



Department of Forestry

Market Notes • Technical Notes • Research Notes • Newsletters

November 2000

1999 Harvest of Forest Products

Mississippi's forest industry (including private landowners, independent harvesters and company harvesting crews) harvested and delivered over \$1.26 billion worth of forest products to mills and other processors in 1999. The total value of Mississippi's 1999 timber harvest delivered to the first point of processing (such as a pulpwood yard or a sawmill) was \$1,261,871,205. This harvest value is 6% lower than 1998. Though the value was lower 1999 marks the seventh straight year Mississippi's timber production value was over \$1 billion. Timber was the second most valuable agricultural commodity in 1999. Poultry and eggs was the most valuable with a \$1.48 billion value, timber was second at \$1.26 billion and cotton was third at \$441 million. The total gross income of Mississippi agriculture in 1999 was \$4.75 billion. Mississippi's forest landowners collected \$1.02 billion for their standing timber in 1999. This is the third year that the standing value of Mississippi's timber harvest was over one billion dollars. The estimated value of the logging and transportation sector was \$238,816,239.

Severance tax collection's on timber were \$4,163,006.84. This total is 2.1% lower than 1998. Twenty percent of the severance tax collection's, or about \$832,601 were returned to the counties where the timber was harvested. Eighty percent or about \$3,330,406 went to the Forest Resource Development Program (FRDP) to provide cost share funds to private, non-industrial forest landowners for reforestation and other forest management practices.

The value of Mississippi's timber harvest decreased 6.1% in 1999. This decrease resulted from a lower volume harvested and lower prices in most product categories. Table 1 shows the estimated value of the timber harvest for 1999.

The harvest volume of pine sawlogs decreased 1.3% and their value decreased 5.1%. Pine pulpwood volume decreased 4.3% and value decreased 11.6%. Pine pulpwood volume declined for the third straight year in 1999. Pine plywood log volume held steady but value increased about 7.1%. The volume of pine poles decreased 19.7 percent but value decreased less than one percent.

Hardwood sawlogs decreased in both harvest volume and value in 1999. Hardwood sawlog volume decreased by 5.8% and value declined 7% compared with 1998. The hardwood pulpwood harvest volume decreased 6.2% and its value declined 16.5%. Hardwood pulpwood harvest volume declined for the fourth straight year in 1999. Hardwood veneer logs declined 4.2% in volume and 9.1% in value. Crossties also declined in volume and value in 1999. Table 2 gives a comparison of 1998 and 1999 by product category.

The value of Mississippi's timber harvest decreased in 1999. Volumes for most products were down but only slightly. Volumes for the major forest products of sawlogs and pulpwood were only 1 to 6 percent lower, depending on the specific product. Lower prices had a greater effect on value in 1999. Pine sawtimber prices held steady in 1999 but hardwood sawlog prices and pulpwood prices moved lower. Table 3 shows a comparison of prices for 1998 and 1999.

A decrease in timber harvest value in 1999 was not surprising. The rate of increase of Mississippi's timber harvest value was 7.6% in 1996 and 10.5% in 1997. In 1998 that rate fell to 3.7% and many commented that "the steam was coming out of timber prices." This proved to be true. 1999 was characterized by good markets for sawlogs and poor markets for pulpwood. Average pine sawlog prices increased slightly but hardwood sawlog prices decreased slightly. A 20-year high in housing in 1999 increased pine lumber prices and kept pine sawtimber Mississippi's "high value" forest product. Good markets for structural panels also made 1999 a good year for pine sawlogs. Pine sawtimber standing average prices ranged from \$438/ to \$458/MBF,D depending on the region of the state.

The good housing market gave a fair market for hardwood sawlogs but it was not as good as for pine. Average standing oak sawtimber prices were steady to slightly lower and ranged from \$266 to \$369/MBF,D depending on region of the state. Mixed hardwood sawtimber standing prices were generally lower compared to 1998 and ranged from \$159 to \$183/MBF,D across the state. Hardwood lumber is used to make furniture, finish molding, cabinets and other home furnishings.

