



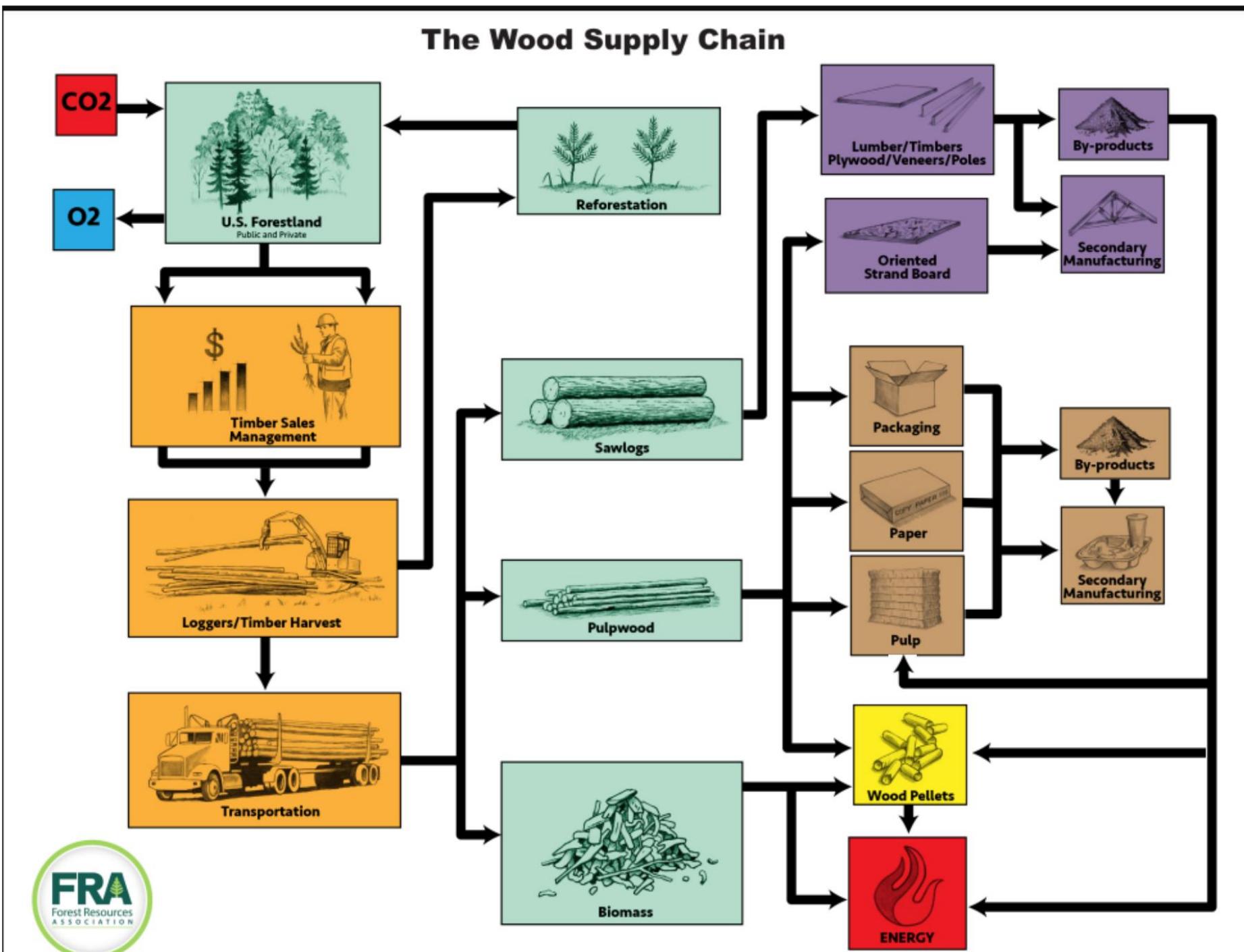
The operational costs of harvesting timber
– it's complicated –
and other factors in supply chain health



- Who is this guy?
- Who cares?
- Why am I here?



The Wood Supply Chain



Waldo



Land Owners

Asset security, liability control, and full compliance — one clear view to ensure your land is managed responsibly and effectively.



