Perspective of Arkansas' Non-industrial Private Forest Land Owners Concerning their Forested Property

by

Richard A. Williams¹ and Richard A. Kluender²

Abstract

Today's non-industrial private forest (NIPF) owners must deal with a variety of problems and issues that were uncommon just a few years ago. Management issues, such as best management practices and private property rights; environmental issues, such as endangered species and land stewardship; and economic issues, such as capital gains tax, forestry incentive programs, and property tax must be considered if the overall operation is to be successful and survive.

To find out what Arkansas' NIPF owners think about these and other issues, personnel from the Arkansas Forest Resources Center and the University of Arkansas at Monticello and Fayetteville conducted a survey. The study was separated into a series of focus groups and a mail survey. The focus groups were made up of non-industrial private forest owners from four counties in Arkansas. The mail survey included the same four counties and eight additional counties. All of the counties used in the study were randomly selected and represented all parts of the state.

The focus group participants identified several major areas of concern to NIPF owners. These concerns included timber theft, trash dumping and improper payments for timber sold from their lands. Regional differences were observed in the use and knowledge regarding management practices, incentive programs and environmental concerns.

The survey results echoed the same theme of property rights as all participants believed they had a right to use their land in any fashion. However, most of the participants were not aware of the Endangered Species Act or Clean Water Act as it applies to private landowners. Finally, most participants considered themselves middle-ground environmentalists. They defined the term to mean land stewards who have concerns for the environment but are able to use the natural resources present on their lands.

The information obtained during this study provide many insights into the behavior and attitudes of NIPF owners throughout Arkansas. The study has set in motion a series of landowner workshops that have been attended by over 500 participants.

INTRODUCTION

Arkansas has bountiful forest lands totaling 18.3 million acres. The ownership pattern for Arkansas' forest lands is similar to that of other southern states, in that most is privately owned. Arkansas' largest forest land ownership group, the non-industrial private forest landowners (NIPF's), own 57.9% of the total (Figure 1). There are over 160 thousand NIPF landowners in Arkansas. Management and use of these forests depends upon the individual owner's wants and needs, and therefore, the NIPF ownership segment is often difficult to predict. Forest industry companies are the second largest ownership group (25%). In Arkansas, the largest public land owner is the federal government, whose national forests total 2.29 million acres of timberland (12%). Other public ownership of timberlands total 778 thousand acres or 5% of the total and are managed by state agencies or municipalities (Rosson and others 1997).

Arkansas is divided into four physiographic regions including the Delta, Southwest, Ouachita and Ozark. Ownership patterns differ from one physiographic region to another. Private ownerships including NIPF owners and forest industry companies own the largest portion of the Coastal Plain region of south Arkansas. In fact, they own 3.02 and 3.26 million acres, respectively. Ninety-seven percent of the Coastal Plain region is privately owned (Hines and Vissage 1988).

The Ouachita region has a large block of federal public ownership, the Ouachita National Forest, under the management of the USDA Forest

¹Assistant Professor of Forest Management, School of Forest Resources, Arkansas Forest Resources Center, University of Arkansas at Monticello, Monticello, AR 71656.

²Professor of Forest Economics, School of Forest Resources, Arkansas Forest Resources Center, University of Arkansas at Monticello, Monticello, AR 71656.
Service. There is 1.3 million acres in the Ouachita National Forest in Arkansas. This region also has significant private ownership including forest product companies and NIPF ownerships with 698.8 and 990.8 thousand acres, respectively (Hines 1988b).

NIPF's own the largest portion of the forested areas in the Ozark region (77% of the forested acres totaling 4.4 million acres). There is a sizable national forest containing 964 thousand acres in this region. A distinct difference between the Ozark region and the Ouachita and Coastal Plain regions is the small acreage owned by forest industry companies in the Ozarks. Forest industry companies own only 175 thousand acres in the Ozark region (Hines 1988c).

The fourth physiographic region, the Delta, is owned largely by NIPF's with some public and forest industry company ownerships. The NIPF owners have 1.3 million acres which comprises 72% of the total forested acres. Forest industry companies own 240 thousand acres of timberland. Thus, each region's forest use and management varies by the ownership patterns (Hines 1988d).

