

Post and Pole Producers Survey

Western Wood Preservers Institute Annual Meeting

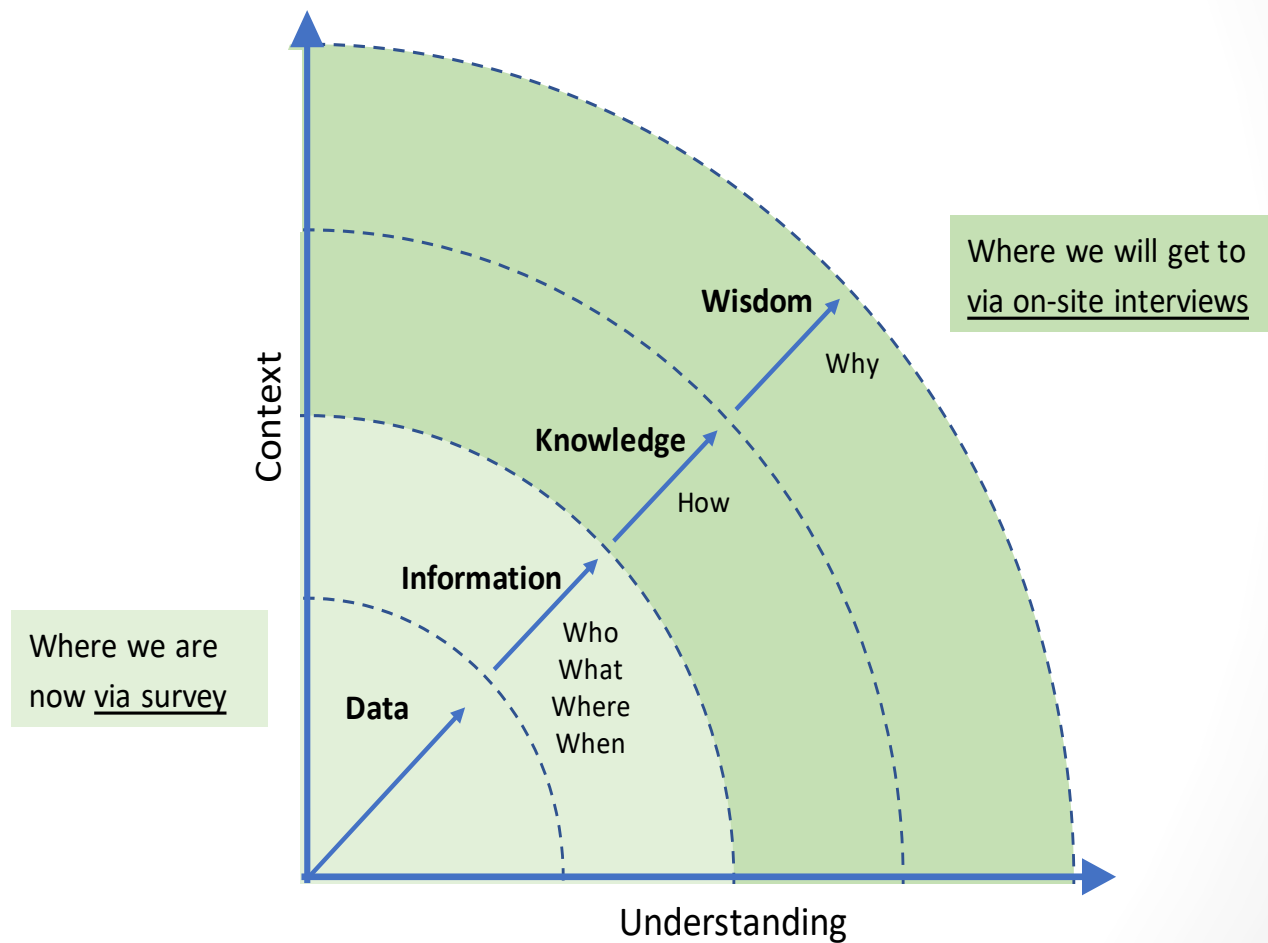
November 6, 2023

Hannah Hammond, Analyst





Post and Pole Producers Survey History 2018-2023





Purpose of the Survey

1. Strengthen the Industry's Supply Chain

- Understand the volume of raw material required to maintain the industry and the amount that could be used at industry capacity
- Understand the size and species of material used for roundwood products
- Understand the method and units of purchasing raw materials.

