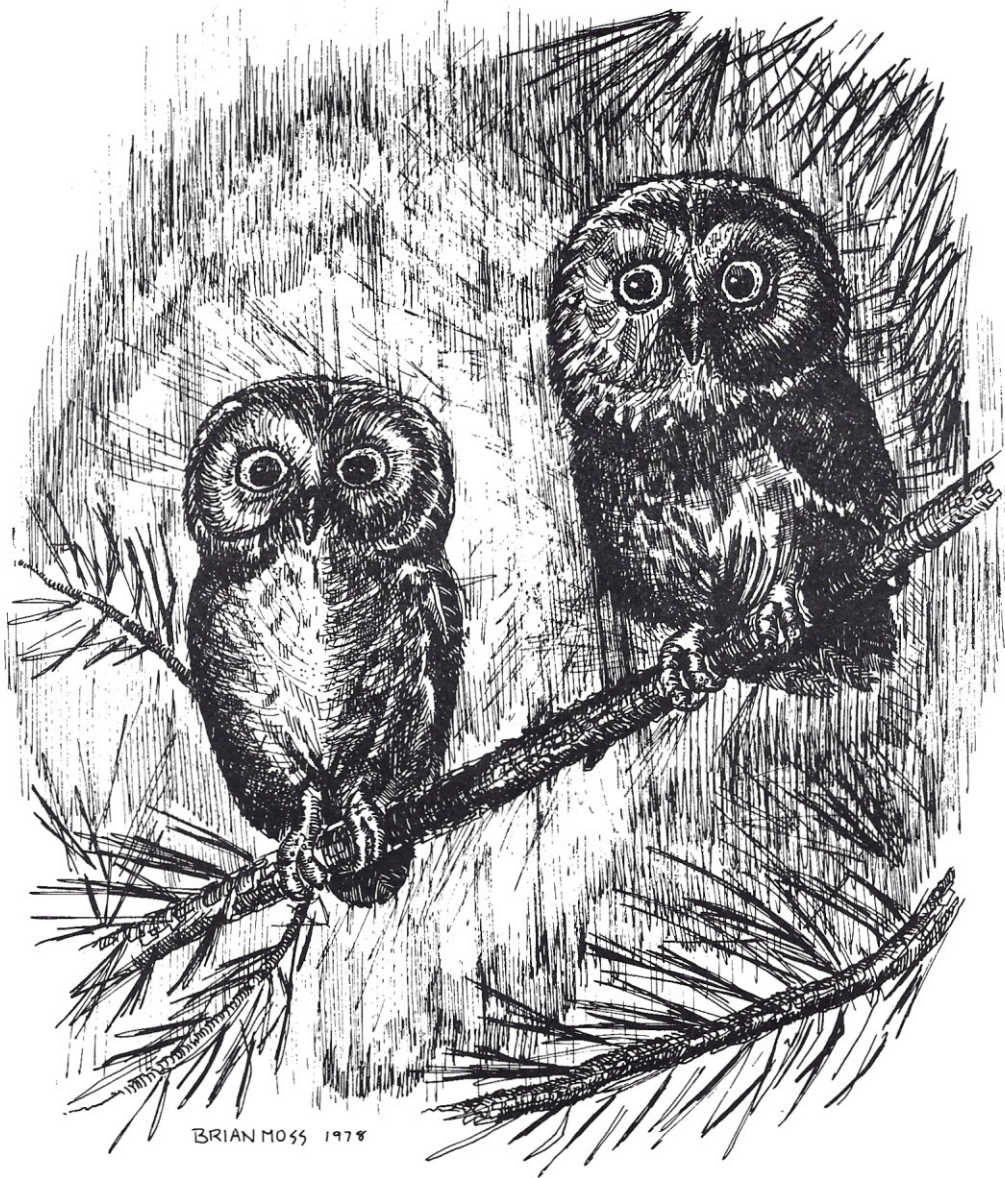


New York

Forest Owner

March - April 1978



THE NEW YORK FOREST OWNERS ASSOCIATION



C. Eugene Farnsworth

Message from the President

I wish I could delay the preparation of this message another two weeks, because if the next two weeks are similar to the past two weeks, they would indeed provide much that would be pleasant to write about.

Our search for candidates for election to the 1978-81 term for Directors of the Association is progressing very well. We have sent out a number of letters to selected people asking them to accept nomination for the election to be held during March, and replies are coming in. Of the four received, all have accepted, and three expressed their pleasure at being considered. The indications are that we will have an outstanding slate from which to elect the next group of directors.

It is gratifying also to report that the forestry workshop planned for April 1 in Rochester is developing. Representatives of five separate organizations are cooperating in organizing and presenting the workshop, and all are working hard to get a first class program set up. We have met twice, and it has been most interesting to compare notes on areas of common interest. We hope that this workshop will be but the first of several under similar sponsorship. We hope also that our plans will develop quickly enough that details can be included in this issue of the "Forest Owner". It is pleasant to observe that the initial effort to get

See Page 10

The Cover

THE SAW WHET OWL

The Saw Whet Owl, (*Aegolius Acadicus*) is widely distributed in the damp woodlands of North America. It can be recognized by its small size. It is smaller than a Screech Owl and has a black bill, streaked crown and no ear tufts. The Saw Whet Owl is mostly a crepuscular (twilight) or nocturnal feeder. It preys on small animals and birds and earns its name by its characteristic "saw-sharpening" call which is similar to that of a grasshopper's song.

