

**Department of Natural Resources
Timber Report
Third Quarter Fiscal Year (FY) 2011-12**

Background

Michigan's state forest system was originally certified under both the Sustainable Forestry Initiative (SFI) and the Forest Stewardship Council (FSC) third-party forest certification standards in December 2005. Michigan successfully re-certified under both standards in December 2010.

Forest certification protocols require public participation in forest management planning and forest operations. The Department of Natural Resources (DNR) compartment review process has been audited by both the SFI and the FSC and has been recognized as a key public participation mechanism that meets requirements for forest certification.

The DNR's investment in forest certification strengthens Michigan's forest products sector. Certification is essential in order for primary wood producers in Michigan to have continued access to national and international markets.

Third Quarter FY 2011-12 Timber Treatments

State forest planning and activities, including timber treatments, are conducted within the framework of SFI and FSC forest certification principles and standards. Timber treatments in a given year are based on decisions made two years prior to the treatments through the compartment review process.

The FY 2011-12 plan of work currently identifies 59,214 acres for timber sale preparation that were approved through the compartment review process, taking into consideration the impact of timber harvesting on wildlife habitat and recreational uses. Managers have developed work plans to prepare all 59,214 acres for sale with current resources, including marking contracts. Final numbers for the work plans may change slightly.

Timber sale preparation is done by DNR staff and through timber marking contracts with private consultants. Through the third quarter of FY 2011-12, 7,856 acres of timber sale preparation-marking contracts have been awarded. No additional marking contracts are expected to be awarded this fiscal year.

Through the end of the third quarter, the DNR has submitted 25,770 acres of timber sales with an estimated volume of 304,700 cords. Typically, fewer acres are prepared for sale during the first three quarters of the fiscal year than during the final quarter due to seasonal management activities.

Of 210 sales offered, 202 sold on their initial offering. This 4% no-bid rate is down from the second quarter's 5% rate, but up from the first quarter's 2% no-bid rate. The year-to-date 4% no-bid rate is up slightly from the whole of FY 2010-11, where 3% of sales received no bids.

FY 2011-12	Total sales offered in the quarter	Offerings with no bids	Percent (%) of sales that were no-bid
1 st quarter	124	2	2%
2 nd quarter	167	8	5%
3 rd quarter	210	8	4%
Total	501	18	4%