

**AN INTERVIEW WITH
HARLEY LANGDALE
&
JOHN WESLEY LANGDALE III**

by

Peter MacDonald & Michael Clow

May 27, 2004

Forest History Society, Inc.

Durham, North Carolina

© 2005

© 2005 by the Forest History Society, Inc.
701 William Vickers Ave.
Durham, NC 27713
www.foresthistory.org

All rights reserved.

**Explanatory Notes to Accompany the
Interview of Harley Langdale and John Wesley Langdale III**

by
Peter MacDonald

Commencing with naval stores, the Langdale family has, over some five generations, built a diversified business which, while rooted in the saw mill, includes a variety of other enterprises. A more complete history may be found in *Judge Harley and His Boys: The Langdale Story* by John Lancaster (Macon, Ga.: Mercer University Press, 2002).

One theme which permeates much of the interview is the value of family – hardly a surprise, perhaps, in light of the context of a successful family enterprise. Of especial interest, though, is that this constellation of values is interpreted as a set of obligations placed upon the family, a kind of stewardship, the discharge of which is at once necessary to and responsible for their financial success. This translates into more specific sets of commitments.

One is to the business itself, not simply for their own current benefit, but to be preserved for future generations:

We have a lot of pride in our forefathers and where we come from. We've got a tremendous responsibility to our community, to our country to be good stewards. Our forefathers have basically taught us that business was done on a handshake and you'd didn't have to have fifteen lawyers to make a deal.

Another is to the land. When discussing the current fad of large multi-national pulp and paper companies selling their privately owned land to Real Estate Investment Trusts, they see land ownership as the foundation of their company. Indeed, they speak in the language of a “mission statement”, to

... basically take every single tree that grew on our forest land and wanted to create a market for every single one of them and make the best product available and get it to the consumer at the best price. And when we really look at that dedication and how fortunate we are today to be in the sawmill business and the OSB and then be up in those markets we've, you know, trying to strive towards that goal and being able to use our resources and use them as good stewards

Finally there is the obligation to their own contractors, many of whom they helped to establish two or even three generations ago. Now that these contractors are financially independent, they see their primary responsibility as one of ensuring steady, stable, and reliable markets for the wood they produce. Moreover, the enduring theme of family is reproduced

within the contractors as a kind of counterpoint to their own emphasis on family; here they accentuate the fact that their contractors are “dedicated, family oriented people” with “a tremendous work ethic”. And similar to themselves, their contractors are third and fourth generation family enterprises:

... they just really got a niche. I mean their wives keep their books. Their wives have accounting type backgrounds. Their children work in it and keep the stuff going ...

Finally, a couple of other points of some interest. The description provided of the social and economic circumstances of the workers in the early naval stores business is instructive. And the accounts of the bobtail trucks at the centre of the early pulpwood harvesting systems getting stuck somehow seems to fundamentally capture the discouragement – approaching futility – characterizing these “primitive” systems. Loading these trucks with four foot sticks of pulpwood at the point of harvest, driving a few feet and getting stuck, unloading to move the truck a bit further, reloading and getting stuck again – and to be repeated – poignantly highlights the elemental role of hard, manual labour that was an integral constituent of these harvesting systems.

Harley Langdale, Jr. (HL): My name is Harley Langdale, Jr. and I was born nearly ninety years ago in Lynchburg, Virginia. My mother was a Virginian and my father was a Georgian and he came from down here next to the Okefenokee Swamp. Langdales migrated from England and they landed up in the northern areas and then migrated on down because they were mainly woods cattle and woods hogs and they would graze them on any property. We had no fence laws back in those days and that's why they moved down towards the Okefenokee Swamp because they didn't have any farms and fences. But the cows had plenty of wiregrass and other grasses and other moss and things like that that they would eat and they would mark them by the ear with a bit, a saw part, cut part of it in. And then they would gather the cattle every year and hogs every year that they could get hold of and that's the way they made their living. Later on they got interested in the business of crossties when the railroad started. And so our background is products from the woods. And my mother came down here to her father who had been in the Confederate War passed away and she was about fifteen years old and she had been working making hats. She was a milliner and they stayed at the same boarding house. My father had come up and he had a legal degree. So he was practicing law and she was making hats for ladies. They were married and that's why I was born, went back to her family doctor in Lynchburg and I was born in 1914 on September 8th. So I was born there and all my life my whole family, my father was practicing law but he also loved the timber business because his father had been in the crossties business and he'd been in some of the logging business and he told a story that he was down at the place down there one weekend and they had a sawmill and the sawmill, they went to see it, how it was, everything was there. It had what we called sort of a peckerwood mill, small mill. And he got there he said that everything had burned during the night, the lumber that they had there and the sawmill from the sawdust pile. So his father told him, said thank the Lord, I'm out of the lumber business. He didn't have a dollars worth of insurance and so that kind of ended our thinking about the lumber business. But he went on and studied law and then came back and then he got interested in the naval stores business, which we called turpentine and rosin. And that was the business and our trees were mostly slash pines. They were the best producers of oleoresin. Then after he packed us all up there and made a little bit of money he put it in turpentine place and then he went from there to more turpentine places. And I came along and he expanded his turpentine business and I graduated from a forest school in 1937 with a Bachelor of Science degree in forestry, BSF, from the University of Georgia. And since that time I worked in the turpentine business and I was a helper and managing it and wood driving and keep up with our labor, in an area down in the southeastern part of Georgia and some North Florida.