This owl nests in cavities which have linings of moss, bark fragments, leaves and feathers. All of which may have been left over from previous occupants.

THE ARTIST

Brian Moss is currently a junior at the College of Environmental Science and Forestry majoring in Wildlife Biology and Zoology. He refined his artistic abilities by graduating from High School of Music and Art, in New York City, where he lives. He now hopes to be able to combine his art background along with his education in Wildlife Biology, in a job which lends itself to both. He is always looking for ways to prove himself, and feels that trading artwork for exposure is beneficial to both himself and the New York State Forest Owner's Association.

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COME to the 16th Annual Meeting of Your Association

Saturday, April 8, 1978
SUNY Agricultural & Technical College, Morrisville, N.Y.

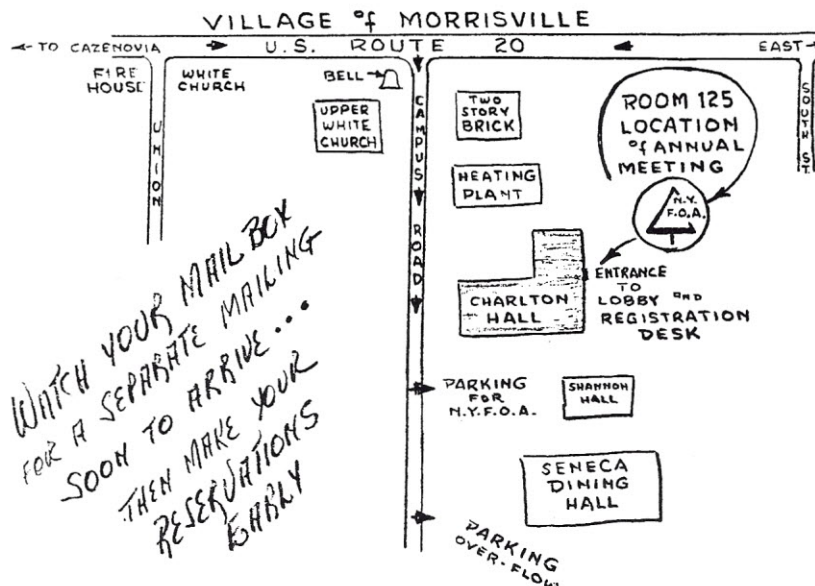
PROGRAM

a.m.

- 9:00 Registration Lobby of Charlton Hall (Coffee & Donuts served upon arrival). Come early to visit with us. Hospitality counter provided by the S.U.N.Y. Morrisville Conservation Club membership.
- 9:30 WELCOMING REMARKS—Asso. Prof. Richard L. Kapral, Program Staff Chairman.
- 9:45 N.Y.F.O.A. ANNUAL BUSSINESS MEETING—Dr. C. Eugene Farnsworth, Presiding
 Committee Reports Old Business New Business
- 10:30 THE MORRISVILLE WILDLIFE DEMONSTRATION AREA—A presentation by: Prof. Kingsley Greene, Distinguished Teacher Professor SUNY Morrisville.
- 11:15 SURVEYING—TOOL OF THE FOREST TECHNICIAN—Asso. Prof. James Cronn, Dept. of Natural Resources Conservation.
- NOON Adjourn for Buffet Luncheon—Seneca Dining Hall on Campus. Immediately after lunch, the presentation of the annual HEIBERG AWARD will follow. In addition, a second award to present the recipient of the 1978 FOREST OWNERS AWARD is to be initiated as an annual award. David H. Hanaburgh, Chairman N.Y.F.O.A. Awards Committee.

p.m.

- 1:45 Reconvene ROOM 125 Charlton Hall.
 THE TECHNICIAN'S ROLE IN FOREST MANAGEMENT—Asso. Prof. Barrett Gates, SUNY Morrisville.
- 2:15 FOREST OWNERS FORUM—An opportunity to present your problems, questions or opinions before the membership. As a forest owner, each year brings new challenges that affect your investment. We will limit time to no more than 5 minutes each, so that a variety of subjects are possible. This is the time to share expertise frequently gleaned by trial and error. Please come prepared to share with us.
- 3:00 TOUR OF MORRISVILLE FACILITIES—Staff
 Natural Resources Conservation Labs. & Museum
 Auditorial Lab. Ag. Engineering Lab.
 Wood Tech. Lab.
- 4:00 ADJOURNMENT—Drive home safely.



WALNUT FEVER



A resurgence of an old disease is plaguing the country. It attacks the landowner rather than the tree. Some call it walnut fever.

A homeowner may be struck with this malady while gazing at the black gold growing in his back yard. A forest landowner may become affected while reading about the high priced sales of walnut trees in the Midwest.