Perhaps the biggest story in 1999 was the continued slump of the pulpwood market. The volume of pulpwood harvested in Mississippi has been declining since its all-time high in 1995. With declining usage we've seen declining prices and value. These losses have been due to a two-year slump in global pulp and paper markets that began to improve late in the year. However, pulpwood has lost considerable status as a Mississippi forest product in recent years. In 1995, pulpwood accounted for 36% of Mississippi's timber harvest value. In 1999, that percentage has fallen to 22. The 1999 pulpwood harvest volume was the lowest since 1990.

Accordingly, pulpwood prices dropped significantly in 1999. Pine pulpwood standing price averages dropped from 7 to 29 percent and hardwood pulpwood price averages moved lower 16 to 32 percent depending on the region of the state.

In 1999, the forest products industry continued to see consolidation and mergers of major companies in attempts to lower costs and deal with an increasingly global marketplace for forest products. Company mergers and realignments did not significantly impact Mississippi companies in 1999 but are sure to be felt in 2000. This may bring structural changes to Mississippi forest industry in 2000.

Despite a changing forest economy, Mississippi forest landowners are well positioned to provide timber to the changing marketplace. The long-term outlook for Mississippi timber demand is bright. Landowners are encouraged to reforest after harvesting and manage their timberland because returns on investment in forestry remain attractive. Making your land productive is financially and personally rewarding.

Table 4 shows harvested volumes of forest products for Mississippi counties within the Mississippi Timber Price Report regions. For current representative prices for Mississippi forest products consult the Mississippi Timber Price Report available on-line at www.ext.msstate.edu/anr/forestry.

For more information on timber marketing procedures and timber prices contact your County Extension Service or the Mississippi State University Department of Forestry, Box 9681, Mississippi State, MS 39762.

Sincerely,

A handwritten signature in cursive script that reads "Bob Daniels".

Dr. Bob Daniels
Extension Forester

Table 1. Estimated Value of the 1999 Timber Harvest

		PRICE/UNIT ¹			VALUE	
		STANDING	DELIVERED		STANDING	DELIVERED
PRODUCT	UNIT	—DOLLARS—		VOLUME	—DOLLARS—	
SAWLOGS - PINE - HARDWOOD	MBF,D	2/ 2/		1,185,825	565,311,245	596,098,485
	MBF,D			535,116	134,424,507	176,538,910
PULPWOOD - PINE - HARDWOOD	Cords	3/ 3/		4,170,740	107,297,414	185,184,384
	Cords			2,979,435	43,403,338	94,406,875
POLES - PINE	MBF,D	598.25 ⁴	726.75 ⁴	29,526	17,663,930	21,458,021
PLYWOOD LOGS - PINE ¹¹	MBF,D	424 ⁴	499 ⁴	305,939	129,718,136	152,663,561
HARDWOOD VENEER LOGS	MBF,D	632.50	732.50	28,160	17,811,200	20,627,200
CROSSTIES - HARDWOOD	MBF,D	172.50	--	15,443	2,663,916	--
	Tie ⁶	--	15.50 ⁵	346,022	--	5,363,341
STUMPWOOD	Ton	5	63	28,256	141,280	1,780,128
TURPENTINE GUM	Barrel	--	100	503	0	50,300
CHRISTMAS TREES ⁷	Tree ⁸	21 ⁹	35 ¹⁰	220,000	4,620,000	7,700,000
TOTAL VALUE					\$1,023,054,966	\$1,216,871,205

¹Regional product prices taken from the Mississippi Timber Price Report, except where otherwise noted.

²Sawlog Prices by Region, \$/MBF, Doyle

³Pulpwood Prices by Region, \$/Cord

Region ^a	Standing		Delivered		Region ^a	Standing		Delivered	
	Pine	Hardwood ^b	Pine	Hardwood ^b		Pine	Hardwood	Pine	Hardwood
North	440	262	469.75	336.50	North	28.25	17.50	42.75	30.75
Central	451.75	268.75	501.50	353.25	Central	23.50	14.25	41	32.25
South	458	238	506.25	327.50	South	23.75	13.75	43	32.25
Delta/River	438.50	306.25	506.25	376.25	Delta/River	21	13	37	30.50

^aRegions are those defined in the *Mississippi Timber Price Report*

^bHardwood sawlog average prices were calculated using mixed hardwood and oak sawtimber prices from the *Mississippi Timber Price Report*. The hardwood sawlog average prices are based on the assumption that Mississippi's hardwood sawmills cut 70% oak and 30% other species primarily yellow poplar, and sweetgum in 1999. Therefore, the hardwood sawlog average price for each region was calculated using the following formula: Regional hardwood sawlog prices = .7 [average regional oak price] + .3 [average regional mixed hardwood price].

