Testimony of
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Before the House Committee on Transportation regarding S. 46, An Act Relating to the Taxation of Vehicles Used for Forestry Operations
Thursday, April 24, 2025

Chair Walker, Vice Chair Corcoran and members of the House Committee on Transportation, my name is Dana Doran, and I am the Executive Director of the Professional Logging Contractors of the Northeast (PLC). It is a pleasure appearing before you today in support of S. 46, An Act Relating to the Taxation of Vehicles Used for Forestry Operations. In review, S. 46, in its original form, sought an exemption from: 1) the purchase and use tax for new/used trucks and trailers and 2) sales tax for repair parts. This bill is the industry's number one legislative priority this session and we hope this committee will pass this important legislation in the future.

As background, the PLC is an educational non-profit that was created in 1995 to represent logging and associated trucking contractors throughout the state of Maine. In May 2023, the membership voted to expand its presence and begin representing contractors in the region, including the state of Vermont. The PLC has three Board Members from Vermont, Sam Lincoln, Lincoln Farm Timber Harvesting, Randolph Center; Jack Bell, Longview Forest, Inc., Hartland; and Gabe Russo, Southwind Forestry, LLC, Pawlet and has 25 contractor members from the state.

As this committee knows, timber harvesting and hauling are distinct and impactful components of Vermont's rural economy. Occupations from this industry are inextricably linked to the health and long-term management of Vermont's forests, which cover 75% of the state. The state's reliance on healthy forests requires focus and engagement on policies and programs that support a strong and vibrant forest economy.

However, timber harvesting and hauling contractors in Vermont are at a crossroads right now. While this past winter was "normal" from a weather perspective, the past two years have not been normal with warm, wet and variable weather patterns. Additionally, markets and inflation are also not normal.

In 2024, Vermont experienced the closure of three important markets as a result of high interest rates and decline in demand for wood products – Putney Paper in Putney, A. Johnson in Bristol and Mill River in Clarendon. These closures are additive to the low-grade market struggles in Maine over the last decade and we expect that markets will get worse as a result of tariffs.

Adding insult to injury, inflation on equipment, parts, wages and labor over the last five years has been upwards of 40%. And currently, because of tariff threats, contractors are also now reporting that they are experiencing further inflation on fuel and equipment, in the amount of an additional 25%. A majority of contractors are questioning the economic viability of their businesses and their path forward.
As a result of this turmoil and no solid forecast for normalcy, the PLC and its membership in Vermont have been working to develop policy initiatives that would help all Vermont logging contractors deal with

volatility of weather, markets and inflation so that contractors can survive for the future. S. 46, represents the outcome of our discussions and is critically important.

For context on why this legislation is so vital, in 2014, Congress mandated the use of Tier IV heavy duty engines. These engines have reduced emissions by 98%, which is vitally important to environmental protection. However, that has come with a cost as heavy-duty trucks have doubled in price over the last 10 years. Logging and trucking contractors operate in a highly competitive and capital-intensive market. Profit margins are razor thin and close to non-existent.

Currently, new or used heavy-duty trucks and parts are subject to an 18% tax rate (12% federal and 6% purchase and use state tax). Exempting trucks from purchase and use taxes will help contractors maintain lower operating costs, improve profitability, and remain competitive regionally. Additionally, repairs and maintenance are one of the largest expenses for these vehicles and exempting repair parts from sales and use tax, as was proposed in the original version of S. 46, will bring immediate relief to eligible companies. These exemptions will ultimately support local economies by protecting jobs in rural areas that are the homebase for these companies.

For contractors that cannot afford to invest in this technology as result of disincentives for purchasing, such as high taxes, they will continue to use older, more fuel and emission inefficient technology for longer periods of time. By reducing the financial burden for new investment on vehicles and related parts associated with forest operations, the exemption will encourage investment in modern, efficient, and environmentally sensitive equipment. This supports responsible forest management practices, helping contractors minimize their climate impact while adhering to environmental regulations.

The General Assembly exempted logging equipment from these taxes in 2017 and 2018 but did not include motor vehicles or trailers associated with forest operations. Transportation vehicles in the logging industry are not just for getting from point A to B but are essential tools in the production and transport of raw materials (timber) to mills. Since trucks are integral to the supply chain, similar to machinery used in manufacturing or farming, they can be classified as production equipment, which is often tax-exempt in other industries. Vermont is surrounded by states that exempt these vehicles from taxation and the state's forest economy is at a disadvantage in a competitive regional economy.

