

# Forest Product Exports

Trends and Resources



*Michigan Department of Agriculture & Rural Development*

**Donna LaCourt**

Economic/Community Development  
Agriculture Development



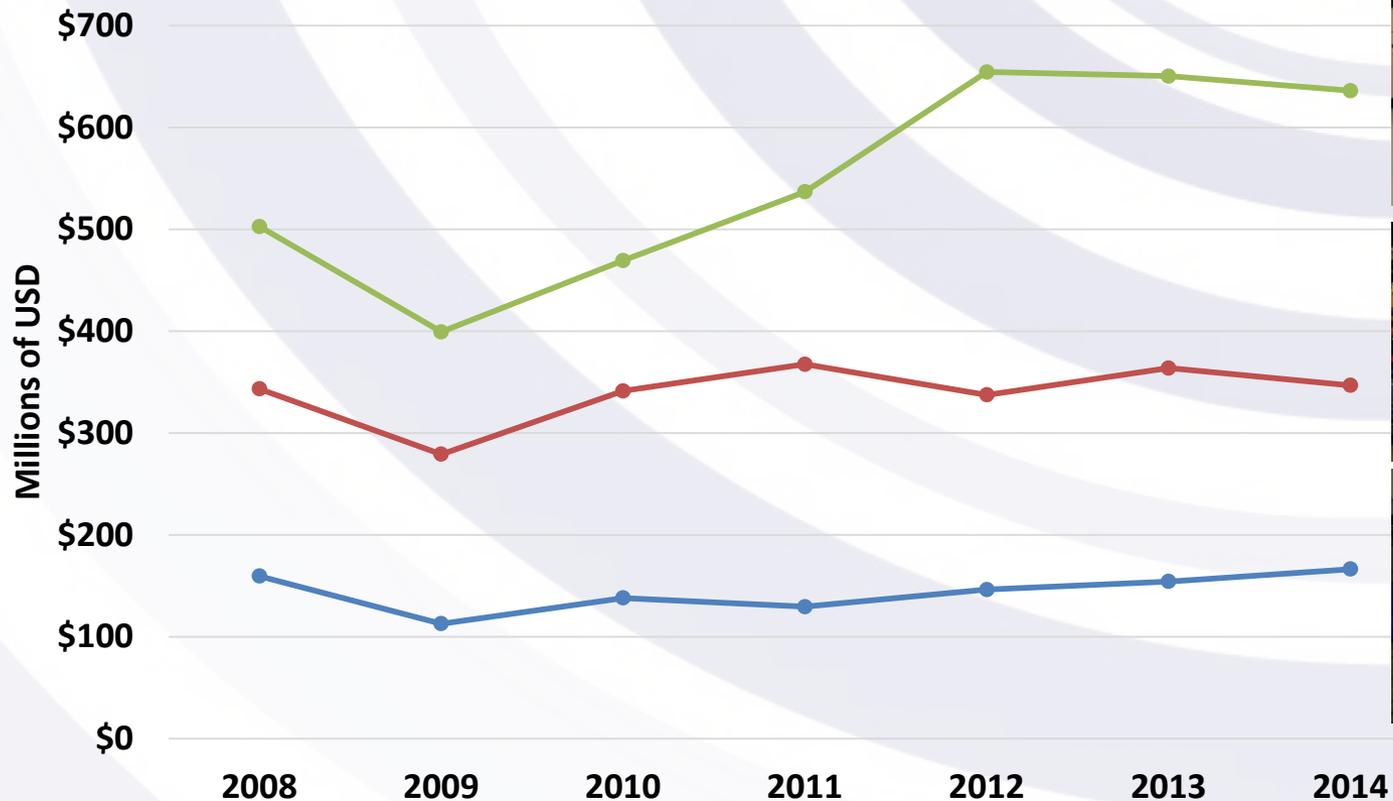
## Why Export?

