



# Roundwood News

June 2022

## Survey enhances vitality of Roundwood Industry

*By The Beck Group*

The Intermountain Roundwood Association (IRA) and the Western Wood Preservers Institute (WWPI) are deeply rooted in the post and pole industry. Both organizations believe this sector, with a proven ability for utilizing small diameter roundwood, can grow significantly in the future.

However, securing more consistent and adequate raw material supply is critical for enabling future growth. Therefore, WWPI has secured a Wood Innovation Grant and have asked The Beck Group, a Portland, Ore., based forest products planning and consulting firm, to visit post and pole manufacturing sites across the western U.S.

The site visits will allow for gathering detailed insights and information about the current competitive position of the roundwood industry. The visits also include attendance by public agency forest management and timber sale planning staff so that they can better understand the needs of post and pole manufacturers.

Ultimately, the project team will use all the information gathered in this study to identify and implement strategies and policies aimed at enhancing the vitality of the Western U.S. roundwood manufacturing industry.

The list below provides an overview of the data being collected about the current state of the post and pole industry. Note that no plant specific data will be recorded in any report, only industry averages:

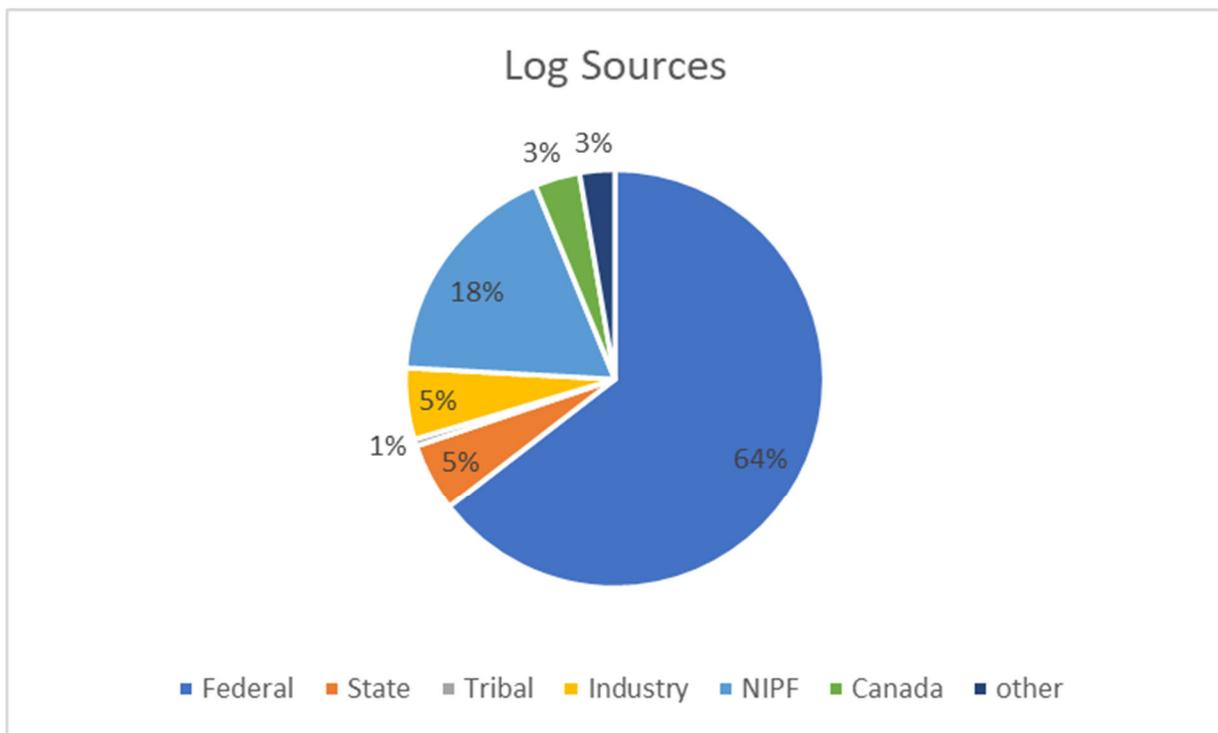
- Raw material supply - types, sources, costs, and usage, etc.
- Operational metrics - staffing levels, operating hours, production, productivity rate, yield, etc.
- Product data - product types, product sizes, market areas, values.
- Chemical treatment - operating levels, types of chemicals used, types of products treated, etc.
- Equipment configuration - the types of equipment used in the manufacturing process.

The data from the onsite interviews will be summarized in a comprehensive written report that definitively captures the current competitive position of the industry. It will be used to develop a written “strategic roadmap” for enhancing Western U.S. roundwood industry vitality including formulating policy recommendations specific to the roundwood industry (e.g., policy affecting issues including supply, labor, chemical treatment, manufacturing, and markets including international trade-related issues).

