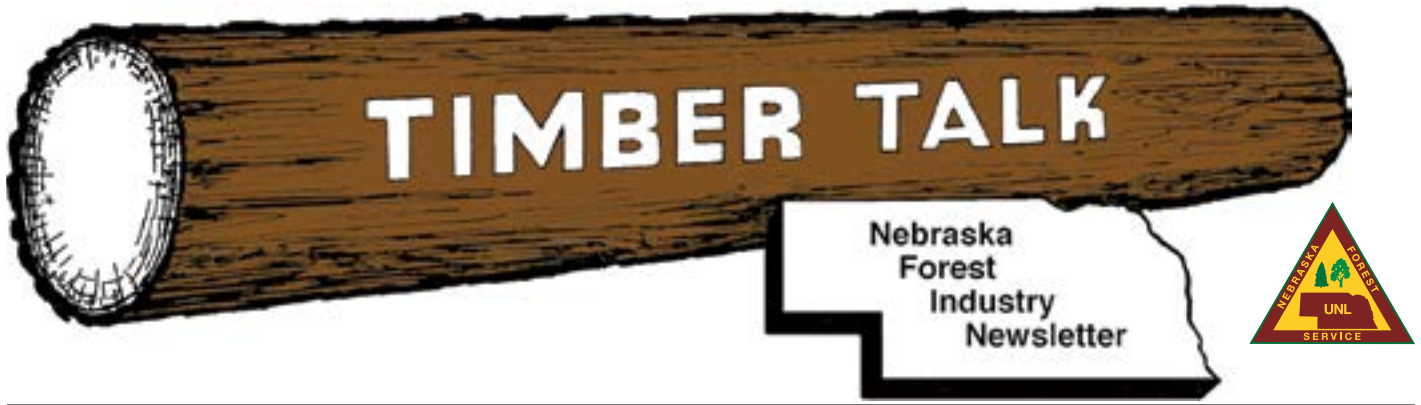


NEBRASKA FOREST SERVICE



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The Nebraska Forest Service publishes **Timber Talk** four times annually (March 1, June 1, September 1, and December 1) to serve the forest industry of Nebraska. All questions and correspondence concerning **Timber Talk** should be directed to: Adam Smith, **Timber Talk** Editor, Nebraska Forest Service, University of Nebraska, 203G Forestry Hall, P.O. Box 830815, Lincoln, NE 68583-0815.

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Lumber Market Reports

Northern

Markets for whitewoods are fairly consistent with past weeks. Demand for Hard and Soft Maple has followed new residential construction closely for high and low grade material. But, sawmill production of whitewoods has been strong through winter and now into spring. Mill output has stretched end users' ability to promptly process receipts, pushing buyers to restrict purchased quantities at times. There are concerns warming weather trends could be problematic regarding stain damage to whitewood logs and green lumber. Also, road bans are off, and logging contractors are harvesting purchased timber, flooding mills with logs. While whitewood production remains elevated, Oak output has been limited. Buyers are aggressively pursuing developing supplies. Pricing is firm for Red and White Oak and softening for green Hard Maple, Basswood, and Birch. The exception for whitewoods is Soft Maple. Demand for this species is inexplicably high. Soft Maple has lost its price advantage over Hard Maple, yet yards and secondary manufacturers continue to pursue it. Supplies have not kept pace. Similar circumstances are noted for kiln dried Northern species. Supplies are equal to or greater than demand for whitewoods, excluding Soft Maple. Red and White Oak inventories are thin.

Appalachian

Reports state sawmills have adequate to large log inventories; some have increased production this spring. Supplies are ample for many grade and industrial lumber items, leaving mills to push volume to buyers that have plenty of lumber. This has been the case in industrial markets for some time. This week brings further price declines for many Ash and a few Hard Maple items. Published prices for pallet cants also retreat, although the modest price contraction in reported activity is not indicative of the decline in demand for hardwood raw materials. In contrast, Soft Maple and White Oak are in strong demand and arguably the fastest moving hardwood species at present.

Southern

As is often the case this time of year, weather conditions are mixed. Parts of the region are experiencing heavy rains and poor logging conditions. In other areas, logs are freely flowing from woods to sawmill operations. Mill output has not reached full capacity to this point. Consequently, supplies of most items are closely balanced with buyers' needs. Ash is an exception, as are #1C and #2A Poplar. Demand for kiln dried lumber kept inventories down this winter and early spring. Availability is beginning to improve for several species. Most reported prices for kiln-dried stocks are steady, except that Ash numbers are declining and White Oak prices are rising.