- Exports can expand and diversify your market
  - 95% World's consumers live outside the U.S.
  - 73% Purchasing power in foreign countries
  - 87% Economic growth outside of U.S. borders
- Increase sales and profits
- Exports promote economic growth and job creation
- \$197,000 export sales support one FTE



# Michigan International Exports for NAICS 321, 322, 337 (2008 – 2014)

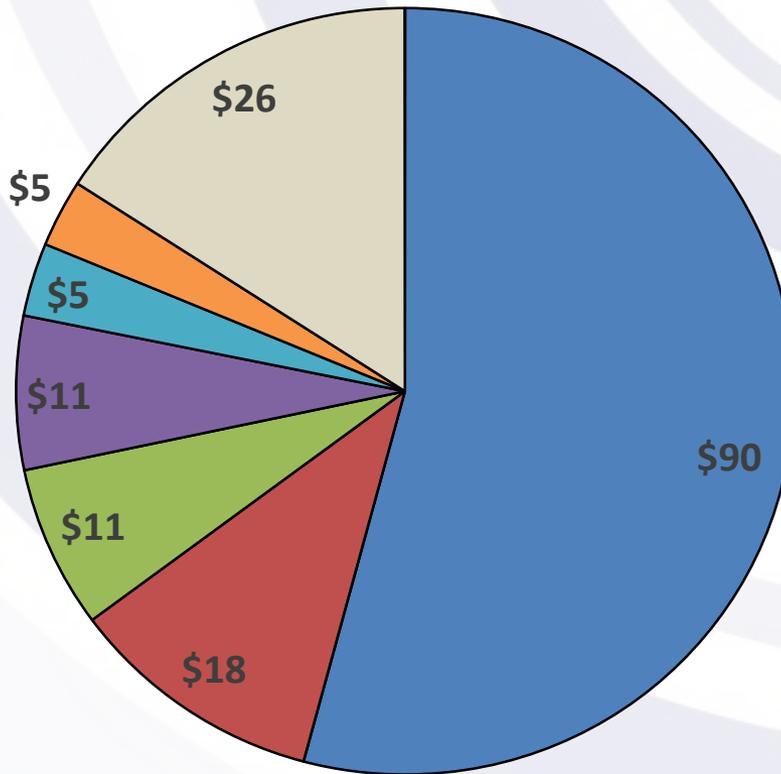
— Wood Products (NAICS 321) — Paper (NAICS 322) — Furniture & Fixtures (NAICS 337)





# Michigan Wood Product Top International Trade Partners

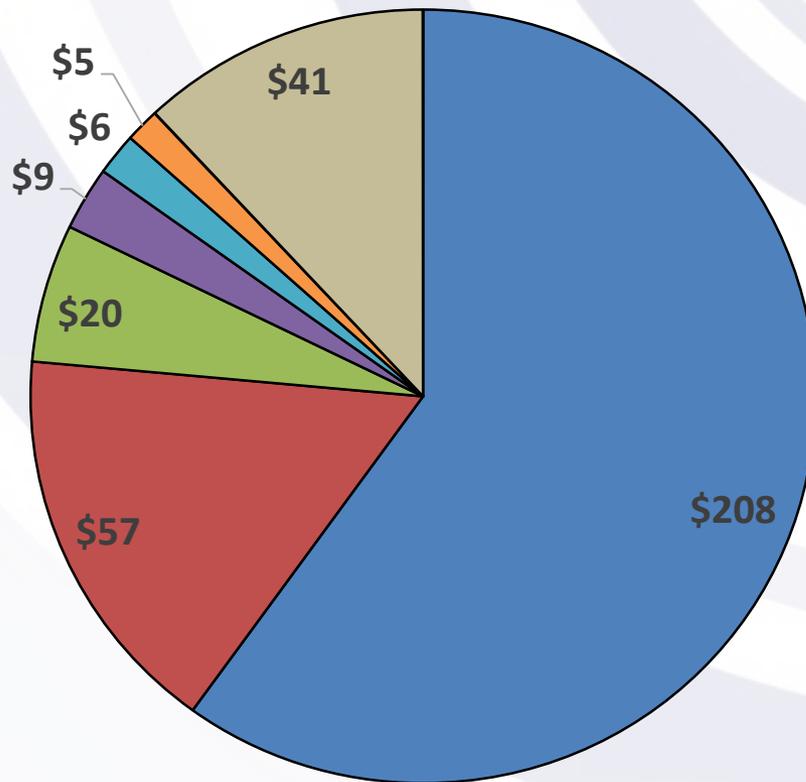
TREND (Million USD)				
2010	2011	2012	2013	2014
138.2	129.6	146.4	154.4	166.6



Millions of 2014 Dollars (NAICS 321)