State	Logging Vehicles Exempt from Sales Tax	Tax Rate on Vehicles	Repair Parts Tax Rate
NH	Yes	$0	0%
NY	Yes	$0	0%
ME	Legislation pending to exempt	Currently 5.5%	Currently 5.5%
VT	No	6% up to $2,486 for vehicles 10,100 lbs or more	6%

In terms of the amended version of S. 46, I would like to thank the Senate Transportation Committee for all of their hard work thus far and we understand completely why they took the steps that they did to amend the bill, both from the perspective of jurisdiction, but also from a cost basis. However, I would like to present an analysis for this Committee to consider as you deliberate taking action on S. 46 and request that the Committee consider an amended version of the original bill.

In 2017 & 2018, Sam Lincoln, who many of you know, worked with the administration and this Committee to develop the existing logging equipment exemption. As a current member of the logging sector, Mr. Lincoln and our organization believe the numbers presented by the Joint Fiscal Office

(JFO), in terms of annual purchases of trucks by contractors, are *significantly higher* than our understanding of the on-the-ground situation now.

Publicly facing websites representing forest economy trade associations and logger training programs in Vermont have a total of *approximately* 197 unique companies currently listed that identify as logging or trucking contractors. When counting companies, we did our best to eliminate potential duplicates that are listed on multiple websites. Essentially all of these are small rural businesses.

When Mr. Lincoln was the Deputy Commissioner at the Department of Forests, Parks, and Recreation, he was asked regularly how many logging companies there are in Vermont. They're not tracked in any official way, but generally, using some modeled numbers, it was estimated that there were 200-250 companies in the 2017-2020 era.

Since 2020 and the impacts of the pandemic (inflation, labor shortages, equipment and parts shortages, and market downturns), and severe weather events that resulted in long durations of inoperable ground conditions, there has been significant attrition in the number of logging companies in Vermont and many remaining companies are much smaller in size than they were prior to the pandemic. Thus, based upon the data we have found recently, our current estimate of 197 companies should be relatively accurate.

When the original sales and use, and purchase and use, tax exemptions were supported and passed by the Legislature in 2017-18, it was Mr. Lincoln's recollection that JFO calculated the revenue impact of those exemptions to be under $100,000 annually for each exemption. JFO's fiscal note for the amended version of S. 46 projects a $1,000,000 annual impact to the Transportation and Education Funds if the full exemption was provided for just the purchase and use tax.

Assuming the $1,000,000 and dividing that by the capped Purchase and Use tax amount of $2,486 per vehicle equates to an estimated ***402 vehicles*** purchased annually, registered with a Gross Vehicle Weight of 10,000 pounds or more. This amounts to an average of more than two heavy duty vehicles purchased by each Vermont logging and trucking company per year and we believe that projection is much too high.

In the past 30 years, Mr. Lincoln purchased a new service truck (12,500-pound GVW) on a seven-year average interval. From his experience and others in our membership, we would offer that loggers in Vermont replace trucks (log trucks, service trucks, log and chip trailers) on anywhere from a three to ten-year interval (some longer). We are unaware of any loggers in Vermont that annually purchase two heavy trucks, tractors, trailers, etc.

Vermont is losing logging and trucking capacity. This is negatively impacting rural communities and more importantly, the businesses that steward our forests in a time when forest health and integrity is well known to be a critical part of climate resilience. Those that remain committed to the logging and trucking industry need every dollar they can hold on to for reinvestment in their equipment, employees, and best practices to compete for survival.

If the Committee would consider supporting an amended version of S. 46, which supports the 10,000 GVW threshold, but provides the full sales tax exemption for Purchase and Use and well as Sales and Use, we would greatly appreciate it.

Our membership and the broader industry are asking this Committee to help us move this important initiative forward. We believe it's imperative to save jobs and keep this industry intact until markets can return. Thanks for your willingness to listen to me today and I would be happy to answer any questions you have.

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Vermont's Loggers and Sawmills Are Disappearing — and That's Bad News for Forests

A robust forest-products industry helps keep forests healthy in a changing world. But the future of logging has hit the skids.

By JONATHAN MINGLE

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A. Johnson in Bristol CALEB KENNA

Ken Johnson needed a place to sit. He searched the wood-paneled office for a perch amid boxes full of power cords, tools and other detritus from his decades running the 117-year-old A. Johnson Company, one of Vermont's largest lumber mills.

In late November 2023, Johnson — the fourth generation of his family to helm the company — and his business partner, Bill Sayre, had made the painful decision to permanently shut down the Bristol sawmill and its retail lumber sales.

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Just over a year later, Johnson was finally packing up his old office in the middle of the yard, where he used to be surrounded by whirring edgers and debarkers and other machinery, now dismantled and carted away. When he finally found a chair, I asked him how the past year had been.

"Devastating," he said simply. "I continue to blame myself. And then I recite the facts to myself: We were going to go out of business, regardless. We just weren't positioned well to survive the changing economic climate."