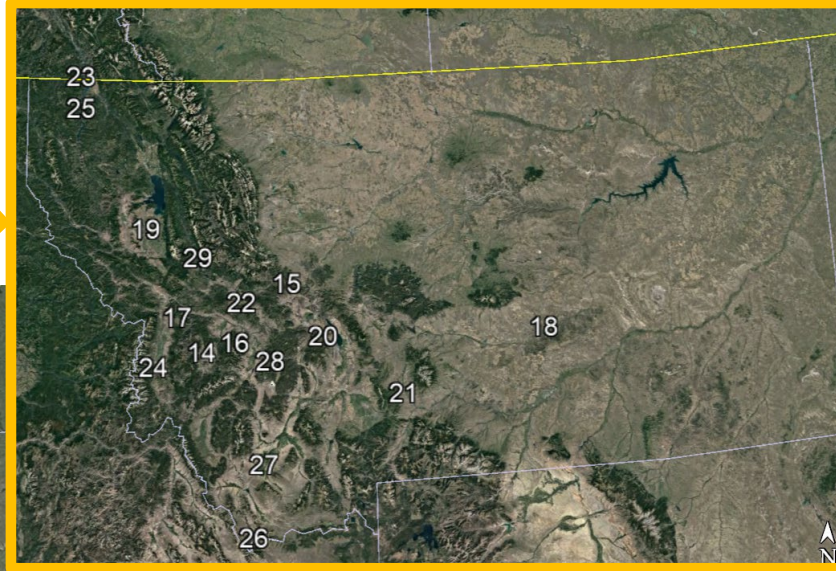
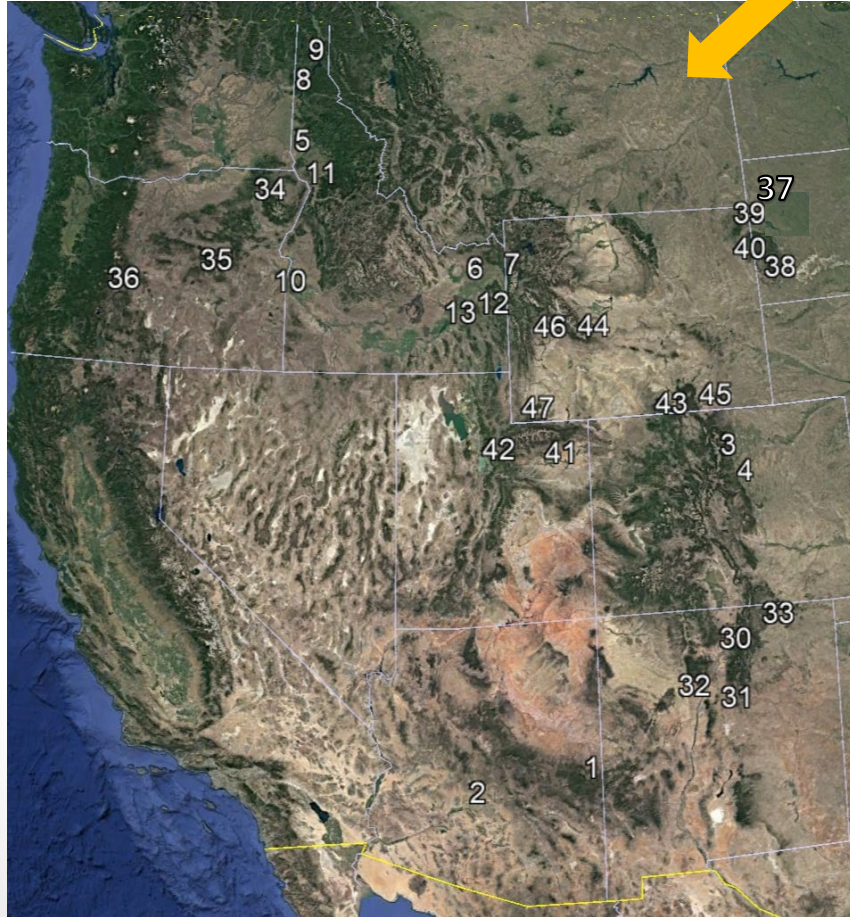
2. Enhance the Knowledge About the Roundwood Industry Including Manufacturing and Markets

- Types of products
- Demand for products
- Marketing
- Size of the industry

3. Identify Strategies to Enhance Industry Vitality

- Understand industry related issues
- Identify roadblocks to success
- Listen to participants to identify success and ways to achieve it

