TIMBER TALK

Nebraska Forest Industry Newsletter

Lumber Market Reports

Northern

This week's reports on log decks were mixed. Half of the respondents stated that log inventories are down, with the other half noting inventories are up. None indicated log supplies were static with last week. Where surveys showed consensus was in markets for grade lumber. All Northern suppliers acknowledged demand for Hard Maple, Soft Maple, Basswood, and other whitewoods remains weak. Also unanimous results were that sales to the cabinet sector are off. Three-fourths of the respondents reported slow business to distribution yards, with activity to furniture manufacturers listed as fair. The residential solid wood flooring industry has experienced slight improvement in shipments. In fact, shipments have increased each month since December, though compared to the first quarter of last year, Q1 2023 shipments are down 2.3%. Last week's opening comments covered the direction of new residential construction, which is not positive. However, private spending on US remodeling is expected to hold up through the end of this year. The news on new home construction and remodeling provides a varied outlook on grade lumber business. If sawmill production increases, even modestly, the supply/demand ratio could get further out of balance. Industrial markets are varied. Most wooden pallet and container manufacturers report slower sales of finished goods and have adjusted working schedules accordingly. Therefore, end users need less hardwood pallet lumber and cants. On the other hand, railroad tie business is performing well.

Southern

April's final numbers on Eastern US hardwood sawmill production will not be available for another week. But, information shows a mix of results from the data that have been submitted and processed to date. Some sawmill operators state that log decks are extremely low, and hardwood output is down. Others indicate log decks are improving, as are developing supplies. Similarly, secondary manufacturers and concentration yards have varied responses about green lumber receipts. Several solid wood flooring manufacturers are not receiving the volume of lumber needed. On the other hand, other end users say receipts have increased.

Appalachian

Sawmill operators offer mixed opinions about the current pace of green lumber sales. Perspectives vary based mostly on species mix. In areas where Hard Maple, Soft Maple, and Cherry comprise a significant percentage of production, contacts are struggling to maintain optimism since those species are performing poorly. In areas where Red Oak,

White Oak, and Poplar are more predominant, contacts are more upbeat about markets.
(Source: Condensed from *Hardwood Market Report, May 5, 2023*.
For more information or to subscribe to Hardwood Market Report, call (901) 767-9216, email: hmr@hmr.com, website)

Hardwood Lumber Prices

Hardwood Lumber Prices - Green

Species	FAS				#1C				#2A			
	5/23	2/23	11/22	8/22	5/23	2/23	11/22	8/22	5/23	2/23	11/22	8/22
Ash	1075	1095	1210	1315	570	580	695	805	355	365	450	525
Basswood	960	1105	1200	1280	515	600	650	700	300	330	330	340
Cottonwood	780	780	780	780	575	575	575	575	260	260	260	260
Cherry	965	935	980	1250	540	510	510	665	365	365	365	420
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	1000	1060	1060	1205	750	785	785	895	610	665	665	775
Soft Maple	1215	1380	1800	2275	700	850	1115	1425	405	360	610	750
Red Oak	1025	825	830	1085	735	610	635	800	545	475	530	670
White Oak	1625	1660	2100	2900	795	810	970	1310	585	545	620	770
Walnut	2650	2360	2225	3445	1725	1510	1450	2375	1015	835	730	1380

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 identifed 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			
	5/23	2/23	11/22	8/22	5/23	2/23	11/22	8/22	5/23	2/23	11/22	8/22
Ash	1705	1930	1930	2050	1110	1225	1225	1365	800	955	955	1045
Basswood	1700	2050	2050	2280	850	1115	1115	1330	650	685	685	710
Cottonwood	1075	1075	1075	1075	800	800	800	800	----	----	----	----
Cherry	1575	1520	1620	2050	1030	1000	1075	1335	700	680	655	835
Elm	----	----	----	----	----	----	----	----	----	----	----	----
Hackberry	----	----	----	----	----	----	----	----	----	----	----	----
Hickory	1690	1985	2000	2220	1260	1425	1475	1700	1080	1225	1275	1480
Soft Maple	2035	2665	2665	3505	1205	1800	1800	2185	915	1295	1295	1395
Red Oak	1600	1485	1485	1825	1125	1120	1120	1415	850	1000	1000	1180
White Oak	2605	3030	3030	4450	1410	1715	1715	2300	12035	1280	1280	1510
Walnut	4440	3960	4360	5580	2875	2630	3220	4250	2030	1815	2030	2770

