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Newsletter

Nebraska Forest Service

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NEBRASKA FOREST SERVICE



Nebraska Forest Service

Institute of Agriculture and Natural Resources

University of Nebraska–Lincoln

February 1, 2007

Vol. 45, No. 1

In This Issue

Lumber Market News	1
Timber Talk Going Electronic	1
Hardwood Lumber Price Trends—Green	2
Hardwood Lumber Price Trends—Kiln Dried.....	2
Hardwood Lumber Market History	3
Sawmill Survey.....	4
Woody Biomass in Minnesota Impacts on Forestry	4
Emerald Ash Borer: Coming to an Ash Near You.....	5
Nebraska Forestry Industry Spotlight .	6
The Trading Post.....	7
Private Forests.....	7
Timber Sales.....	8

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The Nebraska Forest Service publishes *Timber Talk* four times annually (September 1, November 1, February 1, and June 1). The purpose of the newsletter is to serve and promote the forest industry of Nebraska. All questions and correspondence concerning *Timber Talk* should be directed to: Dennis M. Adams, *Timber Talk* Editor, Nebraska Forest Service, University of Nebraska, 109 Plant Industry Building, P.O. Box 830815, Lincoln, NE 68583-0815. Phone (402) 472-5822, FAX (402) 472-2964. E-mail: dadams2@unl.edu. *Timber Talk* is partially supported by University of Nebraska–Lincoln Extension funding.

Lumber Market

HARDWOODS

Northern. Competitive market conditions are described for species and grades of lumber. Demand for items such as #1C and Btr Hard Maple and Red Oak is limited backing up inventory through the supply chain to the sawmill. The buildup is pressuring prices. The demand for Soft Maple remains solid, particularly for Sel and Btr grades. The strong demand from domestic and off-shore markets is driving a brisk business for White Oak. Log decks are low across much of the territory. Even though weather conditions have been more conducive to logging in recent weeks, poor pulpwood markets could constrict future logging activity.

Southern. The market for 4/4 FAS and 1F Red Oak is currently challenging. The most vexing issue from the suppliers' perspective is simply generating market interest in available production. Secondary manufacturers state demand for finished goods made from FAS and 1F Red Oak has declined, leading to equal reductions in Red Oak lumber to run their plants. Conditions are pressuring prices lower. Generally, log deck inventories are low. Some concern is expressed that sawmill production may well be disrupted before logging conditions improve later this year.

Appalachian. Secondary manufacturers have resumed pre-holiday production schedules. In most cases, compared to the same time period in 2006, hours of operation are curtailed. Some flooring producers are running less than 30 hours per week. Almost all end users are maintaining tight controls on raw material procurements. The end result is a competitive hardwood market for most species with the exception of White Oak and Walnut. International business has insulated these species from weaker domestic activity.

(Source: Condensed from *Hardwood Market Report*, January 20, 2007. For more information or to subscribe to *Hardwood Market Report*, call 901-767-9216, email: hmr@hmr.com, website: www.hmr.com)



TIMBER TALK GOING ELECTRONIC

Beginning with the June 1, 2007 issue, *Timber Talk* newsletter will be delivered to subscribers via email. However, for subscribers without email access, we will continue to maintain a limited mailing list for hard copy distribution. Email distribution will save substantial printing and mailing expenses that can be used for other Nebraska Forest Service programs.

If you wish to continue your Free subscription to *Timber Talk*, please provide your email address (or mailing address for those that do not have email access) to the *Timber Talk* editor by May 1, 2007. Contact information for *Timber Talk* is located in the left corner of this page. You may also renew your subscription via the website: <http://www.nfs.unl.edu/forestproducts.asp>.