# Michigan Paper Top International Trade Partners



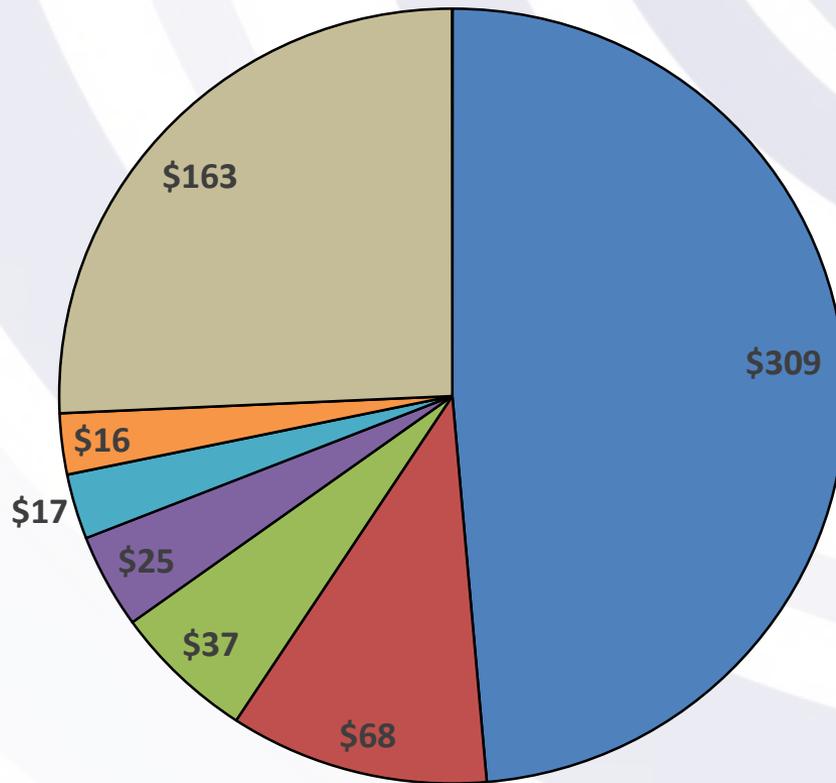
Millions of 2014 Dollars (NAICS 322)

TREND (Million USD)				
2010	2011	2012	2013	2014
341	368	338	364	347

- Canada
- Mexico
- China
- Germany
- United Kingdom
- Ireland
- Others



# Michigan Furniture & Fixtures Top International Trade Partners



Millions of 2014 Dollars (NAICS 337)

TREND (Million USD)				
2010	2011	2012	2013	2014
470	537	654	650	636





# Michigan Centers



MEDC shared offices provide market-research, match-making and other export support for Michigan companies through the Work Order Program that is funded 100% by MEDC





# State Trade & Export Promotion (MI-STEP)

- Provides matching grants of up to \$12,000 a year\* to help companies launch or grow export operations:
  - ✓ Foreign market sales and export development trips
  - ✓ International or domestic trade show participation
  - ✓ Overseas trade missions
  - ✓ Agent, distributor and/or customer searches and appointment-setting
  - ✓ Website and/or marketing material translation services
  - ✓ Foreign market research
  - ✓ Training and support on logistics and customs issues

\* 50 % reimbursement of pre-approved budget or receipts whichever is less



# U.S. Department of Agriculture Forest Product Export Programs

- **American Hardwood Export Council (AHEC)**
  - Hardwood States Export Group (extends sponsored trade show subsidy to state group companies)
  - Offices in Europe, Mexico, Japan, Hong Kong, and Shanghai
- **Softwood Export Council (SEC)**
  - Cooperates with the Southern Forest Products Association and The Engineered Wood Association
  - Key markets in China, India, Japan, Mexico, Middle East, Europe and Australia

*Both programs work in conjunction with the Foreign Agricultural Service and provide general market research reports and trade show subsidies to members*

- **Branded**
  - Only specific/specialty forest products are eligible for 50% reimbursement for marketing activities (not lumber, paper, veneer)