Stocking levels by ownership category reveals that NIPF owners have over 2.5 million acres that are understocked with commercial tree species. Eighty percent of the non-stocked forested acres are owned by NIPF landowners, totaling 158 thousand acres (Hines and Vissage 1988).

Regeneration trends show an increasing amount in the 1990's. Past records show that, NIPF landowners planted only a small portion of their harvested lands except during periods of incentive programs. The Soil Bank Program of the late 1950's and early 1960's had NIPF landowners planting more acres than the forest industry companies. This happened again during the early 1990's with the Forestry Incentive Program and the Conservation Reserve Program (USDA Forest Service 1988).

NIPF lands in Arkansas could produce a lot more wood growth benefitting wildlife, aesthetics, the individual landowner and the local economy. Over 6.5 million acres of NIPF lands are in need of some management activity to improve the stocking level of trees. There is opportunity to increase the growing stock of trees on private lands and possibly increase the wood-based segment of Arkansas's economy (USDA Forest Service 1988).

**OBJECTIVES**

Opportunity exists on these NIPF lands to increase land value and wood volume. However, the goals and objectives for land ownership must be evaluated to understand what is important to NIPF owners. Thus, this research team set out to obtain information regarding the use and management of NIPF lands. As such, the objectives of this NIPF landowner survey are to:

- Identify current use and management of forested properties.
- Identify environmental attitudes and knowledge of environmental laws.
- Identify harvesting activities and other uses of forested properties.

**Survey Procedures**

The NIPF survey is designed to sample owners from each of the physiographic regions of Arkansas. Twelve counties of Arkansas were selected in a manner that used probabilities of selection proportional to the number of NIPF owners in the county and that provided as much overlap as possible with Arkansas counties selected by a national survey of landowners being carried out at the same time by the Southern Forest Experiment Station. The twelve counties selected came from each physiographic region and all portions of the state (Figure 2). The Ouachita and Delta regions had two counties selected while the Southwest region had three counties selected for the survey. The Ozark region had five counties selected due to the large amount of NIPF timberland acreage (4 million acres) and the high proportion of NIPF ownership (77%).

This research project is comprised of two steps. The first step included a series of focus groups held in each region of the state. The focus groups were done initially in preparation for the larger survey. NIPF owners were invited to attend one of the focus group meetings.
intentions for owning and using forest lands. Information was sought about environmental attitudes including land stewardship and current policy. NIPF owners were asked about property rights and land use regulation. Additional information was sought regarding the sale of trees, Incentive programs and benefits from owning forest lands. This will be correlated with landowner demographic characteristics.

This research project was needed due to the long time period since the last survey (1979) and the ability to link with a current national survey. Armed with this information, the 1995 survey of Arkansas' NIPF landowners proceeded starting with four focus group sessions.

FOCUS GROUP RESULTS
The four counties comprising the focus groups included Lincoln, Madison, Ouachita and Perry. The focus group sessions were held in neutral places including a bank, an electric company meeting room and elementary schools facilities.

Major Areas of Concern
The focus group participants discussed many topics, but several points were brought up at all four locations. Participants are particularly concerned with timber theft, trash dumping, trespassing and improper payments when selling trees. With high stumpage prices for logs and pulpwood, occurrence of timber theft has increased during the past several years. Trash dumping in wooded areas is increasing as counties move away from dumpsters located throughout the county to a collection method. Counties were forced to abandon the dumpsters due to recent legislation. The greatest concern for focus group participants was individuals trespassing for the purpose of hunting. Several other participants expressed feelings that they had received improper payments or otherwise been unfairly treated when they sold their trees. These were the major concerns expressed by NIPF owners.

Regional differences were also found through these focus group sessions. The participants in the Southwest and Delta regions shared some similar themes throughout their discussions. Participants in these two regions indicated an interest in the management of their forest lands. They considered growing trees to be important, and many owners have sold trees or intend to sell trees in the future. These participants were aware of the Incentive programs aimed at forested properties, and several had used these programs on their own lands. A secondary
benefit identified by Southwest and Delta region participants was wildlife habitat.

The Ouachita and Ozark regions had many similarities with each other, but were different from the Southwest and Delta region. In the Ouachita and Ozark regions, NIPF landowners primary interest was in grazing and recreation. The majority of the participants have not sold trees for wood products. Furthermore, most participants from these regions have not heard of or used the incentive programs benefitting forest landowners. The contrast that existed between the regions noted during earlier surveys still exists in 1995.

