

A sawmillers perspective

Storm Arwen

James Jones & Sons Ltd

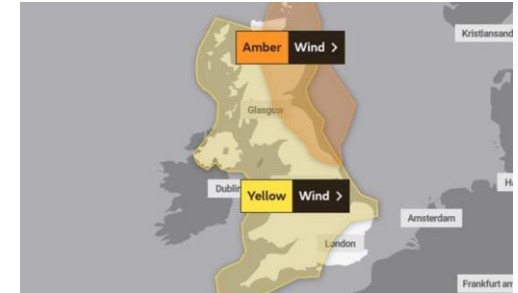
9th March 2022



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1st impressions

- Weather forecast reports – 80mph Northerly winds
- Evening discussions with colleagues/contacts
- Initial assessment :
 - Mill reports – NE Scotland/North England
 - SSE report - Fiona Maxwell
 - Colleagues/contacts reports
 - Partner Estates/FLS/FE feedback
 - Reports elsewhere – Angus/Stirling/Dumfries
 - Own woods report – Langholm
- Feedback to JJ Board, Harvesting, Mills



Actions taken

- Infrastructure and safety clearance work
- Communication with Confor/SF/NE action group
- Immediate assessment of current harvesting commitments
- Deferral of standing timber/delivered contracts
- Initial plan – harvester movements/licence application
- Mill capacity estimates and planning (Aboyne to pine)
- Sales meeting – exploration of opportunities
- Formation of initial processors group to facilitate communication
- Build up of harvesting and log supply programme
- Reassessment of situation following Corrie/Malik



Harvesting issues

- Infrastructure repercussions – roads, power, communications
- Safety – hung up trees, capacity of skill etc
- Multi directional blow
- Trees lying flat /snap
- Commitments to existing contracts
- SRW market capacity
- Reduced production and increased cost
- License availability/planning
- Secondary damage – Corrie/Malik
- Wish to clear blow ASAP – individual owners



Infrastructure issues



Safety



Multi-directional blow



Trees lying flat



Snap



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Commitments to existing contracts

CLEARANCE DATE

The Purchaser undertakes to complete operations under this agreement not

later than: **31ST March 2022** or such later date as may be provided for in Annexure B hereto.



Small roundwood - market capacity



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Reduced production and increased cost



