

# MEMORANDUM

Date: May 20, 2020

To: Greater East Grand Region Economic Planning Team

From: Elbridge

Re: Summation of Interviews with Loggers & Large Timberland Owners

Over the course of the fall and winter of 2019 - 2020 a number of interviews were conducted with area loggers and large timberland owners in order to better understand the employment and business perspective in the GEGR. The following two sections summarize and share those findings:

## Timberland Ownership

Of the nearly 475,000 acres of land area (excluding water) within the GEGR approximately 400,000 acres (84%) are owned by large timberland entities. (See list of Landowners to the right) These lands are held and managed primarily for the long-term growth, cultivation and harvesting of trees and thus are classified and taxed under the Maine Tree Growth Law. (The one exception to timber is the two townships which house the footprint of the Stetson Mountain Windfarm) Over 320,000 or 80% of the total commercial forest land is owned by families and/or family-owned entities. Other owners include: 10% by conservation organizations, 6% in TIMO investments, and 4% by the State of Maine. Several of the larger family owners are also in the logging business. The single largest landowner is the Baskahegan Company, whose family shareholders have owned lands in the GEGR for nearly 100 years. Many of these family and family-owned entities are Mainers, some having business offices in or near the Region, reside in the area or have summer homes and family ties to the land. (See Map of large timberland ownerships attached)

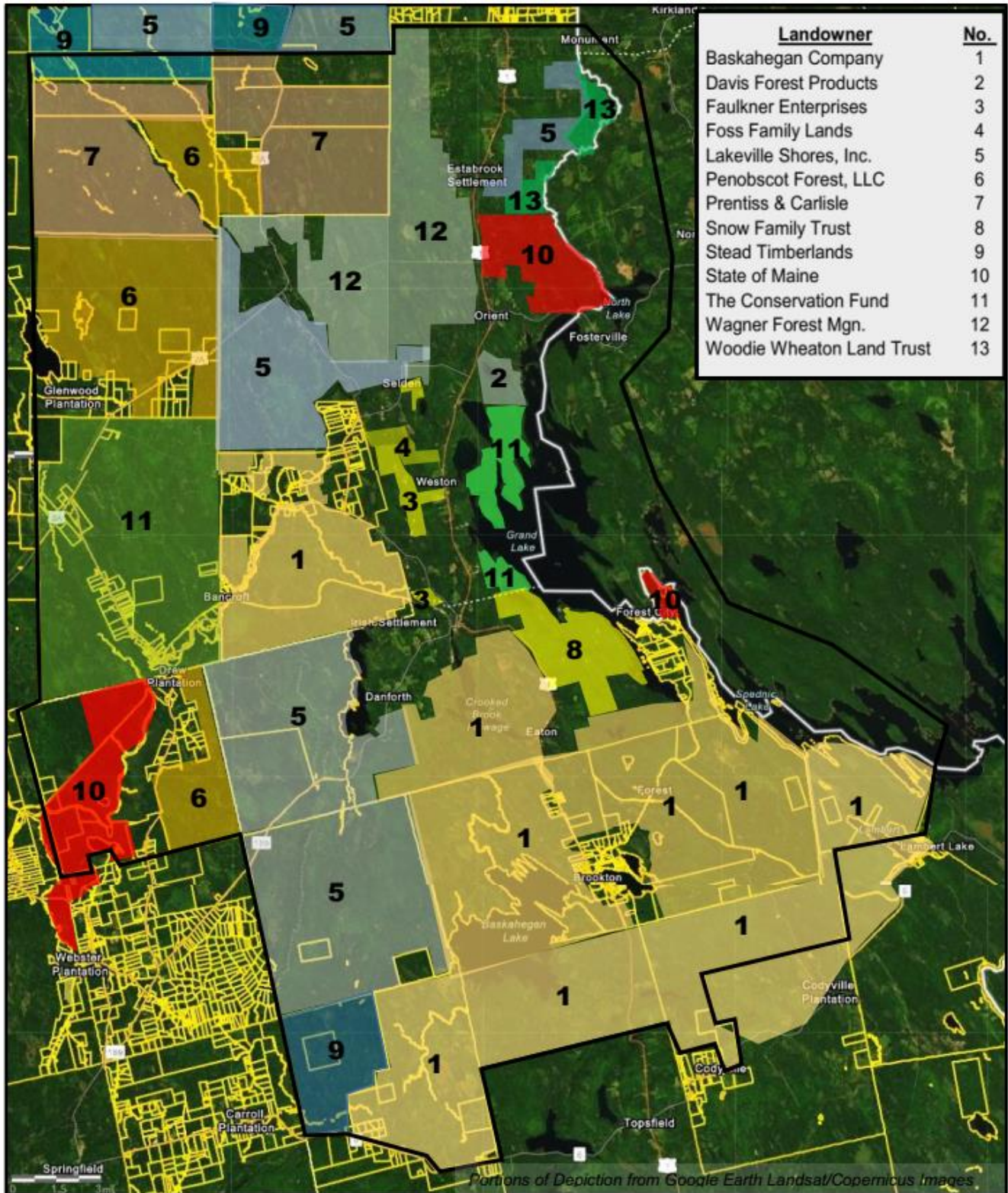
<u>Landowner</u>
Baskahegan Company
Davis Forest Products
Faulkner Enterprises
Foss Family Lands
Lakeville Shores, Inc.
Penobscot Forest, LLC
Prentiss & Carlisle
Snow Family Trust
Stead Timberlands
State of Maine
The Conservation Fund
Wagner Forest Mgn.
Woodie Wheaton Land Trust

## Loggers & Lumbering

The GEGR has long been known as the home of loggers and woods workers. With forests occupying large swaths of the landscape, it is no wonder. The area was settled first for lumber and secondly for farming or agriculture. If the truth be known, most settlers depended upon the forests for lumber, heat and jobs; the farmland provided sustenance for man and beast. The following bullet points summarize a number of conversations with area loggers:

- Most loggers are second and third generation of families with a long history in the business.
- While some businesses with younger family members have succession plans, others appear to have done little planning beyond the short-term. Loggers who have diversified into land and/or real estate appear to be most successful.
- With woods work long subject to mechanization and enhanced production there seems little can be done to further reduce the number of woods workers needed to meet industry needs.
- Some loggers say the shortage of woods labor is in crisis territory. The average age of a worker is approaching 60 years, with most of the higher skilled jobs held by the oldest employees.
- Lack of knowledge of available jobs and pay scales coupled with extremely low aspirations are major issues. Woods work is not promoted as a job in which to aspire. The continual shrinkage of the forest products industry has not helped with this misconception.
- Larger size loggers have found financing, mentoring and assisting entry level entrepreneurs has been a way to help address the labor shortage. Here again, members of families with a history of logging seem to be the best prospects. Most of the successful examples were where the logging firm helped the entrepreneur develop a sole proprietorship business, providing financing for a truck and skidder, a logging chance and assistance with markets. Most cited such entrepreneurs would not have been able to obtain bank financing.
- There are a few good examples of equipment operator training (Vocational, industry sponsored, etc) that has led to successful employment. OJT is no longer possible – training prior to being placed into a production environment is imperative.
- Aspirations must be changed – informing, providing employment options and professional training of local youth prior to full employment is imperative if the forest economy is to survive.

# GREATER EAST GRAND REGION – MAJOR TIMBERLAND OWNERS



Date: July- 2020