



2015 Governor's Forest Products Summit – Stakeholder Survey Results

In preparation for the 2015 summit, invitees were asked to contribute input via an internet survey. The results of the survey are summarized below:

Number of respondents: 92

Composition of respondents:

- 93% from industry
- 5% forest landowners
- 2% government & university

Location:

- 41% from the UP
- 22% from the NLP
- 27% from the SLP

How would you characterize the outlook for the future of the forest products industry in Michigan today?

- 64% said favorable
- 24% said unfavorable

How would you forecast the future of your Michigan-based company to be in the next 5 years?

Will your company:

- Expand – 46%
- Shrink – 6%
- Stay the same - 47%
- Close – 1%

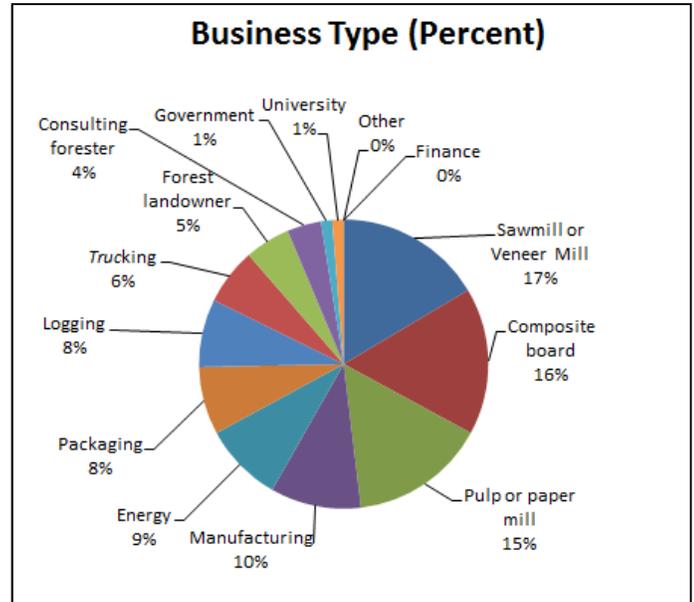
Top 5 opportunities for expansion of Michigan businesses/industry:

1. Political climate that is supporting growing the timber industry
2. Improved relationship between industry and government
3. Favorable wood volume growth to drain ratio
4. Availability of regional work forces
5. Quality hardwood and sugar maple resource

**Large volume of certified forest was #6*

Other opportunities suggested:

- Increase harvests from federal forest
- Biomass markets for energy and new products
- Increasing logging capacity



- Reducing energy costs

Top 5 Impediments to the expansion of Michigan businesses/industry:

- Availability of timber from federal forestlands
- Finding and/or retaining skilled workers
- Pace of the overall US economic recovery
- Pace of the US housing market recovery
- Logging capacity

**Federal environmental regulations were #6*

Other impediments:

- Weak energy market for harvest residues
- Workforce- lack of skilled workers
- Seasonal road restrictions
- Lack of innovation in industry
- Loss of many sawmills following the recession
- Northern long-eared bat restrictions

Since 2013, have:	regional markets	export markets
• Expanded	26%	12%
• Contracted	16%	25%
• Remained the same	57%	63%

What market sector should be expanded or grown in the state?

- Energy markets for wood and harvest residues
- Roundwood (pulpwood) markets
- Engineered wood products
- Value-added products- secondary manufacturing – e.g., furniture, cabinets.
- Premiums or market incentives for buying certified wood products
- Improve markets for lower value wood in the southern Lower Peninsula
- Improve markets for mill/mmanufacturer residues (sawdust, chips, shavings, bark)
- Biochemicals/biorefineries and nanotechnology
- Branding for Michigan-made wood products (e.g., Pure Michigan)
- Logging capacity

What one thing would you change to improve the Michigan forest products industry related economy?

- Increase harvests from Federal forestlands (20% of respondents)
- Public perception of forestry, forest products industry
- Workforce development – improve the availability of skilled workers
- Increase value-added manufacturing
- Improve rail transportation for wood products
- Demand for harvest residues
- Markets for timber in the southern Lower Peninsula
- DNR timber sale minimum bid pricing
- Reduce seasonal road restrictions
- Michigan's renewable energy portfolio