



Northeast Texas Forest Landowners Association Newsletter

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Low-Cost Programs Boost Timber Profit

Managing both pines and hardwoods makes economic sense - Victoria G. Myers, May, 2008

Think timber management and its hard not to visualize lines of pine trees, especially in the South. And while it's true that traditional forestry management still leans toward establishing pure pine or pure hardwood tracts, there is another option.

Today more and more landowners are looking for ways to manage what Mother Nature gave them—which is most likely a mix of pine and hardwood.

This approach still yields harvestable timber, but it's also a boon to wildlife habitat and more aesthetically pleasing.

Mixed-stand management often uses regeneration techniques like fell and burn, says Don Tomczak. It's a management approach that has to be well coordinated, and it's described as "more of an art than a computer model" by Tomczak. "But it works with nature and costs significantly less than it does to establish a pure pine or a pure hardwood stand," says this [USDA](#) forest management specialist. "This really is the forest as nature intended, and there are some benefits that go along with that."

Starting with the economics, Tomczak estimates mixed-stand regeneration can come in at half the price of establishing a pure pine stand using intensive site preparation.

Looking at the environmental pluses, this approach is easier on the site. And because the stand is mixed, it supports a wider variety of wildlife species. That means more recreational opportunities like hunting, hiking or even bird watching.

Diversity among tree species also reduces the risk of disease and insect pressure. This, in turn, reduces or eliminates the need for herbicides and insecticides.

The lack of predictability is considered the biggest drawback, says Tomczak. "With this approach you have to accept that the composition of a mixed stand will change over time as it responds to the environment.

There is no precise answer as to the future composition of the forest or the amount of wood a mixed stand will produce," he explains.

Not knowing what you will wind up with can cause concern regarding market demand and price. But Tomczak points out that technological advances have meant more demand for what was once referred to as low-grade hardwoods. And as markets continue to change, it is difficult to know what will be in demand several decades down the road.

"This is a way for people to manage their land without a huge financial investment," says Tomczak. "The big hammer approach to forestry uses a lot of time, work, money and chemicals.

"You're trying to shape things the way you want them to go, and nature meanwhile wants to go the other way. "This approach works with nature and still lets you meet many common objectives," Tomczak adds. "I think it's been underplayed. But it calls for a landowner with an independent streak to make it work."

THE FELL AND BURN PLAN

This low-cost method of regenerating a pine-hardwood stand starts in the spring. Here are the basics:

MID-APRIL TO EARLY JUNE. Any standing trees (more than 5 feet tall) remaining after harvest are felled using a chain saw. Timing is critical because the felled residuals need time to dry prior to summer burns. Also, severing stems after the spring flush of growth reduces carbohydrate reserves in hardwood rootstocks, giving pines an advantage as they compete for growing space.

EARLY TO MID-JULY. With the fuel load cured and the nesting season for most game birds and nongame birds past, a controlled burn takes place. This should be a high-intensity burn over a moist fuel bed.

Following the fire, the site should look mostly black. This burn does several things: It clears the site for planting; it takes sprouted hardwoods back to ground level; it uses up more root carbohydrate reserves; and it kills above-ground dormant hardwood buds. This is good because it means hardwoods that develop the following year will be well-anchored below ground. Burning also helps a large percentage of the root mat stay intact, improving water-holding capacity and preventing erosion.

LATE WINTER TO EARLY SPRING. Plant genetically improved pine seedlings. The blackened forest floor will make it easier to see the seedlings and do a good job. Excellent early survival and growth of the pines are part of this system, thanks in part to the root mat maintained by avoiding high-intensity site prep. Later hardwood sprouts will regain vigor, and the site will take on the nature of a pine-hardwood stand.

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www.txforest.org**



FROM THE FOREST



A fellow named Blackie Sherrod used to do a column for the Dallas Morning News called "Scattershooting," and that would be a good title for this month's space.

First off, our good friend and Morris County director, Ben Best, made the July directors' meeting and looked really good. He made a point of thanking us for the prayers. There is real power there. Welcome back, Ben!

On a different note, Sid Greer, a great NETFLA past president, sent me an internet link to his farm for an update on the progress of their most recent pine planting. The web site is www.greerfarm.com, and includes great photos of all their activities. Sid used the container planting system developed by Eric Taylor, and followed Eric's recommendations where possible. Drought in the fall of '07 precluded the optimum planting time, but Sid and son Karl have nevertheless had outstanding results.

