

# ***Pallet***

# ***Profile*** Weekly



For more than **41** years the only weekly report dedicated to the pallet industry.

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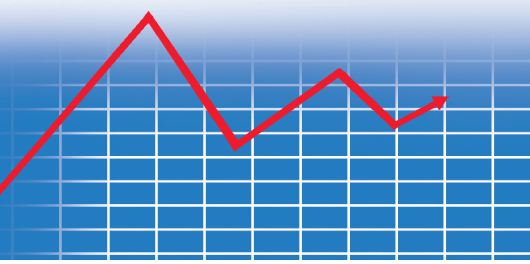
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# Profile Weekly



For **41** years the only weekly report dedicated to the pallet industry.

## Developments in Canadian Softwood Lumber Market, Trade Case

The Canadian Press news agency recently reported that **softwood lumber exports from British Columbia to the United States dropped 20% in March** from the same time period a year ago **due at least partially to railway transportation challenges**. Canadian National Railway and Canadian Pacific Railway indicated that western Canadian **routes were impacted by cold weather and unpredicted volume increases** that slowed traffic.

*(Continued on page 4)*

Congratulations to Eddie Daniel of McVantage Packaging in Alabama, winner of the \$50 VISA gift card for Q1.

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## WHAT'S COMING ON BOARD?

*State of the Pallet Industry – Part III*

### Strategies for Dealing with the Labor Crunch

By Chaille Brindley

One **constant challenge** facing pallet and lumber companies today is **getting enough labor to handle all the available work**. Most pallet companies indicate this is one of the toughest issues they address on a daily basis. The **Annual Leadership Conference (ALC)** covered this topic by focusing on two of the three approaches that are working for companies.

When it comes to the labor shortage, there are three primary strate-

gies: **improve recruitment and retention efforts, use automation to reduce labor required**, and optimize production processes to eliminate wasted motion and inefficiencies. If those three strategies are not a prime focus for your company leadership, they should be. You can research these and other topics by visiting [www.palletenterprise.com](http://www.palletenterprise.com), the Web's largest resource of free information on pallets and lumber operations. Simply type into the

*(Continued on page 2)*

## MARKET REPORT

### Hardwood Pallet Market

Pressure is one word that aptly describes the pallet market right now. Pallet producers are under pressure to produce more with less material and fewer workers. The lumber industry is facing **historic prices for raw materials**. On top of the lumber and labor shortages, **trucking issues** are becoming widespread and beginning to impact not just the lumber industry but all industries.

So, where's the silver lining? Well, just about everyone in the pallet manufacturing business will tell you that **demand for pallets is as**

**strong as it's ever been**. Softwood pallets are even picking up strength again in the market as hardwood has gotten expensive and in tight supply. And for the first time in a while, **manufacturers are able to raise prices** on their finished goods, and justifiably so. The end customer may argue and threaten to shop around, but in the end will find the situation is pretty much the same across the board. In reality, **the cards are stacked in favor of the pallet guys** these days on a number of levels, even when it

*(Continued on page 5)*

## Strategies for Dealing with the Labor Crunch

(Continued from first page)

main search bar keywords, such as “lean”, “labor”, or “best practices” and up will come a variety of useful articles. *Pallet Enterprise* is currently offering **free lean audit tool** to help you identify problem areas in your plant. Make sure to download that spreadsheet at [www.palletenterprise.com/leantool](http://www.palletenterprise.com/leantool).

