THE LUMBER DAILY

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Wildfire Salvage Edition
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MARKET PULSE | Lumber $577 | S&P 7,022.95 | WTI $92 | 10yr 4.31% | 30yr mtg ~6.30%

■ TOP STORIES

Canadian softwood producers have now paid more than US$8 billion in duties since 2017

Cumulative antidumping and countervailing duties (AD/CVD) paid by Canadian softwood lumber producers into United States trust accounts have passed US$8 billion, with roughly US$2 billion in accumulated interest pushing the total above US$10 billion. The figures were reported Tuesday by the Globe and Mail. Canadian share of United States softwood consumption has fallen from 33 percent in 2016 to 21 percent, while domestic United States supply has risen to 72 percent. British Columbia Forests Minister Ravi Parmar said no deal on the United States-Mexico-Canada Agreement (USMCA) review will be successful unless it includes resolving softwood, putting the dispute squarely on the table for the next round of trilateral negotiations. The current combined duty load sits near 45 percent for most producers — roughly 35 percent AD/CVD plus the separate 10 percent Section 232 tariff on timber and lumber that took effect in October 2025. The Department of Commerce's preliminary seventh administrative review, published last week, would cut the AD/CVD component to approximately 24.83 percent if finalized in August 2026.

Montana Forest Service launches sustained-yield unit directing 35 million board feet per year to local mills

The United States Forest Service (USFS) is advancing a sustained-yield unit across 925,024 acres on three Montana national forests — Helena-Lewis and Clark, Beaverhead-Deerlodge, and Custer Gallatin — using authority under a 1944 law that allows the agency to direct federal timber exclusively to mills within a designated community. The plan calls for 350 million board feet (MMbf) over the first ten-year period, or 35 MMbf per year, aimed at stabilizing a Montana timber industry that has contracted sharply over the past two decades. A public hearing was held April 1 in Helena. Response has been mixed: local operators cautiously supportive, conservation groups raising questions about sustained-yield commitments on fire-prone landscapes where future inventory projections carry wide uncertainty bands.

North Carolina Timber Loss Relief Program opens April 20 for landowners hit by Hurricane Helene

Applications open April 20 for North Carolina's Timber Loss Relief Program, targeting private forest landowners with ten or more contiguous acres of moderate-to-catastrophic timber damage from Hurricane Helene. The state estimates 822,000 acres of timberland were damaged, with $214 million in timber losses across all forest lands. The program draws from a $221 million federal disaster block grant opened March 30. Separately, the USFS and North Carolina Wildlife Resources Commission signed a $290 million Good Neighbor Agreement to support hurricane recovery work on national forest lands in the western part of the state. The combined federal commitment underscores the scale of the timber loss in the Southern Appalachian hardwood belt — a region that supplies a significant share of the national hardwood flooring, cabinet, and moulding supply chain.

■ DEEP DIVE: WILDFIRE LOG SALVAGE IN OREGON

Oregon's fire debt: what burned and how much timber it killed

The 2020 Labor Day fires remain the defining event. Five megafires — Beachie Creek (193,556 acres), Holiday Farm (173,439 acres), Riverside (138,000 acres), Archie Creek (131,542 acres), and Lionshead — burned more than 1.2 million acres in a single wind-driven week. The Oregon Forest Industries Council estimated the fires killed trees holding roughly 15 billion board feet of lumber, nearly four times the state's annual harvest. Federal post-fire assessments put the timber volume on the Beachie Creek footprint alone at 3,069 MMbf valued at $6.2 billion, with 122,700 acres of medium-to-high severity burn carrying 2,040 MMbf. Archie Creek added 2,507 MMbf across 131,542 acres. The 2021 Bootleg Fire scorched another 413,765 acres in the Fremont-Winema region — the third-largest Oregon fire since 1900 — though much of that acreage was privately held and salvaged by the landowner beginning January 2022. Oregon State University Extension projects the cumulative fire losses will reduce available timber supply by 100 to 250 MMbf annually through 2065.

The salvage clock: one to two years for lumber grade, then it is gone

Fire-killed timber has a narrow window. Research published in Forestry: An International Journal shows the optimal salvage window for sawlog-grade recovery is one to two years after tree death. Blue-stain fungi colonize sapwood quickly and discolor the wood — mills deduct for the stain but it does not degrade structural properties. After roughly three years, wood-rotting fungi invade the core and the material drops below merchantable quality. The practical grading at the mill sorts fire-killed logs into three tiers: unburned or green wood at full value, bark-only char at a modest discount (the char comes off in the debarker), and deep wood char at cull or zero value. Pulp mills generally reject burned bark and charred material outright. The Oregon Forest Practices Act requires replanting within two years if salvage occurs on private land, which means the decision to harvest or leave standing compresses into a tight regulatory and biological window.

Regulatory pathways: categorical exclusions, emergency determinations, and roadside hazard

On federal land, salvage timber sales move through the National Environmental Policy Act (NEPA) framework unless an exemption applies. The USFS categorical exclusion (CE) for salvage covers dead and dying tree removal on up to 250 acres with a maximum of half a mile of temporary road construction — no full NEPA environmental assessment required. A March 2025 executive order directed the Secretary of the Interior to re-establish and expand categorical exclusions for salvage, and in May 2025 the USFS adopted additional CEs from other federal agencies to accelerate natural resource management decisions. For larger or more complex projects, the USFS Chief can issue an Emergency Situation Determination (ESD) authorizing immediate implementation to protect human safety, mitigate resource threats, or avoid commodity-value loss. Roadside hazard tree removal — standing dead trees within 200 feet of key roads at imminent risk of falling onto travel corridors — is often the fastest pathway because it combines a safety mandate with salvage recovery. On state and private land in Oregon, the Department of Forestry requires 15 days' notification before salvage work begins, with expedited review available in declared emergency areas.

