

BEACON FORESTRY INTERNET TIMBER MARKETING



Sale Events 2005

Beacon Forestry's monthly electronic timber sales continue as usual on the last Wednesday of each month.

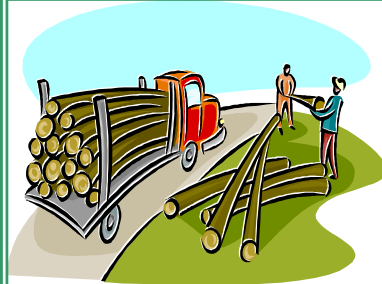
Auctions take place at 1400 hrs.
Tenders Close at 1400hrs
Your calendar is enclosed.

Any enquiries to Mike Bentley on 01721 724788
or email mb@beaconforestry.co.uk

Thinking of selling timber this Winter?

Now is the time to act. To ensure that you access the whole market and improve your prospects, market it on the internet with Beacon Forestry.

1.5% (FTA Member) - 2.3% (+VAT) Commission charged
NO SALE—NO FEE!



Please send me more information on :-

Selling timber through the Beacon System

Buying timber through the Beacon System
Please Tick as appropriate

Name:.....

Address:.....

.....

.....

Post Code: Tel No.:

Please post, fax or e-mail to :-

Mike Bentley
Beacon Forestry, Broombush House, Venlaw High Road, Peebles, Tweeddale EH45 8RL
Fax: 01721 724798 email: mb@beaconforestry.co.uk



BEACON FORESTRY NEWSLETTER

BEACON FORESTRY INTERNET TIMBER MARKETING

Introduction

As 2004 rapidly draws to a close, both timber sellers and buyers can look back on a year which saw markets remain very active, virtually throughout.

Prices also improved, not as much for round timber as they did for sawn timber, but an improvement nonetheless. The weakening of Sterling against the Swedish Krona, unreliable supplies again from the Baltics and strong user-demand being the main reasons.

Growers' returns

These have not benefited fully from the upturn in sawn prices because of increased haulage costs (although we at Beacon question the full validity of this given that rising world oil prices must affect imported timber more than home grown supplies!); increased harvesting costs as contractors pay more to

keep themselves insured and legal; and a generally static market place for small round-wood and poor quality logs.

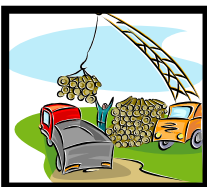


Hardwood growers have not been affected quite as much although the continual supply of relatively inexpensive oak and beech from France and Eastern Europe continues to temper dramatic price increases.

That saw-millers are enjoying a significant price increase for their sawn goods is not in doubt, it is why more of this benefit is not being passed back down the chain to the contractor and grower that causes concern. One school of thought is that the UK roundwood marketplace has become overburdened with poorly negotiated medium and long-term contracts which now begin to



look 'cheap' in the present climate. If buyers are not reacting it's because they don't have to in the same way as they would if more timber was sold competitively, on the open market.



www.ecolots.co.uk - this is the successor to the original Woodlots and offers a completely free service for anyone wishing to sell or locate rural products and services. Advert categories include round timber and sawn timber.

Eco-Lots & Contak

Beacon are also involved in two other on-line marketing initiatives. We are the contracted Service Providers for:-

www.contak.org.uk - a new web based machinery ring covering the whole UK specialising in the supply/hire of machines, operators, tools & equipment used in small scale woodlands and the conservation industry. This free service brings together managers, contractors, land owners and machinery by listing available machines, hire rates and contact details.



Forest Enterprise

The last auction under our current 3 year contract with FE took place in September with less volume likely to be sold through Beacon in the future as FE take this work in house with their own electronic timber sales system. FE plan to continue to use Beacon on an ad-hoc basis but without the guarantee of contracted volume.

Below is a summary of the prices achieved in the Forest Enterprise sales in 2004

Summary of the 2004 Forest Enterprise Sales								
Region	LOGS				STANDING			
	CuM Offered	CuM Sold	£ Min	£ Max	CuM Offered	CuM Sold	£ Min	£ Max
FE Scotland	38,899	32,471	£17.10/m ³ UB	£33.75/m ³ UB	136,649	129,533	£2.14/T	£17.53/T
FE Wales	41,000	35,480	£20.50/m ³ UB	£29.00/m ³ UB	71,741	71,591	£2.60/T	£18.05/T
FE England	0	0	0	0	134,974	132,782	£1.75/T £2.57/m ³	£26.00/T £16.67/m ³
TOTAL 2004	79,899	67,951	£17.10/m³UB	£33.75/m³UB	343,364	333,906	£1.75/T	£26.00/T

Timber Sold through Beacon Forestry from 2001 to 2004 (to date)

Below is a concise summary of Beacon Forestry's overall success rate for the last 4 years.

Timber Prices achieved within the last 4 years				
Year	Vol. Offered m ³ obs	Vol. Sold m ³ obs	% Success	Av £/m ³
2001	240,917	200,930	83	14.02
2002	290,448	215,096	74	11.23
2003	359,953	328,619	91	12.10
2004 (to date)	486,384	467,305	96	11.42

Beacon Forestry Contacts

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 or
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 Roger Pearce
 York Livestock Centre,
 Murton,
 York YO19 5GF
 Tel: 01904 489731
 Fax: 01904 488471
 Email: beaconforestry@stephenson.co.uk

Don't forget the Beacon Helplines on 01904 488410 / 489731

BEACON FORESTRY 2005 INTERNET TIMBER SALES



TENDER OFFER DEADLINE DATES

- 26th January
- 30th March
- 25th May
- 27th July
- 26th September
- 30th November

AUCTION SALE DATES

- 23rd February
- 27th April
- 29th June
- 31st August
- 26th October
- 21st December