Recently, walnut history was made when a single sale of 18 trees in Ohio brought a landowner \$80,000. One of those trees was 38½ inches in diameter at breast height and was about 57 feet to the first limb. That tree brought \$30,000 alone. How could it be worth so much? A tree like this could produce architectural grade veneer enough to cover 2¾ acres if the wood were sliced to 1/48th of an inch thick.

The "Marketing Bulletin" of the Forestry College at Syracuse carries advertisements of landowners selling single trees. Sawmills get plagued with calls for value of walnut trees in people's yards. Recently, one Central New Yorker was not satisfied with his offer for his standing trees so he cut them down, and traveled with them in his pickup truck, trying to pedal them from sawmill to sawmill. This is not recommended.

It is suggested that you sell your walnut trees standing, rather than cutting them and trying to sell the logs. Let the experienced buyer take the risk. Your *Tree Farmer* editor has seen where an experienced buyer paid \$700 to a landowner for a tree which, when

Many people who have backyard or roadside walnut trees like this one are tempted to sell them for the "big" market price. They are advised to check the market before cutting.

AFRI

Stresses APPLICABILITY and IMPLEMENTATION in FORESTRY RESEARCH

by J.E. Fisher

cut, yielded only a worthless shell of a deteriorated tree. Also, an experienced buyer will cut the tree to yield its highest potential worth. A person unfamiliar with current veneer log markets, specifications, and techniques can suffer serious losses with a do-it-yourself approach. Timing can also be critical. Cutting a tree in the wrong season may eliminate export market opportunities. After the last shipload of walnut logs leaves the United States for Europe in the spring, foreign veneer buyers are reluctant to purchase more logs until cold weather comes again. They fear losses in log quality due to storage or shipment in the summer months. Selling your trees standing puts the risk on the buyer to cut them at the most opportune time.

How much is a walnut worth? It is like asking what a 1972 Ford is worth. It may be worth zero to several hundreds of dollars. It depends upon the diameter, form, clear length (without knots or branches), soundness, location, and risk of metal hardware being imbedded in the tree.

Tom Stevenson of *The Washington Post* found it worthwhile to advise his readers about walnut fever "...the back yard isn't the ideal place to grow lumber trees or veneer quality walnut (or other hardwood) logs.

"Good lumber trees need the competition of other forest trees to grow tall and straight. Also, this competition for a place in the sky causes the tree to shed its lower branches before they make large knots. Back yard trees grow more bushy, with branches growing outward. These branches should be 20 feet above ground to make useful lumber.

"Also, back yard trees may be filled with nails, screws, wires, bolts, and other metal. This hardware often results from a lived-in yard with fences, tree huts, and clotheslines attached to the tree.

"No timber buyer would tackle back yard trees. Just one spike or bolt might cause hundreds of dollars of damage to milling equipment."

Don't give up on selling your prize walnut trees. Just don't plan that fancy trip to Europe financed by the huge profits of the sale of your walnut trees until you have actually turned your black gold into green dollars.

"What we are *not* doing is peer research. We are not working for other researchers. We *are* working for the practicing forester and the forest land owner or manager."

With these words, Director Ray Marler characterizes the role of the Applied Forestry Research Institute, located at the State University of New York College of Environmental Science and Forestry in Syracuse, New York.

With practicality for immediate application in mind, AFRI was established in 1967 after considerable study of the need for such a research venture. During this study particular attention was given to the research needs of the State's many private forest resource owners, the needs of the forest industries of the State, and the needs of the forestry division of the then New York State Department of Conservation.

AFRI has wide research interests which presently include forest land non-point sources of pollution; hardwood management and silviculture; conifer management and silviculture, forest protection (including pest and disease control); mensuration and biometrics; ecological influences; multiple-use forest land management; forestry economics; forest harvesting and primary and secondary utilization of forest products; and forest amenities to mention a few.

While AFRI's mandate is to conduct applied research in New York State that can be implemented by the forestry and/or utilization practitioner, it has other responsibilities as well. Among such other responsibilities have been efforts to improve communications between the College and those numerous persons and organizations who manage the State's forest resources. Also an effort is being made to place into practice research which could benefit New York forest owners.

A better understanding of AFRI's program can be gained by looking at some of its activities. For example,

AFRI has:

----Developed a method to scale the board foot volumes (Doyle and International Rule) in tree-length logs. This has found acceptance and is in use today.

----Provided information on the cost of felling cull logs.

----Responded to concerns about finding adequate markets for the thinnings from some 564,000 acres of coniferous plantations within the state by studying and determining specific gravity and other important wood characteristics which influence how wood is used.

----Investigated biological controls for gypsy moth and provided information about the distribution, abundance, and effectiveness of the parasites of the gypsy moth. AFRI also tested another biological control for gypsy moth -- *Bacillus thuringensis* -- and found it effective.

----Assisted in implementing appropriate research findings and held a series of Cooperative Hardwood Stocking-Thinning Workshops in 1976 which were attended by more than 100 state and forest industry foresters from New York. Recently a highly successful log grading and scaling workshop (partially funded and sponsored by the NYFOA) was held to instruct those in attendance as to proper methods.