Hardwood Lumber Price Trends—Green

Species	FAS				#1C				#2A			
	3/06	6/06	9/06	12/06	3/06	6/06	9/06	12/06	3/06	6/06	9/06	12/06
Ash	670	670	640	620	575	575	485	470	365	365	345	335
Basswood	795	785	785	750	435	425	425	415	225	225	225	225
Cottonwood	600	600	600	600	400	400	400	400	220	220	220	220
Cherry	2330	2350	2350	2350	1290	1305	1305	1335	575	585	630	655
Elm (soft grey)	635	635	635	635	420	420	420	420	235	235	235	235
Hackberry	475	475	475	475	455	455	455	455	265	265	265	265
Hickory	770	770	770	755	650	650	660	660	415	435	450	450
Soft Maple (UNSD)	1525	1510	1185	1185	825	825	750	750	425	415	380	380
Red Oak	1125	1125	1080	1020	730	720	700	675	500	500	500	500
White Oak	910	910	970	1015	590	590	590	600	400	400	400	400
Walnut	2040	2055	2080	2100	1045	1100	1155	1210	685	745	850	885

Note: Hardwood prices quoted in dollars per MBF, average market prices FOB mill, truckload and greater quantities, 4/4, rough, green, random widths and lengths graded in accordance with NHLA rules. Prices for ash, basswood, elm, soft maple, red oak and white oak from Northern Hardwoods listings. Prices for cottonwood and hackberry from Southern Hardwoods listings. Prices for cherry, hickory and walnut (steam treated) from Appalachian Hardwoods listings. (Source: *Hardwood Market Report Lumber News Letter*, last issue of month indicated. To subscribe to Hardwood Market Report call (901) 767-9126, email: hmr@hmr.com, website: www.hmr.com.)

Hardwood Lumber Price Trends—Kiln Dried

Species	FAS				#1C				#2A			
	3/06	6/06	9/06	12/06	3/06	6/06	9/06	12/06	3/06	6/06	9/06	12/06
Ash	970	970	970	910	760	750	735	675	615	615	615	595
Basswood	1045	1045	1045	1000	640	630	630	615	400	400	410	410
Cottonwood	755	755	755	755	520	500	520	520	—	—	—	—
Cherry	3000	3000	3000	3000	1725	1725	1710	1700	990	990	1010	1010
Elm (soft grey)	—	—	—	—	—	—	—	—	—	—	—	—
Hackberry	—	—	—	—	—	—	—	—	—	—	—	—
Hickory	1290	1290	1260	1260	965	965	965	965	795	800	830	830
Soft Maple (UNSD)	1650	1650	1650	1650	1000	1000	990	950	590	580	570	570
Red Oak	1760	1715	1675	1590	1040	1040	1040	1040	750	740	760	760
White Oak	1435	1450	1480	1600	890	910	910	920	650	670	670	715
Walnut	2560	2575	2665	2715	1480	1540	1625	1740	1220	1280	1400	1460

Note: Kiln dried prices in dollars per MBF, FOB mill, is an estimate of predominant prices for lumber inspected and graded before kiln drying. Prices for cottonwood and hackberry from Southern Hardwoods listings. Prices for ash, basswood, elm, soft maple, red oak, and white oak from Northern Hardwood listings. Prices for cherry, hickory and walnut (steam treated) from Appalachian Hardwoods listings. (Source: *Hardwood Market Report Lumber News Letter*, last issue of month indicated. To subscribe to Hardwood Market Report call (901) 767-9126, website: www.hmr.com.)

Hardwood Lumber Market History—Green

This hardwood lumber market summary is presented to provide a historical perspective of lumber prices since 1979 with emphasis on the preceding 5 years.

Hardwood prices quoted per MBF, FOB mill, truckload or carload quantities, 4/4, rough, AD, RL & W. Prices for ash, basswood, elm, soft maple, red oak & white oak from Northern Hardwoods listings. Prices for cottonwood and hackberry from Southern Hardwoods listings. Prices for cherry, hickory, and walnut (steam treated) from Appalachian Hardwoods listings. #2C column indicates price for grade 2A lumber unless otherwise indicated. Prior to 1990, the #2C column listed only #2C prices.