Old growth Douglas-fir, Western Red Cedar, and the economics of fire-killed premium species

Oregon's fire zones carry significant volumes of Douglas-fir, ponderosa pine, white fir, and — in the western Cascades and Coast Range overlap zones — Western Red Cedar. Ponderosa pine is the most fire-resistant species in the mix, with thick bark and a self-pruning habit that lets it survive moderate surface fire. Douglas-fir has moderate fire resistance in mature stands but is vulnerable to crown fire in dense, multi-story canopy conditions — exactly the structure that characterized much of the 2020 burn area when extreme east winds drove fire through the canopy. Old-growth Douglas-fir salvage logs are high-value material: large diameter, tight grain, and clear grades that command premium pricing in the structural and appearance markets. Western Red Cedar, already supply-constrained as British Columbia coastal harvest has fallen 37 percent since 2018 under old-growth deferrals, carries naturally decay-resistant heartwood that retains its durability for years after fire death — making it among the most economically valuable species to salvage for decking, siding, and appearance-grade products. The constraint is not economics but access: the 2002 Biscuit Fire in southwest Oregon proposed 367 MMbf of salvage but ultimately harvested only 67 MMbf — roughly 18 percent — after legal challenges and environmental review delays consumed most of the salvage window. That pattern has repeated across subsequent fires, and it is the central tension in Oregon wildfire salvage: the biological and market value of fire-killed timber is clear, but the regulatory and legal pathway determines how much of it actually reaches a mill.

■ WHAT YOU MISSED YESTERDAY

Wednesday, April 15 — markets, energy, and trade.

- S&P 500 +0.80% to 7,022.95 (record close); Nasdaq Composite +1.59% to 24,016.02; Dow Jones Industrial Average -0.15% to 48,463.72.
- West Texas Intermediate (WTI) crude at $92.42 per barrel. Energy costs remain a direct input for kiln operations and inbound freight across every producing region.
- Bank of America reported first-quarter earnings of $1.11 per share versus a $1.01 estimate, with net income up 17 percent to $8.6 billion — the highest earnings per share in nearly two decades. Revenue rose 7.2 percent to $30.43 billion on rising net interest income, higher trading revenue, and investment banking fees.
- President Trump said a second round of direct negotiations with Iran could take place in Pakistan within days. The United States naval blockade of Iranian ports entered its third day, enforced by more than 10,000 troops and over a dozen warships. Oil-market risk premium remains the through-line to energy costs across the lumber supply chain.

■ INDUSTRY & COMPANY NEWS

- **AdvantageLumber.com launches full Accoya modified wood line online:** The retailer announced it is the first United States online lumber dealer to stock and ship a complete range of Accoya acetylated wood products — decking, siding, and custom-milled profiles — from four domestically located manufacturing and distribution facilities. Accoya is a modified radiata pine with a 50-plus-year above-ground durability rating, positioning it against Western Red Cedar and tropical hardwoods in the exterior appearance market.
- **Mellanskog announces fifth timber price cut since autumn 2025:** The Swedish forest-owner cooperative cut prices effective April 9, citing persistently weak demand. Pine timber fell 80 Swedish kronor per cubic meter in the February round, with spruce down 30 and small timber down 60. Separately, Storm Dave assessments show more than two million cubic meters of windfallen timber in southern Sweden — a short-term supply windfall that further pressures Scandinavian softwood pricing.
- **Madison's Lumber Prices Index holds at US$523 per thousand board feet (MBF):** The index for the week ending April 10 was flat to slightly up week-over-week and up $22 or four percent from one month ago. Western Spruce-Pine-Fir (WSPF) 2x4 reached US$490/MBF for the week ending April 3. Order files stretched to two to three weeks in some regions as modest spring demand exposed limited mill availability. Transportation headwinds — rising freight rates and tight truck and rail supply — added to delivered cost.

■ COMING UP

- **April 18:** Canadian Forest Sector Transformation Task Force roadmap due to Natural Resources Canada. The template drives C$500 million of product-diversification and C$50 million of reskilling allocations into British Columbia (BC) and Quebec specialty-value-added programming.
- **April 21-23:** National Wood Flooring Association (NWFA) Wood Flooring Expo in Charlotte, North Carolina — the primary annual gathering for hardwood flooring manufacturers, distributors, and installers.
- **April 30:** Weyerhaeuser and UFP Industries report first-quarter 2026 earnings. Weyerhaeuser's softwood commentary and UFP's Deckorators composite-capacity update remain the two cleanest reads on builder pricing and decking substitution heading into Q2.

■ THE BOTTOM LINE

Three things for your Thursday. First, Oregon's post-fire timber supply is real but access is the bottleneck — the Biscuit Fire delivered only 18 percent of its proposed salvage volume to mills, and the same regulatory and legal friction applies to the 2020 and 2021 burn footprints where the one-to-two-year lumber-grade salvage window has largely closed. Any future fire season will restart the clock, and the USFS categorical exclusion and emergency determination pathways are the mechanisms that determine whether salvage moves fast enough to matter. Second, Canadian softwood duties have now consumed more than US$10 billion in capital that sits inaccessible — the USMCA review is the next credible path to resolution, and the preliminary seventh-review rate cut to roughly 24.83 percent AD/CVD would lower the combined load if finalized in August. Third, Montana's sustained-yield experiment is worth watching: 35 MMbf per year directed to local mills under a 1944 law is a policy template that other timber-dependent communities in the West will track closely.