# Trade Shows, Missions and Leads

AHEC/HSEG, MEDC, Council of Great Lakes Governors





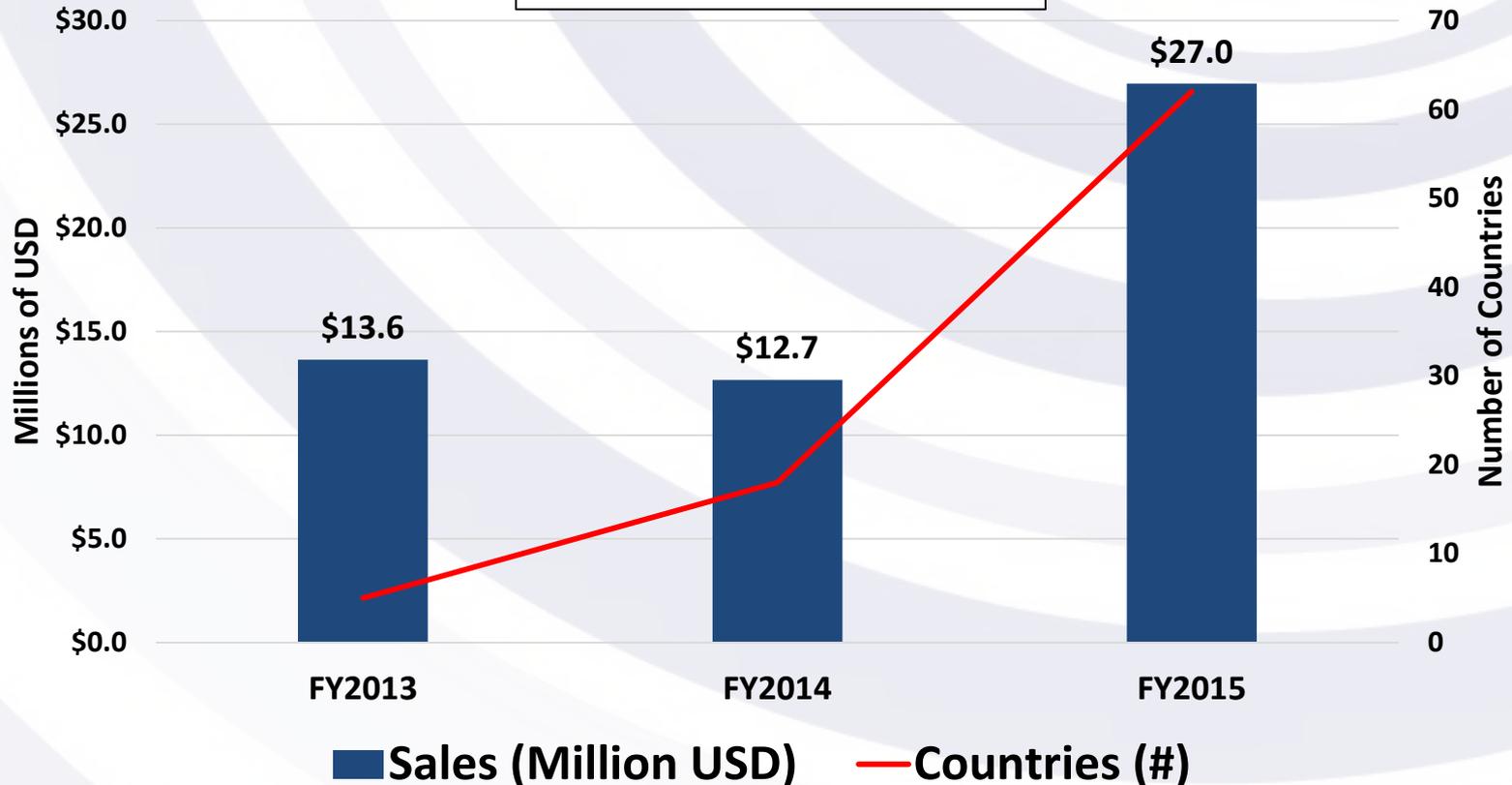
# Michigan Export Resources

- **U.S. Commercial Service Export Assistance Centers**
  - 4 centers in Michigan (Detroit, Pontiac, Ypsilanti, Grand Rapids)
- **Small Business Development Center (SBDC) services**
- **Training and learning opportunities**
- **Market information**
  - Michigan Export Growth Program (MSU), AHEC, others
- **Referrals to export service providers**
  - Ex-IM, SBA, banks, legal and accounting firms, etc....
- **MDARD Phytosanitary Permit Team**
  - Team of 30 across the state issued 2000 forest product permits in 2015



# Export Sales Reported as Result of Export Resource Assistance

**Total FY2013 – 2015**  
**\$53 Million**  
**62 Countries**



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**2015 Governor's Forest Product Summit**  
**October 28, 2015**

# **Forest Products Exports**

## **Trends & Resources**



# Questions?



*Michigan Department of Agriculture & Rural Development*

**Stay connected with MDARD!**



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