So from the naval stores business we went into a small sawmill business and we had peckerwood mills there with a head rig and all and so we produced some lumber. But we didn't go ahead and finish it because we made rough lumber and sold it to the mills that had a planer mill. Well, one thing led to another and the next thing we put in a planer mill and we were making just lumber. Then we moved on into other phases and in 1944 we completed the first modern naval stores still for making turpentine and rosin where we cleaned it before we cooked it, you might say. And then we changed from selling it by gross weight to net weight because instead of using staves we used a metal and we had a constant clear weight and that was a big improvement and the big improvement of cleaning the gum before we did all the cooking. But the turpentine business with the labor conditions and all, it took specialized labor that didn't worry about living in the woods. We didn't have any electricity and we didn't have any lights and we didn't have running water. We didn't have springs and all that but we had houses and so all the labor worked that way and we were very fortunate to have a good bit of labor that liked those places like that. Now they don't want to be in the woods. So we sort of moved along with those smaller mills and we had we called, at one time we had a Jackson Lumber Harvester made in Wisconsin. And we could take the sawmill around to our neighbors and they would cut logs and furnish the logs and we would saw them into rough lumber. And they'd use rough lumber to make their farm cribs, farm houses, farm barns, and I guess that's what we could say we really got started with. So it moved along and the next thing we knew we had a plant up here and we moved those peckerwood mills up here and did it and had big sawdust piles. We saw that that wasn't the way to do so then we put in a big modern mill and brought the logs in.

Michael Clow (MC): What year was that?

HL: That was would be, that would be in 1938 or '39. And then we saw we had to have a planer mill so we added a planer mill so it gradually built up and we started off the best we could. Then we started looking around on how we could improve it. So we started a German mill made by Linck, L-I-N-C-K, from Oberkirch, Germany. We got one of their mills, which was the slash gang saw and the man who was setting on the driver's seat, the log he would move that into it but he could change the distance of those slash gangs and we thought that was a good idea. And we went along for several years and made good lumber and made more lumber out of the log by those thinner saws and all. Then we found out that we had a shaft to break in one of them so we decided we'd go some other route and we got now a modern mill out here that we saw about forty thousand board feet per hour with a mill with ten people. So that's in operation here now. Another one of, his brother, is named Jim Harley Langdale, and he's in charge of our operations at the plant here and making lumber and the planer mill. So we have a modern planer mill and a modern sawmill and then we're in the wood preserving business that we got in in 1947. And we'd feed it with creosote and, of course, that's been outlawed and we went to chlorophyll and that was changed and then we went to CCA and now we're changing around again. But the wood preserving business has been good to us and has been a high value for some of our trees that we were putting in logs and we upgraded them to poles and pilings and we receive more money. So that's the way we just revolved by improving things and taking time and the family has been working at it all the time. Now we have some.... [Interruption when phone rings.] I think that's the dean up there at the University of Georgia calling me, Porterfield. You met him I guess at the forestry school, new dean.

Peter MacDonald (PM): Yes, that's right.

HL: He called yesterday and wanted to talk about it but she'll handle that. So we have come along that way and then we felt like we had to make other progress and we got into thinking OSB [Oriented Strand Board] and for four years we had a tough time. We didn't make any money and nobody wanted to buy it. They thought it was more like particleboard. It come apart. But we were making it out of hardwood. No other plant in the South was making OSB at that time, particularly with hardwood. So we found out that hardwood would be good and that was a market for our hardwood trees, which about twenty-five percent of our land is best suited for growing hardwood. So I guess what we can tell you is that we are coming along and my nephew is taking it from there and he's trying to grow more wood. I think we are growing twice as much wood as we grew per year per acre than when I graduated from the University of Georgia School of Forestry in 1937. So that's a quick sort of resume of what we've done. Then we found out that we needed trucks and other things and had the opportunity to buy a dealership. So we're diversified. We diversified with the automobile agency and then we found out that we needed a retail division to sell our lumber products because it cost us too much to stop our mill to sell a pickup load of lumber. So one thing just led to another and so we now have a series of corporations that are doing other things for us. So and we've been planting trees. My father planted the first trees for the company in 1931. They went out with pitchforks and just where the places where the slash pine had come up profusely and they do that in spots, in sandy spots and wet spots. They would do it with pitchforks so they wouldn't hurt those seedlings. And then they would take those seedlings out there and keep the roots sort of damp and they'd put them out and we've got some of those trees still growing. Most of them we've cut down because we thought they were mature. But all that's come along and we're in the business of trying to improve that all the time and we spend money to do it. I'm proud that our family is growing, although I don't have any children, my brothers and sisters did and they're generally coming into the business and working hard, especially this one. He's looking after all the land and his brother is looking after the, not the OSB plant or the MDF plant or the molding plant or things like that, but he's looking after the lumber operation, all tied in together. And that's about as quick a little resume as I can give you.

PM: Did the naval stores business decline after a period of time and then it was kind of replaced by the growth and...?

HL: It declined. It declined for several reasons. We were in the gum naval stores business that we used live trees. And labor began to get more expensive and harder to get. So the paper mills came along right after that time and they started to making turpentine and tar log resin and they were our competitors to some extent. They've improved their product and that caused us a problem. And labor was more and more difficult to do. And then with pulpwood coming in we were thinning our trees and selling pulpwood and all of it was sort of tied in together. So then those camps were just crude camps and labor doesn't want to live in things like that anymore. They want them to have bright lights and wanted to come to town so they could have other pleasures, you know, and shopping and all that. We had commissaries and just the bare needs of our employees. So I guess that maybe answered your question I hope.