**James Ruder**, president of L&R Pallet spoke at the ALC on his strategies to **improve culture and communication** as a way to impact employees and **improve retention**. The *Pallet Enterprise* has covered the success of L&R Pallet in recruiting and utilizing Burmese refugees in its workforce. See the article titled “Man in the Mirror” at the *Pallet Enterprise* website. Ruder focused his talk primarily on **building the type of culture where people want to come to work** and feel like a valued part of the team. He stressed, “**Turn-**

**over is our enemy, not just the available workforce.”**

Ruder identified that every employee goes through a **personal cost/benefit analysis** to determine if a job is worth it and how much he or she is willing to work. Companies have to focus on **building a culture that enables employees to see the value in what they do** and establishes a trusting relationship. The process has been far from foolproof at L&R Pallet. From **language and cultural barriers to management missteps** to just the daily grind at a pallet shop, it requires hard work. A key for Ruder has been **getting his management team to embrace and lead the process**. He said, “Feelings of respect and trust come first and foremost through **relationships with supervisors.”**

The reality is that any culture change has to be embraced by mid-level management because they are on the floor. And if you

want to create a culture that cares for workers as well as the end product, the **best thing the boss can do is to demonstrate that level of commitment to supervisors and managers and encourage them to do the same** for their workers. Many labor discussions focus on the pay rate. But people are looking for more than just more money. Ruder explained, “**It has been my experience that people need purpose. Wages don’t motivate.”**

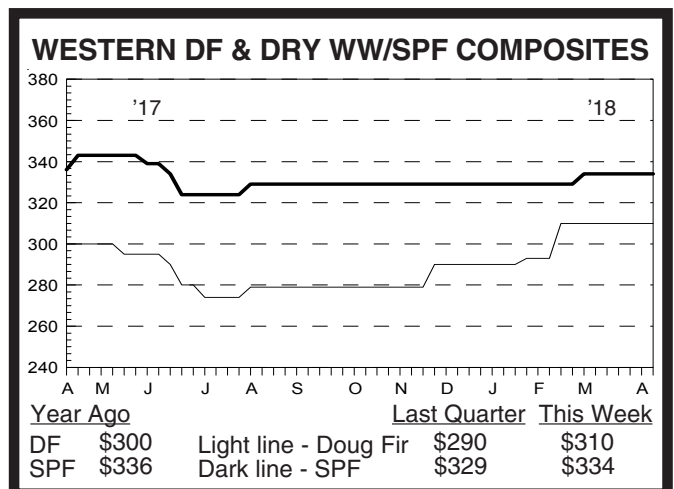
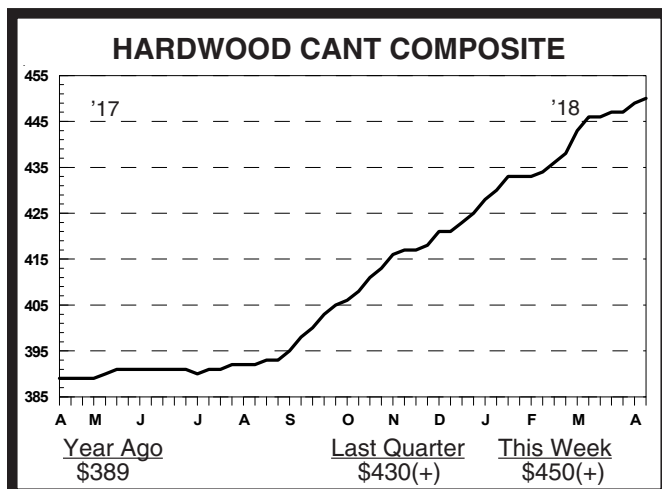
Those attitudes have to be built over time. And a big part of the process is the messaging and actions that management takes from the **first interview to the onboarding and training process** through the daily work environment. Ruder suggested that the following questions are critical to drive your process.

- How much of your focus is on the front door and creating a stream of employees?

(Continued on page 3)

## Lumber Price Trends

These two composite hardwood and softwood graphs reflect the overall trends in average **price movement** for **hardwood cants** and **western RL DF/SPF softwoods**. Pluses and minuses indicate directions of price change movements at the indicated times when compared to the previous week’s average.



## Strategies for Dealing with the Labor Crunch

(Continued from second page)

• **How much of your time is spent on properly onboarding an employee?**

• How much of your time is spent on getting to KNOW your employee?