You might find it interesting to contrast the cover article's approach to reforestation with Sid's approach. The front article can be adapted for Texas, and does cut costs, but depends on a critical burn, and in our area, prescribed burning costs should be figured in. The stand objectives are a little different, but I think there are some great ideas in both plans. That said, I think Sid's route will produce superior sawlogs sooner.

On a different note, how about another membership contest? Seems these contests are becoming increasingly popular. We have our own NETFLA contest underway, with a prize of paid TFA dues, and we have the TFA Landowners Association contest with a free meal for all (which we narrowly won again). Now TFA has a new membership contest for landowners associations. This one awards a \$400 cash prize to the landowner association bringing in the most new TFA members in one year, to spend as that association chooses.

The winners of these two contests will not necessarily be the same.

The original contest is biased a little in favor of the smaller landowner associations such as ours, with a solid membership and a high member turnout for meetings, as opposed to large associations (200-300+ in some cases) whose participation is lower.

The new contest tends to favor the larger groups because they can compete on raw numbers of new TFA members, and not on the Association/TFA member percentage basis. And that's a good thing. The purpose of both contests is to drive up the number of TFA members, so that they will have more money to benefit all Texas forest woodland owners.

I think we can win both, and wouldn't that really make the other groups' eyeballs roll up! See you soon —

Bill Tucker

Program and Meeting Notes

PLEASE NOTE: THE START TIME FOR THE AUGUST MEETING IS 10:00 AM.

We'll be talking about government assistance and cost share programs available for tree farmers at the August meeting. The new Farm Bill has been signed, and there are benefits/handouts for tree farmers in it. As you will see in the Greer Farm cost figures, the savings can be significant. Robbie Clemons from the Natural Resource Conservation Service will be our speaker, and we should have plenty of time for questions.

The Texas Forestry Association is sponsoring an all-day workshop on silviculture taxation for county tax appraisers in our area in August, so our presenter's discussion at the November meeting should be fresh and accurate. Sorry, no landowners invited to the appraisers' meeting, just professionals. This pilot program is getting a good response, and — depending on how things go — will be repeated for the southern forest landowner associations.

We have also made a decision on the Teachers Conservation Institute scholarship program winners from our Association. They were top students in their classes, and are:

Annette Anderson
Big Sandy, TX
Harmony ISD

Tony Glasscock
Winnsboro, TX
Como/Pickton ISD

Gloria Harris
Sulphur Bluff, TX
Cooper Elementary

I look forward to giving them the good news in the next few days. Send in those dues — our teachers need the money! — *Bill*