Post and Pole Producer Map: Western States & Montana Call Out



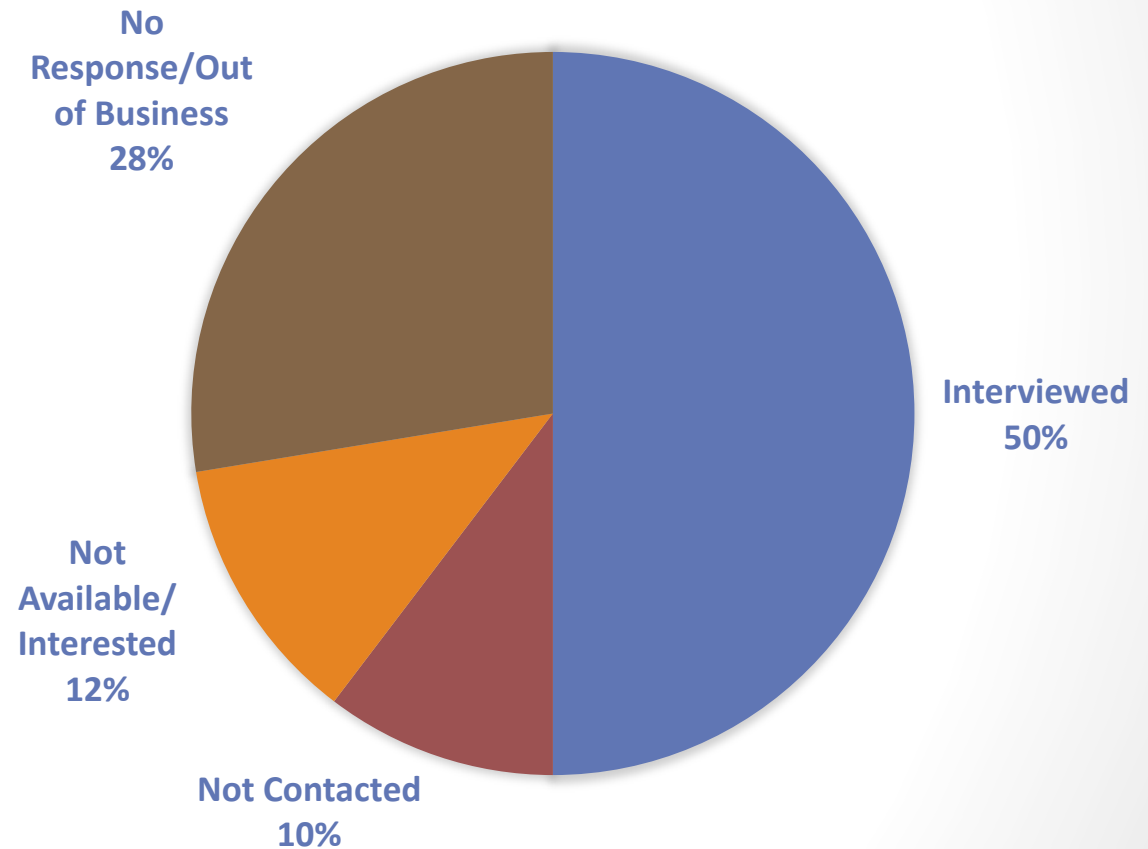
Legend	Company	Location
1	Arizona Log and Timberworks	Eagar, AZ
2	Bowen Poles	Phoenix, AZ
3	Morgan Timber Products	Fort Collins, CO
4	United Wood Products	Longmont, CO
5	Camas Post Yard LLC	Craigmont, ID
6	Cooley Brothers	Roberts, ID
7	Kaufman Timber	Driggs, ID
8	North Idaho Post and Pole	Hayden Lake, ID
9	Panhandle Forest Products	Cocolalla, ID
10	Parma Post and Pole	Parma, ID
11	Pineda Post and Pole	Grangeville, ID
12	Harrop Post and Pole	Rigby, ID
13	Pratt Logging	Blackfoot, ID
14	Boese Wood Fence	Phillipsburg, MT
15	Bouma	Lincoln, MT
16	Flint Cr	Hall, MT
17	Frontier Posts	Stevensville, MT
18	Gebhardt Post Plant & Sawmill	Round Up, MT
19	Hunt's Timbers Inc.	St. Ignatius, MT
20	Marks-Miller	Clancy, MT
21	Myrstol Post and Pole	Clyde Park, MT
22	Pfendler	Drummond, MT
23	River Country Wood Products	Eureka, MT
24	Small Diameter Log Co.	Hamilton, MT
25	Stillwater P&P	Eureka, MT
26	Stosich Inc	Lima, MT
27	Tash T-Diamond Post-N-Pole	Dillon, MT
28	Whispering Pines Pole	Deer Lodge, MT
29	Roundwood West Corp.	Seeley Lake, MT
30	Olguin Sawmill & Firewood	Taos, NM
31	Spotted Owl Timber	Santa Fe, NM
32	Walatowa Timber Industries	Jemez Pueblo, NM
33	Western Wood Products	Raton, NM
34	Heartwood	Wallowa, OR
35	Iron Triangle P&P	Seneca, OR
36	Quicksilver	La Pine, OR
37	Aker Woods	Whitewood, SD
38	Forest Products Distributors	Rapid City, SD
39	Hills Product Group	Whitewood, SD
40	Wheeler Lumber	Whitewood, SD
41	Huberwoods	Lapoint, UT
42	Wasatch Timber Products	Heber City, UT
43	Bockman Timber and Pole	Encampment, WY
44	Doubletree Logging & Construction	Lander, WY
45	Lodgepole Products, Inc.	Laramie, WY
46	Pickaroon Timber Products Inc.	Pinedale, WY
47	Ayres & Baker Pole & Post Inc.	Mountain View, WY