The A. Johnson Company had weathered floods and downturns in the economy, navigated technological change and the fickle currents of global lumber markets, and even survived the 2008 recession, which choked off demand for building products. The company had long been one of Vermont's biggest mills: At its peak, right before the housing crash, it produced nearly 13 million board feet of lumber annually.

"The forest management industry is dying. And we can't let it happen."

ETHAN TAPPER

But in recent years, converging forces had pushed the company to the brink. Lumber prices had sunk. Demand from China, a dominant buyer of U.S. hardwoods, had declined. In Canada, large mills had invested in more sophisticated machinery that enabled them to process huge volumes of lumber. Too small to keep pace with those bigger competitors, A. Johnson also proved too big to aggressively chase higher-margin specialty markets such as hardwood flooring.

"It's like we were fighting a tide," Sayre said. Vermont's legacy sawmills, he explained, are going the way of its family dairy farms. They must get more efficient to survive in the commodity lumber business or focus on more niche markets — or die.

And then there's climate change. Loggers need firm or frozen ground to operate in the woods. By late 2023, warm rainy winters followed by soggy, monsoonal summers had reduced the flow of logs into A. Johnson's yard to a relative trickle.

Ken Johnson CALEB KENNA

Along with shrinking markets and a warming climate, Vermont's forests and the people whose livelihoods depend on them face compounding threats: a fast-aging workforce, fragmentation of forests into smaller parcels, declining appetite among landowners for selling timber and rising public skepticism about harvesting on public lands.

Other Vermont mills have succumbed to these tides. The 150-year-old Putney Paper Mill shut down in January 2024. By one estimate, nearly 150 sawmills in Vermont have closed since 2000.

Mill operators and loggers aren't the only people who are worried. A chorus of conservation groups, ecologists, state officials and foresters warn that these forces might make it harder to keep Vermont's forestlands intact, by chipping away at incentives that counteract the financial pressure to subdivide or develop. And they argue that, as paradoxical as it sounds, making Vermont's 4.5 million wooded acres more resilient to climate change and invasive species actually requires – in many cases and places — some *more* mindful tree felling.

Ethan Tapper, a consulting forester based in Bolton, is one of those who fear that the decline of Vermont's forest-products sector will imperil the larger goal of keeping the state's woodlands viable and healthy for generations to come.

"I'm terrified by the loss of these markets," Tapper said. "I'm really worried by the loss of loggers. The forest management industry is dying. And we can't let it happen."

More Trees, Fewer Logs

A. Johnson in Bristol

CALEB KENNA

For much of its history, Vermont's economy was driven by the felling and milling of trees into various products. Plenty of communities owe their very existence to that industry. Towns such as Bristol were once peppered with mills producing everything from bobbins and boxes to coffins and clapboards. Even today, Vermont's forest products sector sustains more than 13,000 jobs and generates more than $2 billion in economic output.

With 77 percent of its land covered in trees, Vermont is the third-most-forested state in the country.

But these days we demand even more from our forests: not just saw logs and livelihoods, firewood and maple syrup, but also scenic vistas, mountain biking trails, stands of "old growth," welcoming habitats for bears, birds and brook trout. Our wooded slopes are also a source of something intangible but just as important to many Vermonters: identity. They are what make this the *Green* Mountain State, after all. On top of all that, we now want our forests to take on yet another job: sponging up and storing carbon.

With 77 percent of its land covered in trees, Vermont is the third-most-forested state in the country. Its forests add about three times more wood in volume than is harvested each year. Yet it is getting harder than ever for mills to find logs.

For the private woodlot owners who hold 80 percent of Vermont's forests, the financial incentives to sell timber have waned. The "stumpage" prices often aren't as enticing as, say, developing the land, leasing a sugar bush or just leaving it alone.

Meanwhile, public opposition to cutting on state and national forestland has increased. That has led to heated public policy debates, such as recent disagreements over how much logging to allow in the state's 18,772-acre Worcester Range forests.

"Loggers are struggling with access to the forest," said Oliver Pierson, director of the Forests Division at Vermont's Department of Forests, Parks and Recreation. "Sawmills are struggling with getting enough product in and being able to sell it."

That's why the legislature authorized Pierson's department to lead the drafting of the Vermont Forest Future Strategic Roadmap, a 2024 report that lays out urgent steps to help shore up the state's struggling forest economy, such as high-tech skills training to entice more young people to enter the trades as "climate-smart" foresters and loggers. Another priority is getting more properties enrolled in the state's Use Value Appraisal program (colloquially known as "current use"), which reduces landowners' property taxes in return for extracting a certain amount of timber or other products from their forests.

Vermont's forest products sector sustains more than 13,000 jobs and generates more than $2 billion in economic output.

