



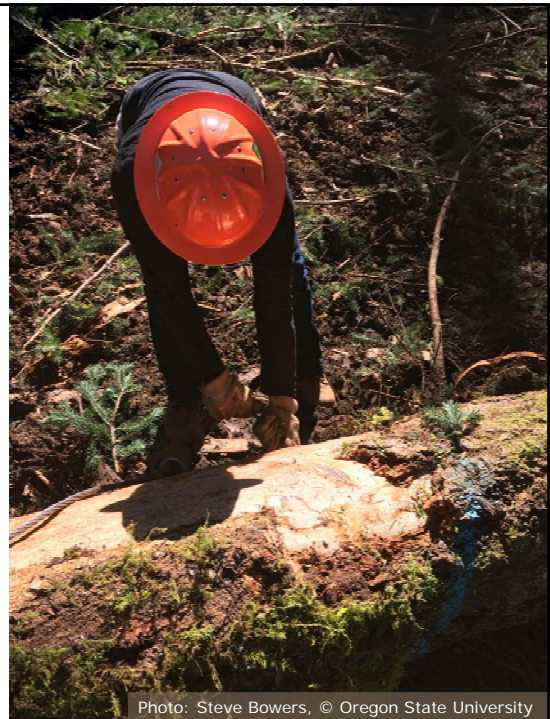
SELLING AND MARKETING LOGS



Photo: Francisca Belart, © Oregon State University

Overview

- Planning
- Economic viability
- Steps of a timber sale
- Roads



Poll :
**Have you sold logs from
your property?**

1. Yes
2. No, and I don't plan to
3. No, but I plan to in the future

Poll :
If yes,

1. Did you hire a consulting forester?
2. Did you manage the sale yourself?
3. Did the logger manage the sale?



Planning

- Management plan
- Timing
- Access
- Property lines, easements
- Seedlings!

Photo: Francisca Belart, © Oregon State University

Economic viability


Will depend on:

Stand characteristics

- Volume removed
- Tree size
- Tree quality

Topography

- Logging equipment
- Productivity



Snow damage?
No thanks!



Photos: Francisca Belart, © Oregon State University

Economic viability

- Access
 - Road building/maintenance
- Log markets
- Type of prescription
 - (clearcut vs thinning)
- Distance to the mill

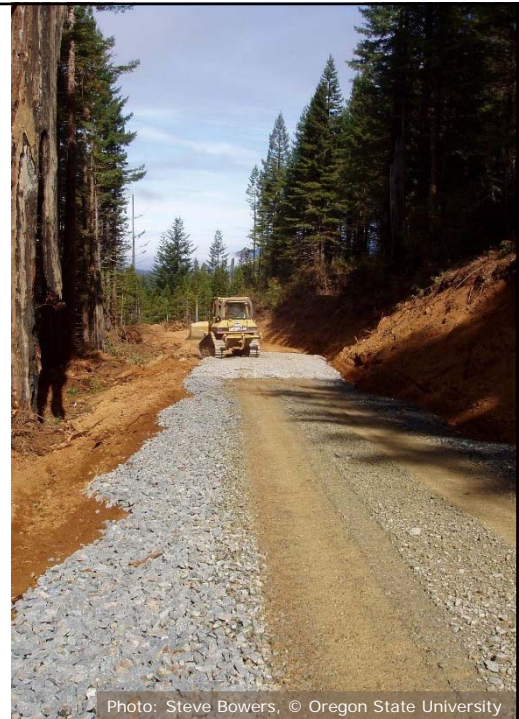
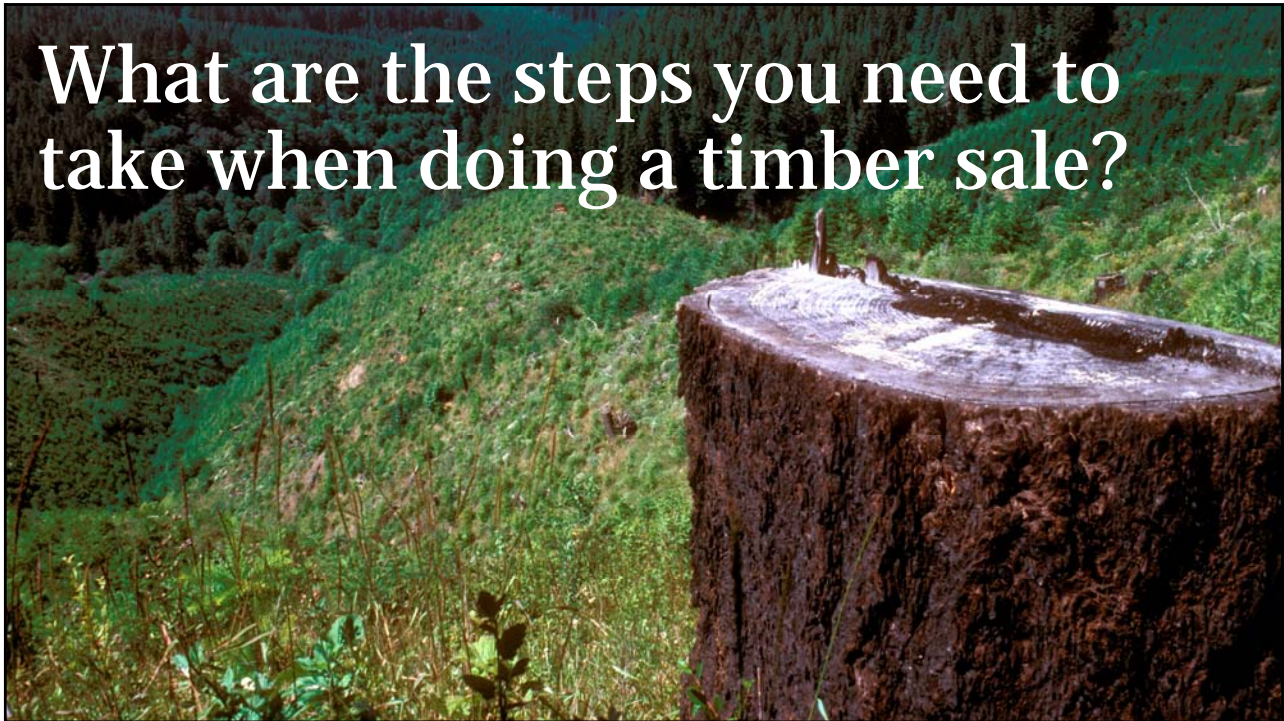


