Timber business booming throughout northeast Florida

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LIVE OAK, Fla. (AP) — The towering grove of century-old longleaf pines surrounding Roger Ward's family home is a rare site in this verdant swath of north-central Florida — most pines here are cut and processed for profit as soon as their 15-to-18-year growth cycle is complete.

The demand for timber worldwide is booming and this remote section of Florida, along with other timbergrowing regions of the southeastern U.S., are benefiting. Dozens of lumber mills and pine straw, bark and wood pellet processing plants have sprung up in north Florida to take advantage of the unique soil composition, lengthy growing season and warm, moist climate in which pine trees thrive.

In a state where undeveloped real estate quickly gives way to neighborhoods, strip malls, hotels or amusement parks, this timber-rich part of Florida is unique.

Ward jokes that the acres of tall pines constituted his college fund and his parents' 401k. The family's fortunes have long been linked to the rise and fall of the timber market.

"This is certainly one of the better times around here for timber," Ward said as he inspected a field of tree saplings on a recent afternoon.

Timber prices are rising as demand grows for timber used in building, paper products and biofuels worldwide. Prices for Florida saw pine peaked around 2005 — before the housing bust and the recession — at \$40 a ton, according to Timber Mart-South, a Georgia-based nonprofit organization that tracks the timber industry. Prices fell to \$21 a ton in 2011 but are now around \$25 a ton and rising.

Thomas Mende, president of U.S. operations for the Austrian-based timber company Klausner, is another person banking on the southeast timber market. Mende's company recently invested \$130 million in a new Suwanee County, Florida, timber mill, which ships pine boards to Asia, South America, Europe and beyond.

On the main road outside the mill, a billboard encourages locals to apply for jobs. Klausner currently employs 300 people here and hopes to hire about 50 more.

"What you have here is an ideal location where the trees grow fast, there is political stability, excellent infrastructure and a solid workforce," Mende said from his office, which overlooks acres of processed wood awaiting shipment.

In the American northwest and in Canada, some federal restrictions on foresting, longer growing cycles and problems with wood boring beetles have created supply issues and driven up costs, Mende and other experts said.

"Wood is being rediscovered as environmentally friendly," Mende said.

He points to major building projects, including a 10-story wood building recently built in Australia and a taller wood building in Austria. The buildings use massive wood panels up to 64 feet long and 8 feet wide.

The building trend is one of many factors fueling a steady increase in price of pine, said Sara Baldwin of Timber Mart-South.

"Certainly with the opening of a brand new mill in the middle of that region, I would say Florida pine is experiencing a resurgence," she said.

Nowadays Ward and his fellow Suwanee County farmers are turning to Brian Coble, the region's longtime state forestry manager, for his expertise on nurturing tree saplings to maturity and making sure they make the best use of their land. On a recent morning, Cobble and Ward waded through acres of waist-high saplings, assessing their health.

The fresh smell of dog fennel sprouts, also known as wild chamomile, permeated the muggy mid-morning air as gnats and mosquitos buzzed over the young trees.

Ward and Coble used a tape measure to help count the 31 saplings within a 26.3 foot radius or a 20th of an acre. Coble inspected saplings that weren't thriving to determine if they had bugs or were being smothered by the surrounding vegetation. He advised Ward to mow in some areas and use herbicide in others.

But as has often been the case in Florida, despite the growing demand for timber and rising prices, some in the area think the tree farms will eventually give way to development.

Timber expert Sara Baldwin said development, especially in Florida, frequently wins out over other land uses.

"Trees are not always the highest and best use of land and there are often economic pressures to develop," she said.

But Mende, of the Klausner mill, says trees, at least in the short term, are the region's future.

Ward agreed.

"It comes down to the math," he said. "If trees are the best return on investment available for the land, people will plant trees."