PM: Then the lumber business kind of took its place?

HL: See we, that's right, because we sold our turpentine still to another country down in Central America to take down there because they had more labor and they could do it in 1975. See 1975 was the year that we ceased trying to make turpentine and rosin. And which we were sad about it because our grandfather had started in it and his forbearers were there. That's the only thing that we've been in that we just completely got out of. We're not doing that now.

PM: Were you able to use the land and the trees that you used for the naval stores business for the lumber business?

HL: Well, we did but it was difficult because see we would nails up and we'd move the cup up the tree, as we'd turpentine. We'd start off the first year and have virgin faces. That would be this part of the tree down next to the ground. Then the next year we'd cut them up this high. Then the following year and then we'd get up there to where we had what we called pullers and we'd pull that tool that we had down here and pull it to renew the strength so the oleoresin ducts would run more gum. And the government helped us on all those. They showed us how to do some of it. They had a solution of sulfuric acid and we'd use that to some extent and then that would make the oleoresin naval stores ducts run for two weeks rather than one week. So that saved us some labor but wasn't enough to really keep us interested in the gum naval stores business.

PM: You talked about the labor at that time. We don't know anything about the South. Could you talk a little bit about how labor and social conditions have changed over the years?

HL: Did I get that high labor?

PM: And social conditions have changed over the years?

HL: Oh, yes they have. And see they're more modern. Now they want bathrooms in the house and had toilets in the house. Before we had just privies we called them outside. And then electricity and the things that have been modernized and better living, I would say starting with President Roosevelt's administration when they started the rural electrification program and it was a great blessing for people that didn't have any electricity. So it's changed how they live and how they work. So I would say that would be the main thing that changed so much.

MC: In the '40s and '50s, how did the wood procurement system work? Your wood procurement systems have always been very, very different from those in Canada. We'd like to know how the dealer system worked and how you got your wood in that period before the mechanization.

HL: Well, we used crosscut saws and that was the first tool to cut the tree down. And at that time the stumps were a little higher. That has revolved around to where we had better saws. Using the crosscut saw it would take two people to do what somebody could do with machinery now and it's so much quicker and not so backbreaking and not such hard work. Our climate is very good even in the winter but in the summertime when it gets too hot you really have a time using a crosscut saw or any other kind of saw really. We've developed one on bicycle tires that would go from one tree to the next to cut it down. And first thing we saw was that they wouldn't turn that saw up to go to the next tree, had too much trouble, and they would go through the tree like that and cut down reproduction of just young trees, doing damage, a lot of damage. So now we've got machinery that can do that. They can fell the tree even with the ground, you know, and our people are experienced that they can fell that tree in any direction that they want to without doing but very, very little if any damage. So with that modern machinery, rubber tires and all, we think we're growing twice as much wood per acre in volume of cubic feet as we were per year back in those days when we were turpentineing. Although the government in some of their research said we were losing about twenty-five percent of the growth, but that was on the trees that we were turpentineing. We didn't say anything about the overburden of the trees over our reproduction way back then. So my nephew and I, I think we're growing about a cord per acre per year of good usable wood, so some of it which may be hardwood, mostly which is pine. And now we're planting long leaf pine, which is more fire resistant, and that's helping us some too in controlled burn.

MC: When the mills were just getting going in '47 and into the '50s, where did you find your wood? Did you get it mostly from your own land or did you buy it from wood dealers or contractors? How did that work?

HL: We did it both ways. We would have our land. We were buying land at that time and we would pack some forester and we would cut our land if it needed cut but if not, if it was growing good we'd leave it alone and let it grow and we'd cut our neighbor's land if we could buy it at a reasonable enough price. But I would say that we have come along where we were using probably maybe, would you say a third of all the logs we were cutting maybe was coming from outside, the public maybe?

John Wesley Langdale III (JWL): Today?

HL: Over years that we've come in here?

JWL: Probably, yes sir.

HL: Now we've got enough land to near about growing enough to furnish trees in the wood preserving business and the pulpwood. We were very fortunate when we got the pulp mill here down at Clyattville, which is ten miles down here. We made an agreement with them and they built the plant there. We furnished them a lot of wood for years and that was a great blessing too. It worked out good. Now pulpwood, you know, is down in the doldrums to some extent. Several of the mills have shut down and the demand for pulpwood is not as great as it was. But we still furnish pulpwood.

MC: Do you have your own contractor crews and everything to harvest your land or do you hire other contractors to do it?

HL: Well, we do not do any of it directly.

JWL: All of it is on a contractual basis. All the wood flow to all the mills are contractors, independent contractors. And we've got some we might say that have been with us, they're in their third generation now. We have relationships with them so we've got some very dedicated loyal independent contractors. I

know Uncle Harley speaks of them, they're actually woodsmen. They don't have a forestry degree but some of the men on those trees are probably as good as foresters in this part of the country.

HL: Yeah, they've learned. The first one, we tried to plant trees they'd laugh at us because they said you never will grow a tree in your lifetime and be able to get money. But we soon found out that that wasn't right and they found out too at the same time. So we got independent contractors like Wesley said.