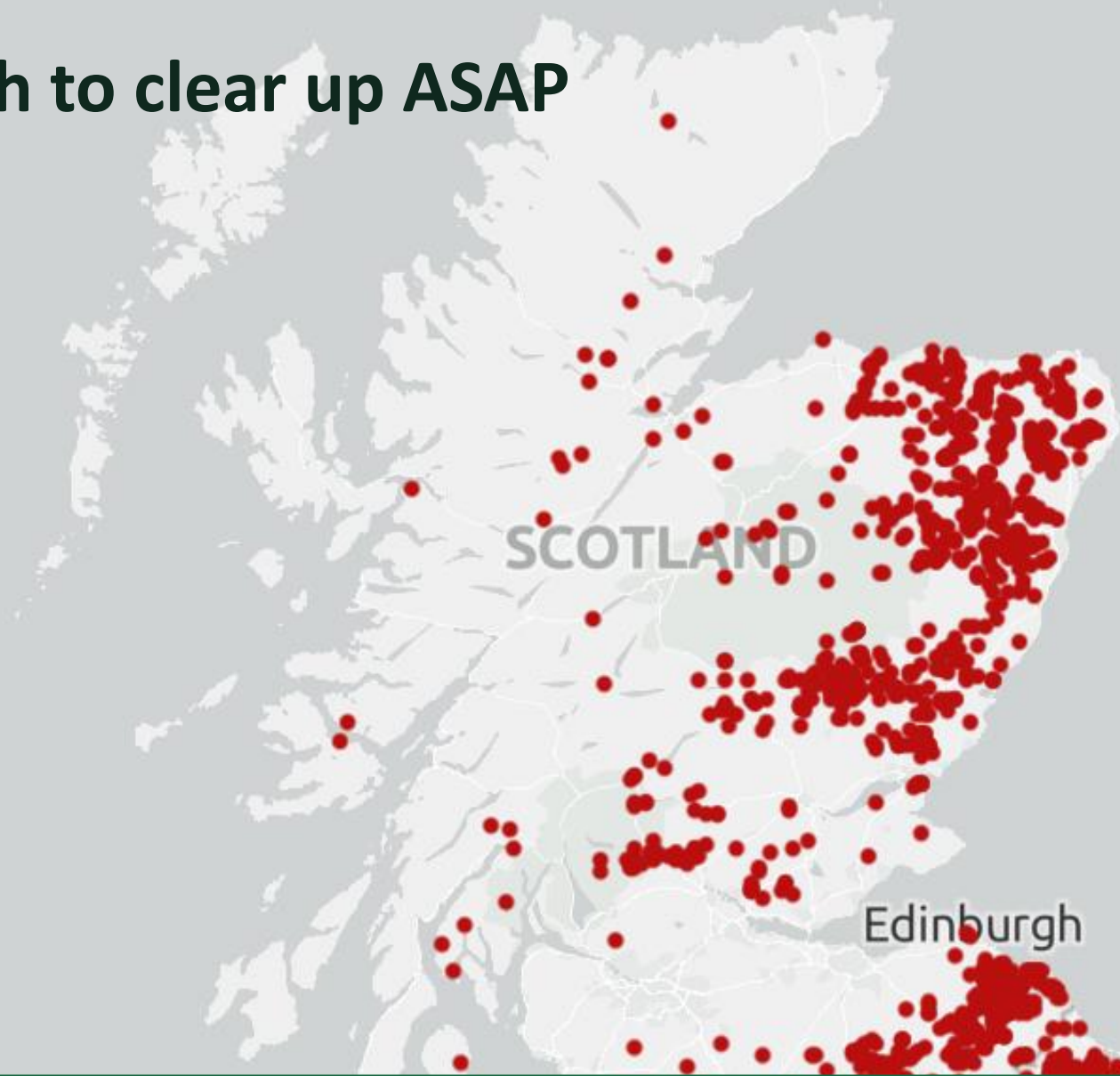
Licences – availability/planning



Secondary damage (Corrie/Malik)



Wish to clear up ASAP



Delaying windblow clearance

MSc Dissertation

The Effect of Windblow on Timber Quality in Sitka spruce

Shaun Mochan
September 2002

Conclusion

The study has shown that windblown trees can be left for up to 18 months without reducing the percentage of battens that will pass stress grading. There were also a larger number of battens passing at C24 from all ages of windblow that would initially have been expected. After 18 months a smaller percentage of battens pass stress grading. The battens have more compression wood and increased taper, which is likely to lead to slightly increased conversion losses. There is sufficient evidence to provide the forest industry with guidelines on how long to leave windblown timber without the wood properties being altered to a degree where they cannot be used for construction timber. Design plans and harvesting rotations may have to be changed in order to incorporate the idea that harvesting of windblow could increase revenue, due to the higher prices paid for construction timber, for forest managers within the set time period.

Recommendations

The forest manager has to balance

1. the potential value of blown timber without degrade, with
2. the potential value after degrade, against
3. additional cost of moving machines etc. and altering harvesting schedules.

This will depend on the quality of blown timber and the scale of each operation.



Of course, we have had some help!



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Sawmill issues

- Log damage
- Short log production
- Sizes cut without communication
- D grade – pine blue stain
- Larch/Douglas fir - market limitations
- Logistics imbalance
- Supply outwith damage area
- Certification
- Market situation