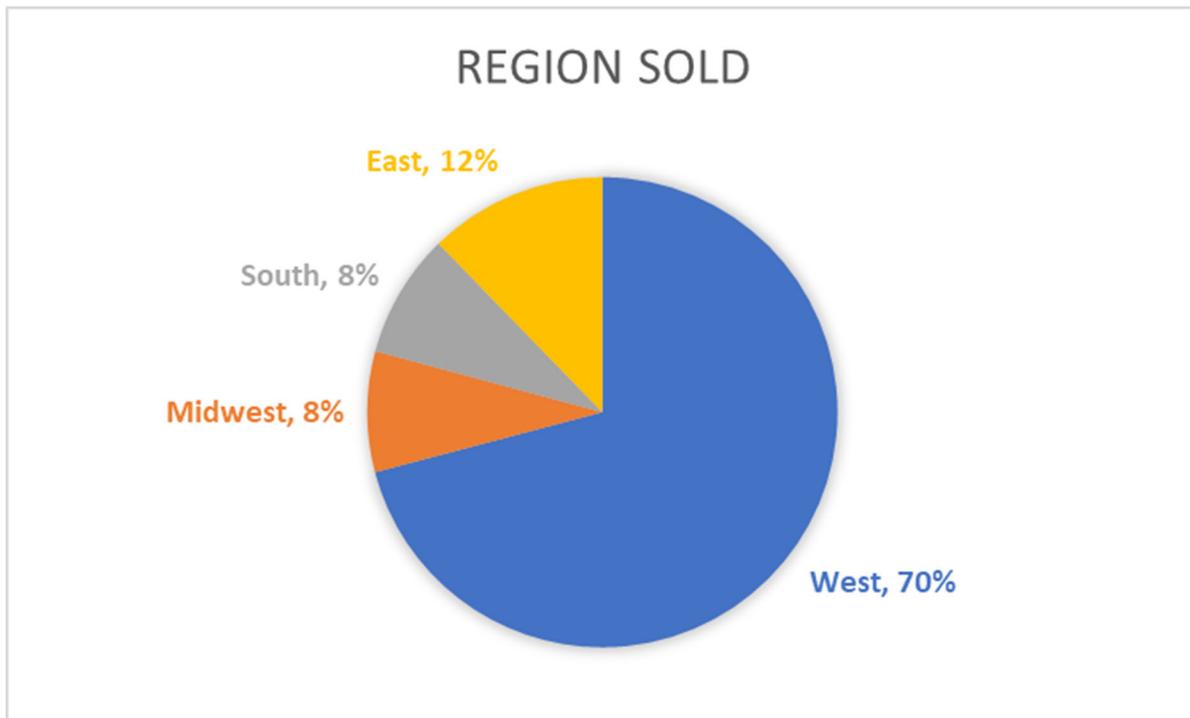
**Progress to date**

Some 16 post and pole producers have received visits from Beck Group staff to discuss the post and pole business. The visits have been very informative and illustrate the diversity in the post and pole business across the West and the strategies post and pole manufacturers are using to remain competitive. Future visits are planned. Beck staff anticipate those visits will show how other business models have proven successful.

The largest supply of volume to post and pole producers surveyed thus far is from federal lands, which is supplying approximately 64 percent of the logs. Most of this is from U.S. Forest Service lands, but the BLM is a significant supplier in some regions as well. Non-industrial private forests have been a larger portion of the supply than expected at 18 percent. Other suppliers are 5 percent or less.



Among surveys completed to date, most products produced are for fencing followed by agricultural uses at 49 and 31 percent respectively. These products fall mostly in the 3- to 7-inch diameter range, with 78 percent of the products produced in that size range. Most products are sold west of the Rocky Mountains as 70 percent goes to that region. The remaining products are distributed throughout the U.S., with a small percentage going to exports.



### **Participation**

Western U.S. post and pole producers are encouraged to participate when called about the survey. The results of the survey will help the IRA communicate with policy makers about the roundwood business to create a better business environment or keep the business environment from deteriorating.

Understanding the economic impact of the post and pole industry has on rural communities will help that communication. Results will also ensure that association activities are aligned with the needs of its members while promoting the roundwood industry.

Survey results will also help to strengthen the supply of raw materials coming from forests. They will demonstrate how the roundwood industry can help forest restoration objectives in the U.S. West.

Understanding the products produced will educate suppliers on the type of raw material that can be utilized and the volume of materials necessary to keep post and pole producers operating at capacity. This information can be used to encourage public forest owners to provide a consistent and adequate raw material supply to the post and pole industry.

If you have any questions regarding the survey, please contact Steve Courtney of Beck Group Consulting at (541) 527-2040 or [stevec@beckgroupconsulting.com](mailto:stevec@beckgroupconsulting.com).