JWL: Really over the years I guess the situation now with labor, things of that nature, they are very dedicated family oriented people. And most of the logging crews now don't have but about four men in the woods. Of course, with now the feller buncher and the loader and the skidder, there may be a man in them but then they've got their truck drivers. So most of their crews are probably eight to ten people and they're very efficient. If it takes seven days a week, twenty-four hours a day to keep the stuff going, they've got a tremendous work ethic. We're had good relations. We've really prided ourselves in trying to keep our mills running and trying to be efficient and trying to not have a bunch of up and down times for the producers. And we've really worked hard to try, you know, to try to build and have them the quota to make a good living and to pay them a fair profit [and attribute a lot to that?]

HL: Right, tried to treat them right and we've got some third, fourth generation, maybe more.

JWL: That's right, maybe more.

HL: They live in different places all around and they know we're going to pay them and know we're going to help them if they get in trouble or something. But it works out very nice.

MC: Now that does raise an interesting question. We found in Canada that if was very hard for contractors to mechanize their systems and move on with improving the productivity of their business because of the capital costs to engage it. Did you do things to help your contractors move all along the path of mechanization?

HL: Well, now when we changed over, we had some crews when we started way back in the early '30s that we operated but we soon found out that that was very hard to keep up with and all. So our crews go in there and they cut it and they know what the timber's cost them and know what they're going to get delivered at a certain plant. And we find that they are able to get their finance now. Financing is very easy down here now after they have made, have a good reputation.

MC: What did you do in the early days when they couldn't easily get financed by themselves?

HL: We did it. We did some financing and we would buy the truck and we financed the truck and we financed the other tools, the saws and all. But we soon got out of that as quickly as we could because that was a very difficult thing to do. But they, all the good ones, which we still have, are able to finance their equipment without our help.

PM: So that was just to get them started?

HL: That was a blessing too.

PM: So that was just to get them started?

HL: Yeah.

PM: And once they had proved themselves.

JWL: The business people in our community, as far as business wise and their credit and their reputation now, people from the logging community, they're good business people and they've got reputations and I guess their track record is like Uncle Harley says.

HL: Honorable people.

JWL: Absolutely, absolutely.

HL: They're not here today and gone tomorrow and we've been able to furnish them with enough timber. He keeps ahead of it. We buy timber. We sell them our timber and it works out very good.

MC: You've been emphasizing that today's contractors are responsible, efficient businessmen. What was the contractor system like in the '50s or early '60s.

HL: Well, it wasn't anything like as good as it is now. These people didn't know anything about pulpwood. Some of them didn't have any idea what you called pulpwood. A lot of people were against it because we were cutting down timber that ought to be turpentine. But these people were just not used to it and so we had to do the financing in the early days.

JWL: Most likely most of the producers that are in our area in North Florida and South Georgia, most all of the ladies and gentlemen on the crews are staunch down good business people and a lot of those people, just like the farming is in our community now. The actual owner of it may not spend fifteen hours a day on a tractor plowing the fields. The owners of these crews are watching every single penny. A lot of them do, we know some producers that basically they don't hire out any work that's done on anything they own. They do all their engines, their tire work, all of their trucking work. All of that stuff they do in house and they just really got a niche. I mean their wives keep their books. Their wives have accounting type backgrounds. Their children work in it and keep the stuff going late at night. I mean they've really just kind of the way to be efficient. Instead of sitting down and moaning about how bad things are, they tighten up and you know that they've just found a way to continue to strive as we have been through some tough times.

HL: And then too, Wesley, you know we're in the third generation of those people that didn't know what pulpwood was, third generation, at least third generation.

JWL: Some of them may be going on the fourth.

HL: Fourth.

MC: We're also interested in the history so what was the situation in the 1950s like? Were the contractors very small and had difficulty staying in business and they were waning or what was the story of the transformation, the change in that?

HL: Well, I would say the first ones we had, that was not very good business because we were financing them and some of them would leave. They just didn't know the business and they didn't trust in it as much as they did later. See when we came along and we were doing this business longer they came to us and they wanted to do it because they'd learned it and they knew it was honorable and they could get the financing themselves. The banks would loan them money.

JWL: I wasn't born in the 1950s, of course, but from listening to, you know, Uncle Harley, I mean one of the main things that kind of stuck in our brain was the tremendous job that they done through

technology. I mean one thing, if we went back to the 1950s and we had a pulpwood truck that hauled, you know, seventeen or eighteen tons of wood, versus truck now that's hauling, you know, twenty-five or thirty tons of wood. It was a gas burning truck then. It's a very fuel efficient diesel now. The roads were sandy then and mud. Now they're paved. The infrastructure is so much better here, the highways, the public roads system, the equipment. I mean the feller bunchers that are used today, a lot of the crews can cut wood for three or four hours in the morning and have enough wood cut to haul, you know, all day and maybe into the next day. So the equipment had to continue.

