



PRESS RELEASE

Timber Mart - South

Center for Forest Business, Warnell School of Forest Resources • The
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New Logging Rate Survey begins in the 4th Quarter 2005

By Thomas G. Harris, Sara Baldwin & Jesse Johnson, *Timber Mart-South*

Timber Mart-South's 4th Quarter 2005 survey of timber markets in the U.S. South showed that contract cut and load rates for final harvest averaged \$12.16 per ton in the Piedmont and \$11.67 per ton in the Coastal Plain. The following table shows average rates to cut, skid and load timber for each of the four harvest types included in this initial survey:

Average Contract Cut & Load Rates		
4th Quarter 2005 in US\$ per Ton		
Harvest Type	SE Piedmont	SE Coastal Plain
Final Harvest	\$12.16	\$11.67
Plantation Thin	\$12.71	\$11.88
Natural Thin	\$12.44	\$12.02
Swamp	\$14.00	\$18.21

Source: Timber Mart-South

Contract Hauling Rates

The following are south-wide averages based on the sample received:

- ❖ Minimum haul distance averaged 40 miles.
- ❖ The base rate averaged \$0.11 per ton per loaded mile for an average base hauling rate of \$4.40 per ton for a minimum haul.
- ❖ The incremental hauling rate averaged \$0.11 per ton for each additional loaded mile.
- ❖ Fuel rates were \$2.01 per gallon for Off-road and \$2.44 per gallon for Highway.

Background

The decision to survey for contract logging rates responded to multiple requests from our customers and supporters. Timber Mart-South has nearly thirty years of quarterly timber price surveys behind us; however, the value of timber and timberland as well as operation of timber markets is closely related to timber harvest operations. Transparency in logging rates and costs has been a concern for at least five years if not longer. A quarterly survey of rates to cut and load timber as well as some of the transportation rates in logging operations seemed a logical and integral next step in our service to the forest industry.

Timber Mart-South has a wide network of over 200 reporters south-wide, mostly involved in consulting forestry but also in mill operations, land ownership, and the finance industry. We started our contract logging rate survey by requesting price data from that base and now are engaged in widening the survey through contacts in logging organizations. While it is unfortunate that we do not have a historical reference to determine a trend, one needs to start somewhere! We hope that our standards and discipline will enable us to report logging rates as indicators for other customers but also publish a report that will help the logging industry itself.

Continuity and Growth

Timber Mart-South employs some of the same methods we use in surveying timber prices when we collect and report contract logging rates. Our staff enters the individual responses which are then examined, collated and averaged. We report the average of the upper 50 percent and the lower 50 percent of responses as well as an overall average. After analyzing the collected data, we divided the South into Coastal Plain and Piedmont regions instead of using our established Timber Mart-South regions. Results of the 4th Quarter 2005 Survey went to all Timber Mart-South subscribers and reporters as a part of their subscription.

We intend to continue surveying each quarter and welcome new reporters from the logging community. In addition we encourage all comments.

Those interested in obtaining a sample report and possibly reporting can contact Jesse Johnson or Sara Baldwin by phoning 706-542-4756 or emailing tmart@uga.edu. For more information about Timber Mart-South history, our products and our services, please visit our website www.TimberMart-South.com.

Timber Mart-South is a 29-year-old price reporting service publishing quarterly reports used by private companies, consultants, landowners, and others to assess market prices in the Southern U.S. The University of Georgia, Warnell School of Forest Resources is under contract with the Frank W. Norris Foundation to compile and publish Timber Mart-South quarterly reports.