• How do you promote growth within your team?

• How much of your focus is concerned on closing the back door to keep them from leaving?

A critical part of the process is **getting to know what will motivate your new employee** through the onboarding process. Many pallet companies merely focus on training a worker for the job, not understanding how to motivate that worker to do their best and contribute the maximum they can to the effort. For example, **does a worker have a set amount of money he or she wants to earn?** Why have those boundaries been established? Can you help a worker see how a little more overtime can make a huge difference in their personal goals? **Many workers** who come through the door at pallet shops **don't have a budget or personal financial goals.** You may be able to help them see their job differently from the beginning.

So, what are some practical things that L&R Pallet has done to change the culture? Ruder made it clear that you **don't want to start with lip service.** He suggested that management and ownership act and demonstrate the kind of activity they hope to generate before ever making an announcement to the rank and file employees. His motto is "**Display first, declare second.**" Otherwise, employees may think this is just another new

management initiative that will go nowhere. **Changing workplace culture goes way beyond just banners.** And you know that you have been successful when production workers pick up the habit. An example at L&R Pallet is its **Care Gift Fund.** Employees donate to the fund so that team members can help team members who need something to improve their lives.

Ruder said that the model at his company focuses on its people first, building pallets second and giving opportunities for employees to bless others third. It all goes together and is made possible by pallets. **Changing the culture is hard work.** But Ruder suggested it makes all the difference because **people who have a mission are more loyal and productive workers.**

The mission at L&R Pallet is "**Build, serve and impact.**" Building people and pallets is the foundation, then comes serving customers and each other and finally is impacting the community. Even if you are addressing labor concerns with automation, it is the **people who will make the automation more effective.** Ruder explained, "You have to invest in the correct asset. My mindset is 'Love people, use things.'"

Ruder challenged each person in the audience to **consider how they can lead and improve the culture in their organization** even if they are not the owner or the top dog. At L&R its focus on caring for employees involves management getting to know employees as well as utilizing a **chaplaincy program to provide confidential support to employees.** If an employee has a

rough home life, it is always difficult to be your best at work. And if you get good support at work, it makes you more likely to show up and contribute.

One way the company tries to make every employee feel validated is by **celebrating everything from birthdays to work anniversaries to employee new-borns.** Ruder beamed, "We love to celebrate." Frequently this will involve small gifts, parties, special certificates, etc. The company selects a "Crew of the Month" to recognize that has done a good job in meeting goals. L&R also recognizes employees who do something extraordinary in terms of customer service or caring for co-workers. **"Caught You Caring" awards** go to team members who are spotted doing something above and beyond the regular job. Team members can nominate each other, and the recipients receive a small financial award and a certificate. Ruder said that frequently people feel called out for doing something wrong, but he wants to **create a culture focused on what people are doing right** and try to reward that activity. The company also has a \$100 bonus award given to employees who come up with ideas that improve processes and impact the bottom line.

The **company has developed a soccer league for its workers because many of them love to play.** This has been a great way to build relationships and improve teamwork. It doesn't cost a lot. But it has helped people become friends with co-workers. **And when team members are**

(Continued on page 4)

## Strategies for Dealing with the Labor Crunch

(Continued from third page)

**friends, you are more likely to stay at the company longer.**

Besides just the management focusing on caring for workers, Ruder knew it was critical to **get buy-in from a variety of workers and job levels.** The company has established a **Caring Team** with people representing various departments. They focus on identifying needs and creating solutions to issues as well as developing new efforts to improve culture and care for co-workers.

This team works to develop resources, such as the **L&R Family Store** supplying employees in need with clothing, shoes, furniture, blankets, beds, items for the house and school supplies.