The Applied Forestry Research Institute carries on its activities with a small staff of specialists and is housed at the SUCESF, Moon Library, Irving Avenue, Syracuse, New York 13210, telephone 315/473-8673. Being housed at the College provides the staff easy access to the library and other College faculty available to assist on ongoing studies and requests for assistance.

AFRI publishes its findings and attempts to do so in a manner easily understandable by professional and non-professional alike. Should anyone wish to be on AFRI's mailing list to receive its reports you are urged to write AFRI, etc. and request to be placed on the mailing list.

Your Heirs and Their Taxes

by Howard Ward

The Tax Reform Act of 1976 did several things that affect the heirs to your tree farm. While it increased the marital deduction to \$250,000; it eliminated the \$60,000 specific exemption. Further and what hurts the most, it changed the basis of valuation for income tax purposes. A very comprehensive explanation of all this is contained in an article, "Estate Management" by Elwyn Voss, available as a reprint for \$1.00 from American Agriculturist, P.O. Box 370, Ithaca, N.Y. 14850. Quoted herein is a portion of that article, but I recommend that you read the whole article.

Carryover Basis—This change involves much of the bitter part of the new law. Many people did not realize the significance of an item in the old law called "stepped-up tax basis". That's unfortunate because its removal in the new law will cause many widows in the future to wish there had never been a Tax Reform Act of '76!

Old Law—Under prior law, the cost basis of property that passed through a decedent's estate was "stepped-up" to its fair market value at the date of death. If the value had appreciated since acquired, the gain was never subject to income tax. For example, suppose Farmer Smith had paid \$25,000 for land worth \$100,000 at his death. If Smith's wife inherited the land from her husband and sold it for \$100,000, no income tax was due.

New Law—A "fresh-start" rule provides a formula to "step-up" the basis on all property to its December 31, 1976 value. There will be no tax basis "step-up" for after-1976 appreciation on previously held property or property acquired after 1976. An addition to basis is allowed for federal estate taxes attributed to property appreciation ... and if you find all this confusing, join the crowd! Better check what it all

means with your attorney and tax accountant.

This portion of the law can be a major disadvantage to the widow who sells the farm at her husband's death. In fact, it can end up costing substantially more in income taxes than the change in estate-tax laws had saved.

Let's suppose, for example, that Mr. Smith dies in 1987 and his widow decides to sell the farm and livestock. The farm, acquired in 1957, had an adjusted tax basis (cost not depreciated) of \$50,000 and a fair market value of \$200,000. In addition, there are \$90,000 worth of cows ... all raised since 1977 with a zero-tax basis. Subtract the adjusted basis at death (\$50,000) from the fair market value of \$200,000 and we find there is a total gain of \$150,000 in value of real estate between 1957 and 1987.

Since the farm was held 20 years before 1977, but 30 years in total, we get these calculations:

$\frac{2}{3}$ times \$150,000 gain equals \$100,000 ("fresh start")		
plus basis at death	equals	50,000
New basis to widow		\$150,00
Gain at sale after death		Farm Cows
Sale price		\$200,000 \$90,000
Less new basis		150,000 0
Capital gain		\$ 50,000 \$90,000

The widow receives credit for the tax basis of the property at death plus an adjustment for total gain based on the % of the time the property was held before December 31, 1976. Total gain on the sale is now \$140,000; under the old law, zero. Under the old law, she would have paid inheritance tax on the value of the cattle, but then no income tax if she sold them for the appraised value (or less) for estate-tax purposes. Under the new law, their value doesn't get stepped-up any more than does the real estate.

This gain is subject to regular federal income tax, as well as federal minimum tax (a tax on the capital gain portion not taxed ... the exemptions for this tax have been reduced, and the tax rate increased in 1976 to 15%). Worse yet, this gain is subject to New York State unincorporated business tax. Many widows may also find they have to file at the higher single-taxpayer rates rather than the preferred joint-return rates.

In this example, the income-tax result of the new law is far worse than the estate tax under prior law! Under the old law, Mr. Smith's estate in our example would have owed \$16,500 of federal estate tax, but Mrs. Smith would have owed no income tax when she sold the farm and cattle. Under the new law, the estate would pay no estate taxes, but Widow Smith gets socked for an estimated income-tax tab of \$47,000! I say estimated because the exact amount will vary depending

on use of single rate vs. joint rate, minimum tax applicable, whether income will qualify for income averaging, if unincorporated business tax applies, and so on.

In summary, I believe the Tax Reform Act of 1976 is of special significance to those estates under \$500,000, to farmers near urban areas, and to those people who were not willing to do estate planning in the past. Widows who sell the farm business may not see much good in the new provisions at all. Finally, for the larger

estates ... and many farms fit that class ... it's a toss-up between what you lost and what you gained. Each individual's circumstances will dictate whether or not the flip of the coin lands in his favor.

When the law first came out, some tax advisors recommended that land owners have their property appraised to determine and record its value as of December 31, 1976. This is not necessary for the value will be determined after your death, as shown in the article quoted, by assuming that it increased in value from the time you bought it until it is sold by your heirs on a straight line basis, or in other words, and equal amount each year.