Land Managers

Manage harvest and wood flow in one place—eliminate paper tickets, streamline reporting, and speed up payments.



Loggers

See your job from the office and office from the job. Tickets, settlements, & payments in one place.



Truckers

No more paper tickets. No more load reports. Get paid faster.



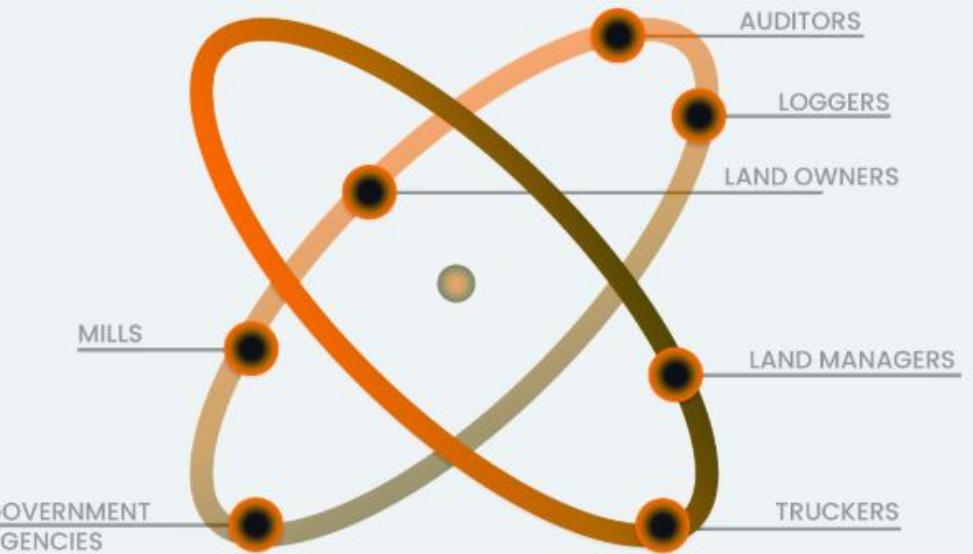
Mills

View species mix by lat/long, ensure load security and compliance, and eliminate time lost to errors.



Certification Managers

Manage groups, reconcile efficiently, and audit reliably.





The cost factors in harvesting

Here is an incomplete list

- Who owns it, what kind of sale
- How far is it from the logger's home
- Is it one job, or a series of jobs
- Ground conditions
- How far is it from the major markets
- Who will pay for road improvements, maint., plowing
- What species of trees, product mix, # of sorts
- What is the average piece size? Handcut/ctl?
- Does the market want this mix of wood?
- How complex is the harvest prescription?
- Marked wood or operator select, thinning or cc
- What is the harvest timeline expectation?
- Terrain, skid distance, season, vol/ac, vol/job,
- Forestry work completed?
- Insurance requirements
- Buyers contract with the mill...
- Apps developed by MFPC to get into the weeds
- "Day rate models" equipment mix