In recent decades, Vermont's woodlands have been cleaved into smaller and smaller parcels as financial incentives drive landowners to subdivide or

develop. Each year the state loses more than 12,000 wooded acres, according to U.S. Forest Service estimates.

"If we don't have a viable forest products sector, it raises a whole host of questions," said Jamey Fidel, general counsel and forest and wildlife program director at the Vermont Natural Resources Council. "Are we getting wood from places that don't have standards we have in place here in Vermont? How do we help people hold on to their forestland rather than pursuing intensive development?"

Johnson and Sayre point to a larger cultural shift behind the economic vise that squeezed their mill out of business: waning public support for harvesting timber in Vermont.

"When they are fully aware of the benefits of harvesting, I believe the public will support it," said Sayre, a self-described optimist. "They may not care about job opportunities in rural communities. But they do care about carbon footprint, and they care about songbirds' habitat. And by making connections on those points that are important to them, I think we can help them appreciate the role that working forests play in their lives."

Johnson eyed his old friend and partner with a wry, skeptical smile. "I call him 'Joe Silver Lining'," he said. The two men laughed.

Under Old Management

Standing Trees protest JONATHAN MINGLE

On a blustery Saturday in January, nearly a hundred protestors converged on the parking lot of the Green Mountain National Forest's headquarters on Route 4 in Mendon. The group sang "This Land Is Your Land" to kick off a rally to demand that the U.S. Forest Service abandon its plan to allow logging in parts of the thickly forested, high-elevation Telephone Gap area several miles north.

Lopi LaRoe had come from Rutland to join the protest, which was organized by the environmental group Standing Trees. She had been fighting the plan for two years.

She wasn't opposed to logging everywhere, but she wondered why it couldn't be done on private lands. "There are so few old-growth forests in Vermont," she said.

"And it's time to start transitioning away from that, anyway," she added, to reduce our dependence on wood products more generally. "They should have a moratorium on cutting on public lands altogether, in my opinion. We don't need to 'manage' it. Let it go."

Her sentiment was echoed by the signs people waved around her. One featured Dr. Seuss' Lorax; another shouted, "We need our Ancient Trees NOW more than ever."

The plan they were decrying was a compromise of sorts. An earlier proposal that would have permitted logging on a wider area had been revised after extensive public comments and input from groups such as VNRC, Audubon Vermont and forest science experts at the University of Vermont. The new plan would protect 661 acres previously slated for harvest that have "old forest" features and reduce the overall harvesting area.

Jamey Fidel of VNRC lauded the revised plan for its embrace of "climate-smart techniques." Most of the permitted logging, he said, would involve selective cutting to improve the age and structural diversity of the forest, rather than aiming to extract a set amount of board feet of timber.

Such endorsements hadn't persuaded LaRoe and her fellow protestors.

"I think this local Johnson company is just set to profit" from the plan, LaRoe told me. "This is the public trust. You can log on private lands or adapt your way of making a living to make it more sustainable."

I informed her that A. Johnson had, in fact, shut down its mill a year earlier.

She paused. "Really?" she said. "Wow."

Zack Porter, executive director of Standing Trees, stepped up to the mic. "Less than 1 percent of Vermont's lumber comes from national forest," he said. "This project isn't necessary." He noted that the forest service's own analysis suggested the project could release carbon equivalent to a year's worth of emissions from 60,000 passenger vehicles.

Rep. Amy Sheldon (D-Middlebury), who chairs the House Committee on Environment, was also scheduled to speak but was unable to make it; another rally-goer read her speech instead. A month later, Sheldon would introduce a bill that would seek to "recover old forests" by putting 268,000 acres of state lands where timber harvesting has long been permitted, such as Camel's Hump State Forest, permanently off-limits.

'Flavors' of Stumps

Ethan Tapper FILE: DARIA BISHOP

Industry advocates such as Bill Sayre argue that logging leads to faster carbon uptake from new growth. Groups such as Standing Trees point to research that older trees keep more carbon locked up for longer.

"They're both correct," said Tony D'Amato, a professor of forestry at UVM. D'Amato is an expert on the carbon dynamics of New England's forests and on what constitutes "old-growth" forests.

"Carbon science is easily weaponized depending on your agenda," he said, noting that, while carbon sequestration (trees' rate of uptake from the atmosphere) and carbon storage (its containment in trees and soil) are often conflated, they are not the same thing. "We need both, for many reasons," he explained. To keep carbon out of the atmosphere, forests need both large stocks of older trees that store carbon and younger ones "sucking up carbon at high rates."