(Source: Condensed from Hardwood Market Report, May 6, 2016. 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												
Species	FAS				#1C				#2A			
	5/16	2/16	12/15	9/15	5/16	2/16	12/15	9/15	5/16	2/16	12/15	9/15
Ash	1055	1120	1120	1120	655	680	680	695	425	465	465	465
Basswood	885	885	885	885	555	555	555	565	310	310	310	310
Cottonwood	780	765	765	765	560	545	545	545	260	260	260	260
Cherry	1100	1100	1140	1220	800	735	735	845	435	430	440	515
Elm	650	650	650	650	420	420	420	420	300	300	300	300
Hackberry	530	530	530	530	480	480	480	480	305	305	305	305
Hickory	830	830	830	850	545	545	545	590	425	425	425	460
Soft Maple	1370	1370	1300	1275	890	890	820	780	520	520	520	520
Red Oak	1195	1145	1030	965	700	655	605	605	490	500	500	500
White Oak	1435	1435	1360	1310	715	700	675	660	490	475	475	475
Walnut	2515	2455	2425	2450	1270	1270	1270	1270	715	730	730	730

Note: 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 1st issue of the indicated 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			
	5/16	2/16	12/15	9/15	5/16	2/16	12/15	9/15	5/16	2/16	12/15	9/15
Ash	1580	1575	1550	1550	1035	1050	1050	1050	730	770	770	770
Basswood	1215	1215	1215	1195	770	770	770	800	510	510	510	510
Cottonwood	980	980	980	980	730	730	730	730	----	----	----	----
Cherry	1770	1770	1770	1795	1150	1150	1150	1280	730	765	765	870
Elm	----	----	----	----	----	----	----	----	----	----	----	----
Hackberry	----	----	----	----	----	----	----	----	----	----	----	----
Hickory	1530	1530	1530	1530	1110	1110	1110	1155	855	855	855	895
Soft Maple	1830	1805	1760	1710	1220	1200	1140	1080	800	800	785	785
Red Oak	1630	1630	1555	1505	1040	1000	945	915	800	780	780	780
White Oak	2085	2030	1980	1955	1235	1235	1195	1180	870	855	855	855
Walnut	4070	4015	4015	4015	2100	2100	2100	2125	1360	1380	1820	1400

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 1st issue of the indicated month. To subscribe to HMR, call 901-767-9126; email hmr@hmr.com; or go to www.hmr.com.)

Pallet Lumber - Green				
Dimension	5/16	2/16	12/15	9/15
4/4 x RW	275	285	285	285
5/4 x RW	300	300	300	300
6/4 x RW	325	325	325	325
4/4 x SW	370	395	395	395
5/4 x SW	395	410	410	410
6/4 x SW	410	425	425	425

Ties (7x9) - Green				
Region	5/16	2/16	12/15	9/15
<i>Crossties</i>	----	----	----	----
Northern - 8.5'	25.5-28.5	25.5-28.5	25.5-28.5	26-28.5
Appalachian (South) - 8.5'	25.5-31	25.5-31	25.5-31	25.5-31
Appalachian (North) - 8.5'	25.5-30.5	25.5-30.5	25.5-30.5	25.5-30.5
Southern (West) - 9'	27-34	27-34	27-34	27-34
Southern (East) - 8.5'	27-33.5	27-33.5	27-33.5	27-33.5

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 1st issue of the indicated month. To subscribe to HMR, call 901-767-9126; email hmr@hmr.com; or go to www.hmr.com.)

Neiman Restoring Pine Ridge Timber Purchasing

By: Derek Larsen, Procurement Forester,
Rushmore Forest Products (Neiman Enterprises)

The Pine Ridge region of northwest Nebraska has historically provided the Black Hills timber industry with a small portion of its annual log supply. The historical trends are periods of high activity followed by periods of low to no activity. These trends are driven by four main factors; competition, Black Hills National Forest annual volume outputs, lumber markets and fuel prices. These factors have been the cause for the increases and decreases of activity in the Pine Ridge region.



From the early 1990s to the early 2000s, there were four large timber companies competing for standing timber in the region; Continental Lumber, Pope and Talbot, Hills Product Group, and Neiman Enterprises. Continental Lumber closed its operations in 1998 with the mill being acquired and operated by Neiman's (now Rushmore Forest Products, Inc.). Pope and Talbot closed the mill in Newcastle, WY in the 2001 and Neiman acquired the Spearfish mill from Pope and Talbot in 2008 (now Spearfish Forest Products, Inc.). Most recently, Hills Product Group based out of Spearfish closed May 1st of this year.

