

An Owner's Experience of Clearfell



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Teagasc Presentation Footer



Topics

- The plantation
- Preparation
- Choosing buyers and harvesters
- Replanting
- Revenues, costs and taxation



Forest / harvest details

- Sitka spruce planted in 1994
- SPA
- Clearfelled in 2021 – 2022
- Two thinnings
- YC 24 -26.
- 21m top height average
- 25 cm average DBH
- High stocking density despite thinning
- 470 m³/ha clearfell volume



Preparation

- Brush paths and thinning racks = access
- Started felling licence process in 2019
- Plots taken in 2021. Could have grown more - but timber prices were good.
- Hen harrier (SPA) constraint
- Road and turntable upgrade
- Decided to look for standing prices - simpler
 - No issues over timber category
 - Single price per tonne for all timber
 - Purchaser pays all costs and organises all contractors.



Choosing buyers and harvesters - Critical

- Approached 3 potential sawmill customers
 - Came and inspected plantation.
 - Accepted best negotiated price but also looked at payment schedule, timber removal history
 - Brief contract setting out price per tonne, removal and payment schedule and the various responsibilities of vendor and purchaser
 - Insisted that my own long-term harvesting contractor be used

- Harvested between Oct 2021 and Feb 2022



Supervision and ongoing tasks - Critical

- I Put camera in place at site entrance
- Used Docket box and text messaging system
- Good harvesting contractor – no site damage issues. He also helped liaise with the sawmill and lorry drivers
- I kept road access up to standard required. More stone etc.
- I checked dockets, texts and camera constantly. Sent invoices to sawmill. Never an issue
- I kept a spreadsheet record of dates, loads, volume, timber category and payments.



Re-planting

- **Started re-mounding as soon as harvesting finished.**
 - Cleaner site - no vegetation regrowth
 - Easier to walk on
 - Minimises competition for new trees
- **In ideal world brash would be removed from the site**
 - Cleaner, easier worked site
 - Less potential for weeds
 - Small or nil revenue increment
 - Possibly avoids need for expensive mounding
 - Not possible in my case - too far from potential end user



Revenues, costs and taxation

- Total profit = Total Revenue minus Total Costs
- Liable to USC (and PRSI if seller is **under 66**)
- I was liable for USC - at marginal rate of **11%**
- **Spread over two years** meant more was at lower percentage