SPECIES	DATE	FAS	#1C	#2C	SPECIES	DATE	FAS	#1C	#2C
ASH	1/79	565	440	230	HICKORY	12/05	475	455	265
	12/85	600	445	210		12/06	475	455	265
	12/90	745	585	215		4/79	310	290	165
	12/95	765	630	325		2/85	325	305	160
	12/00	755	615	380		12/86	325	305	160
	12/02	640	480	310		12/90	335	315	195
	12/03	640	510	365		12/95	455	435	265
	12/04	730	565	420		12/00	625	515	340
	12/05	730	565	415		12/02	715	580	310
	12/06	620	470	335		12/03	765	630	350
BASSWOOD	4/79	455	315	170	12/04	750	610	330	
	12/85	560	310	182	12/05	770	650	405	
	12/90	550	295	170B	12/06	755	660	450	
	12/95	620	365	195B	SOFT MAPLE (UNSD)	4/79	390	310	185
	12/00	720	425	225		12/85	400	335	200
	12/02	690	395	220		12/86	410	340	200
	12/03	700	425	225		12/87	420	350	205
	12/04	710	435	225		12/90	420	335	200B
	12/05	710	435	225		12/95	600	490	205B
	12/06	750	415	225		12/00	850	640	340
COTTONWOOD	4/79	455	315	170		12/02	920	595	305
	12/85	320	267	142		12/03	935	615	315
	12/90	400	285	150B		12/04	1055	700	370
	12/95	605	405	185B	12/05	1200	790	400	
	12/00	600	400	220	12/06	1185	750	380	
	12/02	600	400	220	RED OAK	4/79	505	415	215
	12/03	600	400	220		12/85	715	450	225
	12/04	600	400	220		12/90	815	645	295
	12/05	600	400	220		12/95	1025	840	475
	12/06	600	400	220		12/00	1095	910	660
CHERRY	12/83	760	580	285		12/02	1095	895	595
	12/85	785	615	305		12/03	1125	965	695
	12/90	965	620	285		12/04	1150	1000	705
	12/95	1185	845	445		12/05	1150	740	500
	12/00	1605	1115	585		12/06	1020	675	500
	12/02	1760	1185	450	WHITE OAK	4/79	535	415	212
	12/03	1775	1515	705		12/85	660	355	225
	12/04	1805	1575	775		12/90	800	445	215
	12/05	1570	1320	625		12/95	800	565	340
	12/06	2350	1335	655		12/97	800	565	345
ELM (soft grey)	12/83	313	293	183		12/98	780	555	345
	12/85	410	390	255		12/00	770	535	340
	12/90	665	440	165B		12/02	720	515	395
	12/95	665	440	210B		12/03	830	645	510
	12/00	635	420	235		12/04	880	685	515
	12/02	635	420	235	12/05	910	625	400	
	12/03	635	420	235	12/06	1015	600	400	
	12/04	635	420	235	WALNUT	1/79	1250	795	480
	12/05	635	420	235		12/85	1565	855	255
	12/06	635	420	234		12/90	1605	855	290
HACKBERRY	4/79	387	367	262		12/95	1535	810	290
	12/85	345	325	220		12/00	1455	785	315
	12/90	390	370	240		12/02	1745	860	425
	12/95	485	465	275		12/03	1885	930	505
	12/00	475	455	265		12/04	1965	980	580
	12/02	475	455	265		12/05	2040	1030	650
	12/03	475	455	265		12/06	2100	1210	885
	12/04	475	455	265					

(Source: *Hardwood Market Report Lumber News Letter*. To subscribe to *Hardwood Market Report* call (901) 767-9126, email: hmr@hmr.com, website: www.hmr.com)

Sawmill Survey

In February or March all sawmills and other primary wood processing businesses in Nebraska will receive a mail survey asking for information about the logs processed and residue disposal at your mill. This important survey, which is part of a national effort, is conducted about every 5 years to update statistics concerning the species and volume of logs processed in each state. The Nebraska survey is a cooperative effort between the USDA Forest Service and Nebraska Forest Service. The last Nebraska sawmill survey was conducted in 1999.

The survey will also serve a second important function — to update the Nebraska Forest Products Manufacturers Primary Processors Directory. This directory serves as a good marketing tool for sawmills and other primary processors that choose to be listed, but inclusion is voluntary. The current directory can be accessed online at: <http://www.nfs.unl.edu/fpu.htm>.

When you receive the survey packet (or access it online), PLEASE take a few minutes to complete the questionnaire. All individual production information is confidential and will be used only for statistical reports. For those who choose to be listed in the Nebraska Primary Processors Directory, only “Processor” contact information, “Major Products,” “Species Used” and general “Production Class” information will be listed for each business.