Actually, this is not necessarily so, it may have increased drastically from the time you bought it to 1976 and then stayed relatively constant until sold. Your heirs would thus pay a higher capital gains income tax than they should have if actual value at December 31, 1976 had been used. (Incidentally, the gain on stocks, bonds, etc. which had a published value at December 31, 1976 is taxed on the basis of the change from the published value).

I hope I have partially covered that possibility (of inequitable valuation) by the following. I have willed the farm directly to my children, by-passing my wife at her request. I had the farm appraised (by William Lubinec, a past president of NYFOA) in 1977 and made my children partners with me in the ownership and operation of the farm by having a legal partnership agreement drawn up and executed.

Since anyone may give away \$3000 to as many persons as he wishes to in any year without having to pay gift taxes, I gave each of the four children a percentage share of the appraised value which was less than \$3000. I can do the same thing in succeeding years.

There are some other advantages in the partnership arrangement. One of these is that the estate of a deceased partner cannot sell that share except to the partnership so the farm remains in the family. You can have the partnership agreement drawn to fit your circumstances.

To sum this all up, do some estate planning. Get the reprint from American Agriculturist and see your attorney.

COST SHARING for Woodland Management



FIP funds or forestry incentive program funds allocated to New York State for the fiscal year 1978 amount to \$308,000. These Federal dollars can be spent in 32 counties which have been designated by the ASCS (U.S.D.A. Agricultural Stabilization and Conservation Service) as appropriate for the expenditure.

In general, the \$308,000 can be spent (1) to establish forest trees (tree planting) for timber production and to preserve or improve the environment, and (2) to improve forest stands so as to increase timber growth and quality, for the production of sawtimber and veneer logs.

The FIP regulations require expenditure of the monies for cost sharing with landowners on woodland acreages of ten or more acres.

Also, *in general*, landowners will receive between 50 percent and 75 percent of the actual cost of trees and planting charges, not to exceed \$60 per 1,000 trees planted. And, the cost

sharing for timber stand improvement (TSI) which includes thinning and releasing crop trees, *in general*, amounts to the smaller of (1) between 50 percent and 75 percent of the actual cost, (2) \$30 per acre, or (3) 3 cents per diameter inch removed. However some counties base cost sharing on the basal area of trees removed.

Out of interest, basal area is the actual area measured in square feet of the cross section of trees measured like you would the area of a stump. However, basal area for TSI is measured at d.b.h., diameter breast height, which is 4½ feet above the ground.

If you are interested in improving your woodland through thinning out inferior or overcrowded trees to release quality crop trees for timber production, or planting conifer trees on appropriate field land, you may wish to contact a forester of the N.Y. State Department of Environmental Conservation, a county office of the A.S. C.S., or a private consulting forester.

Albany Watch

The following is a brief description of a few of the bills being considered in Albany this year that may be of importance or interest to land owners.

1. To authorize the Dept. of Environmental Conservation to require the posting of cash, negotiable instruments or a security bond to secure compliance with terms of a pollution abatement order.

2. To authorize enforcement officers of the Fish and Wildlife Service of the US Dept. of the Interior to enforce provisions of the Environmental Conservation Law relating to fish and wildlife.

3. To designate forest rangers as peace officers.

4. To include the New York State Commissioner of Environmental Conservation on the New York State Board of Tourism.

5. To authorize the exchange of approximately eight thousand five hundred acres of State - owned Adirondack forest preserve lands for a similar acreage of Adirondack land owned by International Paper Co. Inc. (This would be to consolidate the State lands as well as International Paper Co. Inc. lands).

6. To amend the ECL in relation to management, custody and control of real property owned by the Dept. of Environmental Conservation. (To authorize the Commissioner of Environmental Conservation to enter into contractual arrangements with any municipality or combination of municipalities, state agency or not-for-profit corporation for management, custody and control of real property now owned or hereafter acquired by the department, subject to such conditions as may be approved by the Director of the Budget).

Help for Salt Injury for Roadside Trees

*by Avery E. Rich
University of
New Hampshire*

The harmful effect of salt (NaCl) to roadside trees in New Hampshire was demonstrated about fifteen years ago. More recently, research workers in other states and the Canadian provinces have reported a similar phenomenon.

We have recommended the use of resistant species of trees, planting salt-sensitive trees at least 30 feet from the highway and a reduction in the amount of salt used on highways as the most effective and practical methods of reducing salt injury. Others have recommended the use of calcium chloride (CaCl₂) either alone or in combination with NaCl to reduce salt injury, the use of gypsum (CaSO₄) to counteract the harmful effects of NaCl, or the use of antidesiccants on evergreens to prevent injury to the needles from salt spray.

We have demonstrated that CaCl₂ is somewhat less toxic than NaCl. However, it is still toxic at high concentrations. In addition, it is expensive and hygroscopic. It absorbs moisture and becomes lumpy when exposed to moisture. It can not be stockpiled like NaCl but must be kept in waterproof bags. It has limited use when mixed with NaCl or used alone to melt ice when temperatures are so low that NaCl will not

melt it.