2008 PROGRAM CALENDAR

Saturday, August 9, 10:00 AM

**Pilgrim Community Room
Pittsburg, Texas**

**NRCS and New Farm Bill:
Available Gov't Funding
for Timber Projects**

Saturday, Nov. 8 10:00 AM

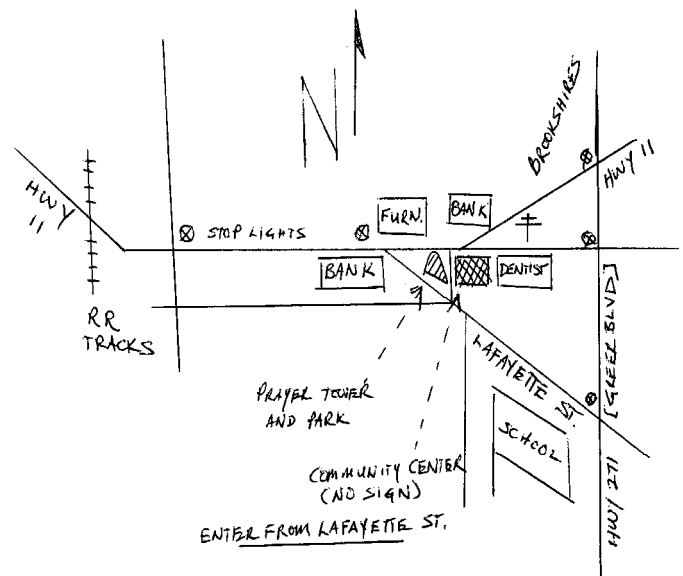
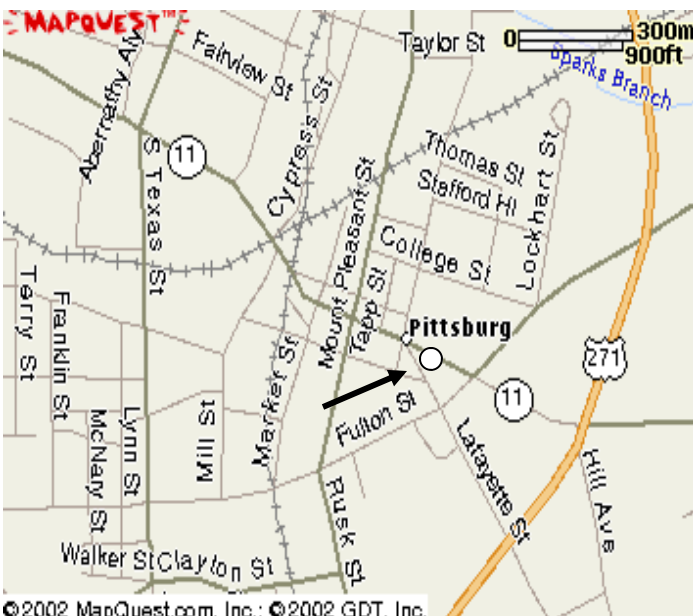
**Pilgrim Community Room
Pittsburg, Texas
Local Property/Timber Taxes**

Please Remit 2008 Dues to:

**NETFLA
PO Box 642
Mt. Vernon, TX 75457**

Dues are \$15 per member or associate per year. Make checks payable to NETFLA, and thanks!

Be sure to check the "good guys" list on the back page to see if you are current.



Progress Report from the Greer Farm

By Johnny Pinecone, aka Karl Greer

Johnny Pinecone

January 22, 2007 - 07:47 AM

What Greer takes, Greer gives back. Two years ago we clear cut about 60 acres of our property. Because of the drought we were unable to replant last year. If we had planted we would have lost every single tree. So instead we had to spray herbicide to keep the undergrowth from filling in the empty space. We were finally able to plant on January 8, 2007. 22,000 trees. Since then the weather has been perfect (cool & wet), so we hope to have high survival.

Replanting trees does not appear to be that common in this area. I see trees being hauled out every day, but I never see the telltale signs of a replanted area. Most people just take the money and let nature fill in the gap left behind. The difference is that in twenty years we'll have another beautiful pine forest and they'll have an East Texas thicket. That's only an end difference of about \$3,000 an acre (without including inflation). Not bad income for the amount of work involved, which essentially consists of lifting the phone and writing checks.

Sure it costs money to plant trees. But you make money when you cut trees. Here is what it cost to plant 22,000 trees.

Site prep - \$10,657 (gov't cost share paid \$5,328)
Ripping (tearing a trench in rocky soil to plant in, helps collect rainwater) - \$1,485 (will request cost share)
Herbicide - \$5,828 ((due to drought no gov't share, but they will pay 50% of any additional herbicide work)
Herbicide used: One Step and Oust XP
22000 containerized Loblolly Pine seedlings - \$2,696
Planting - \$3,850

Grand Total... \$24,516, not excluding government cost share. A little more than a dollar a tree. Assuming a 90% survival rate and an average final sale price of around \$13.50/tree (without inflation), that ain't bad. Yes, this is paid out over the next 30 years, with the first payment in 10-15 years, but we here at Greer Farm like to take the loooong view of things. These aren't my trees. They're my unborn child's trees.

Johnny Pinecone: A Progress Report

July 16, 2008 - 07:33 PM

Our pine plantation is off and running 18 months after planting. I figured its time to share with you an update on

a different kind of farming; tree farming. To appreciate this, you will need to read the blog of January 22, 2007 and see the photos taken at that time. I think you will be amazed the difference 18 months has made when you compare the pictures.

The method we chose for our plantation was very different than normal practices. We planted about half the number of trees per acre as the Texas Forest Service and consultants recommend, did our site prep chemical release six months before planting instead of a year after and used containerized trees, not bare root seedlings. Our march to the beat of a different drummer continues.