Your input is critical to the accuracy of the statistics for Nebraska and content of the Primary Processors Directory for Nebraska.

Thanks for your cooperation. We look forward to hearing from you soon.

Woody Biomass in Minnesota Impacts on Forestry

Editor's note: Although the following article was written in a Minnesota context, it provides a good summary related to biomass issues, utilization, and forest management opportunities that apply elsewhere.

Seems like everyone in forestry is talking about “biomass” these days. What is woody biomass, and how might developing markets and greater use of this resource impact the environment and economy in Minnesota?

Woody biomass includes entire living and dead trees and shrubs in a forest, including logs and residue material generated throughout various forest product processing steps. We will be referring mainly to the parts of the woody biomass resource without traditional forest product markets such as tops and limbs, small diameter timber, some forms of wood manufacturing residue, and brush.

The prospect of expanded woody biomass harvest and processing has many potential upsides, including reduced dependence on foreign energy sources, improved bottom lines for logging and processing operations, and increased opportunities for forestry and wildlife management.

However, as with almost any opportunity, there are potential pitfalls to be avoided.

Some of these include: impacts to raw material supply for existing forest industry, nutrient depletion on sensitive sites, and negative habitat consequences. Every one of the potential downsides can be managed, but doing so will require thoughtful guidance as woody biomass markets expand.

Sources of Woody Biomass

- **Logging residue.** Tree tops, branches, cull logs and other wood waste resulting from logging operations.

- **“Primary” mill residue.** Sawdust, slabs, edgings, and other waste wood from sawmills and/or other primary processors.
- **“Secondary” mill residue.** Wood pieces, planer shavings, sawdust and other wood waste from secondary processors, e.g. cabinet manufacturers. Secondary processor’s wood waste is much more diverse and often includes not only clean wood, but also materials with resins and finishes that may cause air quality concerns, if burned. On the positive side, this material is normally much drier than the wood residue from primary processors, so the BTU content is higher.
- **Dedicated energy crops.** Trees planted as short rotation woody crops.
- **Land clearing.** Wood waste from power line clearing, road projects, agricultural land clearing, etc. Past practice has been to dispose of this material on-site by burning, chipping or spreading the material.
- **Brush from brushlands.**
- **Pre-commercial thinning and timber stand improvement (TSI).** Unmarketable woody material produced during forest management activities.
- **Urban wood waste.** Trees and other urban wood waste normally disposed of in landfills.

Markets for Woody Biomass

Two main factors keep small-diameter timber, tops and limbs and brush from being used for most traditional forest products:

- 1) The high percentage of bark relative to wood fiber. Bark fiber is not suitable for many products.
- 2) The high cost of processing smaller diameter material. Processing efficiency is greater for larger material.

Woody biomass is a good fit for a number of products and markets, however. Existing markets for woody biomass in Minnesota include:

- **Engineered Wood.** The Georgia Pacific hardboard mill in Duluth and the International Bildrite insulite mill in International Falls are the two engineered wood product mills in Minnesota that take bark-on chips.
- **Special Forest Products (SFP).** Markets include log furniture, craftwood, etc. These tend to be small volume, but high value markets.
- **Landscape Mulch.** Currently most landscape mulch is made from urban wood residue and wood manufacturing residue.
- **Animal Bedding.** The dairy and poultry industries use significant amounts of sawdust and shavings as bedding. This is typically produced from wood manufacturing residue, or by shavings or pellet mills (from round-wood).
- **Energy.** Energy is a significant market for biomass in Minnesota, and is becoming larger as you read this. Energy from biomass is not new for our state, especially in the wood manufacturing industry. Many large and small primary wood manufacturers have produced heat, and in some cases power, for their own facilities by utilizing residue from their own and other mill’s manufacturing processes for many years. So why all the additional interest now?

There are several reasons for the current high interest in energy production from woody biomass, including:

- Rising fossil fuel energy prices
- Uncertainty over the supply of fossil fuels from unstable regions of the world
- National security and economic benefits derived from renewable, locally-sourced energy production
- The legislative mandate to EXCEL energy to produce part of their energy from renewable biomass
- Energy production efficiency improvements
- Residue processing technology improvements making logging residue a potentially more attractive fuel.

