Snapshot of Logging Firms in Michigan

MICHIGAN STATE UNIVERSITY

Statewide

- The average logging firm has been in business for approximately 29 years and has 7 employees.
- In 2007, the average firm operated at 82% of its full capacity.
- Only 4% of the pulpwood volume harvested was chipped at the logging site.
- The logging firms left logging residues on site at 83% of their logging jobs.
- The average stumpage price of sawtimber ranged from $63/MBF to $204/MBF, boltwood ranged from $22/cord to $45/cord, and pulpwood ranged from $19/cord to $29/cord.
- Nonindustrial private forests are the major source of timber supply (64%) followed by State forests (16%), industrial forests (11%), and National forests (4%).
- Approximately 90% of the harvested sawlogs and 72% of pulpwood were delivered to facilities within 90 miles of the logging site.
- Approximately half (47%) of the logging firms used their own company trucks for transportation. No significant difference in the delivery method was observed among regions.
- The highest percent of output (29%) was delivered to pulp & a paper mills and hardwood sawmills (29%) followed by OSB mills (16%) and softwood sawmills (10%) respectively.
- Approximately 75% of the firms are willing to expand operations if markets improved.
- Limited wood availability, high stumpage prices and low delivered prices, fluctuating fuel prices, shortage of capable labor force, poor road conditions, and lack of financing were some of the barriers to increased harvesting identified by the respondent firms.
- Logging firms were comparatively more supportive of introducing large facilities (pulp & paper mills, direct-fired wood power generation, wood-based biofuel plants, and wood pellet fuel mills) in their wood basket.

The Northern Lower Peninsula (NLP)

- The average NLP logger had been in business for 36 years and employed a median of 4 people.
- The average operating capacity of logging firms in 2007 was 86%.
- The median volume harvested per firm was 450 MBF of sawtimber, 1,750 cords of boltwood and 4,800 cords of pulpwood volume.
- Approximately 72% of the timber logged in 2007 was obtained from NIPFs, 20% from State forests, 3% was from industrial forests and 2% from national forests.
- Logging firms delivered the most wood to OSB mills and sawmills.

The Eastern Upper Peninsula (EUP)

- The average EUP logger had been in business for 29 years and employed a median of 3 people.
- The average operating capacity of logging firms in 2007 was 79%.
- The median volume harvested per firm was 169 MBF of sawtimber, 458 cords of boltwood and 6,440 cords of pulpwood.
- Approximately 59% of the timber logged in 2007 was obtained from NIPFs, 21% from State forests, 14% from industrial forests and 5% from national forests.
- Logging firms delivered most of their wood to pulp and paper mills.

Shivan G.C, Research Assistant
Michigan State University
gc@msu.edu

Karen Potter-Witter, Professor
Michigan State University
Karen@msu.edu

Data based upon 2008 survey of Michigan logging firms (Response rate: 12%)