The annual volume sold from the Black Hills National Forest was reduced in the early 1990s causing the industry to look for more private timber outside of the Black Hills to fill the shortfall. The lack of volume coupled with the competition with other mills pushed the industry to procure volume from areas outside of the Black Hills. The Black Hills National Forest's annual timber output increased slightly in the early 2000s and continued with that increase in an effort to combat the Mountain Pine Beetle. That increase, coupled with the closing of the



Newcastle mill, made wood procurement outside of the Black Hills less necessary.

Fuel prices and lumber markets are the last two factors as to how far wood can be hauled before it becomes cost-prohibitive. With fuel prices steadily increasing and lumber markets staying relatively flat over time, hauling distance has become a major issue in wood procurement. Competition in the mid 1990s forced companies to purchase volume on the outer edges of their procurement range at a loss just to keep the doors open.

All of these factors contributed to the lack of activity in the Pine Ridge over the last 10 years, but as it always does, time has changed some of these. All of the trends are pointing to the Mountain Pine Beetle epidemic being on the decline in the Black Hills. The Black Hills National Forest is slowly reducing its annual volume in response to the reduction in beetle activity. Most importantly, fuel costs have opened a window for industry to procure wood a little farther from the mills. As a result of these conditions, Neiman Enterprises is looking to capitalize on this window of opportunity by reestablishing operations in Nebraska.

Neiman Enterprises is a family owned company with mills in Hullett, WY and Spearfish and Hill City, SD, specializing in 1" boards as well as tongue and groove paneling. We are interested in green ponderosa pine saw timber 9" DBH and greater in Sioux, Dawes, and Sheridan counties. Neiman Enterprises wood procurement is certified by the Sustainable Forestry Initiative, we are committed to following BMPs and sustainable forestry practices. Anyone interested in having their timber evaluated should contact Derek Larsen (605)-517-2700 or dereklarsen@rapidnet.com.

Open for Business: Nebraska's Redcedar Forest

Current Redcedar Resources

Due to encroachment into valuable grazing lands, increasing wildfire threats, impacts on wildlife and water resources, and significant available state and federal cost-share programs for management, eastern redcedar (*Juniperus virginiana*), or redcedar, trees are being mechanically removed at rates approaching 20,000 acres per year. However, very little of this material makes its way to the marketplace. Each year, this potential redcedar biomass energy fuel, fence post, and/or lumber resource is burned in piles across Nebraska.



Considered to be a shrub species in other regions of the United States, redcedar matures into high-quality timber in parts of the Great Plains, including Nebraska. While found across much of the state in riparian forest corridors and mixed with hardwoods, the bluffs of the Niobrara River Valley and upper Missouri River, Central Loess Hills, and Loess Canyons in north-central, central, and southwest Nebraska, respectively, are home to the state's largest redcedar timber resources. Of the 330,000 acres of redcedar forest in the state, these three regions contain approximately 230,000 acres. Recent inventory information available through the US Forest Service suggests an available resource of approximately 2 million tons of sawlogs and 1.6 million tons of posts/poles, with a combined average annual increase of 240,000 tons of sawlogs and posts/poles each year.

Existing Redcedar Markets

While significant redcedar resources exist in Nebraska, markets are still largely limited. With the exception of a handful of sawmills, post producers, and wood shavings mills producing rough lumber, paneling, flooring, fence posts, and animal bedding, this resource is largely under-

utilized. It is estimated that primary processing facilities in Nebraska currently utilize 500,000 board feet of redcedar sawlogs and 15,000 tons of redcedar roundwood each year. This annual demand for raw material is dwarfed by the state's wood supply. There remains ample resource and opportunity for new businesses to utilize Nebraska's redcedar resource.



In addition to traditional timber products, new products are being evaluated. There is considerable interest in using redcedar in the production of innovative products such as biochar, in addition to woody biomass energy fuel for either heating facilities or generating small amounts of electricity. Given the volume of redcedar being removed/harvested annually (very little of which is utilized), along with the opportunity for new or expanding primary processing businesses to utilize high-quality timber resources, Nebraska would serve as a strategic location for the production of redcedar wood products.

