

CALL BEFORE YOU CUT



Research shows that landowners average more money from a timber sale administered by a competent forester than by selling on their own.

Protect Your Interests and Your Timber

For most landowners, the process of selling timber is unknown territory. Timber harvesting requires expertise such as:

- current processor demand
- current price information
- familiarity with markets
- technical terms & language
- environmental regulations

Unfamiliarity with these factors can result in serious and expensive mistakes.

Forests take decades to grow but can be destroyed in just a few days of poorly conducted cutting. Landowners can avoid these pitfalls by retaining a professional forester who can identify which trees need to be harvested, determine the volume to be removed, and how much value or income the landowner should receive. Foresters have been proven to be well worth the money.

The decision to cut trees on your property is an important one; don't be rushed into a bad decision.



**RIDEM Division of Forest Resources
Forestry Stewardship Program**

www.dem.ri.gov/programs/forestry/stewardship/index.php

A timber sale is a business transaction.

Landowners should obtain the best advice possible before signing a harvest contract.

Hiring a professional forester can help protect your interests.

GUIDELINES TO PROTECT YOUR TIMBER INTERESTS

Whether you hire a professional forester to handle the entire sale for you, or assume the risk of the venture yourself:

BEFORE HARVESTING BEGINS

1. **Know the volume and value of the timber before it is sold.**

You can avoid a potentially bad deal when you know the volume and value of timber before negotiating with potential buyers.

2. **Ask for and check references from potential buyers.**

3. **Seek offers from more than one potential buyer.**

4. **Use a comprehensive contract approved by a professional who works for you.**

Timber contracts can protect your investment by addressing key requirements intended to protect the landowner. The lack of a contract may result in loss, expenditures, or liability later.

5. **Know and mark your boundaries.**

Marking your property boundaries is critical to protecting your investment as well as safeguarding your neighbors.

ONCE HARVESTING IS UNDERWAY

6. **Conduct frequent and random onsite inspections** of the harvesting operation to keep track of timber being removed, damage to trees being left, as well as meeting best management practices and any environmental regulations.

7. **Do not accept excuses for breach of contract** such as late payment, no matter how compelling.

8. **Be cautious when timber is being harvested from two adjacent properties** at the same time because accounting for what timber has been removed from which property is difficult.

9. **BE AWARE** that there are some timber harvesting practices that can lead to expensive mistakes for sellers who are unfamiliar with selling timber.

a. *Selective Cutting (High Grading)*

Woodland owners are often scared away from timber harvesting by visions of clearcutting based on erroneous examples seen in the media. “Selective cutting” seems more appealing where only individual trees are harvested. However, in actual practice selective cutting is essentially “high grading”.

High grading is the removal of the best and most commercially valuable trees, leaving the poorer quality trees standing: “cut the best and leave the rest”. This method removes the best trees which are often better adapted to the site and genetically superior trees. The poorer quality trees that remain will ultimately reduce the quality and value of future forests.

A professional forester can help identify the most appropriate method of harvesting for your site based on your goals, market and stand characteristics, whether clearcuts, patch cuts, selection silviculture, etc., and ensure a contract that protects your goals and your future forest.

b. *Diameter Limit Cutting*

Sometimes a timber buyer offers to purchase all trees over a certain size, 14 or 16” in diameter. This is not good for the health and future value of your forest because young, productive growing stock is often removed or damaged, in the process of removing the mature timber. This method also mines the forest of anything valuable and leaves only poor quality trees for the future.

c. *Payment strategies that are not “up front”*

Payment arrangements where the landowner does not receive payment in full before any timber leaves the property should be followed very closely or avoided.

d. *“Mill Tally” or pay-as-you-go payment arrangements*

Unless you have a detailed estimate provided by a forester ahead of time, or are on hand all day, every day, to count every truckload of wood leaving your property, and follow each load to the mill, you have no way to know if the volume being reported is accurate. There are many instances, nationally and locally,

where a logger provided a landowner with falsified mill slips, mill slips from another property showing trees of lesser value, or simply did not provide copies of all mill slips.

e. *Cash deals to avoid taxes*

This is illegal and once you agree to do something of questionable legality, you have no legal recourse if the deal should go sour.

10. **DO NOT BE PRESSURED** into selling and harvesting your timber quickly. Take the time to approach the sale of the timber carefully. After all, forests grow over long periods of time and it is rare that extra time spent in due diligence causes a delay long enough to result in any income losses due to insects, disease or changing markets.

Whatever the reason for harvesting, remember that a timber sale is a business transaction. Landowners should obtain the best advice possible before signing a harvesting contract.

MORE INFORMATION

Contact RIDEM's Division of Forest Environment Stewardship Forester:

Fern Graves
401.539.2356 x2
fern.graves@dem.ri.gov

The Stewardship Forester can provide advice and assistance with achieving your woodland goals in a way that protects and enhances the value of your property.

- Forest cutting/harvesting regulations (assistance with the *Intent to Cut* application process).
- Best Management Practices and oversight when working in forested wetlands.
- A list of consulting forests and registered wood operators.
- Ways to manage your woodlands in an ecologically sustainable manner.



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