Participation

- 29 Surveyed in 7 states
- 7 Not Available or Not Interested
- 16 Did Not Respond / Appear Out of Business
- 6 Recently Found / Not Contacted
- Only 9 Producers Interviewed Treat their own products

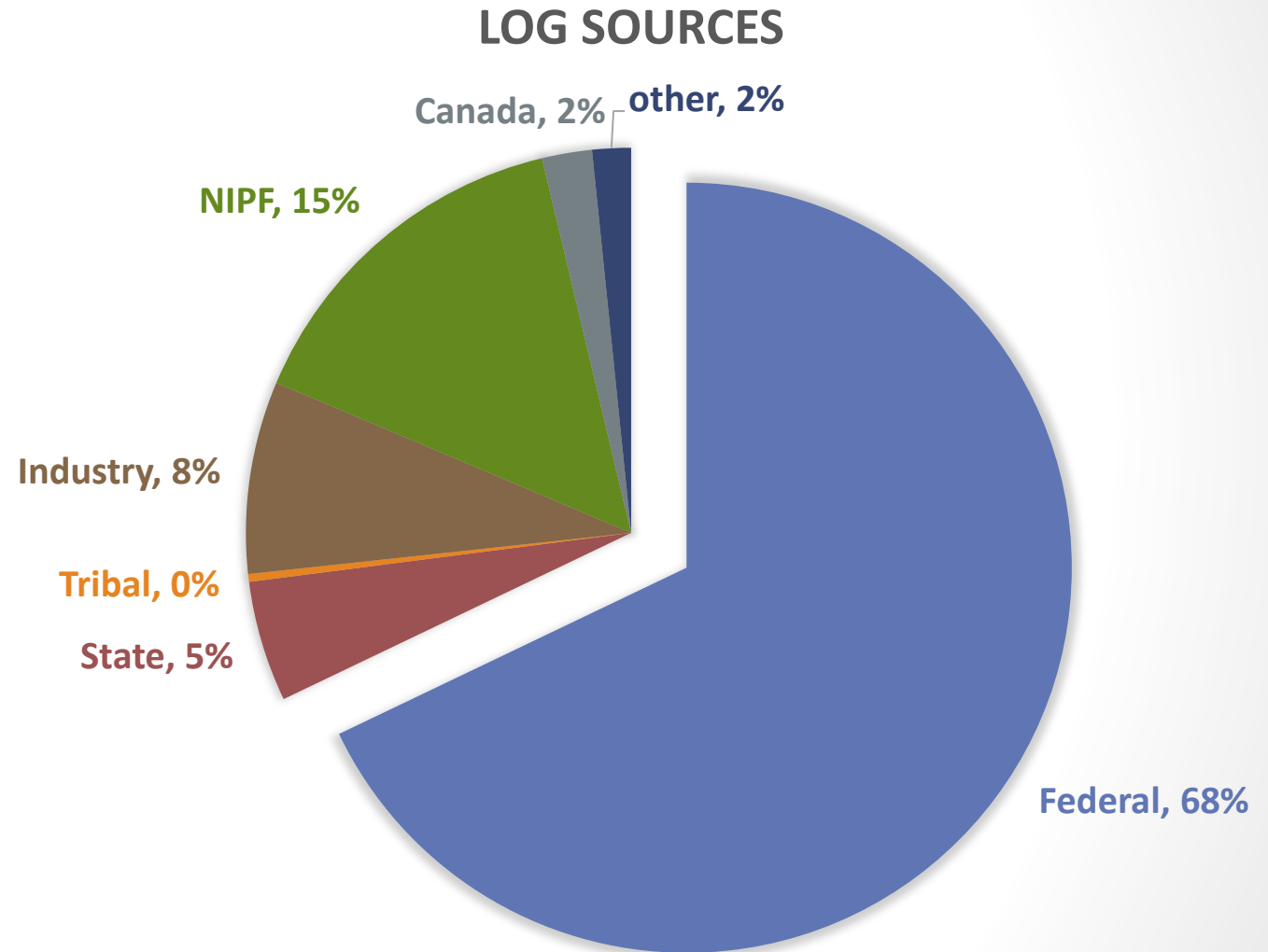
POST AND POLE PRODUCERS PARTICIPATION



Most Post and Pole Raw Material is Sourced from Federal Lands

USFS Policy Concerns:

- Changing Supply Levels
- Operating Periods
