

WASHINGTON FOREST PRODUCTS COOPERATIVE

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For a considerable time it has been difficult or impossible for the average farmer in the Pacific Northwest with small timber holdings to market those forest products which from time to time should be marketed. When these products have been sold, it has been necessary to sell them on a stumpage basis. This method of disposing of many forest products is usually very unsatisfactory from the standpoint of the farmer.

How different, however, has the marketing situation been in this region with other farm products, such as eggs, poultry, and milk products, which have been sold through cooperative marketing organizations. In no other farming region in the United States are the farmers more cooperative-minded or profiting more from this method of selling the products of their farms.

While I was preparing this paper the Washington Poultry and Egg truck was at the back door on its weekly visit to deliver more than a ton of grain for cows, hogs and chickens, and pick up the week's production of eggs, which will command 7 to 9 cents per dozen more in the New York markets than nearby eggs produced in that State. The Snohomish County milk truck had already made its daily visit to the farm to pick up the day's milk.

It is no mystery, then, that the farmers in this section should turn to this same method of marketing their forest products when it was suggested to them by the Soil Conservation Service, after several months' work by their foresters in the farm woodlands of the county.

After several preliminary meetings of farmers owning timber in Snohomish County had been called by the County Agricultural Agent and the Soil Conservation Service, an organization committee was appointed. Several meetings were held by this committee, who, with the able assistance of the County Agent, drew up proposed By-Laws, a Marketing Agreement, and Incorporation papers.

On April 11, 1940, a meeting was called of those interested, at which time the organization papers were adopted, six directors were elected, and the baby farmers cooperative of the West Coast was born, known as the Washington Forest Products Cooperative Association.

Some of the objectives of this association, as stated in the Articles of Incorporation, are:

1. "To engage in any activity in connection with the marketing, selling, harvesting, preserving, storing, handling, or utilizing of any forest products of its members."
2. "To improve the yield of forest land and increase the income derived therefrom."
3. "To establish a conservative cutting policy in the interests of a perpetual crop."

When the organization work was completed, considerable time and energy was expended in making contacts with purchasers of wood products all the way from Bellingham to Salt Lake City. Due to unsettled worldwide conditions, markets were not too encouraging at first. The first business was done in July, 1940, when the manager obtained an order for fir piling. This order was soon followed by others, all of which were filled to the satisfaction of the dealers.

On the strength of this business, we finally received an order for 5 to 6 thousand Douglas fir telephone poles, and as many Douglas fir piling as we wished to deliver. In filling this order to the satisfaction of the dealers and our membership, we proved to the dealers our ability to deliver the goods, and to our membership, then about 60 in number, the fact that we could find markets. Since that time the manager has often embarrassed us with more business than we could handle.

* Read before the Forestry Section of the Northwest Scientific Association, Spokane, Washington, December 29, 1941.

While this association has only been in operation for about 18 months, we have done enough business to demonstrate several advantages of this method of marketing. In the first place there is a very great saving of timber. When the farmer sells stumpage, the logger taking out the product does not usually care what destruction is caused to the remaining standing timber. This is not so when the owner himself logs his timber.

Some time ago, I sold cedar poles on a stumpage basis; and in spite of the fact that the written contract definitely stated that there should be no undue damage to standing timber, the cutters often cut three or four smaller cedars or firs to get the one wanted. We are now logging our own timber and the past year have cut over 400 poles and piling with practically no damage to the remaining standing timber.

Then too, because of the volume of our orders, dealers have been willing to send out representatives who have visited the farms where cutting was taking place and have aided the farmers in interpreting the specifications, pointing out objectionable features, as spike knots, cat faces, etc. This has resulted in very few poles being discarded at the place of delivery. This, of course, saves much material, labor and cash outlay for transportation of cull material. Dealers often are forced to refuse a large percentage of products delivered. One pole representative with whom we worked last winter stated that his company had been forced to cull back more than 100 poles from a batch of 300 delivered.

The Soil Conservation Service, through the medium of complete farm plans which have been prepared for most of the member's farms, has also aided very materially by showing us the desirable trees to be cut, both as to the requirements of the trade and in relation to the rules of good silviculture.

We have been conscious of the skepticism of the dealers in the ability of the farmer to meet contracts, due to the lack of knowledge of market requirements, or other inabilities. The asso-

ciation is doing much to allay this lack of faith.