Knowing how to **connect workers with community services** has been another big way that L&R Pallet has differentiated itself in the labor pool. This includes **trusted health care providers, English as a second language courses, life skills training, citizenship consult-**

**ing services**, etc. L&R Pallet may not be an expert in these areas. But the company has developed relationships and provides a framework to help employees take advantage of assistance that they may need. This again leads to better families and better workers.

The final key piece to the labor shortage is **better automation.** Next week the *Profile* will cover key considerations when looking at advanced automation technologies and strategies. **FP**

## Brambles to Sell Off IBC Business

**Brambles Ltd.** has announced its intention to **divest its 50% ownership interest in the Hoover Ferguson Joint Venture Group** (HFG). Brambles is making this move to focus on its core pallet and RPC business units. **HFG offers to the energy sector intermediate bulk containers** (IBCs) as well as catalyst bins and other

transport packaging.

Commenting on the divestment, **Brambles' CEO Graham Chipchase** said, "Focusing investment in our core businesses that provide significant opportunities for growth and strong returns is one of our strategic priorities. As a result, the Brambles Board **no longer sees the logistics operations**

**in the oil and gas industry as a core business** for Brambles and saw limited opportunity to deliver strong shareholder returns from our investment in HFG."

Brambles has reached a **mutually-beneficial agreement with First Reserve to exit its co-investment in the venture.** **FP**

## Developments in Canadian Softwood Lumber Market, Trade Case

(Continued from first page)

Global Affairs Canada reported export totals from British Columbia at 514.4 million board feet, down from 644.7 million board feet a year ago. **Shipments from Quebec**, the country's second-largest timber region, were **down 16.6% in the first quarter.**

**Total Canadian shipments in the first three months were down 17.4%**, but up 2% from February to March.

In further developments involving the U.S. softwood lumber duties, the **World Trade Organi-**

**zation (WTO) will establish two panels to review Canada's complaints** about the U.S. lumber duties. Canadian officials stated that the duties represent a **"considerable hardship"** on softwood lumber producers and communities across Canada. The U. S. government has argued that the **duties were fully consistent with its obligations under the WTO agreements.**

At a March hearing, **U.S. Trade Representative Robert Lighthizer** indicated that he **doesn't believe the Canadian softwood lumber trade dis-**

**pute will be resolved anytime soon.** According to an article on *Woodworking Network*, Lighthizer stated, "Right now, I would say there's probably **not much going on in terms of those negotiations.** Are they part of NAFTA? Not as far as I am concerned. As far as I am concerned this a function of the trade laws working the way Congress designed them to work."

It appears that **both governments are trenching in for a long trade dispute**, which means the softwood duties are likely to last for a while. **FP**

## Hardwood Pallet Market

(Continued from first page)  
comes to **negotiating terms with customers.**

In the past, the *Profile* has covered the importance of **maintaining good relationships with your suppliers**, and a key component is **payment terms**. With log and lumber inventories tight at most mills, and the increased demand from competing markets like rail ties and road mats, both of which seem to have deep pockets, everyone knows it is **important to keep in good standing with those mills when you need material.** But, it is getting increasingly difficult to do that if pallet customers

have **pushed for net 60 or 90-day payment terms or longer.** Some pallet manufacturers would rather **involve a broker in those transactions**, which adds more cost in the end.

Some pallet manufacturers have **been running their business on more than 30 or 45-day terms due to customer pressure.** But the high cost of lumber means that offering this service is becoming **riskier and more expensive.** Given the current shift in lumber availability, now is the opportune time to **re-negotiate terms with your customer.** Some manufacturers have stated they have asked

their customers to temporarily move to net 30 days. Let's face it, **you can't pay for your supplies at the time of delivery or in 30 days, and then wait 90 days to get your money in return.** It's just not good business sense. Customers need their pallets, times are tight for everyone, and manufacturers are struggling to keep up with demand. **Sounds like the perfect time for new negotiations.**

