Montana Wood Products Association/Montana Forest Industry Council, Montana Logging Association, Montana Society of American Foresters, Montana Tree Farm System, Montana Forest Owners Association, Montana Department of Natural Resources and Conservation, and the Montana Forest Stewardship Foundation.

Each group was provided with a list of 43 educational topics that was compiled from a review of forest landowner education literature. Each group's task was to identify the top ten educational needs in Montana and to rate how well each of those needs is currently being met.

The aggregated results are displayed in the chart below. It shows that the need for basic forest stewardship instruction is being well met. However, the results also show that there are perceived needs that are not being met as well as they might be. Thus, there are opportunities for future cooperative endeavors among Montana's forestry organizations. Such work would continue building an educational program that helps forest landowners stay current and meet future natural resource objectives.

Educational Need	Rank	Met
Forest stewardship	1	1.36
Insect and disease	2	3.23
Wildfire Hazard Reduction	3	2.48
Best management practices (BMP's)	4	2.03
Forest road maintenance	5	4.33
Forest practices demonstrations	6	3.23
Noxious weed management	7	3.72
Timber sale management	8	4.25
Managing for wildlife	9	4.00
Logging slash management	10	3.50
Estate planning for family forest owners	11	3.83
Forest law compliance	12	4.40
Utilizing small diameter timber	13	3.34
Conservation easements	14	3.50
Alternative timber harvesting practices	15	3.50

Rank = order of importance (1 most important; 15 = least important)

Met = how well the educational need is currently being met (1 = being met; 5 = not being met)



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>

Did a friend send this newsletter to you?

If so, [sign up](#) and we can send the newsletter directly to your email address.

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

If so, send them to [Roy Anderson](#), newsletter editor

Forestry Educational Calendar

Montana Tree Farm Annual Conference
October 1
Lubrecht Forest

Timber Sale Management Workshop
October 13 and 14
Lubrecht Forest
[click here for info and registration](#)

Living Snowfence Workshop
October 4-5
Spokane, WA
call 206-685-4960 for info

Preparing a Community Wildfire Protection Plan: Procedures and Training
October 14
Spokane, WA
call Richard Zabel 503.226.4562 for info

Range and Grassland Management
October 6-7
Spearfish, SD
call 605-892-3368 Ext: 3 for info

Woody Biomass Regional Conference
October 11-13
Missoula, MT
call Dave Atkins 406-329-3134 for info