



LOGGER, SAWMILLER—and CATTLE FARMER

With logging, sawmill, cattle and farming operations, to say that Darcy Coleman’s days are busy would be an understatement. But he has hired knowledgeable management staff to look after the day to day operations of his logging company, which helps a lot.

By Tony Kryzanowski

While some people prefer as little complexity in their life as possible, others enjoy plenty of variety.

Alberta logger Darcy Coleman definitely falls into the second category in both his business life and in his equipment fleet.

In addition to logging primarily for West Fraser Timber—supplying both their Sundre Forest Products sawmill in Sundre with sawlogs and their laminated veneer lumber (LVL) plant near Strachan with peeler logs—Coleman also operates a small sawmill, farms 400 acres, and has 50 head of Black Angus cattle. Every day is a full day.

Coleman owns Coleman Forest Products with his wife, Stephanie. The company is near Sundre, about 120 kilometres northwest of Calgary.

In total, the company harvests about 200,000 cubic metres of softwood annually in what Coleman calls “moderate to difficult” terrain. About three-quarters of their wood diet is lodgepole pine and the rest is white spruce.

The majority of their logging is done on the Alberta side of the Rocky Mountain Foothills, about 45 minutes southwest of Rocky Mountain House in West Fraser’s Falls Creek compartment and they are averaging between 4 and 4.5 trees per cubic metre in that area. Their cutblocks can sometimes have slope up to 45 degrees, so two of the company’s four feller bunchers are tilters. Finding enough space to deck their logs is a constant challenge, given the terrain in which they work.

Their logs are all delivered cut-to-length (CTL), with a specific 17’ pine log with a maximum 17” butt and minimum 7” top, sorted out at roadside as a peeler log for the LVL plant. The rest are sorted out as sawlogs in two foot increments from 8’ to 16’, with the preference being 16’ logs for the Sunpine sawmill.

While he has been involved in forestry since his teenage years and is familiar with running all the equipment, Coleman now spends most of his time working in the office and shuttling amongst his various endeavors to ensure each runs smoothly. A foreman takes care of day to day activity in the forest.



Coleman says he has noticed a considerable change in the logging industry recently as it relates to hiring operators.

“In the past when we advertised and the oil industry was booming, we’d maybe get one response to our advertisement,” he says. “Now, we are getting more than 50 applicants for each position.”

The past oil boom not only had an influence on the availability of good operators, but also log trucks and drivers. For that reason, Coleman Forest Products recently ventured into the log haul area, as well. Although this represents a significant additional expense to the business, Coleman says it provides them with an assurance that their logs will be delivered on a timely and consistent basis, which is important for maintaining cash flow since they are paid on a delivered cubic metre basis. They harvest about 160,000 cubic metres of their total annual volume for West Fraser, and Coleman says now that they have taken on the log haul, they are comfortable with that volume of wood.

“There’s a transition there for sure to match your hauling capacity with your harvesting capacity,” he says, “but I believe that it’s a better fit for our company now that we do both.”

There has also been an adjustment in learning the differences in managing the log haul and roads in snowy winter conditions. But Coleman says that typically the amount of snowfall in winter is not a major challenge for either the logging operations or log haul because warmer winds—Chinooks—help to keep the snow pack manageable.

Darcy and his brother, Bruce, learned about the forest industry as teenagers growing up in the late 1970s working on a sawmill on the family farm. In 1994, they obtained a local timber permit (LTP) and began operating their own small sawmill. They also purchased a skidder and did custom work for other small sawmills in the area. In 1996, they incorporated Coleman Forest Products. In 2002, Bruce sold his share to Darcy’s wife, Stephanie, and the business has grown from there into a fully mechanized stump to dump operation. They employ 30 people and log about 10 months of the year.