Log damage



Short log issues/communication



D grade/blue stain

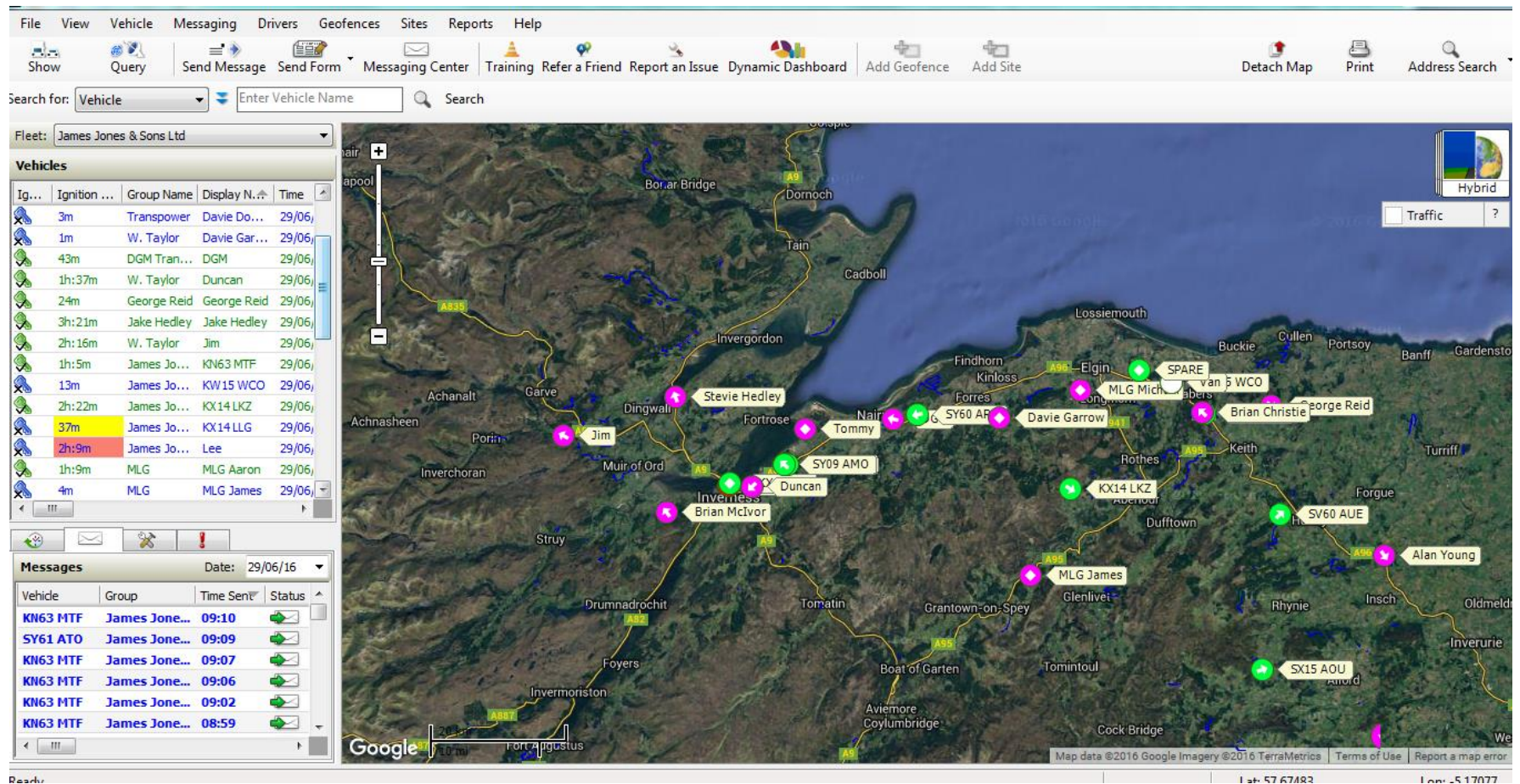


Larch/Douglas fir – market limitations



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Logistics imbalance



Supplies outwith damage area



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Certification – 70% minimum

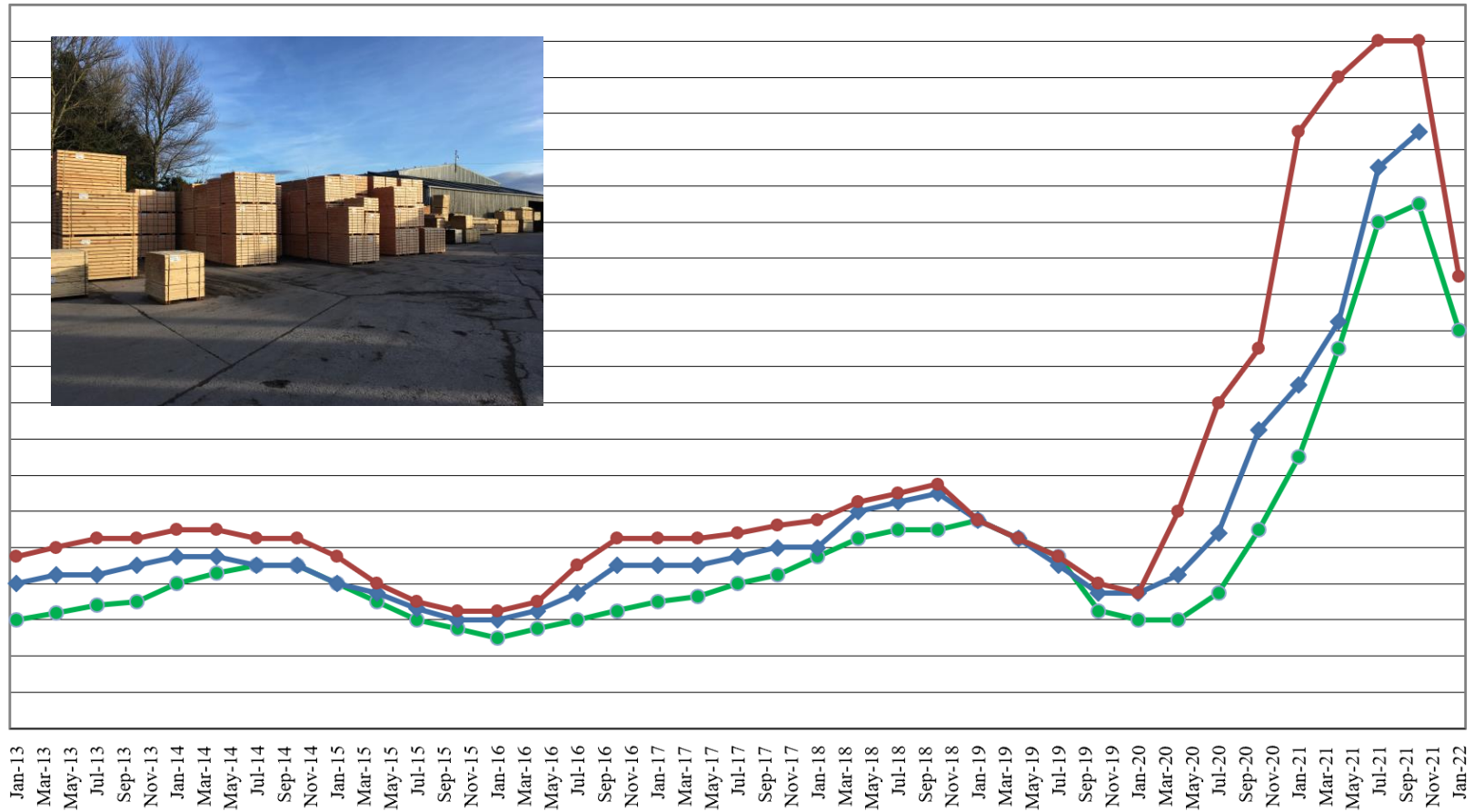


Timber market – current position

- High sawmill sawn and roadside roundwood stocks
- Price reductions since Q3 2021 – 25%



Market situation



Timber market – current position

- High sawmill sawn and roadside roundwood stocks
- Price reductions since Q3 2021 – 25%
- Carcassing market still very slow
- Improved domestic fencing market – Storm damage
- “Flat” pallet market
- Export issues – cost/availability
- Opportunities from Ukraine/Russia situation?
- Spiraling costs – fuel, power, parts
- Certification requirements



Summary

- Safety is paramount both in the forest and elsewhere
- The damage is only 30-40% of annual cut – locally a big issue
- Pine has a limited “shelf life” so harvesting must be prioritised
- Operations are well under way to clear significant volumes
- Certification is an absolute must to access markets
- Windblown spruce can be left, if not snapped, for long periods
- Communication with markets is vital and wood should have a home
- The market is very volatile, but hopefully will improve
- Management to mitigate windblow is paramount going forward
- Mills are expanding to take volume but require secured supply to invest



Thank You



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