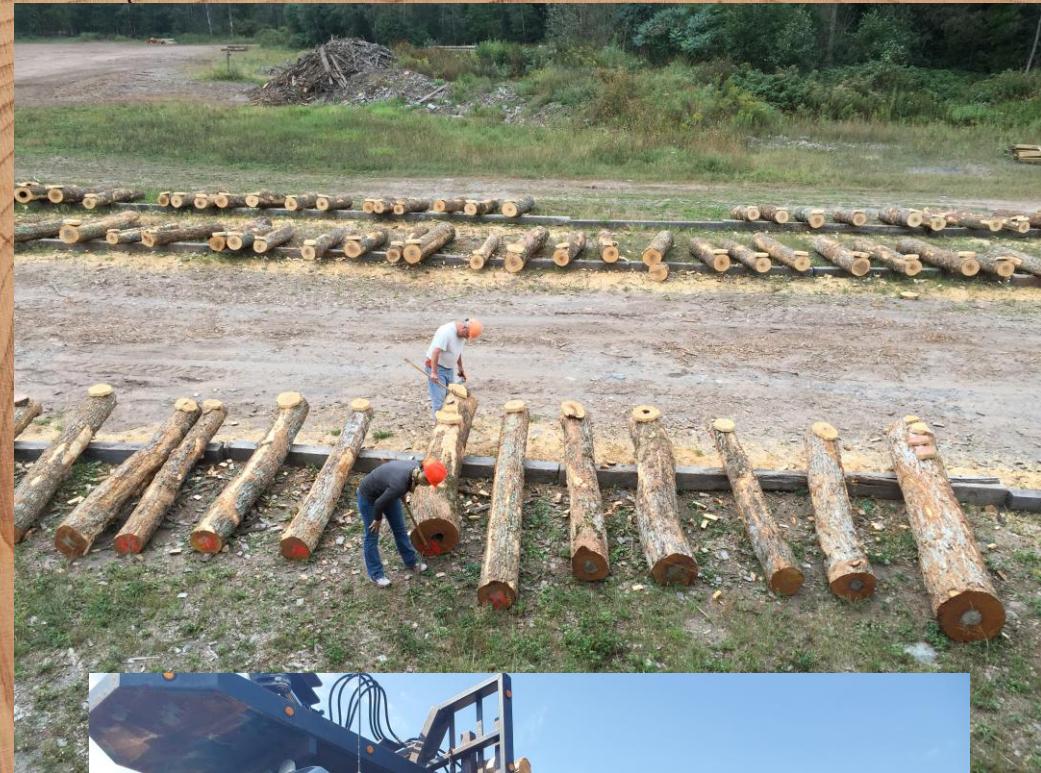
Hauling



The cost factors in hauling

Here is an incomplete list

- Who owns the truck? How many do they have?
- Who pays the truck?
- What are the expectations of the truck?
- How far does the trucker live from the job?
- What are the road conditions? Miles and time, wear and tear
- Will he need to be pushed out regularly? Tire chains required?
- Terrain, crib or truck and pup, loading and unloading?
- Is the payer reasonable?
- How steady is the work?
- How many sorts and how far from the mills?
- How much can they make per hour? Per day?
- How much down time will there be?





The Mills



The Mills

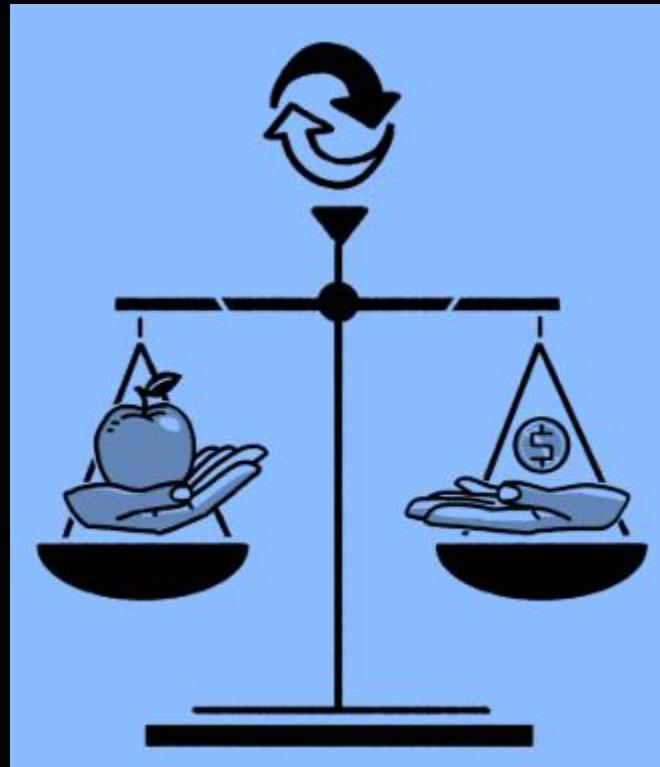
**So many factors determine your woods value
The markets**

Here is an incomplete list

- **What is the product?**
- **Who is your buyer?**
- **What is the mills need?**
- **How much volume do you have?**
- **How hard are you trying to get the last nickel?**
- **How do you know if you are getting a fair deal...**



Almost no vertical integration
Lots of diverse forestland owners
Lots of independent players
Lots of overlapping markets
Relationships and reputation matter



Supply and Demand

Run a good business
Be open and ask questions
Care about others success
Appreciate hard work
Don't think you know it all



So...

Did you learn anything or just have more questions?



Questions?