A contact in the East Coast commented, "Yes, hardwood lumber availability may be tight and log decks aren't as full as many are used to seeing, but perhaps, the main driver is that demand **is simply outpacing supply at a greater rate than in recent years.**" Many contacts have stated that if they had the labor and materials, they could be **working extra shifts** to keep up with orders. Lumber, though tight in supply and expensive in most cases, is out there and available. For many, it's a **balancing act** to keep healthy levels of raw material inventories and **taking on just the right amount of orders to keep things flowing.**

Looking at the latest market developments, most contacts **east of the Rockies are still reporting tight log and lumber availability. Pallet prices in general are still seeing upward pressure.** Trucking and labor issues continue to dominate most conversations. More manufacturers indicate that have been **shifting customers over to softwood pallets** due the fact that pine is more readily available. One contact shared that he had some customers who strictly

(Continued on page 6)

## Keep Your Market Safe and Accurately Informed

Every week the staff of *Pallet Profile* strives to gather correct market data to report on the recycled pallet industry. And **your comments are crucial to ensure accurate reporting.**

**Please** help us and help your local market by reporting data twice per month. **Please fill out**

**the simple online form at** [www.palletprofile.com/data](http://www.palletprofile.com/data)


You only need to complete the form fields that are relevant to you.

**Your data will be kept secure on our private servers, and is not available to anyone except our market staff.**

Your information will be **kept confidential** and will only be reported in aggregate with other responses from your region.

None of your individual information will be shared with any third parties. If you have **any questions** about our data policy, **contact Rick Henretty** at [rick@palletenterprise.com](mailto:rick@palletenterprise.com)

Many companies in the industry, including some end users, use the information we report to gauge market dynamics.

**Your input takes only a few minutes twice per month and can make all the difference!** If you don't share your input, we may not reflect what you are seeing in the marketplace. 

### Help Protect Your Local Market and Be Entered to Win a VISA Gift Card

During each quarter of this year, submitting a *Pallet Profile* data form via fax, email or online at:

[www.palletprofile.com/data](http://www.palletprofile.com/data) will enter you in a random drawing to win a

**\$50 VISA gift card.**

Your participation is greatly appreciated!

## Market Report

(Continued from fifth page)

demanded hardwood pallets, but once price was discussed and the option of a good KD pine pallet was given, the shift was easy. We are also hearing that **pine cants are on the increase** in many areas as the demand for softwood pallets has picked up.

In the **Northeast down through the Mid-Atlantic region**, lumber and log availability remain **tight** and prices on **cants and finished goods continue to see upward pressure**. Labor keeps being a top concern. One contact in the Northeast simply said, "My biggest issue is labor, labor and labor!" Another in the same region stated, "**I don't remember the last time someone came in and filled out an application**." One manufacturer in the region commented that finding and keeping good labor is undoubtedly tough, but offering good incentives, taking care of your employees, and working closely with them on a day to day basis will all go a long way in keeping your work force loyal and productive. **Demand for the region is very strong**.

In the **Midwest**, there continues to be **upward pricing pressure** on cants, and pallet prices are showing increases. Parts of northern Ohio are experiencing price increases similar to what the Mid-Atlantic and Western PA have seen lately. One contact told us a key supplier is out of wood and can no longer fill orders. **Demand for the region remains very strong** while lumber availability is tight. However, a few upper areas of the Midwest, like **Michigan and Minnesota**, have been reporting that **logging conditions and log**

## QUOTE OF THE WEEK:

*"Trying to buy cheap lumber to build pallets is like trying to buy gas at a \$1.50 per gallon, you simply aren't going to get anyplace."*

(Manufacturer in the Midwest)

**decks have improved slightly**. The biggest hurdle they face is transportation, mainly lack of available trucks and rail cars. One contact stated, "**We have a lot of wood at mills, just waiting for rail cars**".

