Up And Down

■ Gary Easterling has found a niche with landscape mulching in northwest Arkansas.



By David Abbott

n the 42 years since its founding, Easterling Wood
Products, Inc. has seen the ups and downs of the industry, having been both much larger and smaller at different times than its current size. Today, you aren't apt to hear too much complaining from owner Gary Easterling, 71. "It's a rat race in the timber

business, but right now things are pretty good and prices are healthy," he reports.

Though his roots in the northwest Arkansas woods go back quite a ways, Easterling is a first generation logger. His dad had a propane and appliance business in town. "There wasn't enough excitement in that for me," Easterling says. "The timber business excited me." His road to the woods led him first through the academic world. For two years he studied business at Harding Uni-

versity, a private liberal arts college in Searcy, later transferring for another two years at the University of Arkansas in Fayetteville, not far from his home town in Huntsville. While he was in college, he supported himself by making wooden stock racks for livestock trailers. It was a part-time enterprise that eventually led him to his lifelong vocation.

"Stock racks, that's a lost cause," he muses. "At that time it was big. Everything you saw coming down the road had a stock rack on it, because that is the way they hauled their cattle. In this area here of course we are big in cattle; everybody in Madison County has some cows. That's the way I got into the timber business, though."

To make the racks, he would buy a few good trees and hire a logger to cut them down and saw them up into 2x2s to form the uprights. Soon enough he left college and started his own logging crew, at first with horses and mules. Later, he had one of the first skidders (International) and knuckleboom loaders (Lucky) operating in Madison County, he recalls. "That was quite a change," he points out. "Some of the loggers around here, when they finally bought some skidders, they still took their horses and mules to the woods because they didn't think a skidder could keep up," he laughs. "After about two or three months of that, they figured out that if you got somebody on the skidder who really could drive, then they could leave the mules at home, but they didn't trust the skidders at all at first."

When he started logging, Easterling was about a semester shy of the credits needed to complete his formal degree. He intended at the time to go back and finish one day, but then things got busy and after a



The veteran logger sells his mulch both to local landscapers and natural gas drilling operations.



Grinder crew, from left: Louis Fuentes, Bill Todd, Jamey Joyner



Woods crew: Joe Swafford, Gary Easterling



At the mill: Stacy Easterling, Gary Easterling

while it didn't really matter anymore. Even so, he acquired the education, the knowledge he needed from his four years of business management studies, with or without the paper to show it. He believes that education has been helpful to him throughout his career, both in managing money and in managing people. "I think the business education helped tremendously, and some of the other cours-

es I took helped out too." After a few years he got a piece of equipment that really set him apart from the pack. He went out to the West Coast and bought a cable yarder, which proved useful in the steep hardwood hills of northwest Arkansas. It was also instrumental in contributing to the growth of Easterling Wood Products when Hurricane Hugo hit South Carolina. After the storm, he went there to help with cleanup and salvage efforts. "We were the 89th crew in the national forests in South Carolina," he recollects. "I got on because of that yarder. They had everything from tractors and horses to skidders, dozers and helicopter crews. Mine was one of two or three yarders they had, and they were just trying to get everything they could out. With all 89 crews combined, we were putting out 1,000 loads a day. We were there for eight months and

SLT SNAPSHOT

Easterling Wood Products Huntsville, Ark. Email: ewp4@madisoncounty.net

Founded: 1976

Owner: Gary Easterling

No. Crews: 2 (1 harvesting and 1 grinder crew)

Employees: 10

Equipment: 4 knuckleboom loaders, 5 rubber tire loaders, 3

skidders, 5 trucks, grinder

Production: 2 loads/day (logging); 6-10 loads/day (grinding,

varies by location)

Average Haul Distance: 40 miles

Tidbit: Easterling's son, Stacy, who might have been close to a career as a pro baseball pitcher before a college injury struck him out, also owns a sawmill.

after all that exodus of timber, they didn't even get half of it out."

For his time in South Carolina, Easterling made some good money that he reinvested into the business to buy some brand new pieces of John Deere equipment, including a skidder and a track cutter. That, he says, is when his business really took off. In his heyday, he had five crews in the woods and a sawmill. Then came the recession: when the

bottom fell out of the hardwood market in 2008, Easterling had an auction and sold off most of his logging equipment and everything at the sawmill but the land and the dry kilns. In the decade since, he's kept the downsized business going with a couple of crews, recently buying a few more new Deere pieces.

"It's up and down in the timber business," he notes. "It'll always either be going up or going down; I haven't seen it stay steady very long in my 40-something years at it. But it has been a good ride."

