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NEBRASKA FOREST SERVICE



Nebraska Forest Service

Institute of Agriculture and Natural Resources

University of Nebraska–Lincoln

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The Nebraska Forest Service publishes *Timber Talk* four times annually (February 1, June 1, September 1, and November 1) to serve 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, 203E Forestry Hall, P.O. Box 830815, Lincoln, NE 68583-0815. Phone (402) 472-5822, FAX (402) 472-2964.

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Lumber Market

HARDWOODS

Northern. Business for North American hardwood grade lumber has yet to gain momentum after the holidays. Exports are a vital percentage of total market share, but orders and shipments began dropping in November and have continued to slide. It is uncertain when buyers will resume activity because of shaky economic circumstances throughout most of the world and contrasting circumstance from China. Domestic manufacturers’ sales of residential interior fittings and furnishings have stalled, and the volume of lumber needed to support inventory and production has declined.

Southern. The inventory supply pipeline for hardwoods was critically low at the end of 2009 and first few months of 2010. As the year progressed, increasing demand and prices, along with favorable logging conditions, boosted productivity of timberland owners, logging contractors and sawmill operators. Now, with log supplies still adequate to maintain stable output, salability issues are the only factor to limit green lumber production. Weak finished goods sales have required end-users to lower raw materials purchases. Pricing has responded accordingly. Through Christmas and New Year’s holidays, mills lowered output and continue to monitor buyers’ needs to avoid over-supplying the marketplace.

Appalachian. Globally, markets for hardwood finished goods and lumber remain weak. Slow residential construction and uncertainty about the economy have impacted activity. At the same time, the supply pipeline for hardwoods has filled. Timber sales gained traction in 2010. Since then, timber and log prices have eased down, resulting in less timber available for sale. Mills and resellers are experiencing difficulties in obtaining enough orders to ship total green and kiln dried production. The primary challenge is end-users are reluctant to purchase beyond short-term needs. Pricing is pressured, especially for kiln dried stocks. Also impacting the bottom line is escalating fuel costs.

(Source: Condensed from *Hardwood Market Report*, January 15, 2011. For more information or to subscribe to *Hardwood Market Report*, call (901) 767-9216, email: hmr@hmr.com, website: www.hmr.com)



Hardwood Lumber Price Trends—Green

Species	FAS				#1C				#2A			
	12/10	9/10	6/10	3/10	12/10	9/10	6/10	3/10	12/10	9/10	6/10	3/10
Ash	800	800	785	705	570	570	550	485	405	405	395	355
Basswood	705	730	730	700	375	385	385	360	205	205	205	205
Cottonwood	625	625	605	605	425	425	405	405	220	220	220	220
Cherry	1530	1530	1530	1530	655	655	655	655	330	330	330	330
Elm	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	640	655	640	615	530	530	530	500	405	405	405	375
Soft Maple	870	930	1000	960	570	585	600	545	325	325	325	300
Red Oak	1040	1095	1135	1060	680	770	770	665	555	575	575	470
White Oak	1035	1035	1035	1010	645	645	645	570	480	500	500	395
Walnut	2105	2060	1975	1820	1125	1095	1025	850	740	675	605	425

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, northern soft grey elm, unselected 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			
	12/10	9/10	6/10	3/10	12/10	9/10	6/10	3/10	12/10	9/10	6/10	3/10
Ash	1155	1165	1090	1060	860	890	850	775	680	695	685	650
Basswood	950	985	1000	990	575	585	575	550	415	415	415	415
Cottonwood	—	740	740	740	—	545	520	510	—	—	—	—
Cherry	2260	2260	2260	2260	1005	990	930	890	625	615	605	565
Elm	—	—	—	—	—	—	—	—	—	—	—	—
Hackberry	—	—	—	—	—	—	—	—	—	—	—	—
Hickory	1110	1110	1090	1030	945	945	915	865	790	790	780	735
Soft Maple	1140	1200	1315	1340	775	830	830	785	595	595	595	555
Red Oak	1435	1550	1535	1380	1050	1140	1140	965	865	865	850	760
White Oak	1625	1650	1605	1540	955	955	920	865	795	795	765	695
Walnut	3110	3045	2930	2705	1765	1750	1635	1450	1235	1185	1010	795

