



PAY a Consultant?

Often landowners question paying for consultant services, even when considering a timber sale. Usually the landowner wants to have all the money and not share a percentage of the sale income.

Most of us employ lawyers to draw our wills and conduct our legal business. We may hire an accountant to prepare our tax returns. Isn't it logical then to hire a forestry expert to assist us if we lack the technical expertise to competently represent ourselves? Unfortunately the answer to this question is much too frequently, "No."

When people ask me about hiring a consultant, I like to respond with an example from the days when DEC service foresters were marking a lot of timber.

A landowner contacted me who had purchased 34 acres of woodland a few months before. He was contacted by a logger and offered \$7,600 for all the timber. The owner mentioned he would like my opinion before signing a contract. The logger responded that I would spoil the sale; and he guaranteed he would pay less if I were involved. The owner contacted me anyway.

As we walked the property, the new owner expressed an interest in receiving some income to help offset the parcel purchase. The woodlot was the most impressive stand of timber I had ever seen. The discussion that ensued covered short and long-range goals, various management options, and projections of future opportunities. To meet the college costs of an eleven year-old son and to compromise between short-term needs and long-term desires, we set upon a course of management involving a selection harvest on seventeen acres. I commenced to mark 377 thousand board feet (MBF) of primarily white pine and hemlock to favor hard maple and hemlock growing stock. It is not every day a forester can mark 200 MBF per acre and still call the sale a selection cut; but this sale represented about 40% of the trees on the site. The cut was planned to

be a little heavy in the white pine because many of the trees were over mature and the owner needed to recoup some of his land purchase investment. To make a long story shorter, the logger returned to point out that I had indeed missed more than half the timber. He reduced his bid to \$7,000. The landowner mused over the fact the offer had only dropped \$600 and decided to solicit bids to see what competitors might offer. A dozen bids came in ranging from \$11,200 to \$11,400 and one bid arrived at \$17,635. Needless to say this landowner would have been happy to pay consultant fees. He entered a contract where he was in control of which trees would be cut. He had money in hand before the cutting

started, and a performance bond to assure contract compliance for protecting his interests. After two decades the other half of the stand was successfully harvested with the assistance of a forester.

A few summers ago I happened to have the opportunity to show this area to another forester. We agreed the stand I highly productive, carrying at least 25 MBF per acre of very high quality sugar maple and other species. It is again ready for a very profitable harvest. This woodlot stands tribute to the benefits of careful forest management carried out with professional forester assistance.

This story does not state that all loggers are crooks. I want to make that point clear. We all know some are

Should I Use An Industrial Forester?

Industrial foresters normally buy timber for their parent company and, in that position, have a responsibility to their employer to supply the mill with raw wood products. In order to gain access to private forestland, many companies provide forestry services to landowners.

These services and the agreements that go with them, vary by company. Some companies provide free service in return for some type of commitment from the landowners for stumpage availability. Some companies charge fees for service, but do not require wood be sold to them. The variety of services and the cost/benefit factors vary considerably as do those of consultant foresters. Landowners should assess their needs and determine who best fulfills them. Some companies will develop forest management plans that make the forest owner eligible for the forest tax law (Real Property Tax Law, Section 480-a) or for federal cost sharing under the Stewardship Incentive Program (SIP). Many also perform Tree Farm inspections for certification under that industry sponsored recognition program.

The important factors landowners need to consider when choosing a forester are: who best understands and can fulfill the owner's goals; what are the cost/benefit returns for the services rendered; who has the personality the owner is most comfortable with; and whose references check out the best.

Forests are long-term investments. They are often an under-appreciated, misunderstood resource. They are also dynamic and diverse. When contemplating any management action, forests deserve our full careful consideration. Landowners should make informed decisions about when to harvest, when to wait, or when to invest in some sort of conservation practice. Owners should develop a clear set of realistic goals so maximum pleasure and economic reward can be gained from ownership investment. A professional forester can be an extremely valuable guide for forest owners as a resource for information upon which to base informed decisions.