Some topics were important in all four regions as indicated by the focus group participants. These NIPF landowners believed that they have a right to use their land in any fashion without regulations. However, the participants believed in protection of the environment, while still being able to use their lands as they deem appropriate. Most of these participants consider themselves as a "middle of the road" environmentalist, meaning that they consider themselves as land stewards. Surprisingly, the majority of these participants did not know about the Endangered Species Act nor the Clean Water Act. Some of the participants who are aware of the benefits from selling trees, wanted a capital gains tax break for growing trees.

The participants were open in their discussions which revealed many aspects concerning the ownership and management of forested property. Focus group participants help shape the NIPF questionnaire mailed out in the summer of 1995. The focus group sessions were held in counties selected for the mail survey. Twelve counties made up the mail survey, they include: Lincoln and Cross (Delta); Perry and Logan (Ouachita); Ouachita, Miller and Bradley (Southwest); and Madison, Johnson, Stone, Fulton and Sharp (Ozark). Counties selected had various levels of NIPF ownership. The counties of Cross, Fulton and Sharp have NIPF ownership percentages of 100, 97 and 90 percent, respectively. On the other extreme, the counties of Perry and Ouachita have NIPF ownership percentages of 19 and 17 percent, respectively.

**MAIL SURVEY RESULTS**

Some preliminary findings from the USDA Forest Service and National Association of State Foresters (NASF) national survey found that ownership in smaller size classes grew in number of owners and acres. The number of ownership controlling between 10 and 49 acres more than doubled from 1.2 million in 1978 to 2.9 million in 1994. This survey also revealed an apparent increase in forest land ownership turnover as more than 40 percent of the NIPF owners acquired their land since 1978. Another finding was the changing demographics among NIPF owners. Today's NIPF owners are younger, better educated and have a higher income than owners of a decade ago.

The mail out questionnaires from Arkansas NIPF owners are being transferred into databases for analysis. Throughout Arkansas, responses from NIPF owners did not vary from a low of 32 percent in Cross county to 47 percent in Logan county. However, NIPF response rates did not vary much by physiographic region. Table 1 shows the county and region level response rates for the NIPF survey.

The Ouachita and Ozark regions seemed to have the highest level of interest as indicated by the response rates. These are the two regions with a significant amount of public ownership which has received a lot of media coverage over the past few years generating some public interest.

**Table 1. Response rates for Arkansas' NIPF owners by region and county.**

<table>
<thead>
<tr>
<th>Region</th>
<th>County</th>
<th>Percent Responding</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ozark</td>
<td>Region Average</td>
<td>42.6</td>
</tr>
<tr>
<td></td>
<td>Fulton</td>
<td>42.2</td>
</tr>
<tr>
<td></td>
<td>Sharp</td>
<td>42.6</td>
</tr>
<tr>
<td></td>
<td>Madison</td>
<td>43.4</td>
</tr>
<tr>
<td></td>
<td>Stone</td>
<td>43.1</td>
</tr>
<tr>
<td></td>
<td>Johnson</td>
<td>41.9</td>
</tr>
<tr>
<td>Ouachita</td>
<td>Region Average</td>
<td>44.0</td>
</tr>
<tr>
<td></td>
<td>Logan</td>
<td>47.5</td>
</tr>
<tr>
<td></td>
<td>Perry</td>
<td>40.4</td>
</tr>
<tr>
<td>Southwest</td>
<td>Region Average</td>
<td>38.5</td>
</tr>
<tr>
<td></td>
<td>Miller</td>
<td>33.8</td>
</tr>
<tr>
<td></td>
<td>Bradley</td>
<td>44.8</td>
</tr>
<tr>
<td></td>
<td>Ouachita</td>
<td>37.1</td>
</tr>
<tr>
<td>Delta</td>
<td>Region Average</td>
<td>37.4</td>
</tr>
<tr>
<td></td>
<td>Cross</td>
<td>32.5</td>
</tr>
<tr>
<td></td>
<td>Lincoln</td>
<td>42.5</td>
</tr>
</tbody>
</table>

**Current use and management of forested properties**

Survey respondents indicated uses associated with their lands that are compatible with growing trees for wood products. Thirty-eight percent of survey respondents stated that timber production was the primary use of their forest land. The second highest use was grazing (34%) followed by recreation and wildlife uses (19%).