Mulchin'

Among the diversified operations under Easterling Wood Products these days is a mulching crew. "With the mulch business in this area, the problem is getting the material," the logger relates. "We don't have any big mills, so the only way to get it is to make it yourself. Of course this mainly comes out of treetops or slabs. When you buy and grind slabs, you have a lot of money tied up in it, and there is hardly any money to be made in the mulch business to begin with. So the main place we get it is by grinding treetops, and that fits in with our logging operation."

This three-man job, which centers around a Rotochopper B66 grinder fed by a Deere 335 loader, follows after Easterling's logging crew and other area loggers, grinding tops and other residuals. Easterling also has a yard in the town of Rogers (which was the location of the first Wal-Mart store, now head-quartered in neighboring Bentonville). Easterling stores his grindings there, an inventory that is supplemented by material brought into the yard, mostly from commer-



Easterling says the tract he and Swafford worked this summer featured some of the best timber he ever bought.

cial trimming companies.

The vast majority, nearly all, of the mulch will be colored and sold for landscaping locally. The Kenworth trucks dedicated to this crew can haul six or more loads a day, depending on distance, from the woods to Easterling's plant in Rogers.

There is another market for mulch, too: Easterling sells it to natural gas drilling companies to be used for LCM (loss circulation material). "Whenever you drill a well, especially natural gas, you pump drilling fluid down in it and it comes back up to the top, and makes a complete circle," Easterling explains. "Whenever they go down in a rock formation and hit a gap, they have to stop that up. If they hit a void, they take some of that LCM, mix it with their drilling fluid to more or less make a paste, and pump that in there to pack that hole." Easterling got into this market about 10 years ago, when fuel hit \$4 a gallon. "I have a good connection with a firm out of Oklahoma City. It's a good deal that goes

hand in hand with what I have."

Expounding on the slim margins in mulch, Easterling adds, "If you haul this stuff very far then you have defeated your purpose, because you're getting too expensive. You need to be within 15 miles of your source or all your money gets tied up in transportation. So you can't afford to haul it very far." Tight margins require close supervision, he notes. "You have to really watch what you're doing to come out with a profit."

With that in mind, he points to

Rotochopper's slogan: "Perfect in one pass." Getting it right the first time, Easterling believes, is also critical to success. "A lot of people will grind it then come back and grind it again. Well, every time you grind it, you have expense in it." The Easterling crew grinds to 1.5 in. diameter from up to a 36 in. diameter at the infeed. With the grinder, loader and truck, he figures he has about \$1 million invested in this crew.

"This mulch business has turned into something," Easterling states.

"Most people have no idea how big it is, especially in our area here, because our growth in northwest Arkansas has just gone wild." In fact, the region in which he lives and works is said to be one of the fastest growing metro areas in the whole U.S.

Loggin'

The remaining logging crew these days is a two-man job: Easterling and one employee, Joe Swafford. "It's been just the two of us out here for quite some time," Easterling says, noting that Swafford has been with him for nearly 30 years. Swafford handles the cutting and skidding, while Easterling loads and hauls. Soon, he says, he plans to hire a third man to handle the skidding while Swafford continues to fell with a Husqvarna chain saw, following all safety standards. Bumper To Bumper (Huntsville Auto Supply) in Huntsville is Easterling's Husqvarna supplier. He is insured through American Interstate Insurance Co.

The crew runs 2012 model John Deere 648H skidder and 437E loader, Deere 850 dozer and a Kenworth T800 truck pulling homemade pup trailers. Though he's bought much of his iron inventory at Tri-State Auction and Realty, the newer machines came from Deere dealer Stribling Equipment in Springdale.

Easterling buys his own timber, achieving an overall 50/50 split between private and public land. To say the beautifully scenic tract he was working when SLT visited in August was hilly would be a massive understatement. "This is the steepest ground I've ever worked," he says. "I have no idea what the grade is. We could almost use a yarder here, if I still had one." He spent much of the late summer working on a skid road that goes straight down into a hollow. "You can't imagine how steep it is," Easterling says. Swafford had to carefully back the skidder down into the hollow and winch logs up with the cable. The effort, though, was worth it. "This is 160 acres of some of the best timber I ever bought,"



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16 ➤ Easterling says happily. "It's got diameter and length, and there's a lot of walnut in it."

Easterling sends his white oak to American Stave Co. in Lebanon, Mo., while saw logs go to Boston Mountain Dry Kiln in Huntsville, a mill owned by his son, Stacy.