Photo: Steve Bowers, © Oregon State University

What are the steps you need to take when doing a timber sale?



Steps in a timber sale

1. Notification of operations
2. Ensure proper access
3. Identify what's on your property
4. Choose stumpage or log sale

Photo: Francisca Belart, © Oregon State University

Steps in a timber sale

5. Prepare the sale
6. Market your logs
7. Hire logger or contractor(s)
8. Monitor the sale (pre- and post-)

Photos: Francisca Belart, © Oregon State University

1. Notification of Operations



WELCOME TO FERNS

Forest Activity Electronic Reporting and Notification System
Oregon Department of Forestry

FERNS will allow you to Notify the Oregon Department of Forestry prior to conducting an operation or forest practice. You must file a **Notification of Operation** at least 15 days before starting the operation. FERNS will also allow you to notify the Oregon Department of Revenue of the intent to harvest timber.
[Learn More](#)

FERNS will allow you to apply for a **Permit to use Fire or Power-Driven Machinery (PDM)**. You must obtain this permit for any operation that uses fire or power driven machinery.
[Learn More](#)

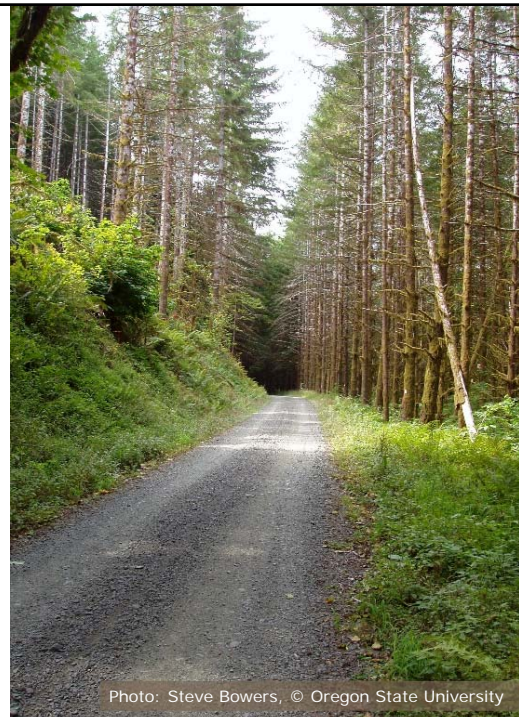
FERNS will allow you to **Subscribe** to receive notifications of operations and information alerts.
[Learn More](#)

REGISTER →

2. Proper access

Easement

- Road use agreement
- Stated time of duration
- Stipulations for use
- Insurance
- Method of payment



