# 2003 Harvest of Forest Products

**January 2005**

Mississippi's forest industry (including private landowners, independent harvesters and forest industry) harvested and delivered $1 billion worth of forest products to mills and other processors in 2003. The total value of Mississippi's 2003 timber harvest delivered to the first point of processing (such as a pulpwood yard or sawmill) was $1,095,473,981. This harvest value is 5.5 percent higher than 2002. The year 2003 was the eleventh straight year Mississippi's timber production value was over $1 billion. Timber was the second most valuable agricultural commodity in 2003. Poultry and eggs was the most valuable with a $2.0 billion value, timber was second at $1.11 billion and cotton was third at $598 million. Mississippi's forest landowners collected $810 million for their standing timber in 2003. The estimated value of the logging and transportation sector was $285,057,405.

Severance tax collections on timber were $3,668,558. This total is 3.6% higher than 2002. Twenty percent of severance tax collections, or about $733,712 were returned to the counties where the timber was harvested. Eighty percent or about $2,934,846 went to the Forest Resource Development Program (FRDP) to provide cost share funds to private, non-industrial forest landowners for reforestation and other forest management practices.

The value of Mississippi's timber harvest increased 5.5% in 2003. This increase resulted from an increase in some harvest volumes and most prices. Hardwood sawlogs, pine plywood logs and pulpwood saw the greatest increase in value. Table 1 shows the estimated value of the timber harvest for 2003.

The harvest volume of pine sawlogs decreased by 6.3% and their value decreased 6.1%. Pine pulpwood volume increased by 9.6% and value increased 22.4%. Pine plywood log volume dropped slightly but value increased 15.4%. The volume of pine poles decreased 12% and their value declined 9.4 percent.

Hardwood sawlog volume increased 2.2% and value increased 26.2%. Hardwood pulpwood harvest volume increased by 13.8% and value jumped 34.1%. Hardwood veneer logs volume and value decreased. Crossties declined in both volume and value in 2003. Table 2 shows a comparison of 2002 and 2003 by product category.

The value of Mississippi's timber harvest increased in 2003 for the first time in 3 years. Volumes for Mississippi's major forest products - sawlogs and pulpwood - were mostly higher in 2003 with the exception of pine sawlogs, which dropped steady. Delivered prices were higher for the major products. Delivered prices for hardwood sawlogs and pulpwood in all areas of the state experienced double digit increases.Table 3 shows a comparison of prices for 2002 and 2003.

The increase in timber harvest value for 2003 was a welcome reversal of a 3-year trend. A record-setting softwood lumber market in 2003 helped to end the declining trend.

A good US housing market fueled the pine lumber market and the southeast US continued as the hottest construction area. Pine lumber production moved ahead in 2003 in spite of strong market competition from Canadian softwood lumber. Southern pine lumber production region-wide for the year 2003 was a record 16.9 billion board feet. Since pine sawlogs account for 60 percent of Mississippi's timber harvest value, this market helps steady the state's timber value performance in 2003.

Hardwood sawlog markets were improved by the second half of 2003. For the year, Mississippi hardwood log harvest volume was about 2% higher and delivered log prices improved nearly 20%.

Mississippi's pulpwood economy made great improvement in 2003. Pulpwood harvest volumes increased in 2003. Mississippi has seen several years of decline in the pulp and paper sector but that changed in 2003. Standing pulpwood prices generally increased by double digits. Delivered prices all increased more than 10 percent. Pine pulpwood value increased 22.4 percent and hardwood pulpwood jumped 34 percent. Overall, pine and hardwood pulpwood accounted for about 24 percent of the harvest value.

Mississippi's forest economy continues to change as the industry changes. In spite of these changes Mississippi forest landowners are in a good position to supply domestic and international timber demand. The long-term outlook for Mississippi timber production, especially for pine, remains positive. The recent Southern Forest Resource Assessment and other reports affirm that the South will continue to be an important timber-producing region for decades. In addition, recreational and non-timber values for forestland continue to develop. Landowners who are not managing their forestland are encouraged to start. As timber demand increases and southeastern states restrict timber harvesting in the future demand for Mississippi timber is projected to intensify. In addition, leaving your land more productive than when you acquired it is personally rewarding.

Table 4 shows harvested volumes of forest products for Mississippi counties within the Mississippi Timber Price Report regions. For current representative prices for Mississippi forest products consult theMississippi Timber Price Report.

For more information on timber marketing procedures and timber prices contact your County Extension Service or the Mississippi State University Department of Forestry, Box 9681, Mississippi State, MS 39762.

Sincerely,

**Dr. Bob Daniels**
**Extension Forester**