Emerald Ash Borer: Coming to an Ash Near You

Laurie Stepanek
Forest Health Assistant

Virtually every large pulpwood-using mill is the state produces heat and steam, and in some cases electricity, for their own use by burning wood residues produced during their own processing. Many smaller wood manufacturers do the same. Additionally, there are some larger commercial energy markets that purchase wood residues from others.

Why is Greater Use of Woody Biomass Important to Forestry?

Greater use of woody biomass has significant implications for forestry and wildlife management. Specifically, greater use of biomass will result in:

- **Opportunities for improved forestry and wildlife management.** Greater markets for woody biomass will result in potential for improved management on some sites. Specifically, forested sites where regeneration, aesthetics, and forest health can be improved by removal of a greater portion of tops and limbs than is current practice will benefit. One simple example would be opportunity for greater use of tops and limbs in pine thinnings that will help control potential bark beetle outbreaks. There are many other examples, including the opportunity to reduce dangerous wildfire hazards due to fuel buildup. There is also opportunity for greater management of brushlands, with significant wildlife habitat and forestry benefits.
- **Business opportunities in rural communities and improved bottom lines for logging and trucking companies.** The addition of another product has the potential to help logging companies' bottom line.
Procurement Companies. Several companies have positioned themselves to process tops and limbs on a landing after a sale and transport the chips to market. They plan to work with many logging companies. Therefore, not every logging company will need to purchase chipping and grinding equipment in order to participate in biomass markets.
Integrated Logging Operations. Some logging companies have purchased, or will purchase, their own chipping or grinding equipment in order to process tops and limbs from their own sales.
- **Maintenance of soil productivity, some forms of wildlife habitat, and riparian area function.**

Additional Considerations:

Greater use of woody biomass is an emerging issue. It will take some time to sort out both the natural resource management side and the market side. Natural resource management considerations, gathering and processing equipment and systems, and markets, will evolve over time.

Energy markets are highly dependent on the price consumers are able to pay versus alternate fuels. If fossil fuel prices go down significantly for a long period as they did in the 1980's, woody biomass will not be an economically viable option in many cases. I have yet to see an energy analyst who thinks that this is likely to happen, however.

Distance to markets is critical, especially since energy markets often have historically had a pretty limited procurement range. There are exceptions to this, however, especially when the alternative to biomass is a higher price fuel like natural gas. In general, though, impacts will be greater the nearer one gets to a biomass market.

What Is The Future for Woody Biomass?

It is very likely that greater use of woody biomass is with us to stay. If fossil fuel prices continue to rise, biomass energy markets will continue to expand.

Newly developed products or manufacturing processes may play a key role. Higher value products may drive even greater utilization in time.

Source: Condensed from the Minnesota DNR forest industry bulletin, *The Market Place*, Summer 2006.

Emerald ash borer (*Agrilus planipennis*) is a significant emerging threat to Nebraska's forests. Since its discovery in Michigan in 2002, this exotic insect has killed more than 20 million ash trees in Michigan, Ohio, Indiana and Ontario and caused millions of dollars in financial losses. Emerald ash borer is easily spread long distances in infested lumber, firewood, and nursery stock, and attacks and kills all native ash species. Insect trapping conducted in 2006 by the Nebraska Forest Service at five state parks in Nebraska, did not detect emerald ash borer, but it is only a matter of time before the insect enters our state and threatens the 30 million ash trees found in our communities, native woodlands and windbreaks.

Adult emerald ash borers are slender, metallic-green beetles approximately 1/2 inch long. The immature stage is a creamy-white larva that tunnels just below the bark of ash trees. The zig-zag tunnels interrupt the movement of water, nutrients and sugars in the tree, and infested trees die back from the top down. Tree death usually occurs within a few years following infestation. Trees killed by emerald ash borer can be distinguished from trees killed by other borers by the presence of D-shaped exit holes, approximately 1/8 inch in diameter, on the trunk and branches. Other borers of ash make round or oval holes that are larger or smaller than 1/8 inch.