⁴Prices from Timber Mart South.

⁵Price estimates by consultation with industry contacts.

⁶Calculated as 44.63 board feet per 7" x 9" x 8.5' tie.

⁷Estimate in cooperation with the LA-MS Christmas Tree Association and individual growers.

⁸The average Christmas tree is assumed to be 6 to 8 feet tall.

⁹Standing price is the estimated average wholesale Christmas tree price to growers.

¹⁰Delivered price is the estimated average price paid for a "choose and cut" Christmas tree.

¹¹Plywood and hardwood veneer log volumes estimated by veneer mill survey and consultation with industry contacts.

Table 2. Comparison of 1998 and 1999 Harvest Volume and Value by Product

PRODUCT/UNIT	1998		1999			
	VOLUME	VALUE *	VOLUME	%CHANGE	VALUE *	%CHANGE
Pine Sawlogs, MBF,D	1,201,456	627,912,294	1,185,825	-1.3	596,098,485	-5.1
Hardwood Sawlogs, MBF,D	567,965	189,868,026	535,116	-5.8	176,538,910	-7.0
Pine Pulpwood, Cords	4,357,196	209,587,369	4,170,740	-4.3	185,184,384	-11.6
Hardwood Pulpwood, Cords	3,173,432	113,002,696	2,975,695	-6.2	94,406,875	-16.5
Plywood Logs, MBF,D	307,925	142,569,275	305,939	-0.6	152,663,561	7.1
Poles, MBF,D*	36,770	21,657,530	29,526	-19.7	21,458,021	-0.9
Hardwood Veneer Logs, MBF,D	29,391	22,704,548	28,160	-4.2	20,627,200	-9.1
Crossties, Delivered, Ties	416,609	7,694,820	346,022	-16.9	5,363,341	-30.3
Stumpwood, Tons	18,889	1,190,007	28,256	49.6	1,780,128	49.6
Turpentine Gum, Barrels	0	0	0	0.0	50,300	0.0
Christmas Trees, Tree	245,000	7,840,000	220,000	-10.2	7,700,000	-1.8
TOTAL		1,344,026,565			1,261,871,205	-6.1

*Adjusted 1998 pole volume.

Table 3. 1998 Versus 1999 Major Product Price Comparison by Region

PRODUCT/UNIT	REGION	1998		1999			
		STANDING	DELIVERED	STANDING	%CHANGE	DELIVERED	%CHANGE
Pine Sawtimber, MBF,D	North	424.00	496.25	440.00	3.8	496.75	0.1
	Central	447.00	509.25	451.75	1.1	501.50	-1.5
	South	452.00	516.00	458.00	1.3	506.25	-1.9
	Delta/River	430.00	516.00	438.50	2.0	506.25	-1.9
Hardwood Sawtimber, MBF,D	North	268.00	344.25	262.00	-2.2	336.50	-2.3
	Central	303.00	371.75	268.75	-11.3	353.25	-5.0
	South	243.00	324.00	238.00	-2.1	327.50	1.1
	Delta/River	304.00	373.00	306.25	0.7	376.25	0.9
Pine Pulpwood, Cords	North	33.00	46.25	28.25	-14.4	42.75	-7.6
	Central	32.75	47.75	23.50	-28.2	41.00	-14.1
	South	33.75	49.75	23.75	-29.6	43.00	-13.6
	Delta/River	22.75	41.00	21.00	-7.7	37.00	-9.8
Hardwood Pulpwood, Cords	North	21.00	37.00	17.50	-16.7	30.75	-16.9
	Central	20.50	35.25	14.25	-30.5	32.25	-8.5
	South	20.50	34.75	13.75	-32.9	32.25	-7.2
	Delta/River	19.25	35.25	13.00	-32.5	30.50	-13.5

