

TRENDS IN PULPWOOD PRICES IN THE SOUTHEAST, 1962-1969

ABSTRACT.--Average prices paid for pulpwood bolts in the Southeast increased 5 percent in 1969 over the preceding year. Prices paid for roundwood averaged \$20.90 per cord for pine and \$16.35 for hardwood. Prices paid for chips averaged \$8.45 per ton for pine and \$6.75 for hardwood. Since 1962, average prices paid for pulpwood have increased by over 25 percent. Pulpmills paid over \$410 million for pulpwood produced in the Southeast during 1969.

Average prices paid for pulpwood bolts increased approximately 5 percent during 1969; this compares with an average annual increase of about 4 percent since 1962. The price of pine bolts increased from \$16.55 per cord in 1962 to \$20.90 in 1969, and hardwood increased from \$13.40 to \$16.35. After a very slight increase during 1968, hardwood prices increased 4.8 percent during 1969. Pulpwood trucked directly to mill averaged 6 to 9 percent more during the reporting period (table 1).

Average prices for green chips continued to increase during 1969-- pine chips increased from \$6.55 in 1962 to \$8.45 in 1969, and hardwood chips increased from \$5.10 to \$6.75. This is an average annual increase of about 5 percent (table 2). Chips comprised 17 percent of the total pulpwood receipts during 1969.

During the 8-year reporting period, approximately one-third of pine and hardwood bolts were trucked directly to the mill; the remaining two-thirds were received at outlying woodyards and rail sidings (table 3).

The 1969 price estimates are based on reports covering 68 percent of all rough pulpwood purchased in Florida, Georgia, North Carolina, South Carolina, and Virginia. Based on these average prices and volume receipts, southeastern pulpmills paid over \$410 million in 1969. This is an increase of some \$49 million since 1968.

Table 1.--Average prices for rough pulpwood in the Southeast, 1962-1969^{1/}
(Dollars per standard cord, including bark)

Year	Pine			Hardwood		
	Rail & yard wood ^{2/}	Truck wood ^{3/}	All wood ^{4/}	Rail & yard wood ^{2/}	Truck wood ^{3/}	All wood ^{4/}
1962	16.20	17.35	16.55	12.90	13.85	13.40
1963	16.20	17.40	16.55	12.90	14.05	13.45
1964	16.50	18.05	17.00	13.15	14.05	13.60
1965	17.20	18.60	17.65	13.90	15.00	14.35
1966	18.35	19.70	18.80	14.55	15.45	14.90
1967	18.85	20.05	19.25	15.05	16.15	15.55
1968	19.25	21.00	19.85	15.05	16.35	15.60
1969	20.45	21.80	20.90	15.85	17.10	16.35

^{1/} Prices are rounded to nearest 5 cents.
^{2/} F.o.b. railroad at spur or siding or delivered to mechanized pulpwood yard other than millyard.
^{3/} Delivered to pulpmill.
^{4/} Weighted average of all pricing points.

Table 2.--Average prices for green chips
in the Southeast, 1962-1969^{1/}
(Dollars per ton)

Year	Pine	Hardwood
1962	6.55	5.10
1963	6.60	5.00
1964	6.50	5.25
1965	6.65	5.55
1966	7.30	5.90
1967	7.80	6.20
1968	8.10	6.30
1969	8.45	6.75

^{1/} Prices rounded to the nearest 5 cents.

Table 3.--Rough pulpwood receipts in the Southeast by points of delivery, 1962-1969^{1/}

Year	Pine		Hardwood		All species	
	Rail sidings and woodyards	Mill- yards	Rail sidings and woodyards	Mill- yards	Rail sidings and woodyards	Mill- yards
----- Percent of total -----						
1962	70	30	49	51	66	34
1963	69	31	50	50	65	35
1964	68	32	53	47	65	35
1965	67	33	55	45	65	35
1966	69	31	59	41	67	33
1967	65	35	55	45	63	37
1968	65	35	58	42	64	36
1969	66	34	59	41	64	36

^{1/} Based on reports from mills which collectively received about 63 percent of total rough pulpwood receipts in the Southeast.

Cecil C. Hutchins, Jr.
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