To help control the spread of emerald ash borer, the U.S. Department of Agriculture has quarantined all infested areas including the states of Michigan, Ohio, Illinois, and Indiana, plus one infested county in Maryland. This quarantine restricts interstate movement of ash nursery stock, ash limbs and branches, ash logs or untreated ash lumber with bark attached, uncomposted ash chips, and firewood of any deciduous species. Michigan, Ohio, and Indiana also restrict intrastate movement of regulated articles from infested to uninfested areas within each state. Despite these restrictions, regulated materials often slip through undetected. Nebraska's first case of emerald ash borer will likely come from firewood brought in from an infested area.

The Nebraska Forest Service is working together with federal, state, and local agencies and the green industry to address issues associated with emerald ash borer. Members of the working group are constructing a state readiness/response plan for emerald ash borer, developing a list of ash alternatives to promote species diversity, and assisting in outreach and education. To learn more about emerald ash borer visit the websites below. If you think you have found the beetle or the characteristic D-shaped exit holes in ash, please contact:

Laurie Stepanek, Nebraska Forest Service: 402-472-5503
Lstepanek2@unl.edu
Nebraska Department of Agriculture: 402-471-2394
USDA-APHIS-PPQ Nebraska office: 402-434-2345.

http://na.fs.fed.us/spfo/pubs/pest_al/eab/eab.pdf
<http://na.fs.fed.us/fhp/eab/pubs/fieldguide/eabfg.pdf>
<http://www.emeraldashborer.info/>

Nebraska Forestry Industry Spotlight



POPE & TALBOT, INC.



Pope & Talbot, Inc. traces its beginning back to the sailing ship industry over 150 years ago in San Francisco, California. The first sawmill was located in Port Gamble, Washington (across Puget Sound from present day Seattle) in 1853, where lumber was produced to supply the gold rush of the West. By 1881, the Company owned 4 mills and 150,000 acres of prime timberland in Oregon and Washington. In 1963, the last sailing ships were sold and Pope & Talbot became solely a forest products company. By 1969, the Company had acquired harvest rights to 1 million acres of timberland in British Columbia and developed the first mill to utilize computerized sawing technology in North America.

Today the Portland, Oregon based corporation has over 2,500 employees with 2 mills located in the US and 7 in Canada, where it manages 5.4 million acres of provincial timberland. It produces softwood lumber and bleached kraft pulp for newsprint, writing and tissue paper. The Company's shares have been traded on the New York Stock Exchange since 1972 and it attained Fortune 500 status in 1988.

In 1981, Pope & Talbot purchased and rebuilt the Homestake Sawmill in Spearfish, South Dakota following a tragic fire in 1979. This modern sawmill produces 450,000 board feet of lumber/day; it incorporates state-of-the-art wood processing technology that utilizes the entire log. Most importantly, the mill helps drive economic development for the region, where 278 skilled people are employed.

The infamous Ft. Robinson Fire of 1989 brought Pope & Talbot to northwest Nebraska in an effort to salvage fire killed timber and offset dwindling timber sales in the Black Hills National Forest of South Dakota. Over time, the Pine Ridge forest resource increased in importance as a viable source of sawlogs. During the peak years of timber harvest, often 1 out of every 5 logs being processed at the Spearfish mill came from Nebraska private and state forestland.

Since 1990, Pope & Talbot has played a dominant role in advancing forestry in northwest Nebraska. In 2001 alone, the economic impact included:

- \$1.2 million stumpage paid to landowners
- \$390,000 wages paid to area residents (loggers)
- \$100,000 fuel, maintenance & repair purchases
- \$100,000 road & property improvements
- \$870,000 trucking payments (log hauling)



McCartney explaining forestry to students.

In addition to complementing the area's ag. based economy, the forest resource benefitted immensely from Pope & Talbot's presence. Forestland in dire need of management was harvested at a rate of 1.55 million cubic feet/year, which helped lower forest fire risk and increase forest health. In spite of intensive harvesting, the Pine Ridge continues to grow 2.5 million cubic feet/year or about 1 semi-truck load of sawlogs every 2 hours! Under management, the forest could be

growing 8.6 million cubic feet/year.

Recently, Pope & Talbot announced that it will be closing the Chadron office and forester Fred McCartney will transfer back to Spearfish, SD. The change was driven by business and profitability factors, notably the increase in fuel costs and the trend for lower wholesale prices for their products. McCartney stated that "landowner (private, State of Nebraska, Nebraska National Forest) reluctance to accept reduced stumpage prices weighed heavily in this decision. However, the Company still desires to purchase additional timber in Nebraska if it can do so profitably."