HL: And I will say our road system is so much more improved. We have asphalt roads now, some concrete roads and before we didn't have anything but sand and clay and when it got wet they'd bog down, have to unload the truck. I've seen them have to unload the same truck four times and then load it back. And I would say that'll discourage anybody. [Laughter]

JWL: Probably that's, I mean from just the short time that we've been involved looking at men cutting down in the woods with a chainsaw, hooking a cable skidder, a cable around three trees at the time and bringing those to the ramp and the stump being this high, the wood that the landowner's losing in the stump dollars versus the saw head technology and the grapple skidder bringing eight to ten trees at the time, the loader being able to pick up multiple stems, the delimeter shucking the limbs off and topping the trees instead of having two or three men in the forest with a chainsaw, the efficiently due to a lot of the technology, is really probably been one of the things that has helped them, helped their productivity and also probably helped their costs and also their workers. I mean there's not, a lot of the logging crews in the forest today, every single person working is air conditioning. They're not getting into yellow jackets nest and getting torn up and it's not a hundred and ten degrees, you know, getting [bear caught?] or freezing cold. About all the cabs are, you know, controlled. Got a radio in them and climate controlled. They work on production and they've got a group of people together now that the better they do, the more wood they haul, the more money they make. They've got team concepts and they're all working together. The truck drivers, people in the shop, everybody's, kind of pulling together to succeed. You know the longer, hopefully what we can carry on is keeping good markets for them. Without, good markets the crews...

HL: That's what we've tried to do that, yeah.

JWL: That's what we've tried to do that you have to attribute to them. And that's where it happens because if they can move wood and we've got stable markets for them to move it to, then it works really well. We've been fortunate because they realize the better job they do for the company, the more efficient that's going to help make everyone.

HL: Some of our producers now have cut the same tract of our land three different times because your thinnings, and then your trees that you want to take out and all, and they know how we're doing and they're really sold on the idea of being with us. We really don't have any trouble anymore. We used to have them that would leave us and go somewhere else but not anymore because we try to treat them right like we'd want to be treated ourselves.

MC: Now one of the problems when you have a lot of small contractors, who aren't very profitable, is that they don't have much money in order to improve. Where did the impetus, the drive to make all the difficult sacrifices and efforts to mechanize come from? Did it come from the contractors or did the mill realize what was going to be best for the system and try to push their contractors along that path?

HL: Well, we did not ask any of the mills to finance anybody. We did that and we would help them out until they got through and got on their feet. And we would do that on a reasonable basis. And then that's kind of went out because now they can go to the company that makes the trucks, makes the equipment

that we pick up or cut them down with and everything. They will loan money to them and it's on payments. And everybody pretty well buys their car on payments.

JWL: Most of the equipment in the forest now, I mean it's just like we would. If we got a new pair of glasses or a new pair of shoes that was real comfortable, hey, let's get, you know, the comrades, the talking among themselves. If one of them comes up with an idea or a piece of equipment that will help make them more efficient and save them money, you know, they, probably other than the saw head when we went from the shear to the saw head, that's probably been one of the last things that we might have encouraged the producers to change to probably, wasn't it?

HL: So we are experimenting with equipment every year.

PM: What innovation early on since the '60s or the '70s, was it more that the contractors had the idea but didn't have the ability to pursue it? Or was it, you know, companies like yours that could see the way forward and encourage them to do it? Where did the, what's the word?

HL: I think both because the producer found out there was going to be a regular market and so he wouldn't shut down. We have very little shut down at all. We try to anticipate those things you know ahead of time, bad weather or something. So they know that. They've got a market. They depend on us to see about the market business and we're going to pay them and the check's going to be good and they're going to get their money every Friday, every Friday.

JWL: There's a gentleman in Homerville I know that, he's dead now, but all our lives we heard that he was one of the people that came up with the first knuckle boom loader concept and most likely a lot of these people here have had tremendous insight, people in the forest, you know. It's been said I guess you know if you want to find out the best way to do something leave a fella alone for a little while and he'll come up with a better way to do it. So probably a lot of their innovation in the forest probably come in the same, you know, if we could try this or if we could get an engineer to build this. You know a lot of those ideas have come from right here, not from you know maybe something in Finland or Canada or somewhere else. But a lot of the ideas or things that they used have been probably been like Uncle Harley said, a combination of, you know, their ideas and them coming up with it and then an equipment company willing to try to put it together and to build it. So it's probably been both. Probably the contractors realized that hey, we can go can go from two loads a day to four loads a day and we can lower our cost and we can haul more wood and make more money. We can help the mill raise their production. So it's been win/win on everyone's side.

HL: That's right. Then they have confidence in us that we're going to be here because we're growing trees. We're spending a lot of money growing trees, paying taxes. Our taxes are terrible. You people buy the trees from the government, don't you? And then you've got a big advantage. But our taxes are, let's talk to them about taxes a minute, five dollars an acre per year. And then we've got two taxes. We've got a severance tax. When we sever the tree off we pay another tax, severance tax. We're trying to do something about it so we'll get our taxes reduced. The first land that I had an opportunity to buy in 1937 the taxes were ten cents an acre. That same land now is five dollars an acre ad valorem or six or more and then the severance tax will be when we go to cut the timber. You have to pay so much on saw logs and so much on pulpwood.

JWL: Georgia has a most interesting ad valorem tax system, unlike any of our other neighboring states. Georgia has one hundred and fifty-nine counties and each county, each county has the land on the books. In other words, the timber, all of the standing timber whether it's pre merchantable or merchantable, is not on the books as you say in the county. The only number that's on the books is the land value. So if we had a five hundred acre tract or a ten thousand tract, the land, just the bare land is on the tax roll.