To balance those imperatives, D'Amato promotes the concept of "carbon stewardship" — an approach that factors in sequestration, storage and adaptation to future climate impacts. Disturbances such as windstorms, wildfires, beech leaf disease and invasive pests can damage a forest's ability to hold on to carbon. Selective harvesting and planting can nurture species

that "counterbalance that carbon loss," D'Amato explained, so that a regenerating acre of forest holds on to more carbon than it would if it were allowed to revert to fields or shrubs.

At Mud Pond Forest, a property owned by **Vermont Land Trust** in Greensboro, D'Amato, some UVM colleagues and the land trust's foresters are studying the health of tracts subjected to varying intensities of timber cutting and none at all, to monitor their climate resilience over long time spans.

Forestland in Lincoln CALEB KENNA

As part of another research project, D'Amato worked with Ethan Tapper, in his former role as Chittenden County forester, to plan some light harvesting at the Catamount Community Forest in Williston. In his recent book, *How to Love a Forest*, Tapper argues that caring for woodlands is messier than most people appreciate. It often demands cutting down trees, because mortality is essential to forest regeneration. "I do a lot of work helping people wrap their head around tree death," he said.

"People now care about climate, biodiversity, habitat, water quality, scenic diversity, recreation," he said. Such values are rightly ascendant after centuries of treating forests merely as a vast lumberyard and fuel depot. "And folks assume that the way to care must be to leave forests alone when, in fact, in many cases, we have to manage them to actually achieve those benefits."

Tapper — who has led plenty of forest walks to explain that hands-on approach to people — understands how counterintuitive it sounds. "I talk mostly about how altered our forests are, all the threats we face, and how they are not going to magically get better on their own."

D'Amato put this another way. "Most people don't like to see cut stumps," he said. "But there are different flavors of stump. There are stumps about exploiting purely for economic benefit. And there are cut stumps that are about birds and their habitat and about climate adaptation."

Leaving Money in the Woods

Cailtin Cusack in the Jerusalem Skyline Forest BEAR CIERI

On a January day in the Jerusalem Skyline Forest, a 72-acre parcel in Starksboro owned and managed by the Vermont Land Trust since 1986, the stumps were hidden under deep snow. But evidence of recent logging was still easy to find. I stumbled more than once upon toppled sections of spruce, left with their profusion of branches intact.

My guides — Steve Hagenbuch, a conservation biologist with Audubon Vermont, and Caitlin Cusack, a VLT forester — explained that was by design. On many logging jobs, those woody tree tips would be turned into chips. But leaving them on the ground provides forage and cover for ground-nesting birds, deters deer from over-browsing new maple shoots, and enriches the soil.

We stopped amid three stately sugar maples, each more than two feet in diameter.

"We call them 'the Sisters,'" Cusack said. These were what foresters call "legacy trees" — never to be cut, left standing as a source of seeds and regeneration. They would have fetched a high price.

"We could have harvested more," Cusack said, "but there's always a trade-off."

This is what it looks like to try to balance all these uses and values: leaving some money in the forest. But not all of it.

In the winter of 2020-21, VLT hired Kyle Pratt, a Jericho-based logger, for selective harvesting on the property. His take: nearly 50,000 board feet of sawlogs sold to a large mill in Québec; 2,289 board feet; 110 cords trucked to a nearby firewood dealer; and 115 cords of pulpwood sent to International Paper's mill in Ticonderoga, N.Y.

That harvest brought just over $18,000 to VLT — not a huge sum. But in addition to supporting local livelihoods by keeping Pratt and his two employees busy for a few weeks, it generated a host of other benefits.

Cusack pointed to where cutting a few trees had created openings in the canopy, simulating a natural disturbance such as a windstorm. Blackberry was now coming in — a critical food source for migratory birds and cover for ground-nesting species such as the black-throated blue warbler.

Cusack paused to visit some ash trees she had inoculated against the emerald ash borer, an invasive pest that's projected to virtually wipe out Vermont's ash in the coming years. By injecting some trees with a special insecticide, she hopes to preserve genetic material that might encourage future resistance.

We stopped to examine larger cuts, from half an acre to an acre in size, where Cusack wanted to let in sunlight to give young birch and aspen a chance to compete with more shade-tolerant beech. "This is a forest that recently grew back from pasture," she said. "It's pretty much one uniform age, and we're trying to introduce some complexity. When you get into

dominance by a single species, you start to get worried you have all your eggs in one basket."

We were walking through a "teenage forest," Hagenbuch observed, like much of the state's woodlands. They lack the diverse species, varied ages and structure (picture tangles of decaying logs, tipped-over root balls and dead snags that provide wildlife habitat) that early settlers would have found in true old-growth forests.

This was the theme of our trek: More diversity would make this forest more resilient. To that end, Cusack had also planted 150 red oaks, a species that's expected to fare better as Vermont gets warmer.