---

## **Innovations Program supports wood product markets**

*By Julie Kies, USDA Forest Service*

The USDA recently announced \$32 million in grant awards to 99 projects under the Community Wood and Wood Innovation grants. These grant programs aim to stimulate and expand wood products and wood energy markets and support a diversity of projects around the country.

You can view the complete list of recipients for both grant programs at [www.fs.usda.gov/science-technology/energy-forest-products/wood-innovation](http://www.fs.usda.gov/science-technology/energy-forest-products/wood-innovation). As a roundwood manufacturer, you may be interested in applying for these grants. The IRA and WWPI were successful in receiving a \$250,000 grant in 2020 to conduct the industry surveys and onsite interviews by The Beck Group.

Our Forest Service and state timber program staff have appreciated the opportunity to join The Beck Group on these visits and make connections with the mills. We look forward to meeting many more of you – during or outside of these scheduled interviews.

To back up, I want to introduce myself and the U.S. Forest Service Wood Innovations Program. The simple mission of the program is to foster the expanded use and manufacture of wood and biomass products to support forest management.

I am the regional program coordinator serving North Dakota, Montana, Idaho, Utah, Nevada and western Wyoming. Through technical and financial assistance, we support wood manufacturing, green building with wood, renewable wood biomass energy, and traditional and emerging markets.

A number of provisions in the recently passed Bipartisan Infrastructure Law authorize funding for expanding forest treatments and support for wood and biomass markets. In addition to support for traditional wood product manufacturers, there is funding proposed for wood energy, biochar and firewood banks.

If there are existing firewood banks in your communities or identified need for firewood banks that provide low/no-cost firewood for low-income residents, you may want to watch that. Modeled after food banks, firewood banks are commonly managed by volunteers that provide short-term heating assistance to local residents in need.

Speaking of wood heat, let me know if you or other public or private facilities in your community might be good candidates for a wood biomass energy system fired by chips, cordwood or pellets. Our National Wood Energy Technical Assistance Team can help scope the viability of a new installation and help improve performance of existing biomass energy systems. We've recently been talking with ski areas about the potential for wood energy at their resorts – a win-win for their forest management and sustainable operations goals.

We are seeing incremental advancements in biochar production and markets. The U.S. Forest Service has a cooperative agreement with the U.S. Biochar Initiative to continue work to scope and develop opportunities for biochar in varied applications – agriculture, mine reclamation, metallurgical, industrial, construction materials and other uses.

This is a market outlet that many are hopeful will provide a pathway for the excess slash and pre-commercial thinnings generated from forest management that don't go to roundwood, pulp and chip markets. It's proving a tough nut to crack, with growing promise in some markets.

I'd enjoy connecting with you to hear your ideas or answer any questions about our program. Feel free to contact me at (406) 370-3297 or [julie.kies@usda.gov](mailto:julie.kies@usda.gov).

## **Forest industry research in the West**

*By Thale Dillon and Todd A. Morgan*

For over 40 years, the Forest Industry Research Program (FIRP) at the Bureau of Business and Economic Research at the University of Montana has been collecting data and producing detailed reports on the operations of the wood products industry throughout the western U.S.

FIRP is one of the largest departments of its kind in the country. With 12 staff members, our work monitors forest products operations in Alaska, Arizona, California, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington and Wyoming. Our research focuses on the forest industry's size, timber use and economic impacts.

In cooperation with the USDA Forest Service's Forest Inventory Analysis (FIA) Program, FIRP conducts a census of the forest industry in each state, also known as Timber Product Output (TPO) studies. These studies collect a variety of data on the industry's size, timber sources, diversity and economic impacts through surveys mailed to all roundwood users in each western state.

**Table 1: Roundwood-using facilities in the Intermountain West**

	Sawmills	Log home/ Log furniture	Biomass/ Energy	Post/ Pole <sup>1</sup>	Other round-wood	Total
Arizona	13	0	1	1	5	<b>20</b>
Colorado	31	10	1	5	5	<b>52</b>
Idaho	27	18	6	13	20	<b>84</b>
Montana	25	39	15	10	14	<b>103</b>
Nevada	0	0	0	0	0	<b>0</b>
New Mexico	17	2	0	5	4	<b>28</b>
Utah	13	8	0	1	3	<b>25</b>
Wyoming	15	4	0	12	3	<b>34</b>
<b>Total</b>	<b>141</b>	<b>81</b>	<b>23</b>	<b>47</b>	<b>54</b>	<b>346</b>

<sup>1</sup> Includes vigas/latillas

FIRP manages a number of projects, including - with the support of the USDA Forest Service - maintaining a system to provide current mill-delivered prices for logs in Montana and in Region 4 (Intermountain Region). We will soon be implementing a similar program in the Black Hills area.