Note: Kiln dried prices in dollars per MBF, FOB mill, is an estimate of predominant prices for 4/4 lumber inspected and graded before kiln drying. Prices for cottonwood and hackberry from Southern Hardwoods listings. Prices for ash, basswood, northern soft grey elm, unselected 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, northern soft grey elm, unselected 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		12/06	475	455	265
	12/85	600	445	210		12/07	475	455	265
	12/90	745	585	215		12/08	475	455	265
	12/95	765	630	325		12/09	475	455	265
	12/00	755	615	380		1210	475	355	265
	12/05	730	565	415		HICKORY	4/79	310	290
	12/06	620	470	335	2/85		325	305	160
	12/07	600	430	305	12/90		335	315	195
	12/08	655	450	325	12/95		455	435	265
	12/09	675	460	345	12/00		625	515	340
	12/10	800	570	405	12/05	770	650	405	
BASSWOOD	4/79	455	315	170	12/06	755	660	450	
	12/85	560	310	182	12/07	735	610	425	
	12/90	550	295	170B	12/08	650	490	350	
	12/95	620	365	195B	12/09	615	500	350	
	12/00	720	425	225	12/10	640	530	405	
	12/05	710	435	225	SOFT MAPLE (UNSD)	4/79	390	310	185
	12/06	750	415	225		12/85	400	335	200
	12/07	695	365	205		12/90	420	335	200B
	12/08	685	350	205		12/95	600	490	205B
	12/09	685	330	205		12/00	850	640	340
	12/10	705	375	205		12/05	1200	790	400
COTTONWOOD	4/79	455	315	170		12/06	1185	750	380
	12/85	320	267	142		12/07	1130	600	320
	12/90	400	285	150B		12/08	1100	545	280
	12/95	605	405	185B		12/09	960	505	260
	12/00	600	400	220		12/10	870	570	325
	12/05	600	400	220	RED OAK	4/79	505	415	215
	12/06	600	400	220		12/85	715	450	225
	12/07	600	400	220		12/90	815	645	295
	12/08	615	415	220		12/95	1025	840	475
	12/09	605	405	220		12/00	1095	910	660
	12/10	625	425	270		12/05	1150	740	500
CHERRY	12/83	760	580	285		12/06	1020	675	500
	12/85	785	615	305		12/07	945	630	500
	12/90	965	620	285		12/08	930	585	490
	12/95	1185	845	445		12/09	935	610	450
	12/00	1605	1115	585		12/10	1040	680	555
	12/05	1570	1320	625	WHITE OAK	4/79	535	415	212
	12/06	2350	1335	655		12/85	660	355	225
	12/07	2290	1230	640		12/90	800	445	215
	12/08	1895	790	425		12/95	800	565	340
	12/09	1530	625	320		12/00	770	535	340
	12/10	1530	655	330		12/05	910	625	400
ELM (soft grey)	12/83	313	293	183		12/06	1015	600	400
	12/85	410	390	255		12/07	1105	620	400
	12/90	665	440	165B		12/08	1065	570	400
	12/95	665	440	210B		12/09	940	500	360
	12/00	635	420	235		12/10	1035	645	480
	12/05	635	420	235	WALNUT	1/79	1250	795	480
	12/06	635	420	235		12/85	1565	855	255
	12/07	635	420	210		12/90	1605	855	290
	12/08	635	420	235		12/95	1535	810	290
	12/09	635	420	235		12/00	1455	785	315
	12/10	635	420	235		12/05	2040	1030	650
HACKBERRY	4/79	387	367	262		12/06	2100	1210	885
	12/85	345	325	220		12/07	2180	1300	940
	12/90	390	370	240		12/08	2010	1065	520
	12/95	485	465	275		12/09	1800	765	360
	12/00	475	455	265		12/10	2105	1125	740
	12/05	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)

Nebraska “Primary Processors” Directory

Finally, the new edition of the “Nebraska Forest Products Manufacturers – Primary Processors” directory is completed and published. It includes over 65 Nebraska forest products businesses that manufacture wood products from round-wood, i.e. logs. This extensively revised and reformatted directory was developed from a survey of over 100 known Nebraska sawmills and other primary processors conducted during winter/spring, 2010. The directory includes only businesses that request to be listed.

