

BETTER FOREST PRACTICES THROUGH
SMALL OPERATORS

By

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Seminar

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One of the primary objectives of sound forest management calls for the complete economic utilization of any timber which is in the process of being harvested now, or will be harvested in the future. A high percentage of the wood will be left on the ground -- lost to the wood-consuming public -- because of various economic factors and inefficiency of the primary logging personnel. Available markets, efficient labor, transportation distances and other economic conditions all affect the degree of utilization. With the very high-quality logs commanding a premium price today, the small logs and logs of inferior quality have a market too. ?

The most important obstacle to the use of most of the woods waste is that the cost of yarding the recoverable products is prohibitive when the unit-volume recovered is compared to the operating expense of the large and costly equipment presently in use by most large companies. This material is left on the ground and contributes to high fire hazards, lowers financial returns per acre of timber harvested and, perhaps, is an obstacle to the restocking of the area in question.

The future of good forest practices can be enhanced in the years to come by the increased use of efficient and responsible independent contractors. The independent

contractors -- gyppos -- are being recognized as valuable assets by the logging industry -- especially by the larger companies. The usefulness of these small operators may be noticed in many different phases of logging, with the ultimate result of their employment -- the increased benefits which the timberland owner derives from his land. The gyppo and his crew may be employed to prelog a unit which is to be clear-cut in the future; he may have contracted to thin a stand of timber or clear right-of-way; or he may be hired to relog an area which has already been logged over. These practices are followed now because there is an economic incentive. In all the situations listed above, the small operators have proven that their small, light equipment and lower operating expenses can make money for themselves as well as for the timberland owner.


There are too few competent gyppo contractors available at the present time, but as more information on the possibilities is furnished to ambitious individuals, this difficulty will be overcome. Competence in this field may be defined as -- "an operator doing an efficient job with the least possible damage to the site and any reproduction growing on it, while still being able to pay his employees, allow for depreciation of his equipment, and make a fair profit for himself."

The two most important factors governing the calibre

of the men induced to enter this field are: (1) the contracts which are offered to these men and the assistance the timberland owner will extend to them; (2) the previous experience of the individual contractors.

Those companies now contracting with the independent loggers have indicated their preference for men who are financially stable, who have a good record of character and high integrity, and who own machinery in good working condition. A few of these companies will loan money or equipment to enable an employee to get started on his own, while most of the companies indicate they will extend credit for supplies.

As for remuneration -- there is no standard form of payment. The contractor might pay for the logs which he recovers to the timberland owner and sell them to the organization which offers the most money for the delivered logs. Or he may sell only to the mill or mills owned by the timber owner; it all depends on the terms of the contract. The contractor may be paid by the timberland owner or primary manufacturer by cord or cubic foot measurement for pulp-wood, while sawtimber and other products, such as peeler stock, may be paid for on a 1000 board foot basis. Another form of payment to the contractor may be a percentage of the selling price of the logs -- 75% to 80%, with the party responsible for letting out the contract absorbing the loss on the occasional cull which is brought in and retaining 20% to 25% of the



sale price when the logs are sold on the open market. In order to encourage the recovery of high quality products, the scale of payments is increased as the log quality increases. One company pays double log scale for all peeler grade logs when scaled on a board foot basis. Another company has different rates for various types of work involved, i.e., relogging, snag falling, clearing right-of-way. In this way there is no misunderstanding later, as everything is spelled out in the contract. No matter what form of payment is used, most companies believe in paying a good price for the logs -- with the result that contractors supervise their employees closely to obtain the maximum recovery of high quality products. The important thing to remember in a contract is not to drive to hard a bargain or the area may suffer while the contractor tries to reduce his costs. SF

The gyppo does his own scaling on some shows with only a check scale by the company, while the company scaler or bureau scaler does this work on other operations. Good forestry practices are usually required in the contracts, with the company field men explaining to the contractor what is wanted and checking for compliance. A clause in the contract usually requires the operator to clean up the operation satisfactorily before he leaves the area.

The amount of income each individual contractor receives and the amount of wood recovered by his operation depends on the know-how and experience of that contractor. " "

The vast majority of these men have worked in the woods previous to going into business for themselves and know what they are undertaking. Some have saved a little money and are able to buy part of the needed equipment, while others have to rely entirely on credit.

Those men who are interested in their work and who do a good job, seldom lose money. They are assets to the companies employing them. They know what is wanted and acquire an interest in good forest practices. Carelessness and inexperience are the major reasons for the failure of some operators. The former type knows there is another job waiting for them, if it is at all possible, while the latter type -- who are considered the liabilities by the logging industry, -- are left go. ? wood

The successful small logger must realize he may never get rich, but that he can make a good living if he is able to maintain good relations with the timberland owner. Hard work, intelligent direction, and complete cooperation between his organization and that of the timberland owner makes the independent operator the key-stone to better forest practices and closer utilization of woods waste.