

1978

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1978 PRICE REPORT COMPLETED

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The results of the 1978 Indiana Timber Products Price Survey reflect the strong demand for almost all species and grades of hardwood timber. Overall the average price paid for delivered logs made the largest one year increase recorded since the survey was initiated in 1954. The Indiana Hardwood Stumpage Price Index, Figure 1, jumped to 115.4. This is a 30% increase over the 1977 level of 89.0 and a 40.5% increase over the 1976 level. The index represents the "average" value per MBF of stumpage. It is the weighted average delivered log cost less logging and transportation costs. The weighting factors are the species composition and log quality distribution estimated by the Forest Survey conducted by the U.S. Forest Service.

Sawlog prices increased for all species and grades, Table 1. The largest increase was in cherry, up 39% averaging over all log grades. Black oak, basswood, red oak, white oak, ash and elm also averaged increases in excess of 30%. The smallest increase was recorded by black walnut, 15%. No. 2 and No. 3 logs increased 33% and 32% respectively, for prime and No. 1 logs. Judging by the number of mills reporting purchases, the most active species were red oak, ash, cherry, hard maple, yellow poplar, and white oak. These represent the prime furniture species.

Prices paid for veneer logs, Table 2, also showed some dramatic increases. Red oak was the leader, recording an average 60% increase in the select grade. The increase in the prime grade was only 29%, however. Tulip (yellow) poplar was surprisingly strong in both grades. Prime logs were up an average of 57% and select logs were up 43%. White oak remained the most active species but recorded only 22% and 33% increases in the prime and select grades, respectively. Black walnut was down in the smaller sizes of both grades, but the larger sizes in demand for export were up significantly.

The reported average cutting cost decreased from \$26 to \$23 per MBF. Transportation costs increased from \$31.50 to \$46 per MBF, however. (See Figure 1).

On behalf of the Cooperative Extension Service and USDA Crop Reporting Service, I wish to thank the 130 log buying units, mills, who returned the questionnaire. It is our hope that the results will help you in your business and that you will let us know if the survey can be improved to serve you better.

Table 2. Delivered prices* of logs purchased for face veneer, April 1978, Indiana

Species	d. i. b.	Prime Logs**				Select Logs			
		Range 1978	No. Responses	Average 1978	Change 7B/77 %	Range 1978	No. Responses	Average 1978	Change 7S/77 %
White Oak	16-17	1000-120	14	715	+20	800-200	10	465	+9
	13-20	1500-120	13	859	+21	1000-250	9	705	+8
	21-23	1300-140	12	903	+8	1200-120	9	674	+17
	24-28	1500-150	10	1015	+18	1400-250	6	850	+39
	29-up	2000-180	8	1147	+41	1500-50	5	740	+42
Red Oak	16-17	500-250	11	397	+24	450-200	5	330	+34
	18-20	600-250	7	460	+59	600-150	5	370	+111
	21-23	550-300	7	410	+27	450-90	6	265	+33
	24-28	500-300	7	410	+17	450-150	5	310	+56
	29-up	500-300	5	420	+20	450-50	5	260	+49
Sugar Maple	16-17	550-180	7	354	+22	400-150	4	262	+9
	18-20	550-250	5	410	+64	400-150	3	283	+3
	21-23	550-250	5	400	+39	400-150	4	275	+3
	24-28	450-250	4	375	-9	400-150	4	287	+1
	29-up	450-250	2	350	-9	400-150	2	275	0
Tulip Poplar	16-17	350-200	5	265	+23	300-150	7	211	+17
	18-20	350-250	4	281	+61	300-150	4	212	+44
	21-23	350-250	4	275	+56	300-150	5	205	+30
	24-28	500-250	5	370	+71	450-150	5	270	+61
	29-up	500-250	3	350	+75	450-150	4	262	+62
Black Walnut	16-17	4000-300	11	2140	-5	2000-250	10	1190	-29
	18-20	4000-400	9	2400	-13	3000-500	10	1675	-16
	21-23	6000-450	9	3027	-8	3500-1200	9	2105	-11
	24-28	6500-500	7	3500	+7	5000-250	8	2525	+19
	29-up	8000-600	7	4157	+19	6500-1250	6	3675	+69

*Prices are per thousand board feet, Doyle Log Scale

**Purdue Veneer Log Grades

Table 1. Prices* paid for delivered sawlogs, April 1978, Indiana.

Species	Prime logs**				No. 1 logs				No. 2 logs				No. 3 logs			
	Range 1978	No. Re-sponses	Average 1978	Change 78/77	Range 1978	No. Re-sponses	Average 1978	Change 78/77	Range 1978	No. Re-sponses	Average 1978	Change 78/77	Range 1978	No. Re-sponses	Average 1978	Change 78/77
White Ash	500-32	46	296	+ 30	350-30	44	230	+ 26	300-20	45	160	+ 34	300-15	47	113	+ 30
Basswood	300-100	32	205	+ 28	270-100	31	170	+ 27	200-70	33	130	+ 34	150-50	39	106	+ 34
Beech	225-80	32	147	+ 23	200-60	33	129	+ 24	180-40	34	115	+ 31	150-50	39	104	+ 32
Cottonwood	200-60	26	120	+ 22	155-50	25	111	+ 22	180-60	25	101	+ 28	150-50	32	98	+ 27
Cherry	450-120	42	289	+ 31	350-100	40	234	+ 42	300-80	44	162	+ 38	300-40	46	117	+ 44
White Elm	200-100	24	133	+ 21	200-80	25	124	+ 29	180-70	26	114	+ 36	150-50	34	107	+ 39
Shagbark Hickory	220-80	32	150	+ 25	220-60	35	129	+ 25	180-50	34	113	+ 28	150-50	37	105	+ 35
Sugar Maple	300-100	41	224	+ 19	250-90	41	183	+ 22	250-60	44	137	+ 26	150-40	44	108	+ 26
Soft Maple	300-90	35	177	+ 23	230-80	37	149	+ 23	180-50	38	123	+ 35	150-30	42	105	+ 31
White Oak	750-100	40	277	+ 28	500-60	41	210	+ 32	300-80	40	147	+ 35	250-50	44	113	+ 28
Red Oak	425-95	45	260	+ 26	330-85	45	204	+ 26	250-55	45	152	+ 36	175-50	48	112	+ 32
Black Oak	400-90	37	245	+ 30	300-90	38	201	+ 34	250-80	39	150	+ 39	150-50	44	111	+ 34
Tulip Poplar	280-50	41	201	+ 17	225-80	41	166	+ 19	200-60	42	132	+ 32	150-40	45	106	+ 33
Sycamore	200-80	33	136	+ 18	180-60	32	120	+ 19	180-40	31	110	+ 31	150-50	36	102	+ 34
Sweet Gum	200-80	21	131	+ 14	180-50	19	121	+ 20	180-70	22	116	+ 38	150-60	28	107	+ 32
Black Walnut	1500-250	30	499	+ 14	1000-35	31	407	+ 16	500-120	32	315	+ 20	500-100	28	186	+ 9

*Prices are per thousand board feet, Doyle Log Scale
 **Purdue Sawlog Grades

Figure 1. Indiana Hardwood Stumpage Price Index