The Nebraska Forest Products Manufacturers – Primary Processors directory is conveniently available on the Nebraska Forest Service website: <http://www.nfs.unl.edu/forestproducts.asp>. For those without internet access, hard copies are also available from: Marketing & Utilization Forester, Nebraska Forest Service, 203E Forestry Hall, UNL, Lincoln, NE 68583-0815; phone: (402) 472-5822; e-mail: dadams2@unl.edu.

Long Time Nebraska Sawmiller Will Be Missed

Wilbert Sizer, 72, a long-time Nebraska sawmiller and tree promoter died December 4, 2010 at the University of Nebraska Medical Center in Omaha.

Wilbert was born January 31, 1938 in Trion. He was a lifelong resident of Arthur County, primarily in Calora. He began operating the family ranch at a young age and served a full term in the Nebraska National Guard as a tracked vehicle mechanic.

Wilbert and his wife, Virginia, owned and operated the family ranch and Sizer Tree Farm for over 40 years. They sold trees around the region, where Wilbert became known as “the tree man”.

For many years Wilbert operated a small, portable band-saw mill, which he used for custom- sawing and to cut rough lumber, truck flooring, and bridge timbers for local markets. He also processed and marketed firewood. Each year Wilbert volunteered his time to demonstrate his sawmill to fourth graders at the Indian Summer Rendezvous in Ogallala.

Wilbert’s enthusiasm for trees, sawmilling, and educating people will be missed, particularly in western Nebraska.



What Is That Log Worth?

Lack of understanding about pricing logs or standing timber is the No. 1 reason we have seen so many sawmills go out of business.

Many people don’t fully realize the significance of log prices. If you purchase 10,000 BF of logs a day and pay just 1 cent per foot too much — well, how much is 10,000 pennies? That’s \$100 a day, times five days a week, which is \$500. \$500 times 50 weeks equals \$25,000 a year.

Almost every industry has to purchase raw materials. If you make aluminum cans, you know what your aluminum cans sell for and what it cost to produce them — and so you are able to calculate a price you can pay for raw aluminum. Even in our own industry the lumberyards and furniture manufacturers know what to pay as the lumber is sorted to specific NHLA grading standards. They can use the market reports along with market conditions as a guide to set the purchase price.

However, the problem at the sawmill is that there are no exact grading standards for logs. Now I know someone will point out that there are books from the forestry department on how to cut and grade logs. But to be honest, there are so many possible combinations from a tree that it’s hard to put all the possible logs into three or four grade categories. Also each and every log saws differently; you can have two 16-foot-long red oak butt logs that are 16 inches at the small and each will yield different amounts of each grade. Each species must have different log grading standards — based on NHLA grading standards for that species and on the selling prices of each item from that species.

If you don’t know how to pay for logs, you can lose a lot of money. Just think about it, if 1 cent of 10,000 BF of logs per day is \$25,000 a year, then the cost of overpaying by 5 cents per board foot is \$25,000 times 5 which equals \$125,000 a year. You may say that you only purchase 5,000 BF of logs per day, but that’s still \$62,500 per year. It’s useful to bear in mind that just working as hard as you can and paying what another sawmill may be paying may not work for your operation. Your operation is different from everyone else’s and you need to know what you can pay for your logs.

My Personal Experience

In the ‘90s I took over a large band mill operation using a band resaw. We used degreed foresters for purchasing standing timber and we had four to six contract cutting crews harvesting for the sawmill. I had managed the sawmill for about two weeks when we had our monthly timber buyers meeting. Pricing came up for discussion. I was given a price sheet listing each species and the pricing from veneer to crating. I asked what I thought was a simple question, “How are the log prices set?” Well no one could answer. After a minute, one of the foresters spoke up and said he had been there for 18 years and the list was there when we started. The previous mill managers adjusted the prices up or down based on how much log inventory they had. I walked away from that meeting wondering just how to address this.

Bumper Sticker Wisdom

“Give me ambiguity, or give me something else.”

For the next three months, I did grade-tests on every grade of logs for every species we cut. I found that the sawmill was actually paying more for some logs than the lumber was worth after the logs had been sawn, and that we were purchasing a lot of these items. I also found that on some species we were making a killing, but that we had not been able to purchase much of that species. So I cut prices on the species where we were losing money and raised prices on the items where we were making a killing so as to attract more of that species and grade. Then I had a price sheet I could work with.

How to Create a Realistic Price Sheet

The first step is to create your own log grading system. On a national level this is hard to do, but at your sawmill you probably already have something in place. Here are a few basics to keep in mind when grading logs.