Since January 2007, we have not had a drought and have had normal rainfall and temperatures. The trees when planted were no more than 8-10 inches tall on average. Eighteen months later they are 18 to 38 inches tall on average. Some approach four feet. The two pictures below are of a taller tree and one that is average. From a walking survey, it would appear that we have very few seedling losses. In a bare root planting, often you lose 25%. Based on the results thus far, we seem to be on the right track with this planting method.

Our objective in using these methods was to avoid having a small wood (pulpwood) cutting, which is low value in 14 years, but have a higher value chip and saw cutting at 10 to 12 years.

We have a mowed fire lane around each of the new planting areas and will continue to maintain it. Our future plan is to fertilize the seedlings by over planting with some type of legume that fixes nitrogen. We have not figured what to plant nor how to do that since we can not plow or disk the planted areas. Aerial dropped fertilizer is too expensive in today's market. Once the trees reach a height of ten feet or more, we hope to have fenced each of the areas planted with woven wire sheep and goat fence. We will utilize goats and sheep to clear out the understory of uneconomic growth. In theory, if we open up the area under the pines, grasses will grow keeping the ground cooler and help retain moisture helping the trees to grow even faster. The understory competes for water and nutrients much more than grasses. Once the area under the trees is open, we have a lot more options on fertilization. Also, an open planted pine forest is attractive to wildlife and has more recreational uses.

Thanks, Greers — keep us posted.

Conference Reports, or “How We Spent Our Summer Vacation”

This has been a summer filled with events and conferences, starting with the TFA Family Forest Fun Day. I may never get to go, since they seem to have this thing on Mothers Day weekend every year and that wipes out the Saturday either traveling or hosting the folks here. Sure hope some of you were able to attend.

Fred Winters, one of our associate members and a full member of the newly created East Texas Timberland Landowners Association, invited our members to an ETTLOA field day. I was able to reach about half of you by email, and I hope you made it. This is Fred’s press release following the event:

TIMBER OWNERS TOUR WETLANDS RESERVE PROGRAM SITE:

Members of the East Texas Timberland Owner's Association toured the “Last Frontier” Wetlands Reserve Program (WRP) site on Tuesday June 24, 2008. The 2,422 acre site provided members with a rare opportunity to stand in the shade of the Texas Champion Post Oak tree and listen to a presentation given by Ray Stoner, the NRCS District Forester. The tree measures 208 inches in circumference, stands 92 feet tall with a crown spread of 104 feet. Charles Snowden and Kenny Crawford, District Conservationists with the NRCS, also discussed the hardwood species planted throughout the WRP site. Throughout the tour, the group saw evidence of established food plots, low water crossings, beaver control measures, levee construction and piping to control water levels. The WRP is a voluntary program offering landowners the opportunity to protect, restore, and enhance wetlands on their property. The emphasis of WRP is to protect, restore, and enhance the functions and values of wetland ecosystems to attain habitat for migratory birds and wetland dependent wildlife. The East Texas Timberland Owner's Association serves the timber owners of Bowie, Cass, Marion and Red River Counties and we welcome new members.

Good show, Fred!

NETFLA member David Laschinger took some days to travel to the conference in Magnolia, Arkansas and furnished this report:

2008 Magnolia Landowner Conference

By: David Laschinger

Somehow, I got on the e-mail list of Reynolds Forestry in Arkansas, possibly because I use a forester from Arkansas to help me with my tree farm in Bowie County. Earlier this year, Reynolds sent me an e-mail announcing the 2008 Landowner Conference in Magnolia, Arkansas.

Over 300 landowners and forestry professionals from 10 states would gather for Arkansas’ largest annual forestry conference. The list of scheduled concurrent presentations – 18 different ones – was impressive. The format was such that most of the morning presentations were repeated in the afternoon. And the afternoon schedule included a “High Yield Plantation Field Tour” with transportation provided.

The overall conference package was impressive and it seemed like a bargain at \$50. The price included snacks, refreshments and lunch, as well as transportation for the forestry tour. Members of the Farm Bureau, Tree Farm and AFA even got a \$15 discount.

For those interested, an Estate Planning & Taxation Workshop was held on Thursday and Friday prior to the Saturday June 28th conference. Dr. Robert Tufts, Tax Attorney, was the presenter. I did not attend this, but others said that the two-day session was very good.