Considerable interest has been expressed in the use of gypsum to counteract the toxicity of NaCl. Limited research in Maine and New Hampshire indicates that gypsum might be useful in this role. The major problem is incorporating the gypsum into the soil in the root zone, under the trees where it will do some good. In one experiment it was applied to the highway where hopefully it would mix with the salt and move to the root zones of the trees with the salt. It proved to be messy, slippery and quite unsatisfactory when applied in this manner. About the only practical method appears to be the incorporation of gypsum into the soil at the time a tree is planted. I suggest the use of 10 pounds per 100 sq. ft. If tree species which remain small are to be planted, 30 lbs. should be mixed into the soil in a circle about 20 ft. in diameter, and the tree planted in the center of the circle. For tree species which grow large, 70 lbs. should be applied to an area 30 ft. in diameter. I doubt if trees will benefit very much from surface applications of gypsum. Most of the gypsum will remain on the surface and will never reach the root zone. Therefore I do not consider the use of gypsum a "cure-all" for preventing or correcting salt injury as some salesmen and arborists would lead one to believe.

Antidesiccants are wax-like chem-

icals which can be sprayed on evergreen foliage in the fall to reduce water loss and wind burn during the winter months. We experimented with two formulations to evaluate their use as protectants against injury from salt spray. Much to our surprise, evergreen seedlings sprayed with these products prior to spraying with a salt solution were injured more severely than seedlings which received only the salt solution. However, these tests were conducted in the greenhouse in the summer and probably were influenced by the high summer greenhouse temperatures. A second test was conducted, using hemlock seedlings outside in winter. Under these conditions the antidesiccant had no apparent effect on salt injury to the highly sensitive hemlocks. Therefore I can not recommend its use at this time to alleviate injury to evergreens from salt spray.

In conclusion, then, the most practical methods of reducing salt injury to roadside trees are (1) plant resistant species; (2) plant sensitive deciduous species at least 30 ft. and sensitive evergreen species at least 50 ft. from the edge of the highway; and (3) use the minimum amount of salt required to maintain the roads in safe condition. Salt can be mixed with sand to improve traction on icy roads. Equipment should be calibrated carefully to avoid wasting salt and endangering roadside trees more than necessary.

The Wood People



Robert Diefendorf, TIC President

The current energy crisis has renewed interest in the use of wood for fuel. More people are buying wood stoves and heaters and have begun to see fireplaces as more functional than decorative.

Wood is one of our most abundant and useful natural resources. Wood for fuel is solar energy. Recently wood-burning appliances have been included in the general category of "solar energy systems" by the House Committee on Banking, Finance and Urban Affairs.

Along with the need to solve the energy crisis, is the continued awareness to save our environment. The preservation of our trees and forest lands is a primary objective. Thirty percent of the land in the United States is in forests, comprising over 750 million acres. Forest area in New York State alone is nearly one-half the area of the state, or some 14,450,000 acres. Yet our forests are not managed for maximum yield. Considerable expansion of wood use is possible while still preserving this valuable resource land for the future. Woodlands are improved by culling, weeding, and thinning and in turn benefit the timber crop by producing larger, healthier trees and thick forests. Sensitive, selective harvesting of trees can improve the quality of our forests, increasing the advantages of

using wood as fuel. Wood is a renewable energy source, making it desirable and more economical than fossil fuels.

One Central New York company has turned its attention to the use of wood for fuel by a rather unique approach to the ecological movement. TiC Sales Corporation in Oneida New York has become the originators of boxed logs for wood burning appliances and a new kindling wood, packaged for easy starting of fires.

TiC's route to this new production of wood to be used as fuel resulted from its past participation in the recycling business. Long associated with the scrap industry, TiC was formerly involved in shredding systems. With the depressed market in the secondary steel industry, problems in this phase of recycling occurred. TiC sold machinery capable of shredding tires at the rate of 1,000 per hour. The complexities of this process involved reducing the end result to a fine enough substance to be of some practical use.

According to TiC's president, Bob Diefendorf, they were faced with the dilemma of some very effective shredders that supplied no apparent marketable function.

"We couldn't sell them, and had to decide how to use them. We grouped together in what I call a 'think tank' and

tried to come up with viable alternatives for our operation. At this time I experimented with shredding wood for kindling for a fireplace and we decided to test the feasibility of using our machines to provide this on a large scale. In six weeks time we had turned the company completely around. We have now become 'the wood people'."

Along with the production of kindling, natural wood, called 'E-Z Startz, TiC also markets Bundelogs, 16" logs that are all natural wood for home use. Both these products TiC feels will have great appeal to homeowners, apartment or condominium dwellers who do not have the need for a full cord of wood. Their bagged kindling wood solves the problem of where to find kindling especially during winter months.

TiC mentions the vast amount of information all those involved have learned since the shift in emphasis from recycling to wood. They are in contact with the schools of forestry and New York State forest owners as well as conservationists. TiC's office abounds with literature from numerous sources on wood, wood resources, woodburning and wood energy. Bob Diefendorf described how TiC has used the knowledge gained from these sources to produce their new products.