In the **South and Southeast**, log and lumber are still being reported as **tight** for most contacts. Prices of hardwood **cants are still seeing upward pressure**, and pallet **demand remains very strong**. Wet weather is still a factor in low log production. Areas of Kentucky, Tennessee and Missouri have seen record rainfall this week slowing production at mills and putting manufacturing plants further behind schedule. Softwood pallet demand has also strengthened in many areas of the South.

Overall, **business for most pallet manufacturers is very strong**. The most important part is reclarifying expectations with customers, explaining current market pricing dynamics and **working on payment terms that will allow you to keep mills in your corner**.

## Western Pallet Market

Most reports from contacts in the West have indicated that **pallet demand remains strong and continues to increase**, especially as the agriculture season increases. But raw material **prices are still seeing upward**

**pricing pressure** and in tight supply. Some contacts in the far Northwest have even reported some key mills have closed for a period of time due to the lack of incoming logs.

With tight lumber availability to pallet manufacturers and delayed production of orders from pallet and crate shops, this could have a **negative impact on the agriculture industry** when trying to get fresh goods shipped out in a timely manner. And add to that the **difficulty of finding available trucking** to the equation, and it could be a very ugly situation.

Reports continue to come in of **increased imports of raw material from over-seas**, particularly places like Brazil, as the cost of local lumber increases and availability is limited.

There have been some reports though of a **few mills having decent inventories** and have actually been able to show very slight downward pricing movement on some of their lower-grade material. A few contacts even mentioned this week that green material demand has strengthened slightly due to the rising cost and lack of more common pallet material.

**Trucking issues have not improved** in the west and continues to be a major concern for many pallet manufacturers as we move into what looks to be a very busy summer season. 📧

# Eastern/Southern/Northern/Midwestern Hardwood Pallet Industry

The following information describes the conditions and prices prevalent in the hardwood pallet industry. Information is reported for 27 regions to keep material as localized as possible. Most reporting regions correspond to individual states. All hardwood lumber prices are for low-grade, mixed dense, rough and green hardwoods. With the exception of cut stock, which is priced by the piece, all lumber prices are reported as delivered prices per thousand board feet. Prices are typical prices reported by our information network. Even within small reporting regions, price variations sometimes dictate that we choose a middle price within the range. Descriptions of inventory conditions help provide an overview of the market in a tabular form.

Percentage of plant capacity utilization gives one measure of pallet activity. Verbal descriptions in the market report add additional detail.

The modified 48x40 GMA grocery pallet is used as a barometer of pallet pricing. Typical prices for the New 5/8" deck & 1-3/8" stringer GMA pallet are reported.

Plus and minus signs after lumber and pallet prices indicate the direction of price changes when compared to last week's *Pallet Profile*. Changes without signs indicate adjustments due to improved data, not actual changes in reported prices. No attempt is made to forecast future prices.