NIPF owners in the Southwest region of Arkansas have larger land holdings compared to other regions. Over thirty-six percent of the NIPF owners have tract sizes exceeding 100 acres. These owners
Figure 3. NIPF owners who have not sold trees and have not plans to sell.

use more silvicultural tools compared to owners in other regions of Arkansas. The survey found that 25 percent of the NIPF owners can be categorized as timber managers. For our purposes, a timber manager is an owner who uses two or more silvicultural techniques in the management of their forested lands.

NIPF landowners in the Delta region were younger in age and have more formal education compared to the other regions. Only 9 percent of the NIPF owners fit our definition of a timber manager.

In the Ouachita and Ozark regions, the largest NIPF landowner segment is retired and the primary use of their land is grazing or recreation. Less than 10 percent of the NIPF owners fit our definition of a timber manager.

Environmental laws and landowner attitudes
When asked to respond to the statement, "Are you interested in improving the environment for wildlife habitat, water or esthetic qualities and do not intend to use your land to make money," answers varied by physiographic region. Thirty-five percent of the landowners in the Ozark region agreed with this statement. Many landowners in the Ouachita (22%) and Delta (17%) regions also agreed with this statement. Only 10 percent of the landowners in the Southwest region agreed with this statement.

When asked to respond to the statement, "Are you only interested in making money from your forested lands," answers did not vary across the State's regions. Landowner responses agreeing with the above statement was 11 percent in the Delta region and 5 percent or less in the other three regions.

The statement, "Are you interested in stewardship and using your resources for income," was a choice between just making money and only enhancing the environment. This statement received the highest response. Over 50 percent of the respondents in all four regions agreed with this statement. Over 70 percent of the landowners in the Southwest and Ouachita regions agreed with this statement.

Harvesting of forested properties
Most the landowners responding to the survey identified themselves as the manager of the forested property. A slight difference was noted in that the Southwest and Delta regions, landowners used professionals to assist in the management of their property. The percent was 19 percent in the Southwest region and 15 percent in the Delta region. Landowners in the Ouachita and Ozark regions did not seek the help of professionals. Only 3 percent of the Ozark landowners sought the assistance of professionals while 6 percent of the Ouachita landowners sought professional assistance.

Fifty-one percent of the landowners responding have sold trees in the past. Of the 49 percent who have not sold trees, 69 percent are not interested in selling trees. Many NIPF owners in the Delta (45%), Ouachita (49%) and Ozark (59%) regions have no plans for selling trees (Figure 3).

The primary reason for not wanting to sell trees was simply, not interested as indicated by 69 percent of the respondents. Ten percent of the NIPF owners were waiting for better prices and 17 percent said that their trees were not mature at this time.

CONCLUSIONS
The focus group sessions provided good insight into the NIPF owners of Arkansas. Regional differences were identified as to land use preference and use of incentive programs. The Delta and Southwest regions were interested in growing and selling trees. They also used incentive programs to help them establish and grow their trees. The Ouachita and Ozark regions preferred grazing and recreation uses on their forest lands. All participants felt that they were land stewards who used their land resources tempered with environmental sensitivity. Furthermore, they do not want land use regulations restricting activities on their lands. Some major concerns listed by all participants included trespassing, trash dumping, and timber theft. This NIPF owner study might be useful for developing landowner educational and extension programs and future research efforts that could better address the concerns and interests of Arkansas NIPF owners.

The survey results were similar to those
obtained during the focus groups. Regional differences were observed in management strategies, environmental awareness and harvesting practices. The Southwest and Delta regions had landowners willing to sell their trees and management for trees was important. Landowners in these two regions favored the use of their resources while maintaining the environment. Ouachita and Ozark landowners were less likely to have sold trees and many indicate that no future sales are planned. Owners in these two regions often own their land for reasons other than growing trees for profit and a significant proportion said that they are interested in improving the environment without necessarily making money.

Future use depends on what individual landowners want from their forests. NIPF landowners in Arkansas have different views depending upon the region where the land is located. With emerging markets and increasing demand for wood, it would be interesting to resurvey these individuals to see if their preferences change.

**Literature Cited**


