

NEBRASKA'S FOREST PRODUCTS BULLETIN

TIMBER TALK

LUMBER MARKET REPORTS

Northern

There is an incentive for sawmill operators to produce all the grade lumber and industrial products they can. Demand for most all species, grades, and thicknesses is good and is absorbing developing supplies. But, sawmill output in this and the other Eastern US hardwood producing regions has not grown to pre-pandemic levels. In June, output finally crossed the 7 billion board foot (annualized) mark for the first time since the pandemic began. However, preliminary numbers for July show hardwood production will likely be below 7 billion board feet. The Fourth of July holiday and vacations are part of the reason. But, lack of labor, not enough logging contractors, as well as seasonal logging issues in the North Country have kept log supplies and green lumber production controlled. Despite shortages of key items, such as Hard Maple, Soft Maple, White Oak, and Walnut, supplies of some species are reaching levels necessary to satisfy concentration yards' and secondary manufacturers' requirements. Reported price gains for green lumber are not as broad now as a few months ago. Yet, most industrial product end-users indicate tie, cant, and board road output is falling short of market needs.

Southern

Preliminary data on Eastern US hardwood sawmill production show the daily rate edged up in July over June. The gains were primarily in the Appalachian and Northern regions. Wet weather conditions in much of the South have disrupted logging and kept sawmill production low. There also is substantial hardwood sawmill capacity committed to pine production. Yet, sawmill operators in all regions list labor issues as the principal constraint to productivity. Labor is not just a sawmill problem, either. Many comment that logging contractors are struggling to hire workers, which is also limiting logging productivity and log availability.

Appalachian

Throughout the first half of 2021, secondary wood products manufacturers in the US and Canada struggled to procure lumber needed to meet the growing demand for finished goods. For many flooring and pallet plants, circumstances did not improve much in July or this first week of August. However, contacts in other sectors report that lumber receipts have increased in the last 30 to 45 days. Relatively few are flush with raw materials, but some state that lumber inventories are approaching targeted levels.

Companies at all points along the hardwood supply chain continue to wrestle with labor and transportation challenges. Several states recently stopped providing unemployed people with additional federal unemployment payments. There is little evidence this is bolstering labor availability, yet, although many employers hope that will change in the weeks and months ahead. As a result of the truck driver shortage, contacts frequently report they have two or three times as much lumber waiting on trucks as in the past

(Source: Condensed from Hardwood Market Report, August 6, 2021. For more information or to subscribe to Hardwood Market Report, call (901) 767-9216, email: hmr@hmr.com, website: www.hmr.com)

Hardwood Lumber Prices - Green

Cassias	FAS				#1C				#2A			
Species	8/21	5/21	2/21	11/20	8/21	5/21	2/21	11/20	8/21	5/21	2/21	11/20
Ash	1170	1070	930	830	730	665	540	495	465	400	305	295
Basswood	1030	885	830	740	575	465	425	400	290	215	205	195
Cottonwood	780	780	780	780	575	575	575	575	260	260	260	260
Cherry	1530	1450	1120	900	880	830	615	485	505	470	360	290
Elm	670	670	670	670	420	420	420	420	290	290	290	290
Hackberry	530	530	530	530	480	480	480	480	295	295	295	295
Hickory	1080	975	875	795	800	700	615	530	690	600	430	430
Soft Maple	1665	1600	1365	1245	1075	1100	890	805	580	660	470	450
Red Oak	1325	1285	1090	915	920	855	705	605	700	620	495	425
White Oak	2595	2415	2045	1815	1250	1125	935	820	780	680	545	480
Walnut	3935	3025	3025	2470	2375	1715	1715	1325	1295	850	850	590

Lumber prices quoted in \$/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 list. Prices for cottonwood and hackberry from Southern Hardwoods list. Prices for cherry, hickory and walnut (steam treated) from Appalachian Hardwoods list. (Source: Hardwood Market Report (HMR), above prices are from the first issue of the identified month. To subscribe to HMR, call 901-767-9126; email hmr@hmr.com; or go to www.hmr.com.

Hardwood Lumber Prices - Kiln Dried

Species	FAS				#1C				#2A			
	8/21	5/21	2/21	11/20	8/21	5/21	2/21	11/20	8/21	5/21	2/21	11/20
Ash	1770	1625	1350	1260	1180	1090	870	765	850	740	580	565
Basswood	1555	1375	1250	1100	885	800	735	725	530	495	465	465
Cottonwood	1025	1025	1025	1025	760	760	760	760				
Cherry	2375	2290	1860	1500	1490	1415	1130	950	890	850	650	545
Elm												
Hackberry												
Hickory	1825	1630	1525	1450	1460	1250	1160	1050	1250	1090	985	885
Soft Maple	2665	2425	1990	1810	1570	1435	1210	1145	965	865	780	765
Red Oak	2120	1985	1655	1385	1550	1430	1230	1070	1170	1075	875	775
White Oak	4380	3595	3110	2655	2115	1835	1515	1290	1375	1075	1035	960
Walnut	6030	5190	4385	3810	3810	3290	2610	2030	2290	2025	1545	1170

