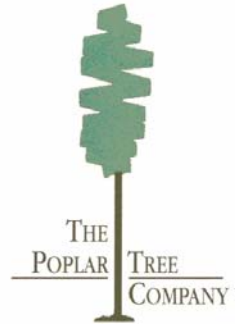


The Poplar Tree Company

NEWSLETTER



Newsletter Date

Spring 2010

Spring 2010 update

We are starting another season with plans to plant about 140 ha of woodland. 60% of this will be poplar and the rest will be mixed broadleaf with varying species depending on the region we are planting. We are planning to expand on our mixed broadleaf planting due to an increased interest from non farmers, along with the expansion of woodland grants we are able to do this with no costs to the land owner. Information on our new scheme can be found on the web-site.

Other changes for new planting for landowners was announced by the Rural Payments Agency last May when it was confirmed that income under the Single Payment Scheme can now be claimed on land planted with trees in **addition** to the Farm Compensation Payment. Previously the SPS payment had to be foregone if the £300 or £200 annual payment for arable or grassland respectively was claimed on areas planted with trees.

Tree growers are, by definition, long-term thinkers, planning for the future of their land and disregarding short-term fluctuations in the price of timber. It is always worth remembering that Timber has been quoted as the perfect investment due to the following:-

- ✦ little or no labour involvement
- ✦ if trees are not harvested they continue to grow and add value exponentially
- ✦ there is a worldwide shortage of timber
- ✦ all projections conclude that this shortage will get worse as natural forests are cleared or their use is severely restricted and growing trees helps to slow or mitigate global warming

So, there are many reasons for planting trees such as to:-

- use land that is otherwise generating little income
- use land that is difficult to cultivate due to remoteness, awkward shape for machinery, or is too wet.
- enhance the landscape
- provide a future tax-free income
- provide Inheritance Tax free funds for a family trust
- provide valuable fuel for home use or for sale
- provide cover for game birds or other wildlife
- lift game birds to provide more interesting shoots
- provide areas for recreation

The Poplar Tree Company not only supplies their well-known hybrid poplars but also a wide selection of Native Broadleaf trees. In fact over the past ten years we have planted over 500,000 Native Broadleaf trees.

Timber Sales 2009

With sales last year at 3500 cubic m of Poplar we have moved forward with new products and trials on further items including high quality treated boarding as shown in the picture on the right.

We have also sent some timber for energy production with Tilhill and with Certainly Woods demand for wood chip for the new kilns, we are planning for another good year on sales. With the housing market still weak the high end timber prices are still low but all signs are showing that the fuel wood and wood chip markets are gaining in strength. This has led to an increase in the low grade cord wood demand and as a result we believe the market looks very good for future sales. Fire wood values are also on the increase so any woodland not currently being managed may be worth looking at now.



Special points

of interest

- + 2010 outlook
- + Timber sales
- + The global picture
- + RSPB

World Timber supply

Global deforestation and over cutting, particularly in the Asia Pacific region, has meant that composite timber products (chipboard, ply-board, MDF, finger joint board, etc.) provide an increasing share of the international market. Previous supplier countries of round and sawn wood such as Thailand, Malaysia, the Philippines and Indonesia are no longer willing to sell non value added product into the international market and some have imposed bans on the export of sawn timber.

A recent FAO report established that from 1990 to 2005 the forested areas in various countries changed as follows:-

Brazil decreased by 42,329,000ha
Indonesia decreased by 28,072,000ha
France increased by 1,016,000 ha,
and the UK by 234,000 ha.

Worldwide however, there was a decrease in the land area devoted to forest of 125,000 000 ha in just 15 years – 8,333,000 ha per annum.

Increasingly governments of importing countries are insisting that timber is FSC (Forest Stewardship Council) registered and must come from sustainable sources. The amount of traded timber sourced from plantations is forecast to increase from 414 million cubic metres in 2000 to 600 million cubic metres in 2010.

The UK forested area is about 12% (France 28%, Germany 32%, Italy 34% Sweden 67%) but new planting is only 8,000ha/year, compared with 40,000 ha/year in the early 70's. Softwood timber production in the UK increased by 28% between 1995 and 2004 but hardwood production decreased by 42%. Exports increased to 11% of total production, a new phenomenon for the UK,. Coniferous round-wood imports to the UK have increased by 52% since 1990, whereas hardwood round-wood declined by 47%. The UK imported 960,000 tonnes of hardwoods per annum between 2000-2004, including 458,000 tonnes of tropical hardwoods.

In the 2009 Report to the Forestry Commission by Prof Sir David Read, he calls for an additional 23,000 ha of woodland annually for the next 40 years. This would only represent an additional 4% of land cover, which would bring the UK up to 16%. He specifically encourages the use of poplar and in addition, trees that are currently non native to the UK, to combat the effect of climate change.

Clearly there is still a great deal that the UK can do in becoming more self sufficient for timber. Individually, we can only do so much but the collective impact will be substantial.

Source of statistical information –

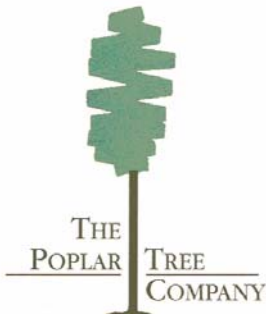
'Combating Climate Change, the role for UK forests'. 2009

'World timber trade and implementing sustainable forest management in the UK. Lawson G and Hemery G.L. 2007

Volunteer & Farmer Alliance

At the home farm we have been working with the RSPB under the Volunteer & Farmer Alliance. A full survey of all bird species was carried out over a period of time along with additional bird boxes and improved habitats. Three species found on site are of high conservation concern. The Scheme was developed to help reverse the decline of farmland bird populations by working together with volunteers and farmers. The scheme provides farmers with a survey of the birds breeding on their land, undertaken by RSPB volunteers—with the results presented on a map showing where on the farm the birds of conservation concern can be found.

For more information please go to the RSPB web site <http://www.rspb.org.uk/ourwork/farming/>



If you are able to receive the newsletter by email or know anyone who would like to receive it, then please register on our web-site.

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From all at the PTC

We would like to wish
You a happy new year.