Road surface: materials

Rock

- Needs to be purchased and/or transported
- Higher cost
- Lower maintenance
- All year access
- Better water drainage
- Fewer cross drains needed
- Reduced dust
- Improved traction

Dirt

- Don't need to buy or haul it
- Less expensive
- Higher maintenance
- Might not be operational all year
- Higher potential for sediment
- Needs more dips/bars
- Decreased stopping distance for same speed

Road surface: aggregate

Sand and gravel:
river valley floors
extracted from
gravel pits then
treated



Crushed rock:
higher elevations
(basalt), drilling and
blasting at *quarries*
then treated

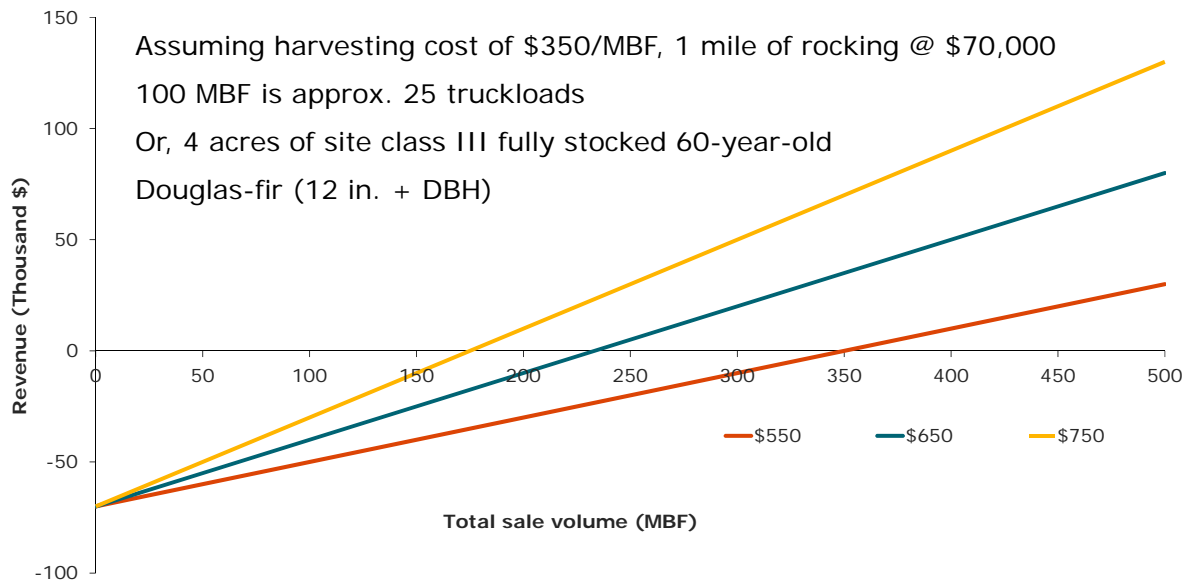


Pit run:
aggregate
from gravel pit
or quarry
without
processing, ↓\$\$



Photos: Francisca Belart and Steve Bowers, © Oregon State University

Road surface: cost



3. Identify what's on your property

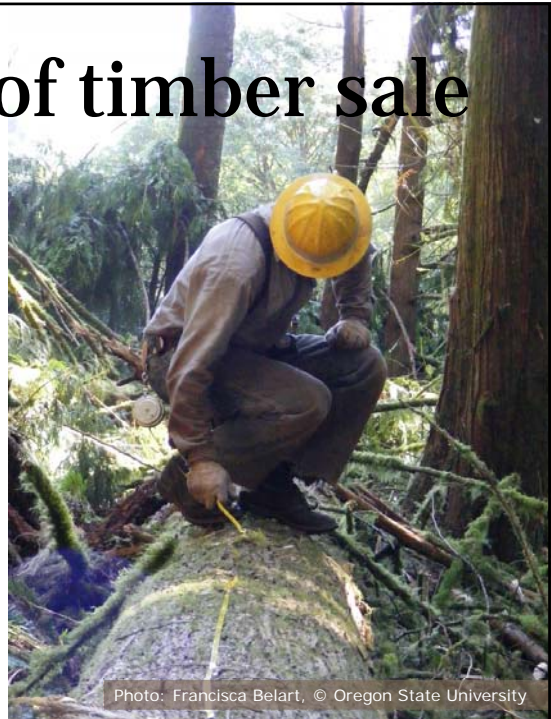
Cruise the sale

- Forest survey of what you plan to sell — sample
- Itemized by product — species, size, volume, quality, or other characteristics
- Log lengths reflective of actual cutting practice

Photo: Lynn Ketchum, © Oregon State University

4. Chose your type of timber sale

- **Stumpage:** a party buys the standing timber. Wood is paid on *actual volume removed* (scale out) or a *predetermined volume* (lump sum).
- **Mill sale:** logs sold directly to a mill. Wood is paid on *net scale* basis.