Fred McCartney's new contact information is as follows:

Pope & Talbot, Inc.
Attn.: Fred McCartney, Forester
P.O. Box 850
Spearfish, SD 57783
Office: 605-642-7741 ext. 123
Cell: 308-430-1546
Residence: 308-432-3189
Email: fred_mccartney@poptal.com

The Trading Post

The *Trading Post* is provided as a free marketing service for forestry industry. Only forestry-related advertisements will be accepted. Please submit written ads to the *Timber Talk* editor at least 15 days before scheduled *Timber Talk* publication dates. Ads may be edited to meet space constraints.

For Sale

Hedge Corner Posts. Some hedge logs for hobby lumber. Contact: Joe Straube, Tecumseh, NE. (402) 335-2400.

Electric Bandsaw Mills. One M-324 (\$1200) and one M-267 (\$2195). Contact: 4M Lumber, Ravenna, NE. Phone: 308-452-4032; e-mail: fourm57@Charter.net

Wanted

Logs. Cottonwood, cedar and pine. 4" to 26" diameter, 90"-100" lengths. Below saw grade logs acceptable. Contact: American Wood Fibers, Clarks, NE at (800) 967-4789; email: mvanskike@AWF.com

Hardwood Cross Ties and Switch Ties. Size 7" x 9" – 8' only. **Mixed Hardwood Timbers.** All sizes. **Pallet Cants.** 3" x 6" and 4" x 6". **Logs.** C45, Veneer and C35 logs. Must be able to load 40' containers. Cherry, Walnut, Red Oak, White Oak, Ash, Hard Maple and Poplar logs. **Timbers for Log Homes. Switch Ties.** Oak and mixed hardwood, 7"

x 9" – 15', 16', 21', 22, 23'. **White Pine Plank.** #2C, 5 T/LS per month, Rough, green, 1 5/8" x 7 5/8" or 2 1/2" x 9 3/8", up to 1/3 – 8', bal. 10'–16' lengths. **Walnut Sawlogs.** Woods run, #1, #2, #3 grades. **Log Inspector** to inspect logs before shipment. **Cross Tie Buyers.** Good incentive arrangements. **Mills to Produce Oak Car Decking.** Surface, drill – oak or mixed hardwoods. Contact: W. Preston Germain, Germain Lumber Co., Inc., Pittsburgh, PA 15251; 402-782-3240; FAX: 412-781-2551; e-mail: germainlumber@verizon.net.

Services and Miscellaneous

Sawmill Service and Supplies. Saw hammering and welding. Precision knife and saw grinding. Certified Stihl chainsaw sales and service. Contact: Tim Schram, Schram Saw and Machine, PO Box 718, 204 E. 3rd St., Ponca, NE 68770, (402) 755-4294.

Used Portable Sawmills. Buy/Sell. Contact: Sawmill Exchange (800) 459-2148, (205) 661-9821.

Private Forests

The Economist magazine reports that "a new breed of investor is taking over America's forests." Across America, vast swathes of land may have become more valuable for their development potential than for their timber. Since 1900, when Frederick Weyerhaeuser, a German immigrant, and 15 partners purchased 900,000 acres of land from a railway company in Washington State, big timber enterprises have held land for decades. They harvested trees for lumber or paper pulp, replanted, and patiently waited for another harvest in 50-60 years. It was a conservative, relatively safe business; the demand for wood and paper, although it has ups and downs, has remained generally strong. Investments in timber land proved a good hedge against inflation, and often did well when stocks on Wall Street fared poorly.

Now all that is changing. New tax rules, demand for building land and the influence of big investors such as pension funds have transformed the ownership of forest land. In recent years most tree-owning and lumber companies have sold their land to Timberland Investment Management Organizations (TIMOs), in which private investors pool together to buy timber holdings. Forest-products companies then buy trees from the TIMO-owned land and convert them to lumber or paper. In early April, for instance, International Paper, which is based in Connecticut, sold its 5.1m acres of American timber land for \$6.1 billion to two TIMO investor groups.