Resources Available to New Businesses

The Nebraska Forest Service offers grants for the development of woody biomass energy systems through the Trees Heat Nebraska program, as well as grants for the development and



(continued on page 7)

Kiln-Drying Multiple Thicknesses and Species

Kiln-dried wood products are an emerging opportunity for Nebraska's forest products industry. However, small to medium sized producers are faced with a somewhat unique challenge. Most large, commercial kiln operations do not mix wood species or thicknesses within a kiln load, as all species and thicknesses dry differently. These operations dry one species and one thickness per kiln load (for example, 4/4 red oak). This allows the operator better control of the drying process. However, smaller sawmills do not sell large or consistent enough quantities of products to fill a kiln with only one species and thickness. As a result, some kiln loads are mixed species and/or mixed thicknesses. While possible, drying these diverse kiln loads can be difficult. Below are possible strategies for small kiln operations to improve the results of drying multiple species or thicknesses in a single kiln load.

Multiple Thicknesses

It is not advised to have lumber of multiple thicknesses within a single kiln load. As 4/4 lumber dries more rapidly than 8/4 lumber, it can be difficult to control the rate of drying in the kiln. However, smaller operations are forced to mix thicknesses in order to meet customer needs. Here are a few strategies to aid in drying multiple thicknesses at once...

1) Maintain a single lumber thickness with each course (layer) of lumber within the lumber stack. This ensures proper airflow between the courses. Also, if thicker lumber is stacked on top of thinner lumber, the weight can help reduce twist, warp, and bow defects in the lumber in the bottom of the stack.

2) Air-dry lumber before it goes in the kiln. As defects are largely the result of lumber being dried too quickly in the kiln, air-drying lumber to 28-30 percent moisture content reduces potential for defects in the final product. Also, decreasing the initial moisture content of lumber reduces the amount of moisture which needs to be removed during the kiln process, allowing for a quicker drying.

3) Adjust your drying schedule based on the moisture content of the thickest lumber in the load. If drying 8/4 and 4/4 lumber in the same load, focus attention on the moisture content of the thicker lumber. When the 8/4 is ready to

move into the next stage of the kiln cycle, the 4/4 is also likely dry enough to advance the schedule.

Multiple Species

It is also not recommended to mix lumber species within a kiln load. As species "give up" their moisture at different rates, defects occur at different drying speeds for each species and it can be difficult to effectively dry multiple species within a kiln load. Similarly to drying multiple thicknesses, a business's customers may dictate the need to dry multiple species at once. Here are some strategies for drying multiple species within a kiln load...



1) Combine species with similar drying rates. Each species of lumber has a maximum rate of drying (expressed as percent moisture loss per day) that can be tolerated without damage to the final product. The most important consideration of a kiln schedule is that you do not exceed the safe drying rate of the wood species. Try to identify species which have similar drying rates, prior to mixing in a kiln load.

2) Air-dry lumber prior to kiln-drying. Air-drying lumber to 28-30 percent moisture content will make the process of kiln-drying multiple species more forgiving.

While markets exist for kiln-dried wood products, Nebraska businesses may need to stray from standard practices in order to meet the demands of these markets. If done correctly, standard kiln operation procedures can be modified to achieve the same high quality results as large kilns.

NFS will be hosting a kiln-drying workshop on August 26-27, 2016 in Plattsmouth, NE. If you have an interest in kiln-drying, have questions, or would like more information about the kiln workshop, please contact Adam Smith, NFS, 402-472-1276.

Nebraska Forest Industry Spotlight

By: Colby Walton
Walton Services

My wife Miranda and I, of North Platte, started a fencing and cedar tree clearing business in January 2014. We started off by purchasing a Bobcat skid steer S205 with an auger and a Dymax sheer. Some of our first jobs involved removing cedar trees from fence lines which were either being a nuisance or damaging the fences. Next, we started clearing and thinning cedar trees in pastures to enhance grazing and preserve the ground as much as possible. The cedar trees that are on the steeper ground that the skid steer cannot get to, are all cut by hand with chainsaws, removed and piled.

Most of the cedar clearing that we do is in canyon areas where the overabundance of cedar trees are causing problems for landowners. The cedar trees are overtaking pastures, limiting the grazing capacity, reducing the landowner's opportunity to fully utilize their land. Once we remove the cedars, the grazing potential can be restored. In other areas where cedars are dense, the trees are thinned and provide protection for cattle and wildlife from the elements, as well as to hold the soil in place and reduce erosion. Another benefit from our thinning work, is that we reduce the fire threat to the remaining trees. With fewer trees, there is less fuel available during a wildfire.