"We use scrap slab wood from the mill for our kindling product. This is wood that cannot be used for any other process. We buy this scrap wood green and wet; then dry it to a zero degree moisture content, so that it can be lit with a match. We bring in this slab wood at the rate of 30 ton a day, and need a three month supply on hand for the drying process. This drying process is done outside, through natural drying and an oven process at a very high temperature, which insures against any insect life in the bag finally brought into your home. Our shredding process is unique and has to do with the configuration of the wood. Shredded kindling is new on the market and at present we are the only ones doing this in volume, at the rate of 5,000 bags a day. We have recently acquired 17 acres



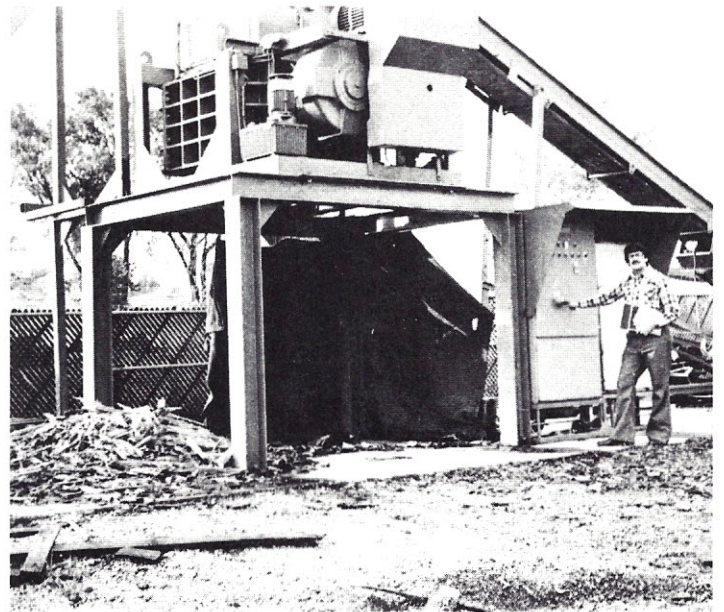
of land to accommodate this shredding operation.”

Though the production of shredded kindling wood makes use of otherwise wasted wood materials, the production of boxed logs for fuel raises more direct questions about the preservation of our natural wood resources. These logs are all natural wood and the demand requires sensible management of our forest lands. Mr. Diefendorf refers again to the favorable response this process has received from the colleges of forestry in the New York State area.

“The wood we use is wood that should be taken out of the forest through the culling and thinning processes mentioned. Most of our woodland suppliers do this as they are supposed to. They build proper roads and do not tear up the terrain. Taking wood from the forest should not compete with the timber industry, but lead to greater production of high quality lumber. This management works by removing twisted or crooked trees that allow more growing space and soil nutrients for potential tall, well formed crop trees. Our

small forests are a principal source of woodland. Culling and thinning of these trees improves the growth of those remaining.”

Proper attention to forest management and awareness on the part of new industries returning to supplying more natural fuel sources such as wood should provide better forest production on a long term basis. We are all dependent on the world's resources for survival. Renewable energy sources coming from the solar source like natural wood is part of the need to maintain a sound ecological balance.



Richard Wolfman, Advertising Director

● From Page 2 President's Message

plans started was made by Wallace Wood of Rochester who is one of our members.

Last week I received a list of seventeen names from Helen Varian, our membership chairman. With each name were notations indicating areas of participation in which the person could volunteer his assistance in our program activities. It was exciting to read them. Included were tours, photography, State Fair, committee work, demonstrations, taxation information, legislative action, preparing articles for publication, publicity, lectures, workshop in wildlife management and research, timber harvesting, and several others. Clearly our organization has resources we have not utilized and we must find ways in which as many as possible can participate in productive programs.

I talked with Evelyn Stock a few days ago. She serves as chairman of our Editorial Committee and her committee is continuously searching for

materials that are appropriate for including in the "Forest Owner". She wants new ideas and suggestions she can use in her work with Jim Briggs, our Editor. She reported that she had a very considerable amount of material ready to send to Jim for the March-April issue, and at the time I spoke with her she was talking with a young man who expressed his willingness to prepare a drawing suitable for the cover of a future issue. My feeling of progress was heightened by a talk with Jim Briggs who is very happy in his new job with New York State Cooperative Extension in Lake Pleasant, New York. Jim tells me he is confident the March-April issue will be out by late-March, which is our regular schedule. There has been a very heavy load on Jim both in taking over the editorship and also in changing jobs at the same time. In the move, a new printer for the "Forest Owner" was required, as well as new procedures for each step in getting out the publication. After a rather difficult period of readjustment, Jim is pleased with the prospects he sees ahead both in his job

TIMBER TAX

The unique problems of growing timber have been the basis for specialized tax handling throughout the free world. Unlike most assets, timber's value can be directly affected by weather, insects, disease and fire — and the growing time can run to decades, during which values can drastically change. The current result of these risks is a low rate of return on timberland investment everywhere in the world.