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

Dimension	5/23	2/23	11/22	8/22
4/4 x RW	340	385	415	450
5/4 x RW	395	450	475	485
6/4 x RW	470	510	510	510
4/4 x SW	475	495	505	505
5/4 x SW	495	515	515	515
6/4 x SW	525	545	545	545

Ties (7x9) - Green

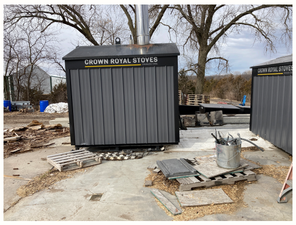
Region	5/23	2/23	11/22	8/22
Crossties	----	----	----	----
Northern - 8.5'	34-38.75	34-38.75	33.5-37.5	33.5-37.5
Appalachian (South) - 8.5'		37.50-42.75	37.25-41.75	37.25-41.75
Appalachian (North) - 8.5'		37.5-42.5	37-41.25	37-41.25
Southern (West) - 9'		37.5-42.5	37.5-42.5	37.5-42.5
Southern (East) - 8.5'		37.5-42.5	37.5-42.5	37.5-42.5

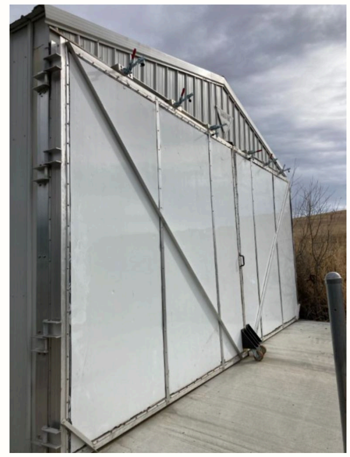
Note: Pallet lumber prices quoted in $/MBF, average market prices FOB mill, truckload and greater quantities, rough, green, random widths and lengths graded in accordance with NHLA rules. Tie prices quoted in $/piece, average market prices FOB mill. Prices for pallet lumber from Northern Hardwood list. 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.)

Industry Spotlight: Big Red Sawmill – 14 years later

Big Red Sawmill and owner Brian Schwaninger were in the Spotlight in the June 2009 issue. When kiln dried boards were 8.8% of sales. We are revisiting them this June 2023 as a true family enterprise, now three of their four sons are all working together with their parents. The two oldest sons are also co-owners with the idea to “take over the business someday”.

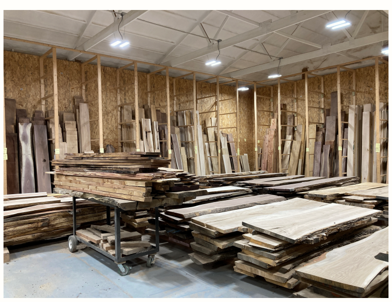
Brian remembers well a visit with Nebraska Forest Service in 2016 that led to a successful Trees Heat Nebraska grant application. He was at the time loading a forced air wood furnace 2-4 times per day, and sometimes overnight, that heated the board drying kilns. Kiln dried board sales were almost 20% of sales. When Adam Smith, then Forest Products Specialist, and now Forestry and Fire Bureau Chief asked, “Wouldn’t you like to instead of loading 2-4 times per day, load once a week or even once a month? We have a grant for that.” Brian never realized ho much help that grant would be to Big Red Sawmill.

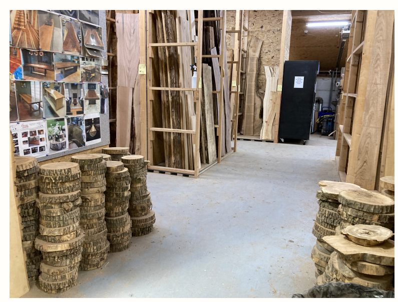




The grant was completed in 2017 and the boilers have not been without issue, Brian admits, but well worth it. There is a woodchip boiler for the main furnace and a slab wood boiler for a backup. Heat not only goes to board drying kilns, but the display and workshop areas.

In tangent to the grant, they also added four “Nova Dry” dry kins which hold approximately, 4,000 bf each, and a 3,000 sq ft shed for sales of kiln dried boards. A 36” planer was also added to the display shed so they can plane everything they can cut on the sawmill.





Brian noticed a sawmill in Carroll, Iowa had pads they stacked their boards on for putting into the kiln. Big Red modified the design for their own kilns and work flow, then put them into use. “Efficiencies went way up,” Brian states.

