

## **SELECTING A CONSULTANT**

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### **What Is A Consultant?**

Think of a consultant as a full-time, independent forester whose services are available to the public and who does not work for a timber buying business. The highest standards of education, experience and ethics are set by the Association of Consulting Foresters, and ACF membership is one measure of professional standing. There are also well-qualified consultants who are not ACF members. In addition, there are many professional foresters who consult part-time, or during retirement or as a sideline to their regular employment. A full-time independent consultant, however, works solely for private landowners. For this he charges a fee agreed upon in advance.

Forest industry and timber dealers often have foresters who assist owners (assistance foresters) and they sometimes use the term consultant. Industry assistance foresters may provide services for little or no direct charge, but hope to purchase an owner's timber. In working with anyone other than a full-time independent consultant, however, you should be alert to his other interests, which may shape his opinions or color his judgement. It may be difficult for some timber buyers, for instance, to serve landowners as objective counselors concerning timber cutting and marketing.

### **A Satisfactory Relationship**

Once you select a consultant, there are certain things you can do to help make a long-lasting, satisfactory relationship. To make good recommendations your consulting forester must know your needs and wishes. Level with him. Let him know clearly what you want. Often the hardest part of a consultant's job is getting the landowner to explain his objectives. Then listen to him and let him gather information if he says it is necessary. A doctor must examine the patient before he can diagnose and prescribe, and he must charge for the examination. When you have reached this point, trust is the key word in your relationship. Make a commitment to your consultant, and trust his judgment. He is dedicating his career to giving forestry advice and assistance, and his ultimate goal is to please you.

If you are willing to defer to his professional judgement and he knows exactly what your objectives are, the result should be a continuing relationship of trust and profitable timber growing.

### **When Do You Need One?**

When do you need a consultant? The less you know and the less time you can spend on your timberlands, the more you need a consultant. In the past, it has been a good investment just to own timberland. For a period, many serious analysts recommended buying more land instead of managing what you owned. Since then, land prices have escalated and good management has become the key to profitability. It is profitable to grow timber, but constant changes are making the job more and more complex.

Increasingly, there are tax, legal and environmental requirements. Products and measurements have changed. Prices fluctuate more frequently and less predictably. New management practices and techniques have been learned. Ownership profiles are changing, and timber supply is not the issue it once was. For the past 50 years we have grown more timber than we have cut and the projections are for the next 50 years we will continue this trend. All of this tells us that Tree Farming is a specialized and competitive business, and management will be the key to profit in the future.

### **What Can He Do?**

You can find a consultant to perform almost any forestry service. He can represent you on a sensitive issue such as boundary line dispute, appraisal or litigation, or he can take over forest management completely and act for you in all matters. Consultants are especially well versed in timber sales, which for you, the owner, are the payoff point in management. Consulting foresters know about marketing, merchandising and seeking competitive bids. They know which contract terms are appropriate such as penalty rates, performance deposits and damage clauses.

They can also advise on tax treatment and can give you full representation in any timber sale dispute. Increased returns will more than offset the consultant's fee, so seeking his assistance only at harvest time is shortsighted management.

The harvest is only a part of the management plan, and several years worth of prescribed burning before a timber sale may allow for natural reseeding and eliminate costly site preparation and planting. Natural boundaries for management blocks can reduce management costs and increase sale returns.

A consulting forester can help establish property lines, assure that tax assessment and deed records agree, set up basic records, set goals, help you understand your land and timber conditions, list the things that should be done, evaluate alternatives, select, schedule and carry out work, and keep records of income, expense and volume.

In the area of financial management, consultants can provide appraisals, investment counsel, advice and analysis, record keeping for tax or other purposes, estate planning and assistance with timberland loans. In connection with litigation problems, they are frequently called on to assist in preparation and expert testimony for contract, tax, possession or trespass cases.

They are also available to handle one-time specialty problems, such as growing Christmas trees or making an equitable property division. Because they are helpful in so many areas, forestry consultants often become permanent advisers or managers for landowners.

### **How To Choose A Consultant**

Methods of setting fees differ among consultants. Some perform all work on a time-charge basis (hourly) or daily rate plus expenses. Others quote fixed, per acre rates for cruising, prescribed burning, planting, timber marketing and other services, or per mile rates for surveying or boundary line maintenance. Many timber sales are handled on a percentage of income. Some consultants charge for management work only when a sale is made, while others prefer to bill regularly for management work. The fee method can usually be tailored to suit the client.

Consultants are individuals, and as in every profession, there are good ones and bad ones, ones that suit you and ones that do not. You must find one you like who is properly equipped, experienced and located for your needs.

Making a list of available consultants is the first step. Some sources for this information are:

Professional associations such as the Association of Consulting Foresters, Society of American Foresters or state consulting organization.

Forest industry landowner organizations or state forestry associations.

State or federal government sources such as a state forester, extension forester or Soil Conservation Service forester.

Friends or neighbors who have employed a consultant.

Attorneys, accountants or bankers who may have worked with consultants.

You should also be aware of his experience. A consultant's expertise is what he has to sell, and his education, training and experience have shaped his knowledge and judgement. He should have been in business long enough to have a proven track record. Does he have a good professional background and keep up-to-date through continuing education courses, conferences and professional journals?

Also important is his staff. Some consulting firms employ foresters, technicians or laborers to carry out the field work. The quality of these employees is important. Are they permanent or temporary employees, and is the work well supervised?

In addition, your consultant needs to be located near the small jobs or must be able to handle several in the same area. Large jobs may be economical at any distance. Sometimes it is convenient for the consultant to be located near the owner instead of near the property. Is location important to you?

What about his general philosophy? Consultants do not all think alike, and business and management philosophies may vary widely. There may be more than one good forest management practice for a given situation and a recommendation will depend on condition of the property, objectives of the owner and the forester's philosophy. Have you asked about his forest management ideas?

Moreover, you should have a clear understanding concerning fees and work to be done. Will your consultant work on a time-charge basis, a fixed fee or percentage arrangement? Until a consultant is familiar with the tract, it may not be possible to predict costs accurately. Are you comfortable with the method for billing and the work agreement?

Above all, your consultant should be someone you can trust. He should offer a continuing personal relationship. Do you feel he understands your objectives and that you can identify with him?