5. Sale preparation

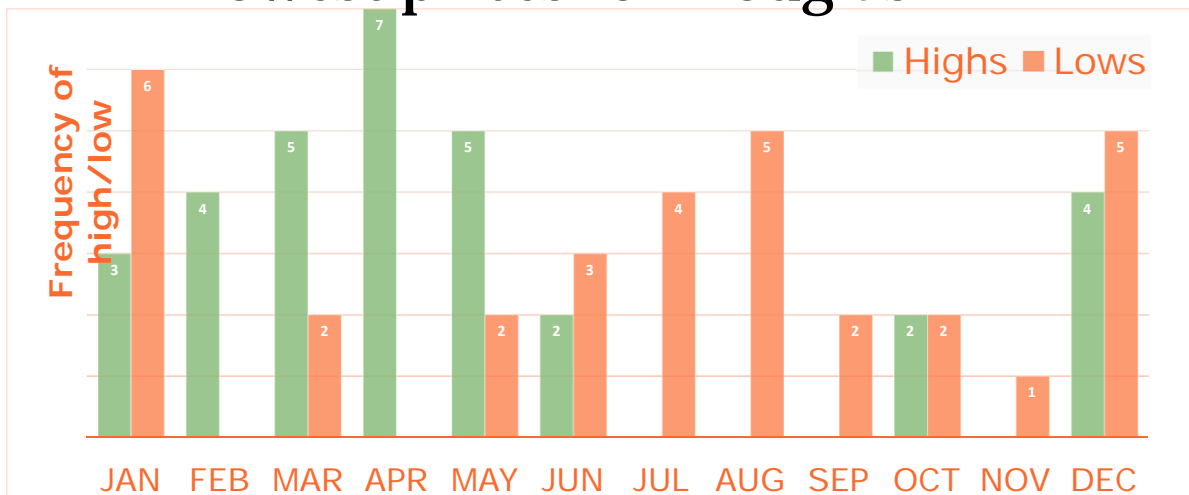
- Locate and mark boundaries
- Property lines - *licensed surveyor?*
- Feasibility of operation
 - *Space for equipment, landings*
- Mark trees with paint
- Make sure they are YOUR trees

Photo: Francisca Belart, © Oregon State University



6. Market Your Logs

Frequency of months with the highest and lowest prices for Douglas-fir



Selecting a buyer

- Invite 3 to visit
- Match **your timber** to buyer **product lines**
- How far is the mill?



Mill	Offer	Haul cost	Best deal
A	\$700/MBF	\$35/MBF	YES
B	\$715/MBF	\$50/MBF	

Log buyer directory

Company Name • Facility type

Species purchased

Facility Address, log buyer phone • Log buyer name

Westcoast fir • Sort Yard

Douglas-fir, whitewood, cedars

Eugene, 541-444-5555 • Jeanne Anderson

H - O Lumber Co. • Mill

Douglas-fir

Monroe, 541-444-3333 • Nathan Smith

Bros Forest Products • Sort yard

Douglas-fir

Newberg, 503-888-5555 • Doug Jones

Purchase order

- Grade
- Diameter or length breaks within log grade
- Maximum and minimum length or diameter
- Length as a percentage of gross volume — discourages “short logging”

LOG PURCHASE AGREEMENT

DEER CREEK TIMBER, INC. Date: _____ BRAND
P. O. BOX 840 Est. Volume _____
ROSEBURG, OR. 97470
Phone: (541) 872-7825 ****STATE NOTIFICATION #** _____
Fax: (541) 872-5047

Seller agrees to sell and Deer Creek Timber, Inc. agrees to purchase the below described logs on the following terms:

TIMBER OWNER (SELLER) LOGGER

Phone #: _____ Phone #: _____
Pay \$ _____ /M Gross / Net or _____ Pay \$ _____ /M Gross / Net or _____

1. All logs shall meet MINIMUM DIAMETER of 5" and MAXIMUM BUTT DIAMETER of 38"
**Any logs under 5" will be scaled as a UC **Any logs over 38" butt – See "OS" price below
2. PREFERRED LENGTHS: 34', 26', 17' ACCEPTABLE: 36', 28', 18'
**Any logs under 17' – See "SL" Price below
**All log lengths require minimum 10" trim
3. PAYMENTS for logs delivered between the 1st and 15th of the month will be processed on the 25th of the month and payments for logs delivered between the 16th and the 30th of the month will be on the 10th of the following month.
4. ADVANCE PAYMENTS made prior to scheduled paydays will be discounted by 2%
5. DELIVERY TO BEGIN: _____ TERMINATION DATE: _____
6. LOG PRICING:

