BY JENNIFER KIEL

MICHIGAN and Wisconsin each have nearly 10 million acres of privately owned forestland. While Wisconsin harvests its forests at the full rate of growth, Michigan harvests at only a third of the rate of growth, leaving timber to mature past its useful life and resulting in a large amount of downed timber that creates a potential fire hazard.

Could the state improve management of this renewable and sustainable resource in some way? Through incentives, could the state encourage responsible forest management, which would provide benefits to the landowner, the environment and the state’s economy?

The answers to both questions are yes, and the revamped, renamed and relocated Qualified Forest Program (QFP) is gaining substantial enrollment and interest.

In 2013, the former Forest Stewardship Program was moved from the Michigan Department of Natural Resources to the Department of Agriculture and Rural Development. It is now managed by Rich Harlow, who also oversees the Michigan Farmland Preservation Program.

“We have 10 million acres of private forestland in the state,” he says. “If we can sustainably manage these forests and bring more timber to market, the forestry industry in Michigan can help the overall economy of the state.”

This program, Harlow says, improves the state’s natural resource base and strengthens its economy. The state estimates that this program will create over 900 additional forest-related jobs, generating $44 million in labor income and $195 million in business revenue. In addition, a number of private foresters have increased their staff for writing forest management plans because of interest in QFP.

Timber buyers are eager for new channels for sourcing product, and landowners will secure several benefits. One financial incentive is that lands now subject to the 18-mill school operating tax are exempt under the program — minus a 2-mill fee for administration — essentially making it a 16-mill reduction.

Focus on forestry

PROCESSING: Like other commodities, timber relies on processing facilities, which also rely on growers. Quality Hardwoods Inc., a modern, high-production band mill in Sunfield in central Michigan, sources timber from Michigan forests and works with landowners to establish management plans. Will Borden (left) is general manager, and Luke Brogger is president.

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Quality Hardwoods relies on availability of product

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IKE milk, wheat and many other commodities, timber requires procurement. Michigan has several sawmills around the state, but it would like to build on that business to promote job growth and economic activity.

At Quality Hardwoods Inc., Bill Lenau started the business with a portable sawmill before buying its current facility in Sunfield. Lenau has been steadily building the business, which has 60 workers. From as far north as St. Ignace, to as far south as Howe, Ind., the company presently sources about 1,500 timber (standing) and 30% cut logs. “It’s mainly farmers in the north and more absentee landowners in the south,” says Dave Bullock, who is head of procurement. “It’s not usually clear-cut; our foresters are marking trees.”

Seven foresters and one timber buyer work with landowners, providing free consultations without any binding agreement to sell or purchase. “Our foresters are looking to purchase at a reasonable and fair price. We want long-term relationships. A forest can be ruined in one cut if it’s not done right,” says Bullock.

Will Borden, general manager, adds, “We want to do things correctly. We are Quality Hardwoods, and we are not moving. We have a facility to maintain and reputation to uphold.”

The company would like to attract more landowners through its website, but currently relies on referrals and repeat customers.

Housing downturn

While the lumber and hardwood industries have followed the recession in the housing industry, they’re beginning to see an uptick. “However, prices are supplied-driven, and there is volatility. We think the QFP [Qualified Forest Program] will help stabilize that some,” says Brogger, who owns about 1,000 acres and has 360 acres enrolled in QFP.

And, like agriculture, forestry is subject to weather. Not so much in the growing season, but in harvest. “We like winter,” Bullock says. “This year has been tough with the warm weather. We need freezing weather to build inventory to make it through the rest months. This year we have about half of the logs we normally have in the yard.”

The company processes about 10,000 to 50,000 board-feet daily of mostly red oak, hard maple and soft maple, as well as 150 yards of sawdust. The mill also ships about 100,000 board-feet of byproduct mainly for paper and 100,000 yards of bark for landscaping. The company’s early focus was on producing lumber and pallets. In 1998 a line bar and turner were added, replacing a circle mill, and a new focus was adopted a year later. “We’re beginning to gain yield and efficiencies. Here, a bandsaw is getting sharpened.”

Jay Patrick runs the debarking equipment running smoothly. Here, a bandsaw is getting sharpened. The mill processes about 500 to 900 logs a day.

C 3-D IMAGING: Technology has been incorporated in the plant, including a 3-D imaging machine that is a valuable new technology for hardwoods. General Manager Will Borden says it has allowed the company to gain yield and efficiencies.

D LIKE BUTTER: Inside the machine shop at Quality Hardwoods, it’s essential to keep equipment running smoothly and cutting efficiently. Here, a bandsaw is being sharpened.

E A LOOK INSIDE: Quality Hardwoods is set up with a catwalk system throughout the mill to monitor operations. Pictured is a portion of the mill as seen from the elevated platform.

F YEAR-ROUND: The sawmill runs year-round, even on the snowy day of March 1.

To see more of the operation and for more information, visit qualityhardwoodsinc.com.