Note: Kiln dried prices in \$/MBF, FOB mill, is an estimate of predominant prices for 4/4 lumber measured after kiln drying. Prices for cottonwood and hackberry from Southern Hardwoods list. Prices for ash, basswood, northern soft grey elm, unselected soft maple, red oak, and white oak from Northern Hardwood list. Prices for cherry, hickory and walnut (steam treated) from Appalachian Hardwoods list. (Source: Hardwood Market Report (HMR), above prices are from the first issue of the identified month. To subscribe to HMR, call 901-767-9126; email hmr@hmr.com; or go to www.hmr.com.)

Pallet Lumber - Green					en	Ties (7x9) - Green								
	Dimension					Region	8/21	5/21	2/21	11/20				
	4/4 x RW 5/4 x RW			365 400		Crossties Northern - 8.5'	30.25-35	28.4-32	27.9-31.5	27.9- 31.5				
	6/4 x RW	480	460	425	395	Appalachian (South) - 8.5'	33.25-38	29.75- 33.75	27.75- 32.75	29-34				
	4/4 x SW	475	445	410	380			28 25-	27.5-31.5	28-32				
	5/4 x SW	485	465	430	400	Southern (West) - 9'	34-39	33-37	31.5-35.5	31.5- 35.5				
	6/4 x SW	515	495	460	440	Southern (East) - 8.5'	33-38	31.5-36	30.25-34.5	31-34.5				

Not+A1:M41e: Pallet lumber prices quoted in \$/MBF, average market prices FOB mill, truckload and greater quantities, rough, green, random widths and lengths graded in accordance with NHLA rules. Tie prices quoted in \$/piece, average market prices FOB mill. Prices for pallet lumber from Northern Hardwood list. Prices for ties from the respective regional lists. (Source: Hardwood Market Report (HMR), above prices are from the first issue of the identified month. To subscribe to HMR, call 901-767-9126; email hmr@hmr.com; or go to www.hmr.com.)

FOREST NEWS

USDA ANNOUNCES PANDEMIC ASSISTANCE FOR US TIMBER HARVESTERS AND HAULERS (DEADLINE IS OCTOBER 15th, 2021)

The U.S. Department of Agriculture (USDA) is providing up to \$200 million to provide relief to timber harvesting and timber hauling businesses that have experienced losses due to COVID-19 as part of USDA's Pandemic Assistance for Producers initiative. Loggers and truckers can apply for assistance through USDA's Farm Service Agency (FSA) July 22 through Oct. 15, 2021. The Pandemic Assistance for Timber Harvesters and Haulers program (PATHH) is administered by FSA in partnership with the U.S. Forest Service.

Program Eligibility

The below list captures all eligibility requirements for PATHH. We recommend you review this list before initiating your PATHH application.

To be eligible for PATHH, an individual or legal entity must:

Have been in operation as a timber harvesting business or timber hauling business for at least part
of the periods from January 1, 2019, through December 1, 2019, and January 1, 2020, through
December 1, 2020. USDA will adjust your gross revenue proportionally if you did not operate during

the entire period for one or both years.

- Be a business that derived at least 50 percent of gross revenue from timber harvesting and/or timber hauling from January 1, 2019, through December 1, 2019, and from January 1, 2020, through December 1, 2020. Specifically, eligible activities to earn revenue during these periods include cutting timber, transporting timber, and/or the processing of wood on-site on the forest land, such as chipping, grinding, converting to biochar, cutting to smaller lengths, etc.
- Have experienced a loss of at least 10 percent in gross revenue during this period in 2020 as compared to 2019. You can calculate your loss in revenue using the following formula, where both years reflect gross revenue from January 1 through December 1:
 - Percent Revenue Loss = ((2019 Gross Revenue 2020 Gross Revenue) / 2019 Gross Revenue) x 100
- If a logger, must have a 2017 North American Industry Classification System (NAICS) code
 of 113310 for tax purposes, or other supporting documentation. The NAICS code for your business
 will be located on your federal tax return documents for 2019 and 2020. Loggers who do not have
 an eligible NAICS code may submit alternate documentation. Contact the FSA office at your local
 USDA Service Center to learn more about options for your operation.
- If a trucker, must have a NAICS code of 484220 or 484230 and must have filed an IRS Form 2290, or must provide other supporting documentation. The NAICS code for your business will be located on your federal tax return documents for 2019 and 2020. Truckers who do not have an eligible NAICS code or IRS Form 2290 may submit alternate documentation. Contact the FSA office at your local USDA Service Center to learn more about options for your operation.
- Comply with provisions of the "Highly Erodible Land and Wetland Conservation" regulations, often called the conservation compliance provisions. These will be addressed via form AD-1026 during the application process.
- · Not have a controlled substance violation.
- Be a citizen of the United States or a resident alien.
- Submit a complete PATHH application form (FSA-1118) and provide all required documentation. The below section details all documents required to apply for PATHH.
- Not be a minor. Minors under 18 years of age are not eligible for PATHH.