We are trying to develop markets for the cedar trees and residues. Instead of simply burning the piles, we would like to develop a purpose for the trees that we remove. We want to mill the larger trees into lumber and other products and process the smaller trees, limbs and tops into chips/



Colby & Miranda Walton

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308-636-6051

mulch for other uses, as well. This way the whole tree is utilized for something instead of not using any of it.

We love that this is a family-based business and look forward to working more with this industry in the future, both with the fencing and the cedar tree clearing.

Colby & Miranda can be reached at Cell: 308-636-6051 Home: 308-221-5351 Address: 8076 S Buffalo Rd North Platte, NE 69101 Email: colby_walton03@hotmail.com.

Timber Sales

The following listings are for stands of timber or logs being offered for sale by owners or persons of delegated authority. Timber was cruised and/or marked for harvest by Nebraska Forest Service or other professional foresters. Volumes in board feet (Doyle scale unless otherwise indicated) are estimates by the forester. If no volume is listed, the trees or logs were not marked by a forester and the listing is included only as a marketing service to the owner. Listings are prepared according to information at the time of publication.

Sale Name	Available Timber	Forester/Date	Contact
Honey Creek	Black Walnut, 243 Trees Veneer 1 – 3,979 Veneer 2 – 6,363 Veneer 3 – 17,675 Lumber 1 – 21,701 Lumber 2 – 19,752 Lumber 3 – 23,566 Total – 93,036	4/2014 Karloff Rasmussen Kasten Smith	Andrew Baker Winnebago Agency Route 1, Box 18 Winnebago, NE 68071 402-878-2424 Location: Thurston County SEALED BID ON BIA FORMS. Bids accepted until 2pm, October 5, 2016.
T2074-T2075	Black Walnut, 50 Trees Veneer 2 – 1,285 Veneer 3 – 1,835 Lumber 1 – 2,322 Lumber 2 – 1,604 Lumber 3 – 3,054 Total – 10,100	11/2010 Rasmussen Kasten	Andrew Baker Winnebago Agency Route 1, Box 18 Winnebago, NE 68071 402-878-2424 Location: Thurston County SEALED BID ON BIA FORMS. Bids accepted until 2pm, October 5, 2016.

Nebraska's Redcedar Forest (continued)

evaluation of new wood products through the Wood Product Development program. Additionally, state and federal agencies offer business development grants and loans to either expand existing businesses or establish new businesses in the state. For more information regarding financial assistance opportunities, please contact the following agencies;

- Nebraska Forest Service, 402-472-2944
- Nebraska Department of Economic Development, 402-471-3111
- Nebraska Department of Environmental Quality, 402-471-2186
- Nebraska Public Power District, 402-563-5534
- USDA – Rural Development, 402-371-5350

Nebraska to Develop Wood Energy Team

The Nebraska Forest Service, in collaboration with USDA-Rural Development, UNL-Extension, US Forest Service, Loup Basin RC&D, Panhandle RC&D, Sandhills RC&D, and Green Star Gasifiers, has received a grant for the development of a statewide woody biomass energy team. The team will work to further the opportunities for woody biomass heating and electricity production across Nebraska, with an emphasis on rural areas and communities. Over the next 3 years, the team will identify regions with the greatest opportunity for woody biomass system utilization, conduct education and outreach, and provide technical assistance to interested facilities. If you are interested in woody biomass for your community or business, please contact the Nebraska Forest Service.

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

Sawmill. Sanborn Minimax band sawmill, new 80 HP Deutz motor with 232 hours, 36" log capacity, hydraulic-operated belt on/off table, hydraulic log cleaner, digital levels, new track system, straight angled pressure guides. Also includes 60 extra 6" blades, Armstrong filing room equipment, box of new grinding stones. \$30,000. Contact George Hawley, Home 620-473-3468 or Cell 620-365-9744, email: hawleylumber@gmail.com.

Sawmill. Timber King portable sawmill, 34" x 20' log capacity, 50+ extra blades (some new). \$16,000. Contact: David Champlin. Phone: 785-275-2181.

Sawmill. Mighty Mite bandsaw. 20 HP electric motor, tandem axles with 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.

Edger. Corley SN E536-054, chromed in-feeds and out-feeds (no visible wear), 6-cyl Deutz engine, laser lights. \$20,000. Contact George Hawley, Home: 620-473-3468 or Cell: 620-365-9744, email: hawleylumber@gmail.com.

Timber Harvester. HYUNDAI ROBEX 130. Cuts and delimbs. Works well on cedars. \$18,500. Call Todd Book, 712-251-4464.

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

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.

Services and Miscellaneous

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.