

Beacon Forestry

Spring 2004

Thinking of selling timber this Summer?

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

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Introduction

Welcome to our latest Newsletter. We are glad to be able to report an improvement in the general market for round timber and we also include news of an important user survey that we are planning to carry out next month.

Price increase

For the first time since we started running electronic auctions and tenders in 1995 we can report a slight increase in the annual average value of the timber sold through Beacon Forestry.

It is not a call for abandoned celebration as the table demonstrates, but it is, we hope, a sign that the trend of reducing prices has stopped and that further gradual improvements are on their way. The average price for timber sold during 2003 was 7.7% up on the average for 2002.

Beacon Progress

As the figures also show the volumes of timber going through Beacon are also on the increase and more importantly the success rate during 2003 of 91% was the highest we have ever recorded. Modesty dictates that we interpret this as another sign of improving market conditions!

The value of timber sold through Beacon since 1995 reached the £20 million mark during 2003. We are most grateful to all of our clients for their support in helping us reach this milestone.

Beacon Forestry Timber Sales Report

Year	Vol.Offered	Vol.Sold	% Success	Av £/m3
2001	240,917	200,930	83	14.02
2002	290,448	215,096	74	11.23
2003	359,953	328,619	91	12.1



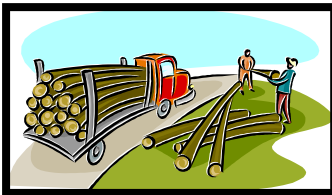
Sellers Survey

We will soon be writing to timber sellers asking them to spend a few moments of their time to fill in a brief questionnaire.



We are seeking the views of the private sector on electronic timber marketing and in particular the service currently provided by Beacon Forestry.

The Forestry Commission plan to make less use of Beacon in the future by taking operations in-house with their new electronic tender system.



We need to know the requirements and wishes of the private sector so that we can organise ourselves and possibly re-structure our service to meet these requirements.

Please help us to provide the service you want by responding to the survey.



Market Outlook

The strong demand looks set to continue.

As we enter the traditionally busy time of the year for fencing products, prospects for softwoods can only be described as good.

Type	Minimum Price	Best Price	Average Price
Standing Softwoods	£8.00/m3	£12.72m3	£10.87/m3
Yew Logs	£1.00/Hft	£1.11/Hft	£1.06/Hft
Other Hwood Logs	£0.92/Hft	£4.54/Hft	£2.72/Hft

All standing parcels of reasonable quality, tree size and location are receiving a lot of interest – one parcel currently on offer has been visited by nine separate buyers to date.

There is still however a muted response in areas situated a long way from processing plants and sawmills due to transport costs.

Hardwoods are in demand – make no mistake about this – buyers continually contact us wanting details of forthcoming sales. Requests come in from both established and new firms, many prepared to travel to new areas, particularly for oak.

Last 5 months private sector trading:-

Forest Enterprise Welsh Sale

24th March 2004

Timber	CuM OB Offered	CuM OB Sold	% Sold
LOGS	14,400	13,200	92%
STANDING	17,674	17,674	100%

Price Summary:-

Timber	Minimum Price	Maximum Price
Green Logs	£28.00/m3	£29.00/m3
Short Green Logs		£24.75/m3
SS Standing	£13.50/T	£14.70/T

Beacon Forestry Contacts

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



BEACON FORESTRY 2004 INTERNET TIMBER SALES



**TENDER OFFER
DEADLINE DATES**
26th May
28th July
29th September
24th November

AUCTION SALE DATES
28th April
30th June
25th August
27th October
15th December

**In addition there will be separate
FOREST ENTERPRISE ELECTRONIC AUCTION**
13th May FE Electronic Auction - England
11th August FE Electronic Tender - Scotland
22nd September FE Electronic Auction - Wales

