

**Cooperative Extension Service** 

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# Consulting Foresters for Private Landowners

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Do you need a consulting forester to help you manage and sell timber? The answer you receive will depend upon whom you ask. Some consulting foresters will tell you "yes" without hesitation. Some timber buyers will tell you "no" without hesitation. As usual, the truth is somewhere in between. Some landowners need a consulting forester and some don't. It really depends upon your background and your plans for your timberland. If you have a college degree in forestry, you may not need a consultant. On the other hand, if you want to make money from your timber but have no background in forestry and no experience with timber sales, you can benefit from the advice of a consultant.



Figure 1. The professional forester is your expert on forestry matters.

Professional forest management can provide tremendous benefits to landowners. Landowners have the opportunity to produce income from timber sales, develop better wildlife habitat, enjoy more hunting opportunities and provide a better environment for all of us by protecting soil and water resources. Unfortunately, far too few landowners realize that they can have these benefits. As a result, much of the privately owned forestland in Arkansas is not actively managed. Many of the potential benefits to the landowners and to society are being lost.

### What Is a Consulting Forester?

A consulting forester is a professional forester who advises and watches out for the best interest of a forestland owner. Consulting foresters are in business, so they charge fees based on the type of service offered. Foresters sell some services at hourly or daily rates, while other services are sold at rates based upon acreage. Fees for conducting forest products sales are usually charged as a percentage of the gross revenue from the sale. No matter how the fees are calculated, the most important thing to remember is that the consulting forester works for the landowner. When you hire a consulting forester, that forester is **your** representative in negotiations with timber buyers and service contractors. That forester is the one you hire to watch out for your best interest.

People sometimes assume that anyone who works in the forest is a forester. This is not the case. Good

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forestry requires the services of people with a wide range of backgrounds and skills. Some workers are tree planters. Some workers are herbicide applicators. Some workers are loggers. Some workers are foresters. Each of these workers has a different background and different training. Tree planters, herbicide applicators and loggers typically don't have the same training as foresters. By law, individuals who practice forestry for hire, including consulting foresters, must be registered with the Arkansas Board of Registration for Foresters.

### How Does One Know Whether Someone Really Is a Forester?

State law requires that anyone who claims to be a forester for hire in Arkansas must be registered with the Arkansas Board of Registration for Foresters. Those who want to become registered foresters in Arkansas must complete a minimum level of education and experience. This assures that they can adequately serve the needs of Arkansas' forestland owners. Foresters who registered in Arkansas before 2001 will at least have had several years of professional experience prior to registration. Most will have a college degree in forestry. Foresters who registered in Arkansas after January 1, 2001, must have a college education and must pass a written test administered by the Arkansas Board of Registration for Foresters. To maintain registration, foresters are required to receive six hours of continuing forestry education each year.



Figure 2. All foresters who practice for hire in Arkansas must be registered with the state Board of Registration.

If you have any doubts about a forester's qualifications, ask for the forester's name and office address. Visit the Arkansas Board of Registration for Foresters' web site (<u>http://www.arkansas.gov/abof/</u>) to search for the forester. On the home page, there is a link labeled "Find a Forester." This will open a page from which you can search for a forester by name, company or city. As an alternative, you can call the Board of Registration. Its phone number is 501-296-1998. The Board can tell you whether someone

currently is a registered forester who has the right to practice forestry in Arkansas. No forester will be offended if you check.

## Why Should One Hire a Consulting Forester?

Did you know that if you own forestland you have money invested in timber? With some study, you could manage your forests yourself, just as you can invest your money in stocks or bonds and manage those yourself. Good forestry is complex, and practices are constantly being updated. A good consulting forester combines up-to-date education with experience. The assistance of an experienced forester will greatly enhance the efficiency and productivity of your timber investment. Prudent investors hire experts in financial management to help them invest money in stocks, bonds and mutual funds. They recognize that they will receive better returns on their investments if they follow the advice of an expert. Timber investments are no different. Consulting foresters can provide the advice and services you need to produce greater benefits to yourself and to society from your forestland.

By following the advice of a consulting forester, you are assured that your forest is being managed according to principles and methods discovered through scientific research. The consulting forester will use these principles and methods to manage your forest to achieve your objectives and to provide the benefits you want. Your consulting forester will guide you to the most cost-effective means to achieve your objectives.

## How Does One Find a Consulting Forester?

There are several quick and easy ways to find a consulting forester. The best way to find a consultant is to ask some of your neighbors who also own forestland to recommend a forester to you. You also can check your local phone book under Foresters-Consulting. Any consulting forester who has an office in your area should be listed there. Also check the Arkansas Forestry Commission's (AFC) web site (http://www.forestry.state.ar.us). They have a directory of consulting foresters in Arkansas. The directory provides contact information for each forester or company and a list of the services provided by each. Near the top of the AFC home page, click on the "Manage Your Forests" link. This will open a page with links to lots of good information for private forestland owners. Toward the bottom of the "Manage Your Forests" page, you will find a link to a directory of consulting foresters. The directory is searchable by consultant name, company, county or service.