When Cusack's predecessors updated the management plan for this property in 1998, the emerald ash borer, invasive weeds and climate change weren't on their radar. "We were managing to protect soil and water quality and to produce high-quality saw timber," she said. "But now, when we are updating the plan, we're thinking about climate change. We're thinking about forest birds. We're thinking about the ash."

Managing for all of these values — while speeding the transition from today's teenage forests to the gloriously messy old-growth stands of the future — requires human intervention. In other words, it requires making some stumps. And to do that work on a wider scale, foresters such as Cusack need to be able to find skilled loggers. But that, she said, is getting harder.

'What's the Future for Me?'

For many of the 17 years he spent working on Bristol's highway crew, Cale Pelland dreamed about being a logger instead. One day several years ago, while sitting in the woods during deer season, he decided to make the leap. He started out with a chain saw and an old cable skidder. He was fully aware of the risks, both physical and financial, and of the fact that he was bucking a wider trend. One of the first things he did was meet with Sayre and Johnson and their lead forester, Rob Fields; they told him the average age of the loggers cutting for them was 60.

"You have to a have passion to be in the woods, because you don't do this job thinking you're gonna get rich," Pelland said with a laugh.

Since then, he has had no regrets. He prizes the independence and physicality of the work and the fact that he can point to a pile of logs and

tally up how much he earned at the end of the day. "And I just love working outdoors," he said. "That's a dream come true."

Logger Cale Pelland at work in Lincoln | CALEB KENNA

He's not alone: A recent survey found that loggers and foresters were the happiest workers in America. But the trade is not without its stresses.

On a late December weekday afternoon, Pelland would normally be working deep in the woods. But he was free to meet me at Cubbers Restaurant in Bristol because it was 50 degrees and raining — too warm and wet for skidding logs.

Winter days like this are increasingly common and a source of anxiety for loggers like Pelland. Up on a remote hillside in Lincoln, where he's spending his fourth winter logging a 497-acre parcel owned by A. Johnson, he had half a million dollars' worth of equipment sitting idle: a feller buncher that can cut, grasp and stack a whole tree up to 22 inches in diameter, a grapple skidder to move logs out of the woods, a slasher to cut those logs to length. Those machines let him harvest much more wood in much less time. But they also cost him roughly $10,000 a month in loan payments.

High-quality hardwood sawlogs no longer fetch the high prices they once did. So, a logger "has to hit as many markets as you can," Pelland said. The piles at his logging site told the story: A stack of large-diameter ash was set to be trucked to a seaport, stuffed into containers and shipped abroad. There was a mountain of smaller-diameter ash and maple logs destined to become firewood. Wood chips and pulpwood in another pile would become fuel pellets. "The times being what they are, you have to utilize everything to make it work," Pelland said.

When A. Johnson shut down its sawmill in 2023, Pelland's day-to-day reality didn't change dramatically. He kept sending his logs down to the yard in Bristol, where they were bought by Allard Lumber, a Brattleboro company that is temporarily leasing it as a storage and sorting site. But the moment triggered some soul-searching.

"If they just folded, what's the future for me?" he mused. "I've been asking foresters and other loggers, 'What should I shape my business towards?

Should I start downsizing? Should I keep what I have?'"

Pelland is 39, with three kids, and doesn't know many contemporaries who are entering the trade.

"We're losing so many markets for wood," he said. Trucking costs are rising as more mills close, driving down margins for everyone. "And the ones that are left, they're getting so far away, it's getting to a point where — I don't know, I almost feel like, are we getting squeezed out on purpose?"

"We send logs to Canada, and it comes back to us as lumber," Pelland said, shaking his head. "Vermont is just not a forest industry products-friendly state."

Finding a Niche

Forestland in Lincoln

CALEB KENNA

The headquarters of **Vermont Wildwoods** in Marshfield looks and feels more like a whiskey distillery than a woodworker's shop.

"We're like Jack Daniel's before he really got rolling," said Parker Nichols, the founder and CEO. "This isn't a production facility, but more like a lab."

Behind him were ceiling-high stacks of super-thin sheets of spalted maple — intricately veined with dark lines made by fungi that had started to decompose the wood. Next door was an "inoculum" where the fermentation-like process unfolds under climate-controlled conditions.

Nichols' venture is North America's first commercial-scale spalted wood veneer and plywood producer. His distinctively patterned paneling and sheet products are prized by high-end architecture firms and companies such as Chipotle, which uses them in 600 of its restaurants.

For centuries, spalted maple was something that one happened across in the woods. Nichols has figured out a way to *make* it by inoculating logs with a proprietary strain of fungi, carefully controlling the process of decomposition and arresting it at just the right time. When the logs are ripe, he gets them milled by Ken Gagnon, who runs a family-owned sawmill in Pittsford that opened in 1958.