- Tare Weight Requirements on Trucking
- Requirement to Remove Small Diameter Logs





Raw Material Consumption And Capacity



LOGS



Labor Force



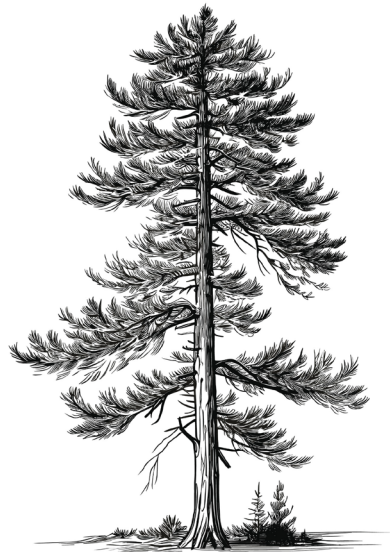
Capacity

29 Producers surveyed consume an average of 15,450 Green Tons Annually

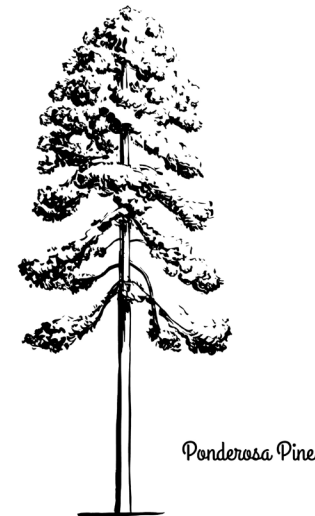
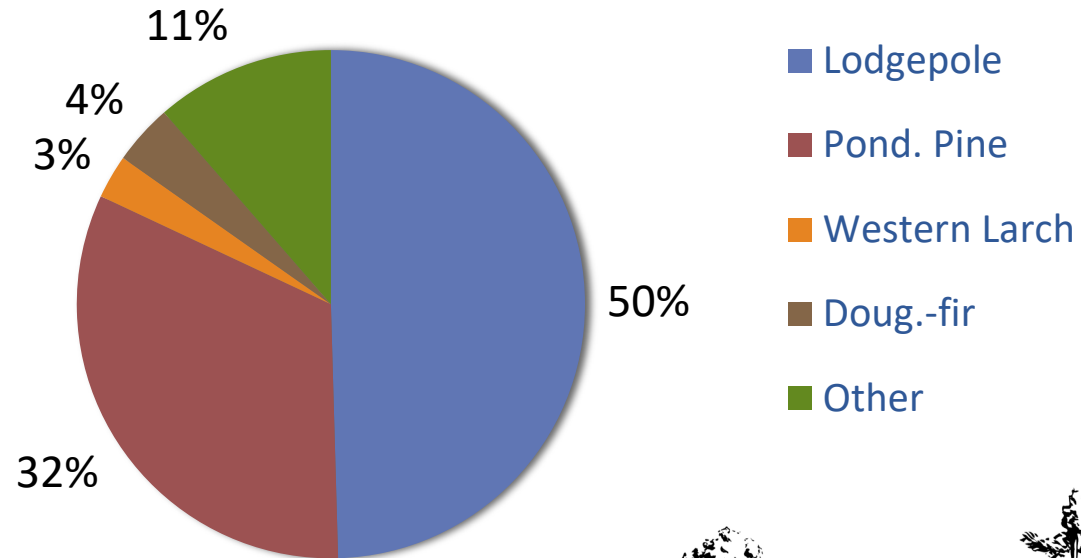
Estimate of industry Consumption Capacity in Volume

~790,000 Green Tons of Logs Consumed Annually.