If you have questions about your eligibility, please contact the FSA office at your local USDA Service Center or call 877-508-8364 to speak directly with a USDA employee ready to offer assistance.

Additional Information:

To learn more about this program or to apply, please visit the links below.

Detailed Program Information
News Release
Application Information

Upcoming National Sawmill and Lumber Workshops for Fall 2021

The US Forest Service is supporting North Carolina State University to host several workshops and conferences regarding forestry and wood products in USFS Region 8 and 9. You are welcome to attend these events that offer education, outreach and networking opportunities. Please pass along this information to your network that would find them of interest. Information on these events is found at https://outreach.cnr.ncsu.edu/ncwood. These events include:

- Small Sawmill Business Workshop, Solon, IA (near Cedar Rapids), Thursday, September 23, 2021, \$45, can register at https://smallsawmillworkshop2021iowa.eventbrite.com.
- Southeast Hardwood Lumber Export Conference, Statesville, NC, Tuesday, October 19, 2021, \$45, registration website in process.
- Small Dry Kiln Business Workshop, East Lansing, MI, at MSU, Tuesday, October 26, 2021, \$45, can register <u>here</u>
- North Carolina Virginia Firewood Business Workshop, Jordan Lake Forest Education Center, Chapel Hill, NC, Thursday, November 4, 2021, \$45, registration website in process.
- National Upholstery Frame Workshop, Conover, NC, Thursday, November 11, 2021, free, registration website in process.

Harry Watt, Wood Products Specialist, is the contact person, phone 704-880-3067, email at harry_watt@ncsu.edu.

Nebraska News

"Litchfield veteran cuts against the grain with sawmill venture" Kearney Hub (March 2021)

"Kurth, Barcel look to future with biochar" Columbus Telegram" (March 2021)

TRADING POST

The Trading Post is provided as a free marketing service for the 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

<u>Post Peeler.</u> Morbark PS8 Post Peeler. Comes with 2 engines, 1 diesel and 1 electric. 8ft in-feed table with short return system. 33 ft of dead rolls with markers for trimming with hydraulic bar saw. Markers for 6½, 7, 8 and 10ft posts. Several bunks and banding equipment included. 24ft triple axle trailer for hauling also included. In excellent condition. Video available. Call John Hahn. 308-430-0630(c); 308-638-7531(h) Hay Springs, Nebraska.

<u>Mulch.</u> City of Nebraska City has approx. 60 semi loads of single grind mulch \$200/ semi load or \$50/dump truck load. Shipping not included. Arrangements will be made to load. Contact: Marty Stovall 402-873-5515 or email mstovall@nebraskacity.com

Sawmill. Mighty Mite bandsaw. 20 HP electric motor, tandem axles w/ brakes on one axle, 36" x 24' log capacity,

(have cut 46" beams) hydraulic operation includes winch, knees, taper, near arm, dogging arms, far arm, dogging spike, log loading arms, and electric clutch and blade lift. Includes automatic blade sharpener, setting machine, 12 used blades and 4 new blades. Excellent condition. Never been used commercially. \$17,500. Contact: Gary Fisher, Crawford, NE. Phone: 308-665-1580; email: fisher@bbcwb.net.

Walnut Lumber. All dimensions. \$3.00 per board foot. Falls City, NE. Contact: Bruce Walker at 402-245-2031.

Services and Miscellaneous

Portable Sawmilling Service. Offering portable sawmilling service, turning your logs into valuable lumber. Contact: Doug Patton, D&S Sawmill Services, Palmyra, NE. Phone: (402)-269-4866 or Email:

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

<u>Sawmill Service and Supplies.</u> Saw hammering and welding. Precision knife and saw grinding. Contact: Tim Schram, Schram Saw and Machine, PO Box 718, 204 E. 3rd St., Ponca, NE 68770, 402-755-4294.

<u>Used Portable Sawmills.</u> North America's largest source of used portable sawmills and equipment. Contact: Sawmill Exchange, 800-459-2148, website: www.sawmillexchange.com.

Wanted

<u>Wood Residue.</u> Slab wood, cutoffs, sawdust, mulch, bales, etc. Lincoln, NE. Call Scott Hofeling at 402-432-0806 or email scott@hofelingenterprises.com.

<u>Logs and Slabwood.</u> Cottonwood, cedar and pine. 4-26" 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

<u>Cottonwood Logs.</u> Veneer-quality cottonwood logs, 16-36" diameter, 7' and longer. Pick up service available. Contact: Barcel Mill & Lumber, Bellwood, NE 68624. Ask for Barton or Megan. Phone: 800-201-4780; email: bj@barcelmill.com.







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