

FOREST MANAGEMENT SPECIALISTS, INC.



Volume 2 / Issue 3

FOCUS

In anticipation of the upcoming wet season, most timber mills begin to build their winter inventory in August. This is their attempt to even out the wood flow and avoid shortages that may be caused by the inability of their wood suppliers to access the forest during wet weather. The good news to landowners is this may result in higher prices for standing timber that can be harvested during wet weather. If you are contemplating a timber sale, this is the time to contact Forest Management Specialists, Inc. to assess the quality of your timber, determine the harvesting conditions on-site, and draft a marketing plan.

TIMBER MARKET UPDATE

All pulpwood products: Prices remain low for all of the areas that FMS operates in. There will likely be very little recovery until new mills are located in the area or until existing mills expand. The void created by the closure of the IP mill at Courtland is a huge one. Unfortunately, it is unlikely that a new facility will locate to the area until IP decides the fate of their facilities in Courtland.

Pine chip-n-saw & saw timber: Prices for this product remain low for the Mid-South region. The improving housing market numbers and a decrease in supply from Canada have yet to increase the average stumpage rates received for this product.

Hardwood blended saw timber: These products continue to be in high demand. The prices for tie-logs have been high for several years and show no signs of letting up. Tracts that can be harvested in wet weather are still bringing a premium.

Hardwood high quality/specialty: With the exception of grade red oak, the prices for all of these products remain high. High quality white oak products are doing well throughout our operational area. However, prices are the strongest in the Tennessee Valley which has a high concentration of stave buyers.

FOCUS INDUSTRY

Elk Valley Hardwoods LLC is located in Lawrence County, Tennessee and is owned and operated by Eric and Bridget Wiser. Eric grew up in the sawmill industry in Lincoln County, Tennessee. His grandfather and father were in the logging industry. His father, Joe Wiser, purchased a railroad tie mill in 1972, creating Wiser Lumber Co. Eric and Bridget purchased Wiser Lumber in 1991 and expanded in 1997. The Wisers purchased a mill from Holley Lumber Co. in Lawrence County, Tennessee in 2007. The mill became Elk Valley Hardwoods LLC. The mill was expanded again in 2009 and in 2014 a second tie mill was added. The mill currently runs a 10 hour shift Monday through Thursday and a 5 hour shift on Friday. Elk Valley Hardwoods buys logs and standing timber, within a 100 mile radius of the mill's location in Etheridge, TN.



Elk Valley Hardwood Etheridge, TN



Association of Consulting Foresters of America

TIME FOR:

Timber sales: In anticipation of wet weather, most forest product mills begin building their winter inventory during the fall. This may provide a favorable market for most forest products this fall, especially hardwood sawtimber.

Understory Prescribe Burns: Understory burns in pine plantations are typically conducted during the dormant season. Now is the time to begin planning for those burns. Install firelanes after leaf fall and have both a prescribe burn and smoke management plan prepared by a Certified Burn Prescriptionist. If you would like for FMS to prepare these plans, please contact our office ASAP as our available time is just about booked!

Boundary Line Maintenance: Boundary maintenance is less expensive after leaf fall. Cooler temperatures and increased visibility combine to improve the productivity of the laborers.

MINERAL LEASES

For surface rights owners, Michele McCain, Energy and Environmental Team Leader and Partner at Adams & Reece, LLP of Jackson, MS, recommends the following as a minimum when negotiating the surface agreement:

- Require in your agreement that the Grantee shall acquire, at its sole expense, all necessary mineral exploration and development rights, as may be required.
- State that you make no warranties, representations, or guarantees. They should satisfy for themselves that you are the owner and that you are in control of the lands that they are trying to use.
- Other key provisions in an agreement should include: specific time frame, limits to the use of the surface, require premises to remain in good repair, require insurance, provision for damages, indemnity clause, compliance with the law, limitations on assignment, and default procedures.

FMS recommends that all mineral leases be written or at least reviewed by an attorney that specializes in energy related transactions.

KNOW YOUR FORESTER

Forest Management Specialists, Inc. has been a member of the Association of Consulting Foresters of America (ACF) since 1997. The ACF was established in 1948 and requires its members to adhere to its Code of Ethics, meet educational requirements, and have a minimum of 5 years of experience. Foresters who are members of the ACF cannot buy timber and must always work in the landowner's best interest. So you get unbiased advice and expert options for securing the best price for your timber.

Contact Us

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