**Table 2: Mill-delivered sawlog prices, 1<sup>st</sup> quarter 2022**

	Montana <sup>1</sup>	Region 4 <sup>2</sup>
Ponderosa pine—Yellow	\$350-\$400	\$150-\$475
Ponderosa pine—Bull	\$338-\$365	\$150-\$450
Lodgepole pine	\$431-\$471	\$300-\$525
Douglas-fir	\$450-\$474	\$410-\$570
Western larch	\$450	n/a
Engelmann spruce	\$431-\$471	\$350-\$525
Subalpine fir	\$360-\$440	\$275-\$540
Grand fir	\$363	n/a
Western red cedar	\$100	n/a
Hemlock	\$385	n/a
White pine	\$389	\$150-\$450

<sup>1</sup> Prices for Montana show range between average Eastern MT and average Western MT prices.

<sup>2</sup> Prices for Region 4 show range between lowest and highest price offered.

The bulk of FIRP's information is available to the public through our website (<https://www.bber.umt.edu/fir>), General Technical Reports and Resource Bulletins published through the USDA Forest Service, and journal articles. We also respond to individual data requests from policy makers, planners, managers and the general public.

Further, FIRP has developed a one-stop resource ([https://www.bber.umt.edu/FIR/H\\_harvest.asp](https://www.bber.umt.edu/FIR/H_harvest.asp)) for annual county- and ownership-level timber harvest data. The tool currently covers California, Idaho, Montana, Oregon and Washington. Other western states will be added in the future.

We look forward to receiving data from members of the Intermountain Roundwood Association during this year's survey of mills. Please reach out to us with your questions at 406-243-5113 or [todd.morgan@business.umt.edu](mailto:todd.morgan@business.umt.edu).

## **Recap of a successful 2022 IRA Spring Conference**

*By Rock Reman*

After being unable to have our 2021 annual meeting due to Covid, it felt great to finally get together again! Among Board members, there was a little skepticism as to how well the meeting might be attended after having to cancel last year. We were quite happy it was so well received.

We had around 40 attendees as well as four main speakers. The speakers all did a great job of presenting their information and holding our interest. It would have been nice to have a few more vendors to showcase their products. Hopefully we can build on that for next year's meeting.

The social on Wednesday evening went very well. Everyone seemed to enjoy having a meal, drinking a few cocktails, renewing friendships and maybe even swapping a few exaggerated stories.

There were a few small changes in the format of this year's Spring Conference. After having our speaker presentations in the morning portion, we decided to do things different for lunch. Instead of having a keynote speaker during lunch, we opted to use that time to mingle with those we knew and meet those we didn't. It worked out very nice.

The IRA and its Board members would like to thank Koppers Performance Chemicals for their sponsorship of the dinner social at this year's conference. We value their continued partnership in the IRA. With the help of great sponsors like Koppers, the IRA is able to continue our mission representing the voice of the post and pole manufacturing sector and bring manufacturers together for robust discussions that move the industry forward.

We look forward can continue this path and make next year's meeting even better!

---

**Intermountain Roundwood Association**  
**Annual Meeting**  
**March 10, 2022**

**Board Members:**

- Rock Reman – present
- Dallin Brooks – present
- Clint Weis – present
- Gary Suppinger – present
- Kenny Pennington – present
- Chris Pfendler-present
- Caleb Gardner-present
- Eric Wareham-present

**Call to Order**

Meeting called to order at 3:00 p.m. Previous annual meeting minutes were read. Clint Weis made a motion to accept as read; Caleb Gardner 2<sup>nd</sup>. No discussion. **Motion passed unanimously.**

**TREASURER’S REPORT:**

Treasurer Clint Weis provided details on IRA’s financial standing.

**Conference Update:** With increased attendance and membership, the conference was a net positive for the IRA. **Motion** to accept the financial report, 2<sup>nd</sup>. **Motion passed unanimously.**

**New Business:**

**Scholarships:** The board would like to renew the IRA scholarship. Discussion of previous amount given. Continue with \$500 scholarship for students attending accredited college programs.

**Fall Board Meeting:** Board would like to potentially meet sometime in the fall. Rock Reman suggested the Black Hills as a potential location with site visits and to further discuss IRA initiatives.

**Next Board Meeting:** Discussion of continuing conference at Hilton Garden Inn in Missoula. Motion made by Kenny Pennington, 2<sup>nd</sup> by Chris Pfendler. **Motion passed unanimously.**

**Board meetings:** Board agreed to continue having monthly board meetings the first Wednesday of each month at 9:00 am MST.

**Grant Funding:** The board would like to pursue grant funding for the IRA from federal and state sources to keep the IRA relevant and increase awareness of the industry.

**Elections:** No new names were put forward. The terms of the board were renewed unanimously during general session of the annual conference.

**Adjournment:** **Motion** to adjourn made at 4:37, 2<sup>nd</sup> made. **Motion passed unanimously.**