There is little to no waste at Big Red Sawmill as all “waste” gets utilized in some way. Even bent and broken stickers get cut shorter and used as kindling for firestarter. Slab edges go to a vendor that splits and bundles for campfire wood sold at Nebraska State Parks. Sawdust and “nubs” get taken away by a vendor that makes them into mulch. Brian gets ground pallets from this same vendor to run the woodchip boiler.

The newest upgrade is an electric sawmill to replace the diesel mill. And an improved dust collection system that puts the sawdust directly into bulk bags, eliminating the shoveling which is just fine with the 2nd generation operators.

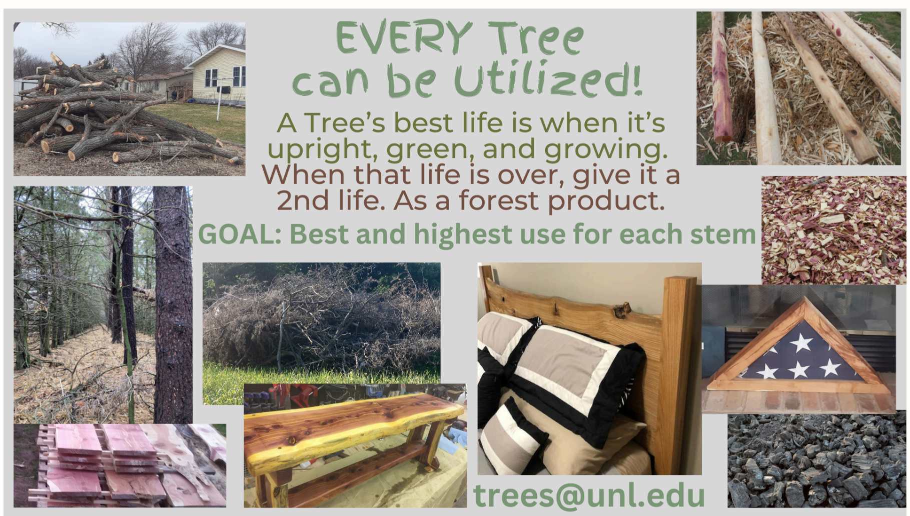
Brian’s top take home message to Timber Talk readers? “Spending some money to become more efficient has been big key.” Since the grant was implemented kiln dried boards make up 42% of the sales.

Editors note: Trees Heat Nebraska program still exists as technical advice, but there are no more grant funds for this program. There are some USFS grant programs that can help sawmill and biomass businesses leverage funds to add product lines and improve efficiencies. Let's chat.

Forest Products Utilization Office moves

If you're in south central Nebraska swing by the Fillmore County East Office complex at 1320 G Street in Geneva and let's chat. Kim has relocated for more efficiencies in travel and equipment storage for the Forest Products and Utilization Program. Other contact information remains the same: 402.429.6931 kslezak2@unl.edu. If you want to talk about utilization, work flow efficiencies, recycling and waste reduction let me know. Virtual and in-person chats are open, let's get one on the calendar. Want a group get together? Let's plan that. NFS would like to assist the Forest Products industry grow and get more of the tree resources in the state utilized when they are removed for any reason. Best and highest use for each stem.

Let's chat!



Utilization Events and Resources

Fillmore County Fair – July 6-10 - Sawmill Demo and Utilization. Time/Details – TBD watch Nebraska Forest Service Facebook or Fillmore County Fair advertisements.

Have you heard about Biochar and have questions? We just developed several factsheets for various industries and how biochar can be incorporated – for example to change one ingredient to a renewable resource. Find them on NFS website: https://go.unl.edu/biochar

Timber Sales

Black Walnut, 25 trees		Karloff	Steve Johnson
Veneer 2-	416 bf	4/2023	1302 N. 189th Street
Veneer 3 -	566 bf		Omaha, NE 68022
Lumber 1 -	1,546 bf		Ph: (402) 779-5345
Lumber 2 -	2,053 bf		Location: Seward County
Lumber 3 -	958 bf		
Black Walnut, 32 trees		Karloff	Vic Scheer
Veneer 2-	526 bf	5/2023	29012 Kimberly Drive
Veneer 3 -	1,192 bf		Ashland, NE 68003
Lumber 1 -	1,886 bf		Ph: (402) 944-2593
Lumber 2 -	2,760 bf		Location: Cass County
Lumber 3 -	1,586 bf		

Questions? Contact us

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