

AGENDA

Start Time	End Time	Session Segment / Topic
January 2	3, 2025	
8:00 AM	9:00 AM	Check in, Registration
9:00 AM	9:05 AM	Welcome Steve Courtney, Vice President of Operations, The Beck Group
9:05 AM	9:35 AM	1. Introduction to the Forest Products Industry & Businesses Consuming
		Forest Derived Wood
9:35 AM	9:40 AM	Break
9:40 AM	10:25 AM	2. Forest Products and Associated Businesses
10:25 AM	10:30 AM	Break
10:30 AM	11:30 AM	3. Units of Measure & Conversion Factors for Transactions
11:30 AM	12:30 PM	Lunch Hour
12:30 PM	1:15 PM	4. Selling: Finding Markets, Purchaser Specifications, & Determining Value
1:15 PM	1:20 PM	Break
1:20 PM	2:05 PM	5. Costs of Harvesting Forest Products
2:05 PM	2:10 PM	Break
2:10 PM	2:55 PM	6. Wood Manufacturers: Log values, Product Yield, & Product Value
2:55 PM	3:00 PM	Break
3:00 PM	3:30 PM	7. Determining Timber Sale Value
3:30 PM	3:45 PM	Closing Comments / ADJOURN

Business of Forest Products Workshop introduces the businesses that utilize materials harvested from the forest, how raw materials are evaluated and purchased, and the associated nomenclature of the industry. Participants will gain an understanding of the values associated with harvesting and manufacturing wood products.

For those who want to further their understanding and industry experience, this workshop will provide an opportunity to learn the differences in raw material consumption across forest product business segments and regions. Participants will gain understanding of the values associated with harvesting and manufacturing wood products in each region; instructors will introduce the related terminology and convey an understanding of which raw materials (and associated costs) are appropriate for use in various forest products industry sectors.

Course Presenter:

Steve Courtney, The Beck Group's Vice President of Operations, has spent 30+ years in the forest products industry in the US West. His extensive industry knowledge includes experience in procuring raw materials for lumber and plywood operations; coordinating logistics for raw material delivery; developing corporate strategies to optimize log

procurement among jointly owned milling operations; and buying and selling veneer products. He also worked early in his career as an industry representative advocating for the timber industry. He is passionate about educating the next generation and helping the forest products industry thrive.



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The Beck Group Workshop Antitrust Statement

It is the policy of The Beck Group, and it is the responsibility of every Workshop Participant, to comply in all respects with federal and state antitrust laws.

No activity or discussion at the Workshop may be engaged in for the purpose of:

- Agreeing to fix or regulate prices, markups, or the conditions or terms for the sale of lumber or wood products.
- Agreeing to establish geographic trading areas, allocate markets or customers, or classify certain customers as being entitled to preferential treatment by manufacturers of lumber or wood products.
- Participating in any plan designed to induce any manufacturer or distributor of lumber or wood products to sell or refrain from selling, or discriminate in favor of or against any particular customer or class of customers.
- Agreeing to limit or restrict the quantity of lumber or wood products to be produced.
- Participating in any plan designed to control the means of transportation or channels through which lumber or wood products may be sold.
- Participating in any plan which has the effect of discriminating against or excluding competitors.

Bryan Beck, President

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ducts		Log Quality	General Notes		
	1. Poles	High	Require highest quality logs: tall, straight, low taper, and have small knots.		
Solid Wood Products	2. Veneer	Varies	Log quality determines veneer grade and value.		
	3. Lumber	Varies	Log size and quality determines lumber type, grade, and value.		
	4. Posts	Size Determines	Typically small diameter with low taper.		
Partical	1. OSB	Low - Medium	Logs are stranded so quality is a minor concern		
Partical Wood Products	2. Chips	Size Determines	Size matters more. Logs must fit in chipper.		
	3. Biomass	n/a	Can be made from tree tops and slash.		











Used for chip and biomass transactions in the West
A bone dry ton (BDT) is 2,000 lbs. of material at 0 percent moisture content
A bone dry unit (BDU) is 2,400 lbs. of material at 0 percent moisture content
Formula: BDT = GT x (1 – MC%)
Example: Assume 1 GT @ 50% MC
BDT = 1 x (1 – 0.5) = 0.5 BDT









Conversion Factors Conversions are often necessary from one unit of measure to another.