You can also find a consulting forester through the Arkansas Board of Registration for Foresters' (ABORF) web site; however, their directory lists all registered foresters whether they consult or not. The ABORF directory is searchable by name, company or city. Two private organizations also publish directories of consulting foresters. The Arkansas Forestry Association's (AFA) web site (<u>http://arkforests.org</u>) has a list of consultants who are members of the AFA. The list includes links to company web sites. From the AFA home page, click "Forestry Links" near the lower right corner of the page for a list of helpful organizations and consultants. The Association of Consulting Foresters of America (ACF) also provides a directory of consulting foresters which is searchable by state. From their home page (http://www.acfforesters.org), click the "Find an ACF Forester" link to get to the directory. The directory can be searched by consultant name, company or state.

## How Does One Select a Consulting Forester?

Several factors go into selecting a good consulting forester. Remember that this consultant will be handling tens of thousands of dollars of your money. You want to know that the forester is honest, reliable and can manage your timber investments well.

The first step is to make a list of the forestry consultants in your area. The size of "your area" will depend upon where you live. If you live in south Arkansas, you may be able to find five or six consultants in your county. If you live in north Arkansas, you may have to look 100 or more miles away to find your consultant. Don't be afraid to call a forester who lives several counties away. Many consulting foresters are willing to work anywhere in the state.

Once you have a list of five or six foresters, call each one and ask questions. Some of the questions you might ask include:

## What You Should Know About Your Consultant

- Years in forestry
- Education
- Registration number
- Employer
- Employer's occupation
- Services
- Cost

- 1) How long has the consultant practiced forestry?
- 2) What is the forester's educational background?
- 3) What is the forester's registration number?
- 4) For whom does the consultant work?
- 5) Does the forester work for a timber buyer?
- 6) What services does the forester provide?
- 7) How much will the service cost?

Knowing about the forester's education and experience will help you determine whether the forester's education and experience are compatible with the type of forest you own and your ownership objectives. Checking the forester's registration number will assure you that the forester has attained an adequate level of education and/or experience.

Knowing for whom the consultant works and whether the consultant also buys timber will allow you to identify potential conflicts of interest. Remember, a forester who works for you should try to get the highest possible price for your timber; whereas, a forester who works for a buyer wants to pay the lowest possible price. You don't want to hire a forester who works for a timber buyer to be both your seller and buyer. In such a case, even an honest seller/buyer will have a divided loyalty. You need to hire a forester who is loyal to you. After you have narrowed the list, ask each forester for a list of references and call them. If most of the landowners were happy with the services they received, you probably will be too.

### What Services Does a Consulting Forester Provide?

The services provided by a consulting forester will vary from one forester to another. All of them should provide some basic services and should be able to get contractors for remaining services. A few companies are full-service companies and can provide any forestry service you need. Some of the common services are listed below.

#### Appraisals

Appraisal is the estimation of quantity, quality or value of timber. A simple appraisal takes the form of a timber cruise. The forester will estimate the size, quality and volume of timber within sample plots and extrapolate these data to the entire stand to develop an estimate of the volume of all the timber in your forest. Timber cruises may also include mapping the tract and making detailed notes about the condition of wildlife habitat and other resources. Appraisals for special purposes, such as estate planning, may also include an estimate of the monetary value of the timber. This service usually is charged by the acre.

#### **Boundary Location and Marking**

Keeping boundaries well marked is important in land management. Arkansas law requires that boundaries be identified before timber is harvested. Many rural land boundaries have been marked at some point. Often an experienced forester can recognize the telltale signs of old boundary markings, thus relocating a lost boundary. Many consulting foresters provide boundary marking services. Boundary location and marking usually are charged by the mile.

#### **Fire Protection**

Protecting a stand from wildfires is an important and sometimes paradoxical process. Prescribed fires protect stands from wildfires by consuming fuels before fuel loads become excessive; however, some trees may be damaged by prescribed fire. Well-timed fires also improve wildlife habitat. A consulting forester can help a landowner lay out a system of fire lanes to manage prescribed fire and to protect stands of timber from wildfires. The consultant can also help a landowner schedule prescribed fires at times which will adequately protect a stand and minimize damage to timber in the stand. Fire lane construction is usually charged by the mile and prescribed burning by the acre.

#### Land Purchase and Sales

If you want to buy or sell timberland, a consulting forester can help you determine the true value of the land and timber. The value of timberland can vary two- to fivefold depending upon the value of the timber it holds. No purchase or sale of timberland should be considered without an appraisal of the timber it contains. Land sales are usually charged as a percentage of the sale price.

