

Forestry, wood industry recovering from COVID

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Remember the time you had an unexpected guest who came over to the house completely uninvited? And of course, with no prior notice for their arrival, it put the host in an embarrassing dilemma. Plus, they took forever to leave, even with helpful hints.

That’s what COVID-19 imposed on the nation.

Forestry and the wood industry were not immune to this unwelcome visit but the good news is the industry is now seemingly running on all cylinders, revving up our economic engine and filling our pent-up consumer market needs. Let’s look at the trends:

Market signals

A good source for monitoring industry and economic trends is FRED (<https://fred.stlouisfed.org/>), which is short for Federal Reserve Economic Data. FRED combines data with a powerful mix of tools that help the user understand, interact with, display and disseminate the data. FRED helps users tell their data stories.”

Housing is a primary wood products indicator which moves the needle for our timber markets, along with other influential factors such as mortgage and unemployment rates. Current FRED data indicates rebounding housing starts since COVID-19. Housing consumes a significant amount of our forest products,

thus generating market demand and subsequently timber demand. Unemployment rates have collapsed from COVID-19’s historic highs. Lower unemployment facilitates consumers who can reengage the economic engine for utilization of goods and services.

Optimistic industry trends

Forestry and wood products are exiting from the COVID-19 doldrums in a robust manner. The industry is showing strength, according to Forest2Market, a global provider of timber pricing, cost benchmarks and in-depth analytics for participants in the wood raw materials supply chain.

There should also be comfort in knowing the southern region is by far the most impactful geographical area within the U.S. for forest industry capacity. No matter the crisis, we are continuing to supply the market and growing in capital expansion.

As an example, there has been an unusual softwood sawmill expansion in the U.S. in the last year. As reported in 2021 by FORISK Consulting: “North American softwood sawmill capacity increased by 1.4 billion board feet over the past year. ... The U.S. South received the greatest proportion of the growth, 1.1 billion board feet, expanding southern softwood lumber capacity by almost 5 percent.”

Lumber and other wood products shattered price records at the height of COVID-19 but are waning.



Photo AFC
The Alabama Forestry Commission is warning forest landowners to beware of a timber cutting scam. The permit/’lumberjack’ contract shown in the photo is a fake, according to the AFC.

FOREST OWNERS: Beware of logging scam

STAFF REPORT

The Alabama Forestry Commission is warning forest landowners to beware of a timber-cutting scam.

The permit/lumberjack contract shown in the photo accompanying this story is a fake. Neither Rafael Ruis Delvizo nor the Lumber Tech Frames Inc. are representatives of the Alabama Forestry Commission and are in no way affiliated with the agency.

If you are contacted or have been approached by anyone using this counterfeit document, please contact Scott Rouse, the deputy attorney general for the Alabama Forestry Commission, at (334) 328-7831.

Tree farms do more than grow trees

STAFF REPORT

The term “tree farming” was first used in the 1940s to introduce the public to sustainable forestry terminology they could easily understand.

Farming implies continual stewardship and production of goods year after year.

By linking the term “farming” with trees, foresters could communicate the concept of sustainable production of forest products over time. Tree farming implies commitment to the land and was the philosophical opposite of the “cut-out and get-out” philosophy of the early 20th century.

Tree farms are more than pine

plantations or Christmas tree farms. Tree farms are varied in nature and contain many different habitats and stages of forest regeneration, from seedlings to mature timber. Biodiversity is a critical component of a certified tree farm. Tree farmers must maintain natural forest buffers and other aspects of conservation

techniques.

The American Tree Farm System (ATFS) was established in response to concerns that America’s private forests were being cut at unsustainable rates without reforestation. It all began in 1941 when the first tree farm was designated in Washington state.



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