

TECHNICAL NOTE NUMBER 178

FOREST PRODUCTS LABORATORY U. S. FOREST SERVICE - MADISON, WISCONSIN

ADVANTAGES OF READY-CUT DIMENSION STOCK

Industrial investigations made by the United States Forest Service on the production of small dimension stock at factories of the chair industry substantiate the chief claims made for ready-cut dimension stock. These studies revealed interesting waste and cost data which show conclusively that the advantages of obtaining small-sized stock from the mill are not all on one side. As the following summary shows, the factory owner and the lumberman would be equally benefited.

For the factory owner or wood user, ordering ready-cut dimension stock from the mill would:

1. Permit the purchase of clear, high-grade, ready-cut stock at prices equal to or less than those of clear high-grade lumber.
2. Eliminate the freight on waste which often runs from 15 to 55 per cent of the cost of the material f.o.b. factory.
3. Reduce the amount of stock stored in the yard, and thereby reduce the amount of working capital required.
4. Reduce the real estate investment by decreasing yard and kiln space.
5. Largely eliminate the cutting-up room and thereby conserve floor space and labor or make it available for increased production.
6. Lower overhead costs by decreasing insurance, depreciation, real estate investment, working capital, power, and non-productive labor.

7. Solve the problem of hauling and carting waste.
8. In general, lower the cost of the finished product.

For the mill owner or lumberman the production of small sized stock would:

1. Offer opportunities for the utilization of short and crooked logs now left in the woods.
2. Lower the present stumpage by increasing the yield over the estimate.
3. Reduce the logging costs by increasing the amount of material obtained per acre.
4. Reduce the fire hazard by lessening the debris left in the woods.
5. Increase utilization at the mill of low-grade material and present-day waste, such as slabs, edgings, and trimmings.
6. Decrease the investment per unit production.
7. Concentrate at the mill the waste now divided among woods, mill, and wood-using factory, and thereby afford greater opportunities of utilizing it.
8. Create a stabilizing influence on the entire industry.

Besides offering these immediate advantages to the industry, the production of ready-cut dimension stock at the mill would constitute a big step toward the conservation of the rapidly disappearing hardwoods. It would provide for a future supply, stabilize woods, mill, and factory labor, and prolong the life of the wood-using industries.