Since he started his business in 1998, Nichols has had a front-row seat to the vanishing of Vermont's mills. "I've been in well over 20 sawmills over the years, processing my wood. Dry kilns. Secondary flooring mills. All gone, with few exceptions."

But Nichols is insulated from these those trends: He can buy all the hard maple logs he needs for a year, about 10 truckloads' worth, in a minute-long phone call with a broker. And he can cut 60 wafer-thin slices from a single 1.5-inch-thick maple board.

Nichols sees an opening for more entrepreneurs to do what he's doing: squeezing much more value out of every raw log through skillful processing. Vermont Wildwoods' spalted veneer sheets and plywood products can fetch prices anywhere from five to 10 times as much as conventional maple veneer products.

Other local enterprises take a similarly fresh approach. Sylvacurl, an enterprise based in nearby East Hardwick, markets aspen wood shavings as an alternative to Styrofoam and other petroleum-based packaging materials.

"If you have something really cool, you can make it in this industry," Nichols said.

He sees potential to scale up, but he's quick to put his operation in context. "We're so small that what we sell in a year, Columbia Forest Products produces in one day," he said. "So, it's not like I'm going to be changing the face of the Vermont forest products industry anytime soon. But what I am offering is one model of what a future forest-products company can look like."

Whether or not the future belongs to super-niche products like his spalted veneer or Silvacurl's shavings, Nichols is quite certain it won't resemble the past.

"If I tried to make a regular commodity maple product like regular veneer, I would be out of business before the end of today," he said. "What is the definition of shipping your raw materials overseas only to buy the final product back? That's called a colony. That's not how you do it."

Rough-Sawn Relationships

Peter Gardner

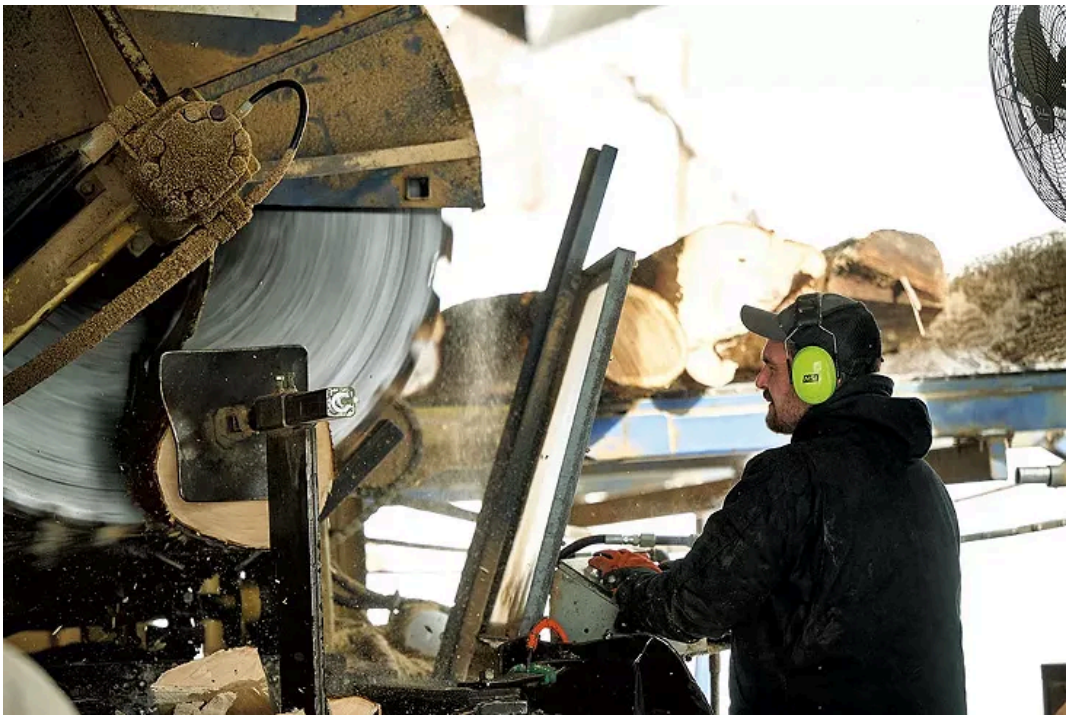
BEAR CIERI

Peter Gardner is the fourth generation to run **Clifford Lumber**, which started as a farm-based mill in 1929. He and his father, Lynn, who took over the Hinesburg operation in 1972, do a bit of everything: shiplap pine paneling, rough sawn timbers, butcher block countertops, hardwood flooring and kiln-dried firewood. They even do a modest but steady business churning out pine boxes for orchards and vegetable farms.