GRADES	ALL LEN.	34'10"	26'10"	17'10"	SL	OS
DOUG FIR						
CR						
1P						
2P						
3P						
SM						
2M						
3M 12'+						
3M						
4M						
SC						
PC						
UC						
OTHER						
SPECIE:						
CR						
UC						

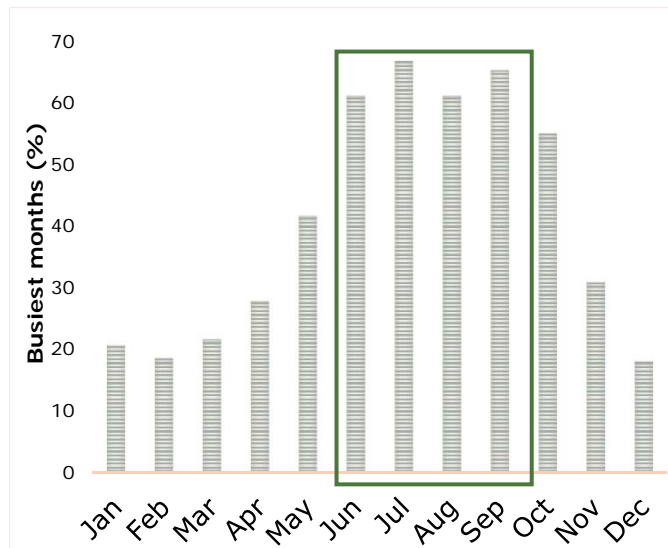
SPECIAL CONDITIONS: _____

****NO MONIES WILL BE DISBURSED WITHOUT STATE NOTIFICATION NUMBER!!!!**

SELLER: _____ DEER CREEK TIMBER, INC. _____
DATE: _____ DATE: _____

7. Find a logger

- Good contractors are busy
- Small jobs are not always attractive
- They need lead time of 1-6 months (44%)



Source: Cushing, Belart and Bowers, *Small scale forestry*, August 2018

Selecting a logger

- Ask for references
- Previous work
- Proof of insurance
- Get more than one bid!
- Contract?
- Pro-logger certification, if applicable
- Do they specialize in the operation you want to perform (experience?, equipment?)



Photo: Lynn Ketchum, © Oregon State University

Five steps of timber harvesting

Forest harvesting unit

Felling & bucking → Yarding

Landing

Processing → Loading

Forest road

Hauling



Photos: Francisca Belart, © Oregon State University

Harvesting costs

Logging cost: **fixed** + **variable**

- Fixed: mobilization
 - Amount of equipment
 - A lowboy is about \$150-\$180/hr
- Variable: falling + yarding + processing (logging systems)
 - Tree volume
 - System productivity
 - Topography



Photo: Francisca Belart, © Oregon State University

Harvesting costs

- The more specifications on the treatment, the more expensive logging will be. (Time = \$).
- Dealing with nearby buildings takes time and expertise from the timber faller.
Productivity ↓ **Liability** ↑
- Small jobs are labor intensive, labor in logging is becoming increasingly scarce.
- The lower the volume removed, the less profitable the operation will be. Depends on your GOALS.

Contracts

- Who pays for setup?
- Payment basis?
- Is hauling timber or biomass included?
- Marketing of timber or biomass?
- Who does tree marking if thinning?
- Time of completion
- Is the contractor aware of FPA rules and regulations?
- Replanting?

Contracts

- Termination of operations
- Road conditions (pics)
- Post-operation inspection
 - Remedies
- Payment schedule
- Insurance
 - Excessive property damage
 - General liability
 - "Additional named insured"



Photo: Steve Bowers, © Oregon State University

8. Monitoring

- It is important to check progress
- Compliance with FPA
- Images are extremely valuable (roads)
- Post-operations
 - Roads
 - Slash disposal
 - Contract agreement (residual damage, remedies)
(Before they leave!!)

Forest Practices Act

- Reforestation
- Wildlife habitat
- Riparian buffers
- Clearcut size



Postharvest considerations

- Slash: Make sure you have a plan for it
- Replant: FPA requirement; order before harvesting!
- Road repair/decommission?



Photo: Francisca Belart, © Oregon State University

Expectations