The Saturday conference was held in a relatively new facility on the Southern Arkansas University campus, the Don W. Reynolds Center. Attendees were handed a large 3-ring binder with the conference schedule and copies of all presentations as well as information on the sponsor companies. Included in the binder was a CD with a soft copy of all the presentation. Plus, all the sessions were recorded and are now available on a CD for \$15.

With two break-out sessions in the morning and two in the afternoon and seven different speakers for each session, it was difficult to decide which ones to attend. Fortunately, most of the morning sessions were repeated in the afternoon. The presentation topics offered were:

- Forestry Taxation
- Tree Farm Certification
- Forest-based Biofuels
- Timber Thinning Techniques
- Carbon Credit Markets
- Varietal Forestry
- Best Management Practices
- Timber Market Outlook
- Wildlife Management
- Soil Nutrition
- Advanced Reforestation
- GreenTrees Program
- Disinheriting IRS
- Maximizing Timberland Investments
- Chainsaw Safety Course
- Estate Planning

- LBJ Family Ranch, Timberland and Wildflower Center
- Challenges and Opportunities Facing Landowners

I attended these sessions and they were excellent:

- Timber Thinning Techniques - Teddy Reynolds
- Timber Market Outlook - Dr. Jack Lutz (Forest Research Group, in Maine)
- Carbon Credit Markets - Dave Krog (Agragate Climate Credit Corp.)
- Soil Nutrition - Dr. Bob Campbell (Weyerhaeuser Research)

John Shannon, head of the Arkansas Forestry Commission, made the closing remarks at the third general session in mid-afternoon. Yours truly won one of several door prizes — a back-pack spray unit provided by TIMCO.

After the third general session, those who were interested in the forestry tour boarded vans and were taken to a tree farm southeast of Magnolia a few miles. The landowner had a beautiful stand of cherry-bark red oaks that he had planted 18 years ago. They were on about 25 acres of former fescue pasture land. They had been thinned in December, 2007 and the area had been neatly “scrubbed”. Nearby was an area of loblolly pines mixed with the same planted oaks. The owner didn’t think the oaks had survived the first winter and planted pines later only to learn that the oaks really had survived. The tour plans originally included visits to other landowner tracts, but after the many questions and discussion at this first stop, it was decided the tour had been long enough and we were taken back to the Reynolds Center.

Teddy Reynolds invited anyone who was interested to come to his house and farm about 5 miles north of Magnolia. He has a number of rescued animals there, several deer, a pot bellied pig, peacocks, and guineas. My wife enjoyed feeding grapes to the deer, two of which were very tame and even came inside the back yard area to take whatever food and drinks people would give them. Colleen and her friends had prepared some fantastic Italian dishes for approximately 70 guests and they generously poured several varieties of wines from Arkansas wineries, including some delicious Muscatine.

The conference was excellent. I was impressed with how well it was coordinated. Despite the number of people that attended the hosts were very approachable and made each person feel welcome. For those who might be interested in attending next year, keep checking the website at www.reynoldsforestry.com, or let them know you would like to be on their e-mail list.

Thanks for the great report, David!

AgriLife Extension Service: Northeast Texas Woody Bioenergy Symposium

— Bill Tucker

This three-day conference was held in Jefferson, Texas, June 4-6, and dealt with the above and much more. Our counties were well represented with Brian, Chris, and Ken from the Pittsburg and Gilmer offices amid a small sea of TFS foresters, and Glenn and Judy Weiss, Don Ray, Fred Winters, and myself from NETFLA, as well as landowners from many other associations.

Most went because of forestry concerns, but many of us (including myself) also made the trip as serious investors who are concerned about water, energy, and the future.

We learned a lot, ranging from how biodiesel and gasohol are actually made and the possibilities for other cellulosic fuel sources, to future economic impacts and the practical logistics of getting woody biomass to the plants at a profit for all concerned. The latter is not easy.

It’s impossible to recap three day’s worth of programs and speakers, but I can provide my personal take on the information provided.

Technology is available to build plants that can convert cellulosic material (any plant, including timber slash) to hydrocarbon fuel, including gasoline, diesel, and gas, and getting better all the time. The kicker comes with the question of economic viability/profitability. And then you need to factor in the law of unintended consequences. Corn based ethanol plants in the grain belt are rapidly depleting the aquifers up there, drying up many wells. Ethanol water consumption is almost unbelievable.