"At times it seems like there are too many irons in the fire," Gardner acknowledged. There are, after all, costs to toggling between these different types of milling.

But there are advantages, too. This diverse portfolio of products has helped the business weather shifts in the market, from housing crashes to global trade wars.

Most of Clifford's logs come from within a 25-mile radius. The business trades on relationships with loggers such as Cale Pelland, and with customers, too.



Matt Melendy processing firewood at Clifford Lumber BEAR CIERI

Clifford Lumber occupies a local niche that helps explain its longevity. Whenever Gardner stops at the Dumb Luck Pub & Grill down the road, he enjoys seeing the shiplap paneling he milled for the restaurant's interior. The mill's success offers another vision of Vermont's forest-products future — one less focused on volume and global markets and more able to nimbly serve local needs.

"The smaller, retail end of stuff is where we're aiming," Gardner said, "and it's been pretty solid." Housing construction was picking up. Export markets might be sagging — and won't be helped by retaliation to President Donald

Trump's newly imposed tariffs — but local builders still need hardwood flooring, hemlock beams and pine paneling.

But the loss of A. Johnson was a cause for concern, too. "We need these bigger people that really buy a lot of material — then we can kind of come in and pick up the pieces," Gardner said.

Clifford Lumber in Hinesburg BEAR CIERI

When I arrived earlier that morning, Gardner was busy tallying up an order for a customer who needed some clapboards, so his 8-year-old son, Harold, had given me a tour instead.

As we picked our way between piles of sawdust, Harold confidently explained the function of each machine, from the debarker to the firewood cutter. He liked helping around the yard on weekends, he said.

"Do you think one day you want to work here?" I asked.

"I will, probably, yeah."

"Why do you want to?"

"Well, it's almost been 100 years," he said, that the family business had been around. "And I think it would be cool if I worked here. Because it could be getting up to a thousand years!"

Everyone's Forest

In late December, Ken Johnson and Bill Sayre completed the sale of the A. Johnson mill property to New England Quality Service, a metal salvage and recycling business.

Cale Pelland | CALEB KENNA

A. Johnson's transition from lumber producer to timber lands management company was complete. The company employed nearly 60 people before the 2008 housing crash but now has no full-time workers. Johnson and Sayre are wholly focused on managing the roughly 14,000 wooded acres they own — most in Chittenden, Addison and Rutland counties — in a way that's aligned with their values.

"I feel remarkably fortunate," Johnson said. "My father and grandfather and great-grandfather were able to buy some timberlands and give us a financial buffer so we can pay our debts and keep walking the talk, trying to help future forest product industry folks succeed."

Just a few weeks earlier, they had sold a 450-acre parcel to the Town of Monkton. Vermont Land Trust helped coordinate the sale and holds a conservation easement on the tract, which will become Monkton's town forest.

Cale Pelland knows that land well. He lives just a 10-minute walk away. He initially opposed the town forest idea. He worried that fishing, hunting and logging would be prohibited and the land effectively roped off as a preserve. It seemed as if the cultural tides that were pressuring his own livelihood and the future of his industry were reaching his very doorstep.

But as Pelland attended meetings and learned more about the plan, he warmed to the idea. Monkton's new forest would offer a space for neighbors to gather and recreate. Pelland wondered whether the forest could also demonstrate to a skeptical public what responsible logging looks like. He wanted more people to understand the care that he takes in the woods —

how, for example, he leaves some mature yellow birch or maple on the edge of a cut patch to reseed the next generation.

The town is still drafting a long-term forest management plan, based on input from community members. Whether it leaves the door open to some timber harvesting remains to be seen. In the Hinesburg Town Forest that Tapper used to manage, interpretive displays explain to visitors why certain sections were logged — to improve habitat and resilience — and how some of the harvested softwood made its way to local mills such as Clifford Lumber.

Pelland grew more animated as he sketched a similar vision. The old logging roads would become hiking and biking trails. They could take visitors past lightly harvested zones, with signs to explain what was cut and what might grow in its place, after the young shoots that provide browse for deer and cover for partridge.

"It would give the public that doesn't get to see all that stuff an educational experience," he mused. And maybe a town forest, held in perpetuity by its citizens, could help overcome another great hurdle to wider understanding of how forests regenerate: time.

"You'd have a pedestal set up with information to show: 'It was done on this month of this year, and let's continue to monitor it as the years go on,'" he said. "I think that would be awesome."

Correction, March 7, 2025: Mill River Lumber in Clarendon is open for business. A previous version of this story contained an error.

The original print version of this article was headlined "Axed Out | Vermont's loggers and sawmills are disappearing — and that's bad news for forests"

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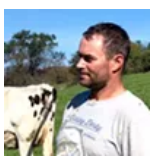

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