Lodgepole is the Predominant Species used for Post and Poles

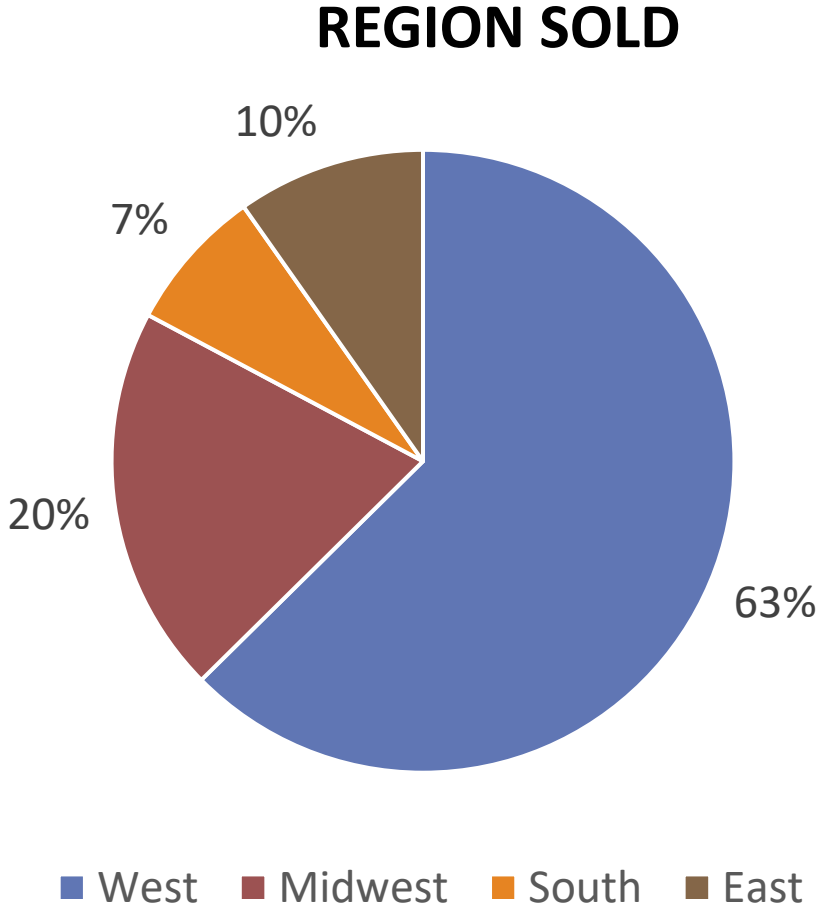


TREE SPECIES





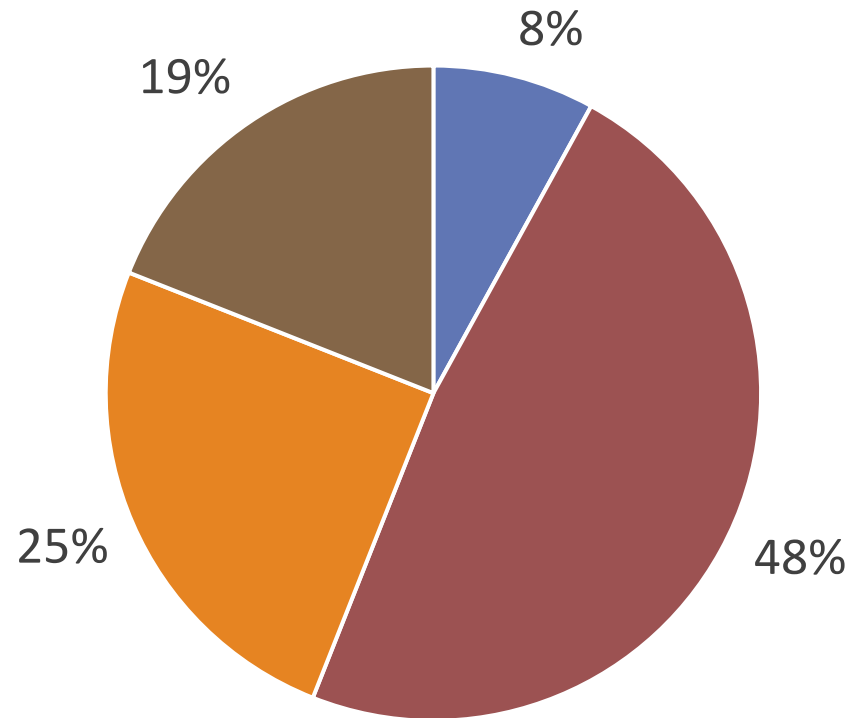
Most Products Sold Stayed in the West



Nearly Half of the Post and Poles Produced are in the 3-5" Range



PRODUCT PIECE SIZE

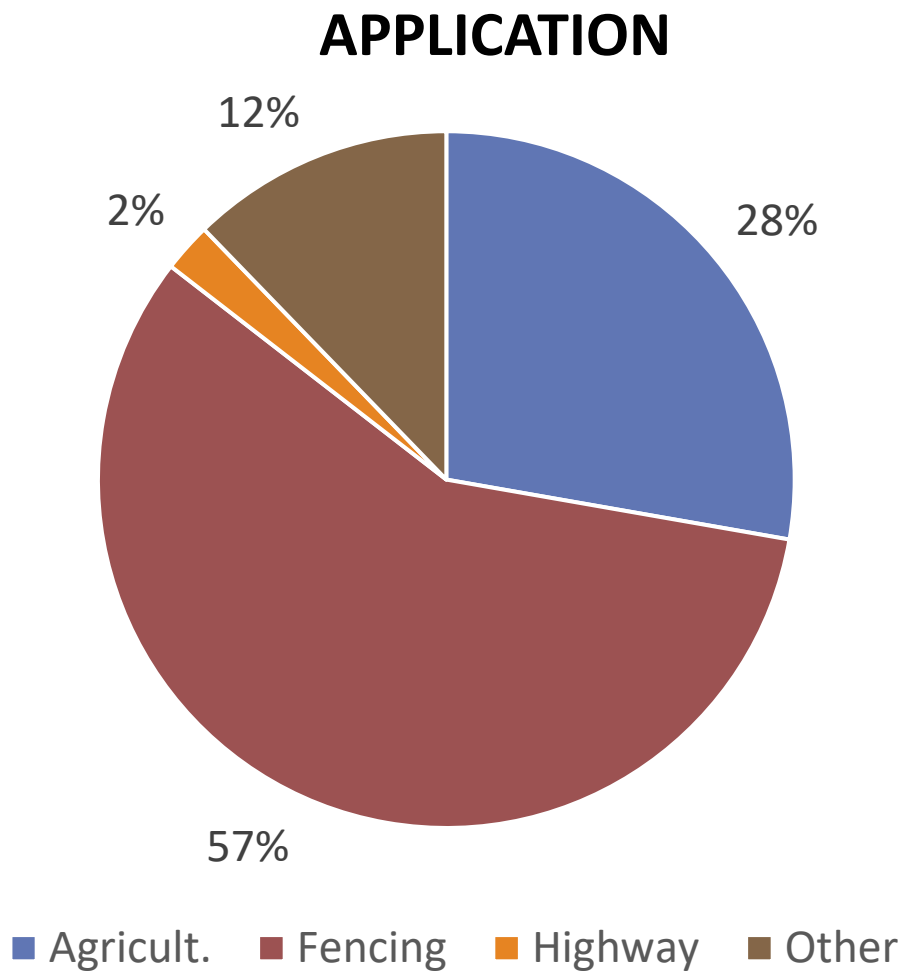


■ 2-2.9" ■ 3-4.9" ■ 5-6.9" ■ 7"+

Percentages based on piece count



Fencing was the Leading Application for Products



More Data

Raw Material

- The Average Raw Material Haul is Over 100 miles
- The Average Gate Price is about \$68 per Short Green Ton



Production

- Producers Worked an Average of **42 Hours per Week**
- Facilities Interviewed Averaged **10 Employees**
- Producers Sold **47%** of Products Doweled, and **48%** Peeled
- **31%** of the Producers also Treat Products





Other Information Discovered During the Survey

- The Two Biggest Limitations to Production have been **Raw Material Supply** and **Labor**.
- Producers reported **Strong Demand** with Some Products being Harder to Move
- **Relationships With Treaters** is Important
- **Markets for Firewood, Shavings** and **other By-Products** are Important to the Industry
- There was **Not a lot of Capital** being Invested
- Most Producers are **Not Active in Associations**



Observations During the Survey

- **Regional Differences in Species** and **Desired Products** should be Recognized
- Many Producers have a **Niche Product** that Provides a Higher Margin
- The Production of Posts and Poles can be the **Primary Business** or a **Complimentary** Business
- **Equipment** is often Maintained, Updated, Revitalized and sometimes Developed In House
- Most Producers **Purchase their Logs** Rather than Log Themselves



Observations During the Survey

- Many Post and Pole Businesses are **Small, Family-Run Operations with Limited Capital and Resources**
- Managing Production, Purchasing, Sales and Marketing, Maintenance, and Shipping leaves Little Time to be an Analyst and Business Development Manager
- **Generational Change** is Occurring and will Continue
- Philosophy on **Product Pricing Varies**