Region	Cants 4x6" & 3-1/2x6" 8' x 16'	Boards 1x4" & 1x6" 8' x 16'	Cut Stock 5/8" x4" x 40" (per piece) Nominal 4" Piece Actual as Low as 3.5"	Lumber Inventory	Log Inventory	% Plant Capacity Used	Modified GMA Pallet
							5/8" decks & Stringers 1-3/8" New Price
No. N. Eng.	\$420	----	38.5¢	Low	Low	95%	\$11.80
So. N. Eng.	\$450	----	39.5¢	Low to Normal	Low to Normal	100%	\$11.80
Western PA	\$525(+)	\$450	42¢	Low	Low	95%	\$11.50
Mid-Atlantic	\$545(+)	\$460	43¢	Low	Low	95%	\$11.75
Western NY	\$500	\$425	40¢	Low	Low	90%	\$11.00
Virginia	\$450 <sup>2</sup>	\$420 <sup>2</sup>	38¢	Low	Low	90%	\$10.90(+)
N. Carolina	\$460	\$400	36¢	Low	Low	95%	\$11.00(+)
S. Carolina	\$460	----	37¢	Low to Normal	Low to Normal	95%	\$11.00(+)
Georgia	\$460	\$400	38¢	Low	Low	95%	\$11.00(+)
North Florida	----	----	----	Low	Low	90%	\$9.80
Alabama	\$455	\$400	36¢	Low	Low	95%	\$10.60
Mississippi	\$410	----	36¢	Low	Low	85%	\$10.31
Tennessee	\$425	----	34¢	Low	Low	85%	\$11.25
Kentucky	\$430	----	34¢	Low	Low	95%	\$11.00
W. Virginia	\$450	\$410	----	Low to Normal	Low	90%	\$10.25
Ohio	\$510(+) <sup>3</sup>	\$430	36¢	Low	Low	90%	\$11.35
Michigan	\$405 <sup>1</sup>	\$380	39¢	Normal	Normal	90%	\$11.00
Indiana	\$440	----	37¢	Low to Normal	Low to Normal	90%	\$11.50
Illinois	\$435	----	39¢	Low to Normal	Low to Normal	90%	\$11.70
Wisconsin	\$425(+)	\$400	39¢	Normal	Normal	95%	\$11.50
Minnesota	\$430	----	41¢	Low to Normal	Low to Normal	90%	\$11.35
Iowa-Nebraska	\$420	----	37¢	Low to Normal	Low to Normal	90%	\$11.35
Missouri	\$385(+)	----	36.5¢	Low	Low	95%	\$10.35
Arkansas	\$440	----	40.5¢	Low to Normal	Low	90%	\$11.00
Louisiana	\$460	----	----	Normal	Low	95%	\$10.31
East Texas	\$500	\$400	40¢	Low	Low	95%	\$11.25
Kansas/OK	\$430(+)	----	36¢	Normal	Normal	85%	\$11.00(+)

<sup>1</sup> RW & RL <sup>2</sup> In Virginia 6/4 is \$430 <sup>3</sup> Southern Ohio approximately 10% lower.



## West Coast and Canadian Pallet Industry

All lumber costs are representative of typical economy lumber prices fob delivered to pallet companies in the reporting regions and are expressed in \$/Mbf. Prices are in U.S. dollars in U.S. regions and Canadian dollars in Canadian regions.

Plus and minus signs after lumber prices indicate the direc-

tion of price changes when compared to last week's *Pallet Profile*. Prices are moved in increments which make comparisons meaningful. No attempt is made to forecast future prices. It is normal to expect variations due to market fluctuations and particular circumstances.

Lumber and Pallet Prices	Southern California	Northern California	Pacific Northwest	British Columbia	Alberta
2 x 4 RL DF (Green)* Economy	\$340*	\$330*	\$270*	----	----
2 x 6 RL DF (Green)* Economy	\$340*	\$330*	\$270*	----	----
2 x wides RL DF (Green)* Economy	\$295*	\$280*	\$210*	----	----
2 x 4 RL Dry White Wood/SPF Economy	\$365	\$350	\$290	\$340	\$340
2 x 6 RL Dry White Wood/SPF Economy	\$365	\$350	\$285	\$335	\$335
2 x wides RL Dry White Wood/SPF Economy	\$325	\$310	\$250	----	----
1 x 4 Mill Run Rough Economy	----	----	----	----	\$360
1 x 6 x 40 Utility & Better SPF Canada**	\$500**	\$490**	----	----	----
2 x 4 x 48 Notched SPF Canada**	\$500**	\$490**	----	----	----
Alder GMA Cutstock 11/16 – 4"	----	----	----	----	----
Alder GMA Cutstock 11/16 – 5"	----	----	----	----	----
% Plant Capacity Used	95%	95%	100%	80%	85%
Lumber Inventory	Low	Low	Low	Low to Normal	Low to Normal
Pallet Price Direction of Movement	Pallet Prices Moving Higher To Cover Lumber Increases.				