Other companies, such as Plum Creek, have become publicly owned real estate investment trusts (REITs), which are also attractive to investors and reduce corporate tax. Plum Creek now owns more than 8m acres of forest land and reaps profits from timber, property and minerals. Today only two large publicly traded forest-products companies—Weyerhaeuser, based just outside Seattle, and Temple-Inland, based in Austin, Texas—still have substantial forest holdings.

(Weyerhaeuser owns or leases 6.5m acres in the United States. Temple-Inland owns about 2m.)

Since 1996, 30m acres of private forest lands have changed hands, causing turmoil in the industry. Some of those most disturbed by the trend are the same greens who bitterly fought logging on federally owned lands during the 1980s and 1990s. They admit that logging in private forests, too, often wrecked the landscape. But companies such as International Paper were also diligent about replanting trees and creating new forests that became valuable wildlife habitat and sources of clean water. Moreover, in many parts of the United States, timber companies allowed local people to hike, hunt or fish on their lands, a tradition greens fear may be lost.

The biggest current battle on this front is taking place around Moosehead Lake in northern Maine. Plum Creek owns 421,000 acres around the 117-square mile lake, and would like to build as many as 1,000 houses, as well as lake-side resorts. The development would "fundamentally change the character of Moosehead Lake," now a quiet, rural region of hunting and fishing cabins, says Pete Didisheim of the Natural Resources Council of Maine. Plum Creek counters that it is also preserving vast tracts of land around the lake. Critics, unconvinced, are fighting a rezoning proposal which the company needs to proceed. In many other parts of the country there is fear that new forest owners will quickly log their land, and then sell the denuded ground for housing.

Others see opportunity as forest ownership changes. In Wisconsin, for instance, the Nature Conservancy and the Department of Natural Resources negotiated an agreement under which investors bought 101 square miles of land from International Paper as part of that company's big woodlands

Timber Sales

The following listings are for stands of timber or logs being offered for sale by owners or persons of delegated authority. Timber was cruised and/or marked for harvest by Nebraska Forest Service or other professional foresters. Volumes in board feet (Doyle scale unless otherwise indicated) are estimates by the forester. If no volume is listed, the trees or logs were not appraised or marked by a forester and the listing is included only as a marketing service to the owner. Listings are prepared according to information at the time of publication.

Item		Forester/Date	Contact
1. Black Walnut (19 trees)	2,444bf	11/06	Willard Penner 607 Spring View Circle Beatrice, NE 68310 Ph: (402) 228-0251 Location: Gage County
Lumber 1 -	640 bf	Karloff	
Lumber 2 -	783 bf		
Lumber 3 -	821 bf		
2. Bur Oak (96 trees)	17,850 bf	12/06	Tom Scheffert 1057 CR 1300 Dorchester, NE 68343 Ph: (402) 641-1148 Location: Saline County
Hackberry (3 trees)	450 bf	Karloff	
Green Ash (2 trees)	230 bf		
3. Bur Oak (350 trees)	48,770 bf	12/06	Glenn Kovanda 1415 Road 24 Milligan, NE 68406 Ph: (402) 629-4500 Location: Saline County
		Karloff	
4. Bur Oak (32 trees)	3,910 bf	1/07	Everett Stewart 711 Spring Street Friend, NE 68359 Ph: (402) 947-8051 Location: Saline County
		Karloff	

Private Forests *(continued from page 7)*

divestiture earlier this year. The land will continue to produce maple, oak and cherry lumber—all very valuable—while also remaining open for recreation and wildlife conservation.

“Because these forested areas are for sale, it’s a great opportunity to buy them for preservation and sustainable forestry,” says Bill Ginn, who works on forestry matters for the Conservancy. Groups such as Mr. Ginn’s also hope to make state tax rules more favorable to owners of forests.

No doubt, in years to come, some of the forests’ new owners will opt for a quick and dirty profit from their lands, selling to Boston or Seattle residents who want a place in the (former) woods. But land across much of the United States was logged during the agricultural and economic expansion of the 1800s, and has grown back. Perhaps the natural patience of forests will prevail again.

(Source: The Economist, June 10, 2006.)

*You know you’re from
Nebraska if....*

*You know what “knee high
by the 4th of July” means.*