Not all butt logs are equal; larger diameter will saw more 1 f/b lumber than small diameter logs, so you may have to break your No. 1 log grade at 15 inches and larger. Put your 12-inch to 14-inch butt cuts in the No. 2 grade. Also “clean second cut” are not butt logs. No matter how clean they may be, there are still more knots on the inside than with the butt log. I would put them in the No. 2 grade.

Many loggers and landowners have a problem understanding this, because they mistakenly think that as the tree grows, it grows from the trunk and the limbs keep getting pushed higher up the tree. Many people don't know that as a tree grows in the woods the lower limbs die and fall off. What I have done is to cut a few “clean second cut” logs so the loggers can see that the knots are in there. If your ties are worth more than your No. 2 Common grade for that species, then you will need a tie grade as your No. 3 grade, and then a fourth grade for low-grade logs that cannot make a tie. If your No. 2 Common is worth more than the ties, then it should be the No. 3 grade with ties as No. 4. (You might want to take another look at my article on how to cut up your trees (See *Sawmill & Woodlot* July 2008, page 14) where we present some guidelines for setting up grades for each species.

How to Make Test Cuts

Here are two ways to make test cuts. If you have an inspector, use Test No. 1. If you don't have an inspector, read Test No. 2.

Test No. 1: (For people with lumber inspectors.) Saw 2,000 BF or 3,000 BF of logs from each grade per species and keep track of exact log footage per grade for calculating overrun. The larger the log test per grade, the more accurate your results will be. Now record everything that you produced for each grade including any and all pallet stock. It's not worth the time to weight your slabs and sawdust. Just consider them a freebee. Switch to the next grade for that species and do the same thing, but put everything on a new tally and mark the tally for the grade you are cutting. Do the same for grades No. 3 and No. 4. Now multiply your footage times the selling price for each grade and get a total.

Next total all the grades and footages (Example No. 1). Divide your total dollars by the footage to get an average from that grade of logs and species.

Now that you have your totals per species, you can figure the price you can pay per grade of logs (Example No. 2). Take your average and subtract your operating cost and transportation cost to deliver your lumber from the average. Next subtract your expected profit. Now you have a bottom dollar log price.

Next you need to look at overrun (Example No. 3). Overrun differs based on what you are sawing and the size of logs you are sawing. Let's say that your No. 1 grade cuts a 15% overrun, while your No. 2 grade cuts 20%. I generally add back to my log price a part of the overrun. But don't add it all, as you will get logs that are bad in the middle, and you may hit metal. You may take four slabs off a nice-looking butt log and it may be full of knots and only cut No. 2 Common lumber.

Test No. 2: (For people without lumber inspectors.) Sort your logs and saw an equal amount of each grade to make your load of lumber. Keep a tally of your log footage per grade for overrun. Run enough logs to create a load of lumber you are shipping; put it on a truck and send it out. Tally all the items produced that did not ship with the load such as pallet stock or ties. When you get your tally from the lumberyard that purchased your lumber, you have almost the same information as the sawmills that have an inspector, only yours is not separated by log grade, but by an average of all the grades.

EXAMPLE NO. 1

No. 1 Red Oak Logs			
GRADE	FOOTAGE	PRICE PER BF	TOTAL
4/4 1 f/b	2,234	\$ 0.85	\$ 1,898.90
4/4 # 1 Com	1,025	\$ 0.60	\$ 615.00
4/4 # 2 Com	615	\$ 0.42	\$ 258.30
Ties		\$ 0.40	\$ -
Pallet Cants	100	\$0.30	\$ 30.00
Frame Stock		\$ 0.15	\$ -
Totals	3,974		\$ 2,802.20
Average	\$ 0.72		

EXAMPLE NO. 2

No. 1 Red Oak Logs	Average \$ 0.72
Operating Cost	Minus \$ 0.20
Trucking	Minus \$ 0.04
Total	\$ 0.48

EXAMPLE NO. 3

No. 1 Red Oak Log Overrun	
10%	\$ 0.05
Final No. 1 Red Oak Price	\$ 0.53

Now multiply your footage times the selling price for each grade and get a total (example No. 1), and then total all the grades and footages. Divide your total dollars by the footage to get an average from that grade of logs and species.

