

Fuel Chips Operation Makes Move

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WALLACE, NC

The past year has gone “relatively well” for Sherwood Padgette, a third-generation logger who spends the majority of his time these days supplying power plants with fuel chips. Today he’s doing it with a Bandit 2590 whole tree chipper and says it’s the best decision he’s made yet.

Padgette has always been a creative fellow with a pioneering spirit. He’s good at adapting his business to the current economy and at seeing the future while others are busy dealing with the present. He’s re-invented Padgette Logging more than a few times over the past 40 years.

“If I can’t keep the green line above the red line, we’ll be out of

business,” says Padgette.

Obviously, there’s a little more to it than that. And when Padgette mentions “green,” he means money, even though his business has gone “green” in a major way by being one of the first logging outfits in the state to cash in on a growing demand for fuel chips. Padgette now focuses exclusively on fuel chips, leaving the paper mill chips to other operations.

Padgette is used to leading the way for other loggers.

In the 1980s, Padgette began making his own logging contracts in a way to increase his bottom line. He says this is one of the main reasons Padgette Logging has made money over the past year. “We’re paying the bills,” Padgette says. “We’ve been truly blessed.”

In 2000, Padgette stopped insuring his equipment, opting instead to self-insure rather than pay high premiums to a company he says was hard to deal with when he filed a claim.

Padgette was among the first in his region of the state to see the financial sense in staying at a logging site and chipping up the scraps. That is what he began doing in 2004, when the demand for chips was fairly light.

“I figured if I cut a tract of timber that took three weeks to get the roundwood, I could get a chipper to process those tops and limbs and smaller wood that we typically left behind. We could stay on that track of timber for at least five weeks,” Padgette says. This approach has reduced the number of times he has moved jobs each year and increased his yield.



In 2008 the wood bioenergy markets started heating up, putting Padgette Logging in a good position to capitalize. The company now supplies chips to Coastal Carolina Clean Power in Kennansville, NC and to Craven County Wood Energy in nearby New Bern. Padgette says three power plants for the region are now in the planning stages.

“That will really give us a boost, with those new markets opening up,” Padgette says. Padgette’s chipping projects account for about 70% of his business. He had been through several chippers, before landing on Bandit.

“Bandit has so many more added features and is a much better engineered machine,” says Padgette. He adds that while it depends on the material, he can run 10-15 loads before having to

change knives, although he's gone as many as 24 loads. The company is now producing 35-50 loads in a 40-hour week.

"Typically, we work a tract that is 35-150 acres," says Padgette. "But if I can get 50 loads on 10 acres, I'll do it." Currently, Padgette is processing fuel chips on a 175 acre site at Pleasant Hill, near Kinston.

This past summer Padgette's operation was chosen as the site for an in-woods chipping demonstration hosted by the North Carolina Assn. of Professional Loggers. The demo highlighted new chipping technology and featured Bandit chippers.

"Sherwood Padgette and his crew run a professional job from top to bottom and we were very pleased he volunteered his site and represented the NCAPL in such an outstanding fashion," says Doug Duncan, NCAPL Executive Director.

Padgette encourages his fellow loggers to invest in quality and to try equipment before buying it.

"Since I bought my Bandit 2590, four or five more boys in my area have bought Bandits—just after watching mine work."

Along with his new chipper, which he purchased from Ditch Witch of the Carolinas in Charlotte, Padgette has also recently purchased a used John Deere 653 G feller-buncher and a John Deere 648 G-III skidder.

"I know people need to buy as reasonably as they can because it's a tough business out here," says Padgette. "In fact, I told a guy just the other day, 'If you're thinking of starting out in the chipping business, the first thing you do is buy good equipment.' With the Bandit, the welding is far superior to any others I've seen, it is a more technical unit, it has four stabilizers instead of just one. The Bandit is just a well-built machine."

Padgette says he is optimistic about the future of the industry in the state because he sees other loggers adapting to change as he has.

"Our company is one of the lucky ones," he says. "We hung in there when things were just terrible and we're doing well."

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