#### **Management Plans**

A management plan is a written description of the current forest, the forest the landowner wants to have and a schedule of silvicultural practices designed to get the landowner's forest from its current condition to the desired condition. A wellwritten management plan will consist of current resource descriptions broken down by product class and species, target resource descriptions, site maps, resource protection plans and a preliminary schedule of management activities. Fee schedules vary widely and often depend upon whether other services are being purchased.

#### Mapping

Good maps are among the most valuable tools a forestland owner can have. A consulting forester can develop a forest map showing where various tree species and potential forest products are on your land. Good maps assist the landowner and forester in making management decisions. Mapping is often included with other services, but is usually charged by the acre when purchased separately.

#### Pest and Disease Identification and Control

Pest or disease problems occasionally arise in a forest. A consulting forester can help you identify the pest or disease problem and may be able to recommend treatment options. These services are usually charged by the hour.

#### Regeneration

Strictly speaking, forest regeneration is the act of reestablishing a forest after the previous stand or forest has been removed. Ideally, regeneration is planned before a harvest. Regeneration involves more than just starting a new crop of trees. Harvest methods, site preparation and weed control should all be tailored to the chosen regeneration system. Sometimes the term "regeneration" is used loosely to include establishing a forest on land previously under nonforest use (technically called afforestation). A consulting forester can help a landowner select a forest regeneration or afforestation system best suited to the landowner's objectives, site quality and financial means. Fees for forest regeneration services vary greatly with the regeneration system chosen. Fees may be included with the timber sale fee or may be charged by the acre.

#### Timber Marketing

Timber marketing is much more than merely selling timber. Marketing is the coordinated process of maximizing profit from a forest products sale. It includes accurate evaluation of the forest products available, an understanding of local forest products markets and effective directed advertising. It is an active process. A good forestry consultant knows how to market forest products effectively. Timber marketing is almost always part of a timber sale, so it rarely is charged separately.

#### **Timber Sales**

Timber sales are transfers of real property (timber) in exchange for money. Several steps are involved in conducting a timber sale. The timber stand should be evaluated to determine its condition and needs. If the stand is to be thinned, the trees to be cut should be selected and marked. The timber should be marketed to potential buyers. Skid trails and landings should be planned. A sales contract should be written. The harvest should be monitored to assure compliance with terms of the sales contract. A consulting forester can handle the entire timber sale from evaluating stand needs to inspecting the completed harvest to assure that all contract requirements have been met and the land and timber resources are protected. A good consulting forester will protect the landowner's interest through the entire process. Timber sales are usually charged as a percentage of the highest bid received.

#### **Timber Stand Improvement**

Timber stand improvement is the process of improving the species composition or overall stem quality of a stand of timber when a thinning is not feasible. This involves removing trees with the least potential and leaving trees with the greatest potential to increase in value. Timber stand improvement is accomplished by cutting or applying herbicide to those trees which hinder attainment of the landowner's objectives. A good forestry consultant can evaluate timber stands to determine which stand improvements are feasible and how best to achieve those improvements. Timber stand improvement services are usually charged by the acre.

#### **Other Services**

Forestry consultants also can advise landowners on wildlife management issues, federal cost-share programs for forestland owners and some aspects of estate and tax planning.

## What Will the Consultant Expect From the Landowner?

The landowner-consultant relationship is a two-way relationship. Just as the landowner has a right to expect honesty and good service from the consultant, so the consultant has a right to expect openness and honesty from the landowner. Consulting foresters don't expect landowners to understand the details of forestry, but a consultant does have a right to expect the landowner to have general objectives in mind.

Before you talk to your forestry consultant, think about why you own land and what you expect from your land. Do you want it to produce an income? Do you want to use your land purely for recreation? After all, it is your land; so the ultimate objective is your choice, not the consultant's. It's a good idea to write your objectives down so you can discuss them with



Figure 3. Well-managed forests produce much-needed incomes for landowners.

your consultant. If your objective is impractical, your consultant will tell you. Your consultant will ask questions to better understand your objectives. Your consultant may even ask how much you can afford to spend. Answer the questions honestly and completely. To give you good advice, your consultant needs to understand what you want, why you want it and how much you can afford to spend.

Above all, pay your consultant on time. Your consultant will invest substantial time in developing a management plan for you and will appreciate timely payment.

## The Bottom Line

Forestry consultants provide valuable services to forestland owners. Of course, forestry consultants expect to be paid. They are in business to earn a living. However, research has shown that, on average, the increased income generated by the forestry consultant will more than pay the consultant's fees (Munn and Franklin, 1995). A landowner shouldn't look at a consultant's fees as expenses but as investments. Following the consultant's advice can increase the landowner's income well beyond the fee charged by the consultant. In addition, a forestry consultant will leave the landowner with a healthier forest.

## References

Munn, Ian A., and E. Carlyle Franklin. 1995. "Valuation of Consulting Foresters' Contribution to Timber Sale Prices." *The Consultant*, Winter 1995.

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