

The Expense of Private Forestry: Survey Results of Private Practicing Foresters in Massachusetts

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ABSTRACT: *There is little information available on the rates and different methods of remuneration associated with various forestry activities. We surveyed 145 Massachusetts-licensed private foresters in the winter of 2004 to determine the method, average, and range of prices that foresters charge landowners for practices such as management plans, timber sales, and other services. The results indicate that foresters charge a wide range of prices, and there are several different ways to pay for the same service. North. J. Appl. For. 22(3):211–212.*

Key Words: Forester, forestry practices, management expenses, private landowners.

Foresters traditionally charge landowners for forestry practices in a variety of ways. Depending on the activity and the forester, landowners may be billed for management services by the hour, as a percentage of forest product income or receipts, on the basis of volume marked or harvested, or on the basis of area treated. However, many landowners have little knowledge of the ways foresters charge or the range of prices associated with forestry activities. We believe that landowners will be more likely to engage the services of a forester if they have an idea of the expenses involved and the range of prices for forestry services in the marketplace. Knowledge of the marketplace, or “what the market will bear,” will make private owners more informed consumers who are better able to make choices about professional services. Traditional stumpage price survey results inform loggers, foresters, and landowners about the recent market values of standing timber. A similar benefit may be derived from periodic summaries of ways that private foresters charge for their services.

In 2004, we mailed a brief survey to 145 consulting foresters that were licensed to practice forestry in Massachusetts. We asked them to report what they charged for various forestry services such as management plan preparation, timber sale planning and supervision, boundary location and blazing, and timber stand improvement. We also asked them what they charged per hour, per volume, or as a percentage for certain forestry activities. Sixty-two foresters

from Massachusetts and surrounding New England states returned the survey and provided data relevant to at least one of the categories, resulting in a 42.7% response rate.

Discussion

The results indicate that foresters charge a wide range of prices for services such as management plans (Table 1), timber sale design and administration (Table 2), and other miscellaneous expenses (Table 3). There also are several different ways that foresters charge for the same service. Some believe that charging a percentage of the gross timber sale stumpage value increases the risk of a potential conflict of interest between the forester and the long-term management goals of a landowner. Hourly or volume-based payment may help reduce the possible conflict of interest (Table 2). Our results do not indicate how cost-effective each method of remuneration is for a landowner. However, the results of the survey demonstrate that foresters who responded rely on a variety of billing methods for a given service such as timber sales. Discussion between the landowner and forester on the advantages and disadvantages of each method of remuneration can help to determine which method works best for both landowner and forester for a given service.

Just as the amount of stumpage that a logger is willing to pay a landowner is dependent on a variety of factors, the amount and method of calculating a bill for forestry services similarly can vary. The size of a parcel, complexity of ownership objectives, location, access, availability of existing documentation such as previous management plans or maps, and other factors all influence the amount a forester will charge for a particular service. However, the most

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Table 1. Management plan expenses.

Management plans	Foresters (n)	Mean	Median	Range
Management plans (\$/ac)	41	11.10	10	4.50-30
Management plans (\$/hour)	38	45.81	45	25-75
Management plans base fee (\$)	29	474.13	500	150-750

NOTE: Many foresters, in addition to charging on a per acre basis for writing management plans, also charge a base fee or minimum fee. For example, using the median \$/ac and base fee from the above table, the cost of a management plan for a 50-ac parcel of forestland could be \$1,000.

Table 2. Timber sale expenses.

Timber or cordwood sales	Foresters (n)	Mean	Median	Range
Mark & administer timber sales (\$/mbf)	17	19.47	20	3-30
Mark & administer timber sales (% of sale price)	30	16.7	15	10-20
Mark & administer timber sales (\$/hour)	28	47.14	45	20-75
Mark timber only (\$/mbf)	14	12.85	13.5	3-35
Mark timber only (% of sale price)	9	14.4	15	10-20
Mark timber only (\$/hour)	39	42.84	40	10-75
Administer timber sale (\$/mbf)	6	10.50	12	3-15
Administer timber sale (% of sale price)	13	13.15	12	5-20
Administer timber sale (\$/hour)	30	47.60	46.50	35-75
Cordwood sale (\$/ac)	8	56.25	50	30-100
Cordwood sale (\$/cord)	26	6.30	5	3-12

NOTE: mbf, 1,000 board feet; % of sale price, percentage of gross stumpage value.

Table 3. Miscellaneous forestry expenses.

Miscellaneous forestry services	Foresters (n)	Mean	Median	Range
Boundary location & blazing (\$/hour)	52	43.77	42.50	10-75
Boundary location & blazing (\$/ac)	3	20.66	25	7-30
Boundary location & blazing (\$/1,000 linear ft)	9	134.44	150	50-200
Timber stand improvement (\$/ac)	23	119.56	100	10-375
Plant seedlings (\$/1,000 seedlings)	12	528.33	512.50	30-1,000
Pruning (\$/ac)	13	174.23	175	35-300
Construct fire roads (\$/linear ft)	5	6.20	7	2-10
Professional time (\$/hour)	58	45.96	45	10-110

NOTE: The range of prices charged for timber stand improvement, planting, and pruning reflect the differences in service offered by the forester. Timber stand improvement prices, for example, could include just the cost of marking the timber and administering the harvesting, or include the cost of felling the trees, as well.

important consideration is the relationship between a landowner and a forester. Communication and trust are essential components of any successful relationship, and no less so than between a forester and landowner.

Harvesting practices and management plans are becoming increasingly technical and complex. A forester can help landowners understand which mix of harvesting equipment makes the most sense for their land. A forester will help the landowner achieve ownership goals through the sale of timber and can assure a landowner that they are receiving a

good price and are protected with a well-designed contract. There are many benefits to working with a forester in the sale of timber, and there are several ways that landowners can pay for these services. The method of remuneration should depend on a conversation between the landowner and forester, based on the particular circumstances of the land and their needs. Our results do not indicate which means of payment is best for a landowner, but they do suggest that there are a variety of ways by which forestry services can be calculated and billed.