

BE A SMART CONSUMER - CALL BEFORE YOU CUT!

For most landowners, the process of selling timber is foreign, unknown territory. Timber harvesting requires expertise such as current price information, familiarity with markets, technical jargon, and environmental regulations.

Ignorance of these factors can lead to 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 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.

Research has shown the average landowner makes more money from a timber sale administered by a competent forester, than by selling the timber on his/her own.

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

Call Before You Cut!

WHERE DO I TURN FOR MORE INFORMATION AND HELP?

**Call your public
service forester who
works for the RI DEM
Division of Forest
Environment at
(401) 647-3367 or
(401) 539-2356.**



They can provide advice and assistance with achieving your woodland goals in a way that protects and enhances the value of your property. Your public service forester can provide you with:

- 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 foresters and registered wood operators.
- Ways to manage your woodlands in an ecologically sustainable manner.

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You Cut!

TODAY'S
FOREST
TOMORROW'S
LEGACY

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, it is important to:

1. **Know the volume and value of the timber before it is sold.** A professional forester can be hired to do this for you. You can avoid a potentially bad deal when you know the volume and value of the 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 and expenditures later.
 5. **Know and mark your boundaries!** Marking your property boundaries is critical to protecting your investment as well as safeguarding your neighbors.
- Once the harvest is underway*
6. **Conduct frequent and random onsite inspections** of harvesting operations to keep track of the timber being removed as well as excessive erosion or damage to trees to be left.
 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 wood has been removed from which property is difficult.

9. BE AWARE!

Landowners need to be aware that there are some timber harvesting practices that can lead to serious and expensive mistakes for sellers who are unfamiliar with selling timber. Here are a few examples:

"Selective Cutting" (High Grading): Woodland owners are often scared away from timber harvesting by visions of "clearcutting" that are often erroneously portrayed in the media. They are attracted by the idea of "selective harvesting" in which only individual trees are harvested.

However, in actual practice "selective harvesting" is too often a term used for high grading.

In this practice the best and most commercially valuable trees are cut and the poorer quality trees are left behind on the woodlot. "Cut the Best and Leave the Rest" is a phrase that is commonly used to describe this practice. This type of operation may look nice, but really just skims the "cream of the crop" from your forest and depresses its future value. This is not a recommended woodland management practice – especially if your interest is growing high quality timber.

In actual practice, the better way to manage your woodland is to periodically remove poorer quality trees to favor the better quality trees. Multiple intermediate harvests over the long term often generate greater revenue returns than the one time practice of high grading.

Diameter Limit Cutting: Sometimes a timber buyer offers to purchase all of the trees over a certain size, 14 or 16 inches in diameter. This is bad for the health and future value of your forest because young, productive growing stock is often removed in the process along with mature timber. As a result,

Timber sale is a business transaction. Landowners should obtain the best advice possible before signing a harvesting contract.

the forest is "mined" of anything valuable and only poor quality trees left for the future.

Payment Strategies that are not "Up Front": Payment arrangements in which the landowner does not receive payment in full before any timber leaves the property should be followed very closely or avoided.

"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 that leaves your

landing and follow it to the mill, you have no way of knowing that the volume reported is accurate. Extensive fraud schemes have been discovered locally and nationwide where a logger has supplied a landowner with falsified mill slips, mill slips from another property indicating a lesser value, or simply not providing copies of all mill slips.

"Cash" deals to avoid taxes: This is illegal and once you have agreed with someone to do something of questionable legality, you have no legal recourse should the deal go sour.

10. **DO NOT BE PRESSURED** into selling and harvesting your timber quickly. Take the extra time to approach the sale of timber carefully. After all, forests grow over long periods of time and it is unlikely that the extra time taken in due diligence will not ordinarily cause a delay long enough to result in any income loss 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!

See the back panel of this brochure for a list of who to contact for more information