

Strategic Planning Initiative for Maine's Forest-Based Economy

It is very clear our industry has reached a turning point. The closure of five pulp and paper mills across Maine in recent years has economically overwhelmed the rural communities and families that have depended on them for many decades. It also has significantly altered wood markets and created a new reality for Maine's forest products sector. To put the magnitude of these changes into historical perspective, this is the first time that paper will no longer be made in the Penobscot River Valley since the mid 1800s.

The fundamental cause is a changing marketplace, including new products, new demands, but also new opportunities. The question is whether Maine will capture those opportunities. What Maine's forest economy needs most is a "roadmap" to guide us into the new frontiers of the global market.

The European Union, Sweden, Finland and the state of Minnesota already have developed strategic plans for their forest industries, including a comprehensive analysis of the forest products sector, the current and potential markets, and what must be done to capture these markets.

Working together, the University of Maine and the forest products industry can build a research-based vision for the forest-based economy that also can serve as a blueprint for Maine manufacturing industries.

Some say that this is the end of Maine's forest products industry and that it will just disappear like the shoe industry did years ago. When shoe factories close, the means of producing shoes disappears with them. However, Maine's 17 million-acre forest is not a shoe factory. The forest will keep producing 6 to 7 million cords of wood per year, can do so indefinitely, and can store that wood for future use when it is not used in a particular year.

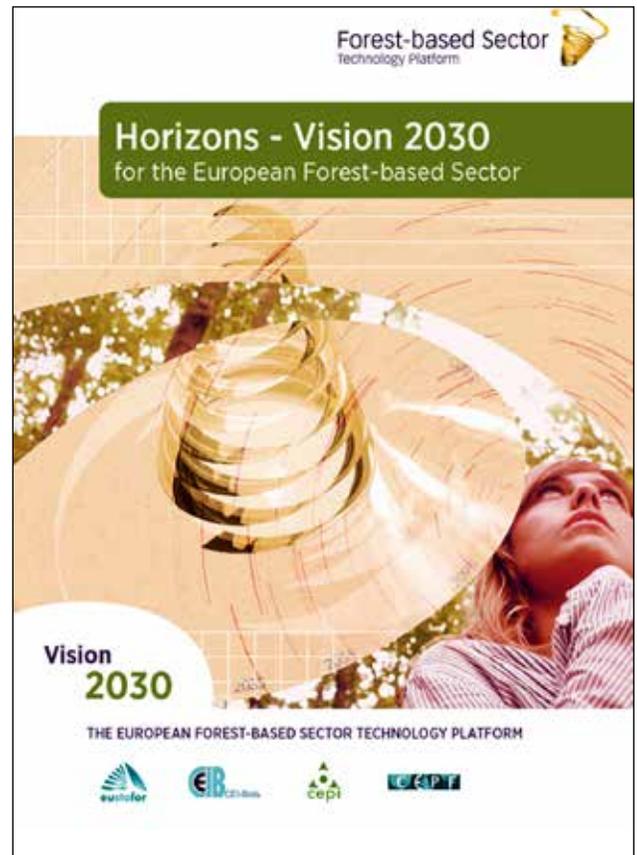
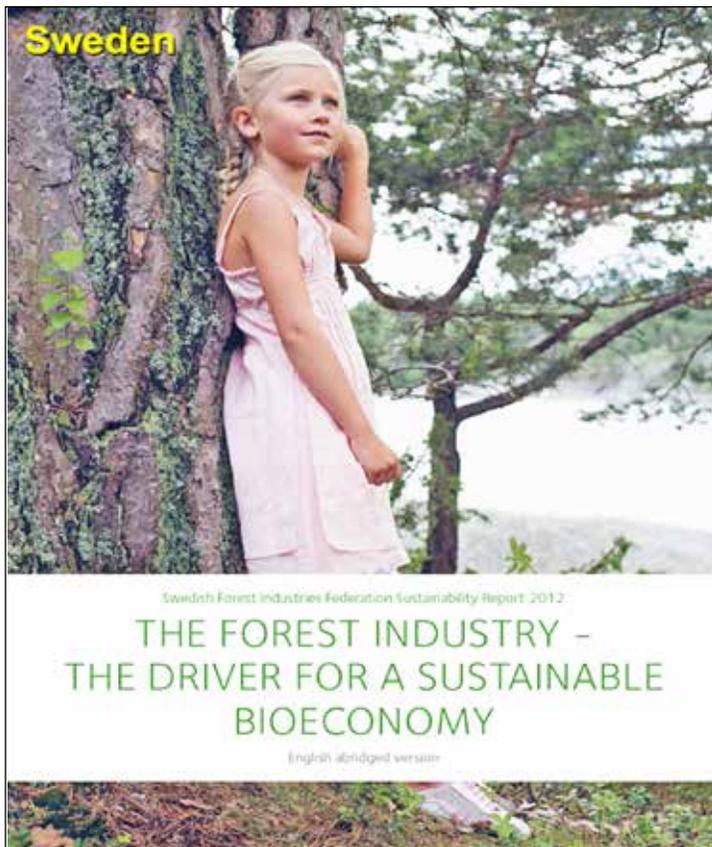
In fact, Maine has incredible assets:

- Wood is the most environmentally sound material on earth -- sustainable, greenhouse-gas friendly, highly versatile, grown with relatively little effort, and most important produced and stored in the form of forests that provide clean water and air, biodiversity, wildlife habitat, and beautiful places for recreation and tourism opportunities at little or no cost. More than half of our forests are under sustainable forest certification.
- The demand for wood products, including various kinds of paper and wood products, will increase as both human population and standards of living increase.
- Cross-laminated timber panels, tall wood buildings; high-tech paper, panel, and packaging materials; wood-derived chemicals; bioenergy; and nanomaterials all promise a new revolution in wood products markets.
- Maine has a wide variety of hardwood and softwood tree species with different product potentials.
- Our state is a day's drive from a market with 70 million of the richest people on the planet, has access to ports near major ocean shipping lanes, and has a diverse and highly integrated wood processing and transportation system.

Thus, Maine has the opportunity to be a significant player in the 21st century global forest and wood products economy. A new local wood movement can help usher in an era where the state's economy, industry, rural communities, and the environment all benefit simultaneously. To do so, Maine must find a way to attract and nurture capital investments in ways that it has not done before.

Creating our road map is possible, but will require a substantial level of leadership and collaboration from Maine's political and industrial leaders.

Other regions have developed a vision for their forest products sector



Forest Industry Sub-sector Analysis

Landowners

Loggers

Transportation

Facilitation

Identify aspirations, opportunities, challenges, & obstacles

Wood Products

Pulp & Paper

Bioenergy

Forest Products Market Analysis

What are market trends?

How can Maine capture emerging markets?

Maine Wood Supply Analysis

What are future sustainable yields?

What tree species, volumes, quality, and dimensions will be available?

Integration

Integrate sector vision, opportunities, challenges, and obstacles with market and wood supply analyses

Maine Forest Sector Vision & Strategic Plan

New vision and action plan for Maine's forest-based economy

STATE OF MAINE

JOINT RESOLUTION ENCOURAGING THE UNIVERSITY OF MAINE IN PARTNERSHIP WITH THE FOREST INDUSTRY TO DEVELOP A NEW VISION AND STRATEGIC PLAN FOR MAINE'S FOREST BASED ECONOMY

JOINT RESOLUTION RECOGNIZING AND COMMENDING THE UNIVERSITY OF MAINE'S WORK IN
DEVELOPING A NEW VISION AND STRATEGIC PLAN FOR MAINE'S FOREST-BASED ECONOMY

WHEREAS, eighty-nine percent of Maine's land is forested, making it the most forested state by proportion in the United States; and

WHEREAS, the forest products sector plays a vital role in the economic health and future of Maine's rural communities; and

WHEREAS, fifty-three percent of the State's forestland, about 9,400,000 acres, is under 3rd-party sustainable forest certification; and

WHEREAS, Maine's forest products sector provides nearly 38,800 jobs, provides \$1,900,000,000 in employee compensation, accounts for one out of every 20 jobs in the State, provides \$1 of every \$16 of total state gross domestic product and has an \$8,000,000,000 impact on Maine's economy annually; and

WHEREAS, Maine's working forests play an important role in providing a wide array of ecosystem services, including providing for clean air, clean water, wildlife habitat and biodiversity; and

WHEREAS, Maine forests contain a large variety of tree species capable of yielding a wide array of forest products; and

WHEREAS, Maine has one of the most diverse forest products industries in the United States, with a highly integrated processing and transportation system; and

WHEREAS, Maine's 100,000 woodland owners play a vital role in the future of the forest industry; and

WHEREAS, the recent closure of 5 pulp and paper mills has had a negative effect on the people and economies of Maine; and

WHEREAS, future business opportunities in Maine's forest products sector have not been identified in a strategic context to attract major capital investments; and

WHEREAS, there is a tremendous opportunity, with vision and leadership, to encourage investment in new business and economic development opportunities in Maine's forest products sector; and

WHEREAS, action is needed to remove obstacles and encourage investment to develop Maine's future forest-based economy; and

WHEREAS, the University of Maine and the State's woodland owners, wood-using mills and businesses and loggers are working together to craft and implement solutions that will strengthen the State's economy for future generations; now, therefore, be it

RESOLVED: That We, the Members of the One Hundred and Twenty-seventh Legislature now assembled in the Second Regular Session, on behalf of the people we represent, acknowledge and commend the collaboration between the University of Maine Center for Research on Sustainable Forests and representatives of Maine's forest-based industry, including woodland owners, wood-using mills and businesses and loggers, to develop and implement a strategic vision and road map to increase economic development in the State's forest products sector.

Sponsored By: Speaker EVES of North Berwick

Cosponsored By: President THIBODEAU of Waldo

4/13/2016: House - READ and ADOPTED.

4/14/2016 :Senate - READ and ADOPTED, in concurrence.