- Green tons → MBF (Thousand Board Feet)
- Green tons \rightarrow BDT (Bone Dry Ton)
- Cubic meter $\leftarrow \rightarrow$ MBF
- Tons per truckload
- MBF per truckload

















Finding Markets State Forest Products Directories • https://www.orforestdirectory.com/search-by/products_purchased • • https://gatrees.org/directories/timber-buyers-directory/ Consultants • https://www.acf-foresters.org/ • https://www.oregon.gov/odf/working/pages/findaforester.aspx Advertisements ٠ Newspapers ٠ • Magazines Yard signs

























Costs of Ha	arvesting		
The costs of ha • Age of equip • Wages of op • Fuel prices • Demand for	arvest equipment de pment perators	pends on:	
	Costs of Lo	gging	
	Equipment/personnel	Cost Range/hr	ts
	Feller Buncher	\$120-140	roduc
	Skidder	\$80-100	est P
	Forwarder	\$100-120	of For
	Yarder	\$250-400	less (
	Helicopter	\$3,500-6,000	Busir
	Processor/Delimber	\$100-140	
	Loader (Shovel)	\$80-110	6
	Hand Cutter	\$60-100	THE BECK G
	Crew Member	\$25-40	











Forest Products Manufacturers

Keys to calculating RTL values

- Ensure units of measure are consistent
 - Products usually per M (BF, 3/8s, lineal feet)
 - Byproducts per green ton, BDT, or BDU
 - Manufacturing also per M (BF, 3/8s, lineal feet)
 - Know whether recovery is positive or negative

RTL Calcs	Southern Plywood	Western Plywood	OSB	Western Lumber	Western P&P	Bagged Shavings	Bundled Firewood	SYP Lumber	Western WLC	Export Pellets
Sales Realization (\$/BDT)	500	520	490	250	230	300	460	195	65	205
(less) All-In Mfg. Cost (\$/BDT)	220	245	340	110	115	200	370	105	25	170
(equals) Break-even RTL (\$/BDT)	280	275	150	140	115	100	90	90	40	35







Forest Products Manufacturers

Log quality can affect manufacturing and product yield. Some mills purchase by grade. Mill defined sorts are also used to assign value to logs.

Grade	Diameter	Length	Ring Count	Surface	
1 Peeler	30 inches	17 feet	8 per inch	90% clear	
2 Peeler	30 inches	17 feet	8 per inch	75% clear	
3 Peeler	24 inches	17 feet	6 per inch	Knots less 1.5". No more than 2 knots	
1 Sawmill	30 inches	16 feet	8 per inch	90% clear	
2 Sawmill	12 inches	12 feet		Sound knots less than 2.5"	
3 Sawmill	6 inches	12 feet		Sound knots less than 3"	
4 Sawmill	5 inches	12 feet			
Special Mill	16 inches	17 feet	6 per inch	Sound knots less than 1.5"	
Special Cull	16 inches	8 feet		Knots less than 2.5"	

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Forest Products Manufacturers

Many mills identify quality issues which can affect yield and value:

Quality Name	Quality Description
Under Trim	Not enough trim allowed for the NWLR requirement in 2' even multiples. Logs under the 8" of trim will be recorded as UT. (Example - $34'$ 0"- $34'$ 7")
Split End-Processor	Length-wise split in log from improper machine bucking, Broken or slabbed ends in excess of 8".
Processor-Surface Damaged	Excessive surface damage to cambium from processor effecting 25% or more of the surface of the log to the extent of the wood fiber is pulled or dug out.
Woods Mechanical Damage	Handling damage from grapples, tongs, etc. to the extent it is damaging the cylinder of the block affected.
Log Yard Damage	Damage to log as a result of log yard handling to the extent it is damaging the cylinder of the block affected.
Flush Butt/Bias cut	This is to be applied when a log end is not flush in excess of 2", either from an uneven cut or protruding material.
Improperly Bucked	When the top of the log is not bucked through or bucked incorrectly. (Crotch, Saw Cuts, unbucked slabs, excessive slanted cuts, etc.) This is to be applied when the log end is not flush in excess of 2".
Knots	Sucker Limb, Spike Knots, Excessive knots (limbs) where more than four limbs are not cut flush with the bole.
Pistol Butt	Excessive hooked butt where a 4'+ cut is made
Crook	Log with crook within 8' of the end of the log that needed to be bucked out, Or crook where a 4' cut is needed.
Excessive Sweep	Excessive sweep is more than 4" sweep in 16' block/where a 4+ foot cut is made.
Over Trim	Logs measuring in excess of 8 inches over NWLR specifications for even 2' multiples. Except 17' logs. Example:(35' 4" 35' 11" is OT) Odd length logs.

