Each year we pay on, if it's appraised at a hundred dollars an acre or a thousand dollars an acre, we pay four percent of the appraised value of that each year, times whatever the millage rate of the county is. That's what's owed to the county on a yearly basis. If and when the landowner harvests the timber, one hundred percent, if you cut ten thousand dollars worth or a million dollars worth, one hundred percent of that money that you harvest, the total dollars times one hundred percent, the whole value. Not forty percent of it but a hundred percent of that times the millage rate is paid to the county, the individual county, which the wood is harvested from. So that change was made several years ago back in the late '80s, early '90s because the land and timber just continue to escalate out of sight. As people move from out into the country and say a tract of timber only may be worth six hundred, six hundred and fifty dollars an acre, trees and land, these people would go out and maybe want to buy a hundred or two hundred acres to kind of live in the country and they pay twelve hundred, fifteen hundred, two thousand dollars an acre. They may be an attorney or a doctor or something else, don't have any idea about timberland. They go out in the country and buy a tract of timberland for recreation purposes, well, the first thing that happens, a hundred and fifty-nine counties which have a tax assessor in each county, those are picked up as comparable sales. So guess what, you have five or six sales in that county for twelve, fifteen, eighteen, two thousand dollars an acre, it's not current use. Doesn't have anything to do with current use or what the appraised values of it, so you end up when the reevaluation takes place, your timberland ends up just going through roof so forty percent of that. So we've really got an interesting situation in Georgia.

HL: Yes sir. Now can we say this, Wesley? Most of our land has been bought over the years and we bought it and we've cut timber off of it and we planted timber on it and we've got it in a good forestry manner. That's the only reason we can do what we're doing. That's why you see the paper mills down here are selling their land. We see Weyerhaeuser selling some. We see Temple and Inman selling some. We see Jefferson Smurfit. We see all of them selling some because you get up there and say around Atlanta, they can't grow timber up there paying the taxes they're having to pay. That's why we fuss at Canada about having the government own the timber and they can set the price whatever the government says. We can't do that.

JWL: The system has just been, you know, the county used to be forestland and used to be very rural areas. As that changes, the tax system changes. Florida, we've got some property, some of the first property that the company owned in Florida and the state line runs right through it. We've got the same land, step one foot over here and one foot over here, some of the taxes in Florida are a dollar seventy-five or two dollars an acre with no severance tax. You step one foot over ad valorem is four dollars an acre plus you've got a severance tax. And it's the same thing it's just in a different side. So our legislature is very aware of the situation and is really trying to work hard to help us because we, I mean to save our greens space in the state of Georgia, I mean the property owners are the ones who do care about clean air and clean water and wildlife habitat and want to continue creating jobs and growing trees. But the tax system is for people like us who are trying to make a living from the land, it's more and more and more difficult each and every day because we don't get our money doing legal contracts or positions or something.

HL: That's right.

JWL: This is where our, you know, we're trying to be good stewards and keep the taxes paid on it every year. And trying to get that income from the forest it's more and more difficult each and every day.

HL: Yes.

JWL: And that's what we're trying to do everyday, just like all kinds of Georgians who are property owners, forest landowners.

HL: Very discouraging.

MC: I wish my wife were here. She's a real sociologist, very much interested in land use questions and competition between urban and resources in rural areas. But the value of your land is mostly a capital asset that's sitting there growing until you can make it into money, until you cut it down. It must be getting extraordinarily high cost. It isn't just foregone interest on the capital. You're getting, oh we would call it capital gains tax almost before you actually get any money out of the investment.

JWL: Absolutely. Day to day management costs of managing it, plus dealing with our wildfire situation, we're very, very fortunate that we do have a Forestry Commission that's probably second to none in this country, the Georgia Forestry Commission, which helps us with the wildfires. But I mean, we've got lots of issues, bugs and disease.

HL: See the paper mill down here, which is ten miles down here, which we helped get here, they bought land. And how many acres? They've sold every acre they've got except some they've got on a lease basis they pay so much an acre per year plus ad valorem taxes. But their costs are higher than ours in management because they're doing it more with labor.

MC: You mean they have their own crews?

HL: Well, they do that and they'll do things by their crews that will cost them more money than it costs us.

JWL: They've basically sold their base timber crop. The long-term leases that they have, that's basically still what they're managing. But just like you say, they had it on their books as an asset for whatever reason, a lot of them seem to be debt reduction and things of that nature and just feel like they can buy the stumpage cheaper than they can grow it. But we've tried to stick very close to it and trying to grow more wood per acre per year and trying to provide all the social benefits we can as long we can hold on. One of the main problems we see in the state today is how do you value the social benefits of it. I mean, you know, hunting and fishing leases is one way that we've tried to encourage the recreational leasing side. But the benefits that society derives from forest land and green space and the creation of, you know, carbon sequestration for instance, how does a landowner who is trying to be a good citizen and trying to do right how are you not penalized for doing things. You know those are questions of great interest for us because for us to carry on another generation or two, those are things that, you know, are going to have to be addressed, especially if our tax system if we're going to provide the services to our people today in our communities and what we're doing in our cities and our counties. Money's got to come from somewhere and these rural counties in Georgia ad valorem, there are some counties right here that have no manufacturing, have no jobs basically. There might be one or two stores in the whole county and the whole tax structure comes from either the agricultural community or the landowners. And the continuing cost of the county employees, their healthcare insurance, their cost of gasoline, their cost of stuff is just like ours is, as it goes up they're only revenue stream comes from ad valorem. It's a very contentious issue.

HL: Then, Wesley, a lot of this land is being bought by doctors with good income, lawyers, bankers, investors. They're not going to cut that timber for pulpwood and all. They're not going to do a lot of those things. So I don't know what we're faced with in the future if we don't get something where we can handle this ad valorem tax business. It's of great concern to us.