Now you can figure the price you can pay per grade of logs (Example No. 2). Take your average and subtract your operating cost and the transportation cost to deliver your lumber. Next subtract your profit. The result is a bottom dollar log price.

(continued on page 7)

Nebraska Forestry Industry Spotlight



TRADE WELL PALLET, INC.



Trade Well Pallet, Inc., located in Kenesaw, Nebraska, was purchased in 2000 and is one of two sawmills in the Trade Well Pallet Company, owned by Norman Tasler. The Kenesaw sawmill utilizes hardwood species primarily from the river basins in the south central area of the state, but also from as far away as western Nebraska. Sawmill manager, Doug Putnam, indicates that although a variety of hardwood species are harvested by the mill's logging crew, cottonwood is the principle species used at the mill. Approximately 2.5 to 3.5 million board feet of lumber is annually processed by the Kenesaw mill, mainly for pallets, crates, and dunnage. The mill employs ten people, including two of Doug's sons, Jacob and Marko, who also help the logging crew. The other Trade Well Pallet Company sawmill is located in Ashland, Nebraska. Both sawmills ship their lumber to the pallet production mill at Gretna, Nebraska, where the cooperate office is located.

Logs are processed at the Kenesaw operation by a stationary Meadows circle sawmill that has a 60-inch bottom saw and a 28-inch top saw, powered by a 150 hp electric motor. The headrig can handle up to 36-inch diameter logs.

For larger logs, up to 72 inches across, a L&M splitter saw purchased from Canada will cut the larger logs into halves, thirds, or quarters as needed. The L&M splitter utilizes a three-fourths inch chainsaw chain.

Other equipment at the mill includes both a Meadows horizontal edger and a vertical edger, Pendu Gang Saw, Morbark Chipper, and a Cornell saw for scrap wood. Doug points out that logs brought into the mill are completely utilized. Waste wood that is not used for pallets and dunnage, e.g. scraps and slabs, is processed into landscape mulch, livestock bedding, wood fuel products, and playground wood chips. He added that the Kenesaw mill they supply wood chips locally to the State Fair and horse race track in Grand Island, NE.

Besides producing new pallets at the Gretna facility, Company President Mike Tasler, indicated that Trade Well

Pallets has a pallet repair facility which typically repairs and restores upward of a half million pallets a year. Mike further states that as a member of the National Wooden Pallet and Container Association (NWPCA), Trade Well Pallets, Inc. stays current with all applicable laws and regulations including heat treatment certification for national shipment. The Tasler family has owned and operated Trade Well Pallet, Inc. since 1978.

Doug Putnam, Trade Well Pallet, Inc. Sawmill Manager, can be contacted at : 3650 North Constitution Avenue, PO Box 198, Kenesaw, NE, 68956; phone: (402)752-3254. Trade Well Pallet corporate office is located at: 22801 Fairview Road, PO Box 310, Gretna, NE, 68028; phone: (402)332-3500. E-mail: info@tradewellpallet.com



Jacob Putnam at Log Deck



Biomass Chips



Green Chain and Headsaw

The Trading Post

The *Trading Post* is provided as a free marketing service for forestry industry. Only forestry-related advertisements will be accepted with the exception of products manufactured in the normal course of your business. 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

Lumber Dry Kiln. 2007 Nyle L300 Lumber Dry Kiln. 8000 bf capacity. Single phase, 100A, 220V, comes with 3 fans, 3 motors, 3 shrouds, wet and dry bulbs. Never been removed from shipping crate. \$11,000. Contact: Dave Champlin, 1842 N. 210th Rd., Concordia, KS 66901. Phone: (785) 275-2181; email: trees2trim@ncKcn.com.

Circular Sawmill. Includes power unit and two 48-inch insert tooth blades. Contact: Monte Reynolds, R&R Sawmill, 75455 Rd 409, Farnam, NE 69029. Phone: (308) 569-2345.

Planer. 24" Goodall & Waters planer. 2 knives. Includes 5 HP electric motor. Manufactured about 1890 in Philadelphia. \$250 OBO. Contact: Carl Hinds, 450 Gulf Rd., S. Sioux City, NE 68776. Phone: (402) 494-2127 or cell (712) 281-1472.

Wanted

Belsaw Woodworking Planer. Model 9103. 12¼". **Bandsaw Lumber Mill.** Push type. Contact: Charles Cressman, 231 Walnut St., Butte, NE 68722-3518. Phone: (402) 775-2468.