Another important saving which has been very apparent is the nature of the orders we have been able to fill due to the fact that we can deal in a much larger volume than an individual farmer could. Our pole orders included poles of lengths from 25 to 50 feet, and piling from 20 to 110 feet. This enabled us to utilize practically all of the tree from the stump up to a top diameter of 6 inches; whereas if one is cutting poles or piling of only one length, he can utilize only a small portion of the tree.

Of course, there is always some part of the tree which cannot be utilized for anything but firewood. Then, too, there are individual trees which, because of crookedness or numerous limbs, are of no commercial value except for stovewood. The Association is now taking initial steps to borrow money from the Farm Security Administration to make advances to farmers who wish to cut and yard out stovewood to cure until the next fall, when it can be marketed as dry wood at a premium of a dollar or more per cord. This will enable us to save many scores of cords of wood which would otherwise be a total loss, and in addition would be a fire hazard.

Most of our members do not have the necessary equipment to yard out or transport material such as logs or large piling. It is the policy of the Association to employ other members who are equipped to do this work. In this way we are serving each other to the advantage of all. It makes it possible for the member to make a job for himself and his regular help, during slack times in ordinary farm duties.

Our manager is a man with long experience in the woods and in business, and in addition, he has had some training in technical forestry. His experience, together with aid from the foresters of the Soil Conservation Service, has enabled us to produce a more standard product which will command a premium on the general markets. This standardization of products is one of the basic principles of cooperative endeavor.

I, however, would not be doing justice to the men who have fostered this movement and who have given unstintingly of their time and energy if I only emphasized the immediate pecuniary gains of our cooperative efforts.

While most of the members of the cooperative need the immediate returns from their forest products, they are also keeping in mind the welfare of the future of this, one of the most favored regions of the United States. The Association has very clearly and definitely in mind a permanent policy of sustained yield and selective cutting. Some members are looking far enough ahead toward a permanent forest policy that they are willing to increase and improve their forest holdings by new plantings.

Approximately 400,000 Douglas fir, cedar, and cascara have been planted on about 500 acres the last two years on land owned by farmers in our county. The farmers, in most instances, have paid 50 percent of the initial cost of these trees. This speaks well for the new attitude many of these farmers have toward their timber holdings, when one realizes that many of them in the past have often looked upon their forest holdings as a hindrance to their normal farm operations.

Far-reaching forestry policies cannot be thoroughly established until the average farmer who has timber holdings can see that his timber, instead of being a hindrance to him in his regular farm operations, can be made to contribute to his annual farm income in a very material way and should therefore be considered as one of his regular farm operations. Finding a remunerative market for even limited amounts of forest products at frequent intervals will do more to engender and increase respect for timbered acres than any amount of philosophizing about a permanent forestry program. Taxes, interest, and farm payments are not met by theorizing.

The 1933 Census lists 99,000 acres of land owned by farmers in Snohomish County as not being cropped or pastured; about 50 percent of this land

supports stands of second-growth forests.

Approximately 9,000 acres of these second-growth forests are signed up in our Association among its approximately 90 members. This amount is growing appreciably since we now have a full-time manager. One of the manager's duties is to investigate prospective member's timber holdings, and also ascertain whether the individual is willing to practice a sustained yield cutting policy, since the aid and cooperation of the Soil Conservation Service, through the medium of farm plans, is contingent upon the Association's ability to practice this policy.

The past year the Association has done well over \$30,000 worth of business, most of which would have been impossible without an organization. This is no small item in the, too often, meager income of stump ranchers. This is aiding very much in making these farmers forest-minded. The plans adopted, together with the definite aid of federal foresters in the way of education along practical forestry lines, and in making much unavailable timber available by building trails for roads and firebreaks, are all making for a wholesome attitude toward forestry.

Our Association is, however, only a babe among the family of cooperatives. It must be fostered by Federal, State and local agencies until its numbers and experiences give it impetus enough to carry on by itself.

Some day our generation will stand criminally indicted before public opinion because of its profligate waste of the God-given rich natural resources of our land. Nowhere will that indictment be more deserved than in our Pacific Northwest region in the handling of our once wonderful forests. The problem of a conservative, long-time forestry program is of such magnitude and of such importance that it merits the combined efforts of national, state, regional and local forces. I firmly believe that cooperative selling of forest products will aid materially in solving this most important phase of conservation of our forest resources!