Government support (taxpayer dollars) is needed for any of these operations to show a profit at this point, including our woody biomass. Texas lags the other southern timber states in a very big way on this front. The Texas legislature needs to address this issue, extending the same tax breaks to old bio plants as well as new, and perhaps increasing the benefits temporarily, as well as creating incentives for new mills, reversing the present trend of mill closings.

Tree farmers and loggers may also be looking at new practices and equipment yet to be designed or proven. Planting alternating belts of quality timber and biomass may be one way to go, but whether we make a dime on the slash or not, getting the tops out of the woods should benefit management, aesthetics, public relations, and property values.

I think there may be other solutions for the country’s energy situation, but will save these thoughts for the future.

The Good Guys List:

It's that time of year again when we chase people for dues. It should not be that way. Our cutoff date for the TFA free lunch contest is Aug 25, and only paid members count! Look for your name here. If you find yourself on the list, you're paid up and a member in good standing. If you have forgotten, as about 30 have, then it's time to send your check for \$15, payable to NETFLA, to:

NETFLA
PO Box 642
Mt. Vernon, TX 75457

Thanks!

<u>First Name</u>	<u>Last Name</u>
Carolyn	Adkins
Dan & Mary	Basham
Benton	Best
Ben and Mary	Best, Jr.
Dennis and Maggie	Boerner
Harold	Connor
Bill	Darby
Kip and Kay	Derrick
Harry	Earl
Betty	Erwin
Thomas	Ewan
John W. "Pete"	Gipson
Blanche	Handy-Sparks

Curtis V.	Hart
Arlis	Hart
Larry	Hoffman
Gerald and Lisa	Jones
Jim	Jordan
David	Laschinger
Leon & Barbara	Lester
Michael	Lovell
Gloria and E. B.	McCaslin
Wanda R.	Mitchell
Michael	Murphrey
Kim and James	Norman
Brian	Pope
Neal A.	Prince
Warren	Proctor
Rob	Pruitt
Dorothy	Rice
Andrew	Roane
Richard E.	Roberts
W. Rex	Shirey
Betty	Smith
Kenneth	Stewart
Dennis and Roberta	Townsend
Kristi and Michael	Truelove
Bill	Tucker
Robert & Gloria	Turner
Glenn and Judy	Weiss
Lawrence H.	Williams
Fred	Winters

Market Report – March/April, 2008

Product	Statewide Ave. Price		Previous Ave. Price		Weight Difference (*)
	Weight	Volume	Weight	Volume	
Pine-Sawlogs	\$29.12/ton	\$228.53/mbf	\$36.39/ton	\$277.54/mbf	-20.0%
Pine-Pulpwood	\$10.42/ton	\$28.10/cord	\$14.03/ton	\$37.75/cord	-25.7%
Pine-Chip'n'Saw	\$14.90/ton	\$40.23/cord	\$14.43/ton	\$38.96/cord	+3.3%
Mixed Hardwood-Sawlogs	\$19.32/ton	\$173.36/mbf	\$20.77/ton	\$186.69/mbf	-7.0%
Hardwood-Pulpwood	\$9.47/ton	\$26.57/cord	\$11.37/ton	\$32.78/cord	-16.7%

See *Timber Price Trends* at <http://texasforestservicetamu.edu/timberpricetrends> for more detailed information. Copies can be purchased from the Texas Forest Service, Office of the Director, John B. Connally Building, 301 Tarrow, Suite 364, College Station, TX 77840-7896. It is recommended that you use the services of a professional consulting forester in managing any timber sale. Important factors affecting timber prices include the type, quality and volume of timber for sale, accessibility, distance to mills/markets, weather conditions, economy/market conditions, who is handling the sale, who is buying the timber, and contract requirements by the landowner.

*Conversion factors between volume and weight vary from sale to sale, so the differences in volume prices above may not equal differences in weight prices.

1. Stumpage price statistics include gatewood sales. Stumpage prices for gatewood sales are estimated by subtracting cut-and-haul costs, other expenses, and profits provided by reporter.
2. Statewide data excludes U.S. Forest Service sales.
3. Price calculated from specific conversion factor reported for each sale if available; otherwise, the average conversion factors listed on page 4 of Texas Timber Price Trends (<http://texasforestservicetamu.edu/timberpricetrends>) are used.

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