



# NEBRASKA'S FOREST PRODUCTS BULLETIN

## Timber Talk

September 2022

### Lumber Market Reports

#### **Northern Region**

Grade lumber markets have taken a noticeable downturn the past several weeks. While contacts expected adjustments to prices from record highs for some species, the current business environment has been somewhat unexpected. For one, demand for grade lumber has softened. It is taking houses much longer to be completed than normal. The supply chain slowed the flow of key products necessary to finish new home construction, such as windows and doors. Skyrocketed prices for materials also had a major impact on construction progress. The controlled housing completion rate is impacting markets for hardwood finished goods, creating a lull in demand for cabinets, furniture, molding/millwork, flooring, and other interior fittings. Consequently, demand for grade lumber is off, as well. At the same time, Eastern US hardwood production has increased significantly, up 15% this year over 2021. More lumber and less demand have triggered falling prices. The good news is that there are pent up needs for hardwood products. As homes that are started are eventually finished, more hardwood products will be required. Meanwhile, it is expected the railroad industry will remain strong for the foreseeable future. Tie inventories are low relative to expected insertions. Too, the wooden pallet and container industry is busy meeting orders. These low grade markets are critical to the success of sawmill operators. But, area mills do need to be able to saw and sell total production; revenue from higher valued grade lumber sales is necessary. To this point, that has not been a problem for Northern operations, while mills in other regions are struggling

with finding outlets for all developing supplies.

### **Southern Region**

While July production data is not yet available, Eastern US hardwood lumber output has increased the past three months. At the same time, most secondary manufacturers and concentration yards have increased on hand inventories. Many are also experiencing a slump in product sales, with the downturn more pronounced for some than others. The combination of lower immediate demand and increased supplies has impacted pricing for green and kiln dried lumber. More concerning for mills selling only green lumber is salability issues. In cases, area mills are struggling to ship total grade lumber production. On the other hand, interest in railroad ties and pallet cants remains good.

### **Appalachian Region**

The HMR Demand Index (HDI) is a feature published in HMR Executive that illustrates the strength of business or demand from 10 major domestic markets for hardwood lumber. Components of the index are color coded with various shades of blue when demand is low, they transition to gray when demand is fair, and then to light red and deep red when demand moves from good to strong. During most of 2021 and the first five months of 2022, most index components were consistently red - indicating good to strong demand across a broad range of markets. However, most readings faded to the lighter color red or gray in the last two months, as yards and end users reached or surpassed inventory objectives and slowed purchases. Only the pallet and railroad tie components registered red in the HDI for July.

(Source: Condensed from Hardwood Market Report, August 5, 2022. For more information or to subscribe to Hardwood Market Report, call (901) 767-9216, email: [hmr@hmr.com](mailto:hmr@hmr.com), website: [www.hmr.com](http://www.hmr.com))

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**Hardwood Lumber Prices**

Hardwood Lumber Prices - Green												
Species	FAS				#1C				#2A			
	8/22	5/22	2/22	11/21	8/22	5/22	2/22	11/21	8/22	5/22	2/22	11/21
Ash	1315	1315	1315	1275	805	805	805	795	525	525	525	515
Basswood	1280	1265	1200	1085	700	700	660	615	340	340	320	320
Cottonwood	780	780	780	780	575	575	575	575	260	260	260	260
Cherry	1250	1355	1355	1390	665	750	750	785	420	420	420	435
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	1205	1225	1190	1160	895	895	870	870	775	775	755	755
Soft Maple	2275	2250	2040	1845	1425	1435	1280	1140	750	735	655	610
Red Oak	1085	1215	1305	1305	800	875	920	920	670	690	700	700
White Oak	2900	2925	2825	2720	1310	1310	1250	1250	770	780	780	780
Walnut	3445	3900	4130	4000	2375	695	2590	2450	1380	1435	1540	1410