Encouragement of forest management is especially evident in western Europe, where the need for long term reforestation existed long before it did in the U.S. Virtually all major tax laws in western Europe (income, property, estate, turnover, value-added) have special provisions designed to encourage investments in future timber crops and in sound forest management.

and also in his work with the Forest Owners Association. This is good news for all of us.

Forestry Meetings

Woodlot Management: a workshop for the private landowner

Saturday, April 1, 1978 at Monroe County Extension Center, 249 Highland Avenue, Rochester, N.Y. This meeting for all woodland owners will include sessions on legislation, management, tree health and more. Register at 8:44 a.m.

Log Scaling and Grading Workshop

Saturday, June 17, 1978, 8:30-4:00 at Nick Tipple Mill, Ghent, N.Y. This meeting will help you gain additional understanding of the role of timber marking in the forest, techniques of roundwood merchandising, the fundamentals of grading and scaling and much more. Contact AFRI, School of Continuing Ed, College of Ev. Sci. & Forestry, Syracuse Univ.

Best Mgmt. Practices for Agriculture and Silviculture

April 26-28 at Americana Hotel, Rochester. This conference will review the best management practices for the control of nonpoint-source water pollution. Contact Raymond Loehr, 207 Riley-Robb Hall, Cornell Univ.

MINIMUM WAGE

Prepared by R. Eschler
Cooperative Extension Specialist

Minimum wage for agricultural labor

— many questions have been raised by farm operators concerning the increase in the Federal Minimum Wage to \$2.65 per hour on January 1st. The federal minimum wage provisions cover only employers who used more than 500 man-days of agricultural labor in any calendar quarter of 1977. All workers employed, except the employer's immediate family, are included in the 500 man-day test.

For example, if an employer had 6 employees working 6 days per week for 13 weeks; the man-days of labor would be 6 times 6 equals 36 times 13 weeks equals 468 man-days. Coverage *would not* be required. Few, if any dairy farms in our area will be required to meet the Federal Minimum Wage.

The *New York State Minimum Wage* for agricultural labor continues to be \$2.00 per hour, it has not been raised - yet!

Under the N.Y.S. Minimum Wage Law, any employer of farm workers who had a total cash payroll of \$1,200 or more during 1977 is covered. The law applies to all farm employers meeting this minimum payroll test and covers the pay year beginning February 1st and continuing to the next January 31st.

The law provides a lower minimum for youth under 18 years of age, \$1.65 per hour. In order to use this lower minimum wage the employer must obtain a "Youth Rate Certificate" from the Commissioner of Labor.

Social Security Rate—increased on January 1st. The withholding rate is now 6.05 percent from the employees cash wages and 6.05 percent from the employer.

The rate also increased for the self-employed from 7.9 percent on net earnings from self-employment in 1977 to 8.1 percent on your net earnings during 1978. You won't have to worry about this increase for the self-employed until 1979 when you file your 1978 tax return.

The wage base also increased on January 1st from \$16,500 for 1977 to \$17,700 in 1978.

Power Plant Fueled by Wood

The City of Burlington, Vermont, using waste wood chips from state tree-harvesting projects, has produced the equivalent of 10% of its electrical needs in a pilot project by using wood fuel to generate electricity. Burning 150 tons of wood a day at \$13.50 a ton, the plant produced up to five million watts. Local financing had converted an old coal burner to take wood.

Burlington has hired Blyth, Eastman Dillon & Co., investment bankers to design a \$75 million revenue bond financing to be put before Burlington voters next March 7th. If approved, Burlington plans to begin construction the following year of a 50 million watt generator that runs on wood chips and solid waste.

The new plant, targeted for 1982, would use 1,500 tons of wood daily. Talks are under way with private log-

gers to collect waste wood and set up central chipping plants that would feed a new generator.

Initially, the wood fuel isn't expected to produce lower electric rates. Over the long term, however, local control over fuel supplies is expected to help stabilize electric rates.

In a separate development, the Village of Tupper Lake, New York, has done a feasibility study on a proposal by resident John Stock to generate electricity locally by burning wood. The study noted with the abundant wood supply, available boiler and accessory facilities (an abandoned wood processing plant) and a nearby water source, a local wood energy generating plant could be built and be competitive with existing electrical rates. A detailed engineering study is seen as the next step in Tupper Lake.



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Bring a Friend!

**There are 200,000 other forest owners in New York.
 Why not invite them to join NYFOA today?**

APPLICATION FOR MEMBERSHIP IN THE NEW YORK FOREST OWNERS ASSOCIATION, INC.

(Please send to:)

Mrs. Helen Varian, Membership Secretary
 204 Varian Rd., Peekskill, N.Y. 10566

I would like to help advance forestry in New York State.
 I enclose my check payable to the New York Forest Owners Association, Inc.

() I own ___ acres forest land in _____
 County, N.Y.

() I do not own forest land but I support Association's objectives.

Name _____

Address _____

Zip Code _____

ANNUAL DUES

(Please underline choice)

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 (husband, wife)
- Contributing Member \$12 – \$29
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- Supporting Member..... \$100 – \$499
- Sponsoring Member.....\$500 and up