PM: Why do you want to hold on to the land as opposed to take the same strategy that the paper mills are, meaning that they'll buy it on the open market?

HL: That's a good question.

JWL: Why do we want to continue? Well, our children now are going to be the sixth generation of our family business. We have a lot of pride in our forefathers and where we come from. We've got a tremendous responsibility to our community, to our country to be good stewards. Our forefathers have basically taught us that business was done on a handshake and you'd didn't have to have fifteen lawyers to make a deal. And we still believe today that American jobs and American economy can still be strong. We've had a lot of people ask us that question. You know, why do ya'll want to continue to be in the land business and growing trees.

HL: Because really and truly we could sell our land and quit work and divide it up into areas, you know, and they could carry it on and they'd pay it out of their profit they get in being a doctor and running a hospital or something.

JWL: It's pretty much been instilled in us from a very early age that, you know, work is ordained by God. There's nothing wrong with work and work is something that we're supposed to take very seriously and enjoy what you do and I think we enjoy it. Uncle Harley's going to be ninety years old this year and he's here every morning and has been a tremendous inspiration.

HL: They tell me I turn on the lights here every morning.

JWL: He's been a tremendous, he and his brothers, a tremendous inspiration on many, many people to have a goal, to set a goal, to work towards it. And selling out, and Uncle Harley, you've seen many companies that you know, have sold out and their families are doing something different.

HL: Nearly about all of my friends have sold their land to some real estate investment trust some way or another and they're going to cut it and they're going to do this and that. But a lot of them are getting sick of that too because they're not making the money they were making. But land value is just high in relation to what you can earn on it now. That's why we fuss at ya'll up in Canada.

JWL: What we've been trying to do and I know Uncle Harley and his father that we think about every single day, had a mission statement to basically take every single tree that grew on our forest land and wanted to create a market for every single one of them and make the best product available and get it to the consumer at the best price. And when we really look at that dedication and how fortunate we are today to be in the sawmill business and the OSB and then be up in those markets we've, you know, trying to strive towards that goal and being able to use our resources and use them as good stewards, we just feel like at some point that's going to have to be recognized by, know that it's a wise use of it. We think it is. We've got lots of issues.

HL: We hope or we're going to have to do something else.

PM: There's a real difference then in a family business and a publicly held corporation, isn't there? You've been talking about, you know, the essence of that difference I think.

MC: The mills are, the big mills are owned by faceless shareholders, who change every second day and run by boards, Lord knows where, New York or some place. They're just interested in how much money they can make.

HL: Absolutely, that's why this paper mill down here sold their land. They just had to to stay afloat.

PM: I just have a couple more quick things. I'd like to talk about the kind of kind of harvesting system that was used back in the '50s and '60s and then talk about what it's like today and the differences between the two.

HL: Do you understand that what he asked?

JWL: Yes, he's asking in the '50s, the harvesting, how the soft timber and pulpwood was harvested in the '50s. How was it different in the '50s and '60s than it is today? What would be the biggest differences?

HL: Well, the biggest difference is the machinery and equipment that we're using is expensive but we can see that we can save labor. We're doing now with about three or four people what we did take seven or eight people to do. And we've been very fortunate and the manufacturers have really improved because we took problems to them and they came out with something better. And if we didn't have a modernized way to do that, and our trucking, I have seen the time when a fella would start on this end of the property where they had no roads anywhere, they'd take that truck coming. We call them bobtail trucks. They were ton and a half trucks. And they would get stuck and they'd have to throw off all the pulpwood and then they would get out and then they'd load it back and they'd go a little bit farther and get stuck again. Well, we're not going to get nobody to do that now. So we've got these bigger trucks that we can pull them out some way or another and they've got more power too. So we're improving all the time. Now Wesley, I think we can tell these people that we're thinking, we're trying to say what can we do now. So we're leasing some of our land to these bankers and lawyers for recreation. And we're trying to get money that way and still going maximizing our growth. We're going to do that on our land. We got to. And then we're looking at the pine needles. Ladies now like that for their flowers and all. And then we're looking at other alternate things that we can do and he's looking at, we are harvesting some sand or any other minerals we got on our land. And we're going to have to do that, maximize that. And what we're working on right now and we're not talking about it but it's not a secret I guess. We're trying to take our refuse from the forest because you've got these wild forest fires. Now down in Florida they won't let you burn after dark. You have to put out the fire. Well, that's a hard job to put out a fire that you're doing a good job with, even a controlled burn. But they don't want that smoke on the highway because they're in the tourist business and they're looking for the tourist dollar. So we think if we utilize some of these bushes that come up that are biomass that will make fuel out of, that we can do it on some mechanizing. So that's what his project is right now. We've got a plant that we bought a generator and we're going to fire it with what we call waste wood and that's renewable. And I think the administration is going to like it if it works out. So we've got our fingers crossed. If we can get that done maybe we'll increase our income per acre per year.

MC: You been working on that, John?