In addition to logging, they also own a 5,000 cubic metre provincial commercial timber permit (CTP) and process the lodgepole pine and white spruce from that area on their Kara sawmill, which is located south of Sundre. It operates year round with three employees—a sawyer, manual stacker, and wheel loader operator. The sawmill produces rough, green lumber that might typically be used for cattle corrals for what Coleman describes as ‘local cash and carry’ customers. However, they also do considerable business supplying 4” X 4”, 4” X 6” and 6” X 6” squares to West Fraser for their wood treatment plant. Coleman Forest Products continues to offer custom logging services to other CTP holders in the area.

“We got more into the logging because there seemed to be more opportunity for growth there rather than on the sawmill side of the business,” says Coleman. One aspect of taking on the log haul that they’ve had to get used to is the amount of extra liability and general public scrutiny it brings.



“If your skidder has a burned out light, you can still run your skidder, but if your truck has a burned out light, it is going to be out of service,” he says.

They own seven log trucks and employ two sub-contractors. Four of their trucks are Western Star 4900 trucks and three are Kenworth T800 trucks. All their trucks have tri-drive axle configurations designed for hauling logs.

They have four feller bunchers in their fleet, which includes a Komatsu 450 tilter, a Tigercat 870 tilter, a flat bottomed John Deere 953K, and a flat bottomed Valmet 445 EX. Their skidders consist of a Tigercat 630D, two John Deere 748 GIII's, and one John Deere 848 H. Their processor carriers are a John Deere 2054, a Hitachi 200 Forester, a Hitachi 210 Forester, two John Deere 2154D units, and a Tigercat H855C carrier. All are equipped with Waratah 622B processing heads.

“Our first processor that we bought in 2000 was a Waratah and we've had good success with that brand,” says Coleman. “It's suited to our type of timber. They came out with the 622B about 2003 and although they've had some software changes over the years, the basic machine is still the same. We can take a knife arm off a 2003 model and still put it on a 2014 model.”

Their fleet includes a Caterpillar 527 tracked skidder with a swing grapple to retrieve logs in steeper and softer ground, and they also own a Caterpillar 575 forwarder.

“In certain circumstances, the forwarder is a benefit, especially in roadside areas where we don't have enough room to deck all the wood,” Coleman says. “We'll process at the stump and then use the forwarder to transport the wood to roadside, which allows us to build higher decks. The forwarder also comes in handy where there are long distance hauls between fallen timber in the block and roadside, because by processing at the stump, the forwarder is able to deliver finished product to roadside.”

Speaking about the variety of equipment brands in his fleet, Coleman says they have opted to include the Komatsu and Valmet brands in with their feller bunchers because they have a long term operator who prefers to use them. The design is an upgrade to the old Timbco feller bunchers, with their unique boom and cab configuration.

When selecting equipment, Coleman says price is important, as is the equipment's ability to operate in summer logging conditions without heating up.

He says that one of the biggest challenges that Canadian logging contractors now face is the cost of replacing aging equipment, considering the escalating cost of equipment because of the influence of the American dollar. For example, he anticipates that the cost to replace his Komatsu 450 tilting feller buncher will likely be about \$140,000 more, yet logging rates have largely remained the same since the day that the buncher was bought



new in 2012. He understands that Canadian forestry companies are not benefiting greatly from the current wide margin between the Canadian and American dollar when selling their products to the United States. That's because the last Softwood Lumber Agreement included a proviso that tariff duties would rise to Canadian companies exporting to the United States if the exchange rate differential widened. But at the same time, he's not sure how Canadian logging contractors can afford to absorb this significant increase to the cost of equipment. One option for Coleman Forest Products might be to consider purchasing lightly used equipment as replacements as they have three mechanics on staff, but with so many loggers facing the same challenge, that equipment will likely become quite scarce.

“We try to replace some machines every year just to stay current, but the future is going to be interesting given the escalating cost of equipment,” Coleman says. “The challenge is going to be how we absorb a 25 per cent increase in the cost of machinery with no change in the logging rates.” He expects that this will be a major topic of discussion during rate negotiations with many logging contractors this year.