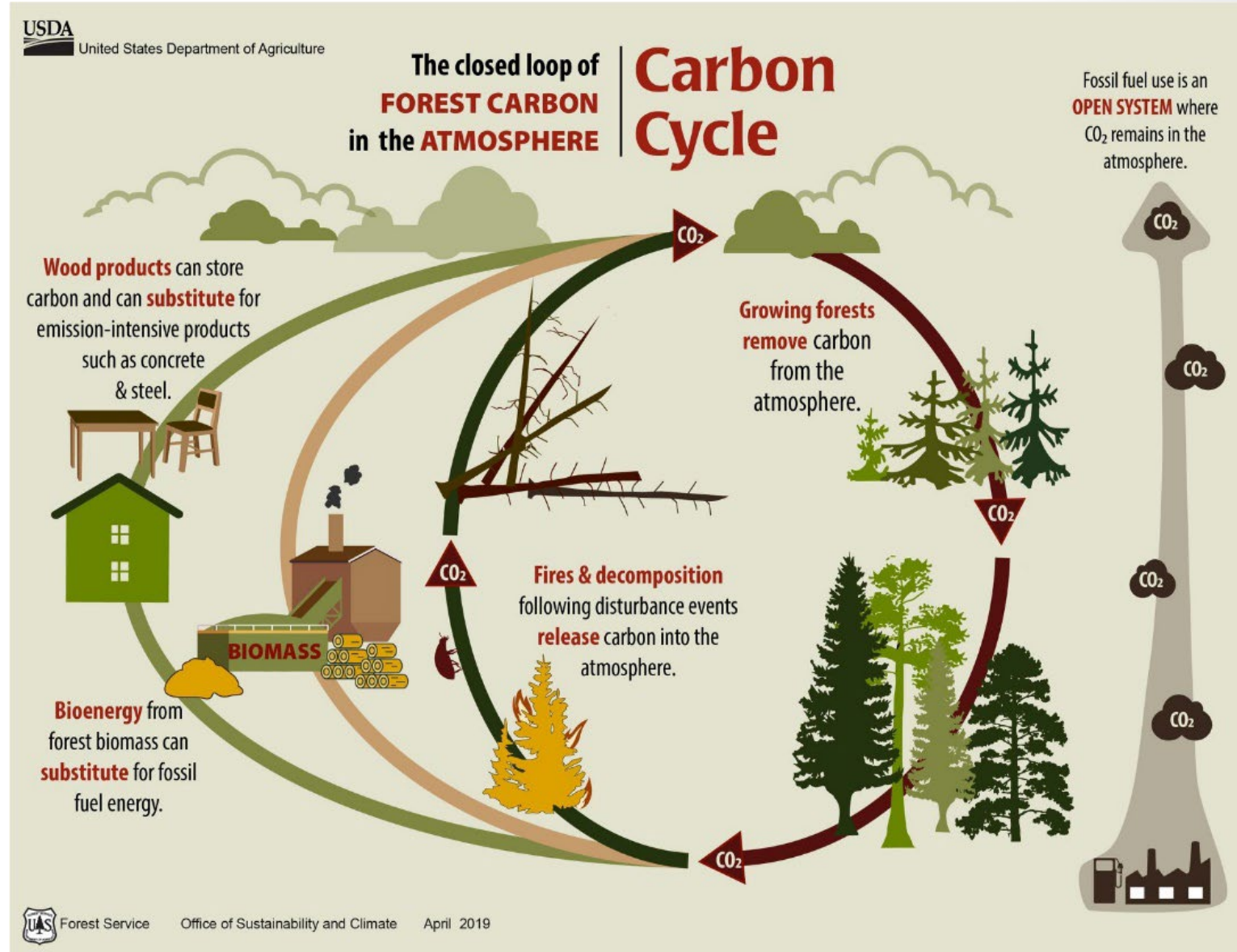
Opportunities

- **USFS Needs to Provide Access to Supply** where Roundwood Producers Exist Rather than Burning it or Leaving it to Rot
- **Communication** Between Producers on Industry Practices Across Supply Regions could help all Regions
- Access to **Broader Market Information** could Help all Producers
- **Grants or Incentives to Address Labor Issues and Generational Change**



Opportunities

- The Roundwood Industry Needs to Join the Story of Reducing Fire by Removing Small Trees and Sequestering Carbon in Long-lived Products



Thank You

Western Wood Preservers Institute
Intermountain Roundwood Association
US Forest Service
Post & Pole Producers



Questions?



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