\*\* Non 48x40 Precut Material Typically Sells for a Higher Price

\* KDRL Doug Fir – an additional \$30-55/M

\*\* KD U.S. Precut Usually \$40-\$50 Less

### Eastern Canada

	Prairie	Ontario	Quebec	Maritime
Hardwood Cants	----	\$535	\$525	\$500
2 x 4 RL SPF Economy	----	\$400*	\$380	----
2 x 6 RL SPF Economy	----	\$405	\$380	----
Mill Run Rough 1 x 4 Economy	----	\$410	\$400	----
Lumber Inventory	Low to Normal	Low to Normal	Low to Normal	Low to Normal
Log Inventory	----	Low	Low	Low
% Plant Capacity	75%	90%	85%	80%

\*8' 2x4 SPF

# Pallet Profile Weekly



For more than **41** years the only weekly report dedicated to the pallet industry.

Contact Name: \_\_\_\_\_ State/Province: \_\_\_\_\_ Date: \_\_\_\_\_

Company: \_\_\_\_\_ Phone: \_\_\_\_\_

Email: \_\_\_\_\_

**Please check the box which matches most closely your response to each of the following three questions.**

**Log availability**       Almost none     Tight     Average     Plentiful     Extremely heavy

**Lumber availability**     Almost none     Tight     Average     Plentiful     Extremely heavy

**Lumber inventory**     Almost none     Tight     Average     Plentiful     Extremely heavy

Please supply your lumber costs in dollars per M/bf, indicating currency.     **U.S. Dollars**     **Canadian Dollars**

**Mixed Hardwoods**     Delivered     Mill  
 Cants RL (8'-16') /M \_\_\_\_\_  
 4/4 4" & 6" (8'-16') /M \_\_\_\_\_  
 5/4 thru 8/4 (8'-16') /M \_\_\_\_\_  
 Cut stock 5/8x4x40 per piece \_\_\_\_\_

**Doug Fir Economy**     Delivered     Mill  
 Grade     #3     #4    GREEN    KD  
 2 x 4 RL /M \_\_\_\_\_  
 2 x 6 RL /M \_\_\_\_\_  
 2 x Wides RL /M \_\_\_\_\_

**Alder Cut Stock**    4" Price    5" Price  
 Alder 11/16 deck boards /M    \_\_\_\_\_    \_\_\_\_\_

**White Woods KD**     Delivered     Mill  
 Grade     #3     #4    SPF    SYP  
 2 x 4 RL /M \_\_\_\_\_  
 2 x 6 RL /M \_\_\_\_\_  
 2 x Wides RL /M \_\_\_\_\_

**Softwood Cut Stock**  
 2 x 4 x 48 utl.lbr. & btr. notched /M \_\_\_\_\_  
 1 x 6 x 40 utl.lbr. & btr. /M \_\_\_\_\_

**Pallet Demand**       Extremely slow     Spotty     Average     Strong     Very Strong

Percent of plant capacity utilized: \_\_\_\_\_% (Full capacity is defined as a full 40 hour week with your typical work force.

Assume two shifts as standard capacity only if you normally run two shifts.)

Pallet price direction of change in past month.

Decreasing     Mild downward pressure     Steady     Selected increases     Overall Increasing

Prices of pallet types which you manufacture and/or sell. Please provide mill or delivered prices to your major market, depending on which best fits your pricing format.

Mill Price                      Typical Freight                      Delivered Price

GMA (5/8" x 1-3/8") Mixed Hardwoods    \_\_\_\_\_    \_\_\_\_\_    \_\_\_\_\_

Comments: Please give additional insight on the current market. (Use additional sheet of paper if needed)

**Please complete and return as soon as possible. Email to: chailleb@gmail.com**

or mail to: Industrial Reporting, Inc • 10244 Timber Ridge Dr. • Ashland, VA 23005 • Phone 804/550-0323

**Fax: 800-397-9153**