Millin'

A few years after Easterling auctioned off his sawmill machinery, his son Stacy bought some new equipment and started his own operation on the old site, calling it Boston Mountain Dry Kiln (named for the Boston Mountains in the area, part of the Ozark range). The mill saws large diameter logs for 4/4 and 5/4 lumber, notch stringers and ties. Stacy, 49, says the Meadows circle saw operation can run ties or cants off the headrig or feed a resaw on a Brewco B-1600 grade runaround system. Hyster forklifts and John Deere wheel loaders, two of each, dominate the yard.

"Lumber is good right now," Stacy says. "It is always a struggle in this part of the country to keep logs; that's the biggest issue. We could cut quite a bit more if we had logs all the time. There's just not



The summer tract was also one of the steepest he'd ever worked, Easterling says.

enough timber in this part of the state, and not that many loggers, and too many mills." Log loads come in from Easterling's crew and other local loggers, and Stacy buys lumber green from other mills to dry in his kilns. Boston Mountain ships its products to both domestic and export markets. Mill trucks haul

export containers to rail yards in either Memphis, Kansas City or Dallas, depending on current freight rates; from there a train will deliver to ports on the west coast to be loaded on ships bound for China.

Stacy has been around logging and sawmilling all his life, but he originally had a much different career in mind. He had a full scholarship for playing baseball and could very well have gone pro; he pitched in the 90MPH range. Unfortunately, he injured his arm in a state championship game. "The next morning after that game, he said he couldn't lift his arm," Easterling recalls. "We had a connection with the Red Sox,



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so we went up there and saw their doctor. A surgeon from the Red Sox operated, but it never did turn out."

On the same property but set up behind Stacy's Boston Mountain Dry Kiln operation, the elder Easterling also has another branch of Easterling Wood Products: his own mini-mill for making notch stringers and pallet material. "I'm not using it right now, even though stringers are at an all-time high price," he says, lamenting that right now he just doesn't have anyone to run it. "We will probably run it before long, when the mulch

business tapers off in December and January. All we are doing here now is building inventory."

Here, Easterling employs a 160 Barko loader mounted on an International truck, and brings in loads of treelength logs. A circle saw cuts them to 51 in. pieces that proceed to a Morgan two-saw scragg mill. "As it is it will saw a load every other day, but it needs to saw a load every day. If I was going to run it full time I need to add an automatic feed on the scragg."

He built the mini-mill when he

was working a large government tract, when he ended up with more material than he could sell. "I had about 250 loads of mini logs; some places call it pulpwood, but it is a high grade of pulp, so up in this area we call it mini logs. I couldn't sell the mini logs and so I built this just to saw them up."

Along with all the wood products businesses under their two companies, Easterling and Stacy are also in the cattle business together. They raise about 150 head of beef cattle.

SOUTHERN STUMPIN'

oped a very professional trucking program. They have GPS, dash cams and govern the trucks to 65 MPH. They have a formal safety training program and only hire experienced drivers. They have a 70+ page employee training manual/handbook. They keep meticulous records of repairs and maintenance. They do it all by the book, but some days they might wonder why they bother.

Over the 30+years they've been in business, the Walls say this is the worst they've seen it for trucking. It's gotten so bad, in fact, that the large company—it fields nine crews in Mississippi and Louisiana and employs around 70, and it was running 36 trucks—has now cut its fleet down to just nine. "And if I could sell them, I would," says Kim, who oversees the trucking side. Contract haulers make up the difference.

Kim's major complaint is with insurance. "Your scores can be decent but it doesn't matter," she continues. "The insurance companies don't want to fight, they want to settle. They have too much to lose." She relates an example: a driver in a car sideswiped one of Wall Timber's lowboys, then left the scene of the accident. It was all recorded on a dash cam, and there were two drivers in the truck and two witnesses, all confirming that the driver was at fault. None of that mattered. "She committed a crime, there was a warrant for her arrest, but she can still sue me." Kim says. "We have dash cam footage proving it, and the insurance won't stand behind us. They say it will cost \$30,000 to fight, so let's just settle for \$20,000. But that still comes out of my loss runs, and it's not my fault."

Despite the lack of benefit on the insurance front, she still believes GPS and dash cams were worthwhile investments. "It makes us a safer company, so I'm glad we have them. But it costs \$1,200 a month to have GPS in all the trucks, and I have \$600 cameras in every vehicle, and that is just dead expense. You can do everything right but the premiums per unit are no better."

Mahan agrees with Wall. "Eventually, we have to have some help from somewhere. If enough of us are taking the precautions, if we are doing all we can, then it is time for (insurance carriers) to step up and stand behind us. It's only right, if we are stepping up above and beyond, doing more than we are required, then it is time for (them) to start standing behind us."

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