As a public forester, I have met outstanding forester from all sectors of the forestry profession. There are no simple answers regarding with whom the owner should do business. It comes down to the comfort of the person doing the choosing. Fortunately there is plenty of competition so landowners have a good pool of professional help. M.G.

dishonest; but any business transaction between a willing buyer and a willing seller can present the sort of issues seen here without concluding that deception is occurring. Loggers have different costs and different marketing opportunities. Some can simply afford to pay more than others. Some are more efficient. Perhaps the logger had plenty of timber bought ahead and was only interested in cheap wood or didn't want any finance charges and only offered available cash. Many factors may determine what someone is willing to pay for their resource inventory.

The point of this story is that it pays to know what you are selling (or buying). To make informed decisions, people often benefit from expert advice. In my experience, forest owners have always gained by using a good forester. Gains can be direct income or they may include less tangible benefits as well.

This landowner gained financially in both the long term and the short run. He also retained aesthetic, recreational, wildlife and assorted values which could have been lost if he had proceeded without technical assistance.

I recently was thanked by a landowner who had contacted me for advice regarding a timber sale. I had discussed issues, sent him pamphlets, and encouraged him to hire a forester. He has followed that advice and was pleased to have his harvest underway. He had hired a cooperating consultant forester and ended up selling to a logger I've had a friendly relationship with for years. He did, however, leave himself open to losing control. To gain an extra favor of having yard trees pruned, he gave the logger the right to cut extra trees in the sales contract. I don't understand why someone would hire a forester to help with a timber sale and then leave himself open to be exploited. In this case, he will probably be all right; but he surely left himself vulnerable. He no longer has the residual stand of timber planned for the future.

The next question, which tends to follow is, "How much should I pay?" Some consultants work on sales commissions. Others may charge by the hour, the acre, or the job. I recommend that an owner might consider hiring a forester who charges by the hour. Therefore, there is no

vested interest in the timber sold. Landowners need to develop an understanding of their relationship with their consultant under any system of payment as one would with their doctor or lawyer. The relationship should become one of mutual trust. As with any system, one needs to recognize that a forester is a professional with fringe and indirect costs similar to any business. As a business, the forester has to charge enough to remain profitable. Cheapest isn't necessarily best.

Another question is, "How do I select a forester?" DEC has directory of private foresters who have agreed to follow accepted standards and a code of ethics. Memberships in professional organizations can give insight to someone's character or commitment. Foresters may belong to the Society of American Foresters, the Association of Consulting Foresters, or the New York Institute of Consulting Foresters. In addition, as when hiring a cabinet-maker, electrician, or plumber, one should always check references and interview the prospective service provider to see if there is a positive feel to the relationship. Remember that forest ownership is a valued investment that deserves careful consideration. Make informed decisions.

Some might wonder why someone in the public service forestry arena would be encouraging hiring a forester from the private sector. Administering service forestry programs in my vision is serving as a catalyst to encourage private forest owners to become active managers of their resources. It is not meant to be a program to compete with the private sector.

Our staff often writes forest management plans for landowners. These are not meant to be the detailed plans that an owner would need to qualify for a forest tax law (Real Property Tax Law, Section 480a) management plan. Staff cannot write those, by policy, as we do not want to be placed in the position of certifying our own work. The plans our foresters do prepare are intended to give the owner a written record of the service forester visit and a refresher of the dialogue and recommendations, which took place during the visit. These plans serve as encouragement to actively manage resources and how to get started. Some owners may wish

very detailed inventories and analyses, which go beyond the limited time allotment for a DEC service forester.

Federal cost share programs, which are administered by DEC service foresters, provide the incentive to hire someone to implement long-term practices that usually aren't undertaken without such incentives. These conservation practices provide a societal benefit while helping the landowner gain more from the land. Active management, according to proven standards, yields very good investment returns over the long haul.

When the landowner sells timber, immediate returns easily carry the cost of hiring a professional forester. Here the public interest is to encourage the owner to utilize a forester and provide encouragement to the private sector to utilize acceptable standards. DEC's Cooperative Forester Program is a team building approach to enhance New York's great renewable forest resource. I do not agree with the often-made charge that DEC's service forestry program is ineffective.

We simply do not need to see every acre every year. Our services are available upon request, not forced upon landowners not seeking advice. Government cannot hire enough foresters to do the complete job of managing all of New York's forest resources.

With public and private sectors working cooperatively together, New York's forest resource can be enhanced.

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