



Pulpwood Prices in the Southeast, 1981

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Abstract.--Expenditures for pulpwood continued to rise during 1981, but rate of growth was slower than in previous years. Monies expended totaled \$1,185.7 million, an 8.3 percent increase over 1980. Softwood roundwood averaged \$47.15 and hardwood \$35.10 per standard cord, up 7.4 and 6.7 percent. Chip prices were \$22.05 for softwood and \$15.50 for hardwood per green ton, up 11.4 and 3.3 percent. Softwood sawdust was up 14.6 percent to \$8.25 per green ton, but hardwood sawdust decreased 1.3 percent to \$7.55.

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Southeast pulpwood expenditures rose by 8.3 percent to \$1,185.7 million (table 1) in 1981. This increase can be attributed to higher prices, as pulpwood production remained at the 1980 level. Softwood pulpwood continues to account for approximately 82 percent of total expenditures, with softwood roundwood accounting for 55 percent of this total. Hardwood roundwood had the greatest change, a 17.8 percent increase, during 1981. Although other residues account for a small percentage of total expenditures, a very significant drop was recorded for the second year in a row, 28.6 percent for softwood and 72.4 for hardwood.

Roundwood pulpwood prices increased for softwood and hardwood during 1981, with \$47.15 being paid for softwood and \$35.10 for hardwood. The price increase of approximately 7 percent for all wood reflects the trend of the past several years (table 2). Chip prices increased

to \$22.05 per green ton for softwood and \$15.50 for hardwood. Softwood sawdust increased to \$8.25 but hardwood decreased to \$7.55 per ton (table 3).

Softwood roundwood and chips continue to be more expensive in Florida than in other Southeastern States, \$51.00 for roundwood and \$22.85 for chips. Hardwood roundwood was the most expensive in North Carolina, at \$38.00, while hardwood chips were highest in Virginia, at \$17.15. All states had price increases in 1981 for roundwood, and chips were more expensive in all states except Florida (table 4).

Movement of pulpwood from forest to pulpmill by truck increased by 9 percent in 1981, and now accounts for 45 percent of wood movement. More softwood pulpwood moves by rail, while the reverse is true for hardwood (table 5). Total mill receipts are comprised of three-fourths softwood and one-fourth hardwood.

Prices are based on a sample from 35 mills that collectively account for 75 percent of the region's mill receipts.

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Table 1.--Expenditures for pulpwood in the Southeast during 1981 and changes since 1980

Kind of wood	Year		Change
	1980	1981	
	Million dollars		Percent
Softwood:			
Roundwood	609.3	657.5	+7.9
Chips	283.9	307.1	+8.2
Other residues ^a	4.2	3.0	-28.6
Total	897.4	967.6	+7.8
Hardwood:			
Roundwood	133.9	157.8	+17.8
Chips	60.6	59.5	-1.8
Other residues ^a	2.9	0.8	-72.4
Total	197.4	218.1	+10.5
All species:			
Roundwood	743.2	815.3	+9.7
Chips	344.5	366.6	+6.4
Other residues ^a	7.1	3.8	-46.5
Total	1,094.8	1,185.7	+8.3

^aIncludes sawdust, veneer cores, pole and piling trim, cull crossties, and secondary residues.

Table 2.--Average prices^a for roundwood pulpwood in the Southeast during 1981 and changes since 1980

Kind of wood	Year		Change
	1980	1981	
	Dollars per standard cord, including bark		Percent
Softwood:			
Rail & yard wood ^b	43.25	46.40	+7.3
Truck wood ^c	45.05	48.40	+7.4
All wood ^d	43.90	47.15	+7.4
Hardwood:			
Rail & yard wood ^b	32.25	34.00	+5.4
Truck wood ^c	33.90	36.50	+7.7
All wood ^d	32.90	35.10	+6.7

^aPrices rounded to nearest 5 cents.

^bF.o.b. railwood at spur or siding or delivered to mechanized pulpwood yard other than mill yard.

^cDelivered to pulpmill.

^dWeighted average of all pricing points.

Table 3.--Average prices^a for green chips and sawdust in the Southeast in 1981 and changes since 1980

Kind of wood	Year		Change
	1980	1981	
	<u>Dollars per ton</u>		<u>Percent</u>
Softwood:			
Green chips	19.80	22.05	+11.4
Sawdust	7.20	8.25	+14.6
Hardwood:			
Green chips	15.00	15.50	+3.3
Sawdust	7.65	7.55	-1.3

^aPrices rounded to nearest 5 cents.

Table 4.--Average pulpwood prices^a for roundwood and chips, by State, during 1981 and changes since 1980

State	Roundwood		Change	Chips		Change
	1980	1981		1980	1981	
	<u>Dollars per standard cord</u>		<u>Percent</u>	<u>Dollars per green ton</u>		<u>Percent</u>
SOFTWOOD						
Florida	48.45	51.00	+5.3	19.05	22.85	+19.9
Georgia	45.45	49.05	+7.9	19.90	21.95	+10.3
North Carolina	39.20	42.20	+7.7	20.25	22.05	+8.9
South Carolina	39.60	42.85	+8.2	19.95	21.60	+8.3
Virginia	39.30	44.45	+13.1	19.50	22.25	+14.1
HARDWOOD						
Florida	33.50	34.90	+4.2	13.25	13.25	--
Georgia	33.15	35.40	+6.8	13.95	14.85	+6.5
North Carolina	34.50	38.00	+10.1	14.45	14.95	+3.5
South Carolina	31.45	32.65	+3.8	14.65	15.65	+6.8
Virginia	30.55	33.25	+8.8	17.10	17.15	+0.3

^aPrices rounded to nearest 5 cents.

Table 5.--Mode of transporting pulpwood in the Southeast, by species, type of wood, and percent of total receipts, 1981^a

Type of pulpwood	Truck	Rail or mechanized yard	Total mill receipts
	----- Percent -----		
Softwood:			
Roundwood	38	62	51
Chips	49	51	23
Sawdust	81	19	2
Total	42	58	76
Hardwood:			
Roundwood	44	56	15
Chips	67	33	8
Sawdust	100	--	1
Total	54	46	24
All wood	45	55	100

^aExcludes unchipped veneer cores, pole and piling trim, and secondary residues which made up less than 0.1 percent of the total mill receipts.



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