JWL: I was just going back to the question on the harvesting. I can remember in the early '80s, mid '80s thinning our pulpwood. We would have two bobtail trucks in the woods that could haul about five cords of wood per truck. There would be six or eight men out there and they'd do good to get two loads per day. You've been talking about twenty cords of wood, ten, fifteen, twenty cords of wood in a good day. A good big crew would haul a hundred cords a week. And now the same thinning operations we've got, just in the past fifteen or eighteen years the technology is there. Most of those crews I mean have the ability to haul fifteen, eighteen loads of tree length wood a day, or twenty-five cords per load or ten cords per load. So when you look at that they're in a machine that's got air conditioning. They're up high. They're looking at the trees, the tops at the leaves, at the marshes. The thinning job that we're probably getting now is probably would you say comparable to if not better than what we were getting with the chainsaw?

HL: Yes sir, yes sir, yes sir.

JWL: And their productivity has increased. So probably like you say, the mechanism, the mechanized equipment has probably changed as much and that's increased the production also.

HL: And getting more biomass. We have a lot of hardwood that will come that'll go just as fast as our pine trees. But if we can cut those down and carry those in and come out on a profit some way, some how, and he's supposed to be finding a way to do that. He's working with equipment people right now that we can minimize the cost.

JWL: Well, and we just as the whole U.S. is trying to look at several different issues with biomass with our wild land fire situation just like we've seen out west and in Florida. Tremendous dollars, federal dollars that go into fighting these wildfires, we've got areas here in South Georgia that the biomass per acre, the green waxy fuel that burns just so hot, there's basically no market for it. What we've tried to do is we've tried, we're going to continue to try to work on it, is being able to take things that grow naturally in our forest and try to create a market for it. We're trying to look at ways of harvesting it so it is profitable for a contractor to be able to harvest the material, a way to truck it, a way to get pounds on the road where you can make it feasible. And also, as Uncle Harley alluded to, we're going to get into the co-generation business and see if there's a way we can make power from a renewable natural resource. If we cut down a weed in my yard, if I cut my yard today, in a couple of weeks what's going to happen? I mean we're going to have to cut it again. A lot of the things that are growing in the forest naturally, you know if you're able to mow them or harvest them and collect it and be able to take it and make power, make electricity out of it, they're renewable natural resources. So we're really encouraged about it. We've been taking our time and trying to. We've got a lot of people involved in it working with us on it. Hopefully it will be something that will be that there may be a new market not only for our land but everybody else's land.

HL: Everybody else's. They say a lot of people are looking at what we're trying to do and that's the best way that they can get the information because they don't know what they want to do right now except to just sell something else to bring in some money.

HL: Well all we got, the new dean up at the forestry school, Dick Porterfield, he says that a lot of people are looking at what he's trying to do over here and if that works out they're going to jump on it because you know everybody is talking about oil is going to run out one day.

MC: So it's possible to make those kinds of arrangements with the utility companies here or is that a problem as well?

JWL: I mean there are a lot of challenges we're facing. Not only just the harvesting of it in the forest but all the way through to the utility companies. I think maybe they're, they realize that there's a tremendous resource there and it's going to be a work in progress. It's not going to happen over night.

PM: Because you'd be selling the power that you created to them, is that right, with the cogeneration?

JWL: Well, I think first and foremost we're going to be using it in our facilities. But, yes sir, that's correct. The overage would be something worked out with the utilities companies. Nothing we've talked about [Voice lowers; last phrase or two inaudible]. But I mean we've got, we had the chief forester here in town, Dale Bosworth, who was down with us last spring.

HL: Yeah, that's right.

JWL: He did an exhibit.

HL: And we've heard from him. He likes the idea. Of course, I'll tell you Florida is really having a hard time because their fuel will build up. They'll have a ten year rough right side of the paved roads where the tourists travel and if that fire gets out and that smoke and you have a few deaths that way and everything, they get excited about it and they want to know what the government's going to do. So we're hoping this works out, or something else in that category, we're trying to look at everything we can do something with. I hope we'll still be here a hundred years from now.

JWL: There are many, many [fuels?] that grow ten or fifteen feet tall and just as thick, the woods are so thick, but there's basically no uses for them. You know, there's no kind of market for them. So when the wildfire has it there but if a lightning is to occur around those areas, the millions and millions of dollars that it costs to fight a long term fire like that and the acreage goes. What we and many other people have tried to look at is a way to reduce the wildfire hazards but also be able to utilize a resource, a renewable natural resource, and you know, use it for the betterment of society. Use it for something worth a dollar. You know, there's lots of questions to be asked and looked at but we're trying to do it.

HL: Well, I think that we can say that we're getting more and more cooperation from the United States Forest Service. Now we own some land next to the Okefenokee Swamp, which is down here in this area, which is the largest southeast swamp. They want it to burn. That's the culture, you know, there are always burns but we don't know when it's coming out and which side it's coming out on. But they've formed the organizations and they're doing that and better we haven't had an outside fire at all. All the whole group where they're on the back side and everything else, they all gather and put it out. So we've got more cooperation than ever before. We've been in business now a hundred, well, we started in, we call ourselves starting in 1894 and now that we're a hundred and ten years now and we hope that we'll be even better right on. That's what we're doing and we have to run our business the Scottish way of doing things. Don't throw away any money or we wouldn't make any money. But we're very fortunate that we make money.

MC: Talk to me about making money. I noticed you've got a lot of telephone poles out there. That must be a very high value end of the business.

HL: That is and that's why we got into it and that picks our select trees. And we're doing that on our property. We're high grading it. That's what we're doing on everything. That's what we've got to do. And that's about our story.

PM: Well, thank you very, very much for telling it to us. We really appreciate the time that you've given to us and have enjoyed hearing it. Thanks a lot.