Logs and Slabwood. Cottonwood, cedar and pine. 4" to 26" diameter and 90"-100" lengths. Below saw grade logs acceptable. Contact: American Wood Fibers, Clarks, NE at (800) 662-5459; or email: Pat Krish at pkrish@AWF.com

Straight Line Ripsaw. Also, **Powder Wedge or Dynamite Wedge** for splitting large logs. Contact: Carl Hinds, 450 Gulf Rd., S. Sioux City, NE 68776. Phone (402) 494-2127 or cell (712) 281-1472.

Services and Miscellaneous

Woodshop Services. Millwork made from your lumber on my planer/molder. Chris Marlowe, Butte, NE (402) 775-5000. Marlowepasture@nntc.net.

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. North America's largest source of used portable sawmills and equipment. Contact: Sawmill Exchange (800) 459-2148, website: www.sawmillexchange.com.

What Is That Log Worth? (continued from page 5)

Now you need to look at overrun (Example No. 3). Overrun differs based on what you are sawing and the size of the logs you are sawing. Let's say that your No. 1 grade cuts a 15% overrun, while your No. 2 grade cuts 20%. I generally add back to my log price part of the overrun. But don't add it all as you will get logs that are bad in the middle, and you may hit metal. You may take four slabs off a nice-looking butt log and it may be full of knots and only cut No. 2 Common lumber. Now you have an average price you can pay for that species. Let's say you find that you can pay \$0.50 per board foot on average for this species. I would probably pay \$0.70 on the No. 1 grade logs and \$0.30 on the No. 3 grade logs.

You now have log prices that are real, like it or not! You will also find some things you did not know. You will probably find some logs that even if someone gave them to you for free you would still lose money! But if you are to stay in business during these hard times, it will take more than hard

work; it will take working those numbers. You will probably find that most mills around you don't know how to do this and may be paying more for logs than they are worth. You may also get a lot of flak from your loggers who will say that you are not paying enough. Remember that most loggers don't keep up with what is happening in the market. Most people like prices to go up, but no one likes them to go down. You don't have to make every log profitable. You may give up some profit here or there to attract the logs you need, but you definitely have to make a profit somewhere.

Note: For those of you who purchase your timber standing, you need to back off your harvesting and trucking cost from the log prices to set your standing timber prices.

(Source: *Independent Sawmill & Woodlot Management* magazine, Dec. 08/Jan. 09). Article written by Tim Thompson, Cumberland Ridge Forest Products. For more information or to subscribe to IS&WM, call 1-888-762-8476 or website: www.sawmillmag.com.)

Tree Trivia!

We have more trees in the U.S. today than we did over 80 years ago, and our forests grow four times more wood.

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 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 (48 trees) 2,658 bf Lumber 1 - 170 bf Lumber 2 - 728 bf Lumber 3 - 1,760 bf	Karloff 12/10	John R. Bachman 70461 658 th Ave. Rulo, NE 68431 (402) 245-5448 Location: Richardson County
2. Black Walnut (43 trees) 4,969 bf Veneer 2 - 141 bf Veneer 3 - 336 bf Lumber 1 - 1,128 bf Lumber 2 - 1,937 bf Lumber 3 - 1,427 bf	Karloff 12/10	Dave & Robert Feurer 62484 732 Road Johnson, NE 68378 (402) 335-0730 Location: Johnson County
3. Black Walnut (75 trees) 9,272 bf Veneer 2 - 415 bf Veneer 3 - 428 bf Lumber 1 - 2,052 bf Lumber 2 - 3,769 bf Lumber 3 - 2,608 bf	Karloff 1/11	Tim Crook 6911 Maple Road Nebraska City, NE 68410 (402) 209-7154 (402) 209-7058 Location: Otoe County
4. Black Walnut (60 trees) 3,789 bf Lumber 1- 332 bf Lumber 2- 576 bf Lumber 3- 2,881 bf	Adams 10/10	Dennis Adams 6735 Lexington Cr. Lincoln, NE 68505 (402)465-4677 (402)310-1049 Ladams4@neb.rr.com Location: Lancaster County
Sealed Bid. Bid Opening: 5:00 p.m., March 5, 2011.		

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

“Vacation” means driving
through the Sandhills
going to Carhenge.