The A,B,C’s of Marketing Your Timber

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A

Develop a Plan!
Your plan is your road map to achieving your goals for the property!
Plan Development.

- Meet with your state forester
- Contact a private forester
- Develop your own plan
Plan Development

- Break property into stands
- Develop management recommendations for each stand
- Decide if a timber sale is appropriate
What is the purpose of your timber sale?

- Income
- Storm Damage
- Wildlife Improvement
- Woodland Improvement
- Logger Contact
What type of management should I use?
Even Age Management
Uneven Age Management
When should I sell my trees?

- Should I have one harvest or multiple harvests?
- Is it a good time of the year to sell the species I have?
- Are my trees ready to sell?
A Logger Wants to Buy Some of My Trees, How Much are They Worth?
The Only Way to Know is to Test the Market!
B Marketing Your Trees!
Timber Marketing Options

1. Logging on Shares
2. Grade and Yield
3. Lump Sum Sealed Bid
Logging on Shares

- Logger cuts timber
- Logs are sold
- Logger and landowner split income
- Usually 60/40 - 50/50
Advantages

- You get to pick who you work with
- This may be a good way to sell small quantities or poor quality trees
- Timber buyer can see the cut logs and knows exactly what the value is
Disadvantages

- Trees are cut before timber value is determined or payment is made
- You do not receive competitive bids
- Much of the risk is on you
Grade and Yield

- Logger cuts timber
- Logger scales the logs
- Landowner gets paid on loggers scale.
Advantages

- You get to pick who you work with
- This may be a good way to sell small quantities of trees
- Timber buyer can see the cut logs and knows exactly what the value is
Disadvantages

- All of the risk is on the landowner
- Trees are cut before timber value is determined
- You place all your trust in the logger to tell you what the trees are worth
- You do not receive competitive bids
Lump Sum Sealed Bid Sale

- Trees are marked and scaled
- Bid notice is sent to many different loggers
- Competitive bids are received
- Logs are sold to highest bidder or all bids are rejected.
Advantages

- No trees are cut until their value is known.
- Landowner receives competitive bids
- All risk is on the timber buyer
Disadvantages

- You need to have enough volume and quality to interest many bidders
- Landowner cannot select the logger they wish to work with
- May take time to schedule a forester/contractor to assist you with your sale
Mark and scale trees to be sold
Developing a bid notice

- Name and address of seller
- Location of the sale, both legal description and general directions
- Description of trees to be sold
- When loggers can look at the trees
- Date and exact time bids are due
- Terms of the contract
- Any limitations or restrictions
Sending out bid notices

- Send to as many timber buyers as you can.
- If there is someone you do not want to work with don’t send them a bid.
- Give them at least 3 weeks to look at the sale area.
Opening bids

- Open bids at exactly the time stated on the notice
- Rank the bids from highest to lowest
- Take some time to think it over
- Notify successful bidder or reject all bids
- Notify anyone who sent a bid what the bids were
Entering into a contract

- Contact successful bidder within 10 days of bid opening
- Make arrangements to meet and sign contract and receive payment
- Walk area with buyer to determine skid trails and log yards
Monitoring Your Sale

- Meet the cutter the first day
- Bring a box of doughnuts
- Point out skid trails and important trees
- Stop in periodically
- Be Nice!
Your not done yet!

You need to continue to follow your road map to reach your goals.
Follow Up Management!
Crop Tree Release
Weed Tree Removal
Early Successional Cuts For Wildlife
Tree Planting
Scarification
Following these steps will help you stay on the road to managing your timber and reaching your overall goals!