*Hardwood Sawtimber price averages are as shown in footnote 2b of Table 1

COUNTY	PINE LUMBER MBM		HARDWOOD LUMBER MBM		PINE SAWLOGS MBF/D		HARDWOOD SAWLOGS MBF/D		PINE PULPWOOD CORDS		HARDWOOD PULPWOOD CORDS		PINE POLES CCU FT		STUMPWOOD TONS		TURPENTINE GUM BARRELS		CROSSTIES MBF/D		OTHER MBF/CORDS		PINE LOGS TONS		HARDWOOD LOGS TONS		
SOUTH REGION																											
AMITE	336.00	1206.66	52452.00	4244.00	84863.33	60831.11	19.93	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	20450.00	0.00	0.00	0.00	
COPIAH	13.33	0.00	29454.00	8976.00	101723.33	66164.44	5.32	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	92777.75	0.00	0.00	0.00	
COVINGTON	0.00	12.00	10889.00	11528.00	39546.66	19160.00	4.42	224.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	18390.00	0.00	0.00	0.00	
FORREST	0.00	104.00	20231.83	3182.66	60870.00	27760.00	40.92	360.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9222.16	0.00	0.00	0.00	
FRANKLIN	1149.33	13.33	49031.00	5906.66	58592.36	64111.11	1.81	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	20511.08	0.00	0.00	0.00	
GEORGE	561.33	0.00	16151.00	4242.66	103010.00	15031.11	6.14	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	21090.00	0.00	0.00	0.00	
GREENE	0.00	134.66	23857.00	4066.66	136256.66	34937.78	24.38	204.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	29322.16	0.00	0.00	0.00	
HANCOCK	0.00	66.66	22394.00	1450.66	86163.33	10417.77	13.01	1588.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3216.66	0.00	0.00	0.00	
HARRISON	0.00	106.66	17604.00	518.66	63546.66	7475.55	34.27	5156.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	8555.50	0.00	0.00	0.00	
JACKSON	0.00	57.33	11499.00	618.66	62216.66	3253.33	3.74	236.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10866.66	0.00	0.00	0.00	
JEFF DAVIS	0.00	721.33	16874.00	2916.00	70672.13	5168.89	4.72	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	21411.08	0.00	0.00	0.00	
JONES	0.00	24.00	35330.00	16500.00	61973.33	75546.66	11.84	1396.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	19334.66	0.00	0.00	0.00	
LAMAR	0.00	33.33	28490.83	3389.33	83477.03	21062.22	84.94	1052.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	29277.75	0.00	0.00	0.00	
LAWRENCE	36.00	134.00	27554.00	14842.66	94840.00	16240.00	6.97	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2711.08	0.00	0.00	0.00	
LINCOLN	0.00	0.00	34168.94	5813.33	95050.00	48564.44	6.48	1032.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	14077.75	0.00	0.00	0.00	
MARION	285.33	340.00	29827.00	14194.66	84133.33	21266.66	21.36	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	18477.75	0.00	0.00	0.00	
PEARL RIVER	0.00	201.33	26481.00	4372.00	134610.00	32102.22	16.85	2076.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10244.41	0.00	0.00	0.00	
PERRY	0.00	149.33	26210.00	2270.66	70330.00	17754.44	34.84	352.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	28166.66	0.00	0.00	0.00	
PIKE	0.00	18.66	18989.00	2316.00	39983.33	12533.33	3.96	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7466.66	0.00	0.00	0.00	
STONE	0.00	2.66	15794.00	1488.00	85670.00	10186.66	40.64	996.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	11159.50	0.00	0.00	0.00	
WALTHALL	0.00	72.00	10739.00	4486.66	43946.66	6706.66	0.59	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	14255.50	0.00	0.00	0.00	
WAYNE	3922.66	9.33	49909.00	15348.00	144746.66	77325.06	31.50	664.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	25644.41	0.00	0.00	0.00	
TOTAL	6303.98	3397.27	573969.60	131671.92	1826221.46	653569.44	418.63	15336.00	69.33	58.66	362945.18	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	362945.18	0.00	0.00	0.00	