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			
	8/22	5/22	2/22	11/21	8/22	5/22	2/22	11/21	8/22	5/22	2/22	11/21
Ash	2050	2000	1920	1825	1365	1365	1240	1200	1045	990	900	865
Basswood	2280	2155	1875	1660	1330	1265	1080	980	710	710	590	560
Cottonwood	1075	1075	1075	1075	800	800	800	800	----	----	----	----
Cherry	2050	2200	2115	2250	1335	1450	1350	1415	835	875	845	845
Elm	----	----	----	----	----	----	----	----	----	----	----	----
Hackberry	----	----	----	----	----	----	----	----	----	----	----	----
Hickory	2220	2180	1900	1875	1700	1670	1530	1515	1480	1440	1310	1310
Soft Maple	3505	3430	3085	2850	2185	2115	1800	1635	1395	1375	1135	1015
Red Oak	1825	1900	1875	1950	1415	1535	1495	1530	1180	1190	1170	1170
White Oak	4450	4615	4565	4500	2300	2255	2115	2115	1510	1495	1375	1375
Walnut	5580	6160	6160	6135	4250	4300	4015	4590	2770	2755	2540	3295

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					Ties (7x9) - Green				
Dimension	8/22	5/22	2/22	11/21	Region	8/22	5/22	2/22	11/21
4/4 x RW	450	460	450	450	<i>Crossties</i>	----	----	----	----
5/4 x RW	485	485	475	475	Northern - 8.5'	33.5-37.5	33.5-37.5	32-36	32-36
6/4 x RW	510	510	500	500	Appalachian (South) - 8.5'	37.25-41.75	37.25-41.75	36.75-41.25	36.25-41.25
4/4 x SW	505	505	495	495	Appalachian (North) - 8.5'	37-41.25	37-41.25	36-40.50	35.5-40.5
5/4 x SW	515	515	505	505	Southern (West) - 9'	37.5-42.5	37.5-42.5	37-41	36-41
6/4 x SW	545	545	535	535	Southern (East) - 8.5'	37.5-42.5	37.5-42.5	36.5-41	35.5-41

Note: 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.)

**City of Lincoln Awarded \$400,000 for Biochar Initiative**



Lincoln, Neb. — City of Lincoln Mayor Leirion Gaylor Baird and Bloomberg Philanthropies announced that Lincoln will receive up to \$400,000 in funding and technical support for a project to turn wood waste into biochar, a charcoal-like substance that can be used as a beneficial soil amendment. Lincoln is one of seven cities in the U.S. and Europe chosen to develop a biochar project that was first successfully demonstrated in Stockholm, Sweden, the winner of the 2014 Bloomberg Philanthropies' Mayor's Challenge.

**LINK TO FULL STORY:** <https://iannews.unl.edu/lincoln-awarded-400000-biochar-initiative>

## A Black Hills area forest products company is having to cut back due to a lack of timber



*An aerial view of Devils Tower Forest Products in Hulett. Neiman Enterprises operates four sawmill and forest products facilities in Wyoming, South Dakota, Colorado, and Oregon.*

Neiman Enterprises, which owns sawmill facilities in four states, has eliminated a shift at their Hulett mill and has reduced the number of employee hours at their Spearfish, South Dakota facility as a result of a reduction in timber available for commercial operations. This comes just a year after they were forced to close their Hill City, South Dakota facility for the same reasons. Around 100 jobs were affected and only a few were able to transition to their Spearfish operation.

**LINK TO FULL STORY:** <https://www.wyomingpublicmedia.org/natural-resources-energy/2022-07-27/a-black-hills-area-forest-products-company-is-having-to-cut-back-due-to-a-lack-of-timber>

## 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:

**Post Peeler.** 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.

**Mulch.** 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](mailto: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](mailto: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 : dssawmillservices@gmail.com

**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. 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.

## Wanted:

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

**Logs and Slabwood.** 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

**Cottonwood Logs.** 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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Questions? Contact us

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