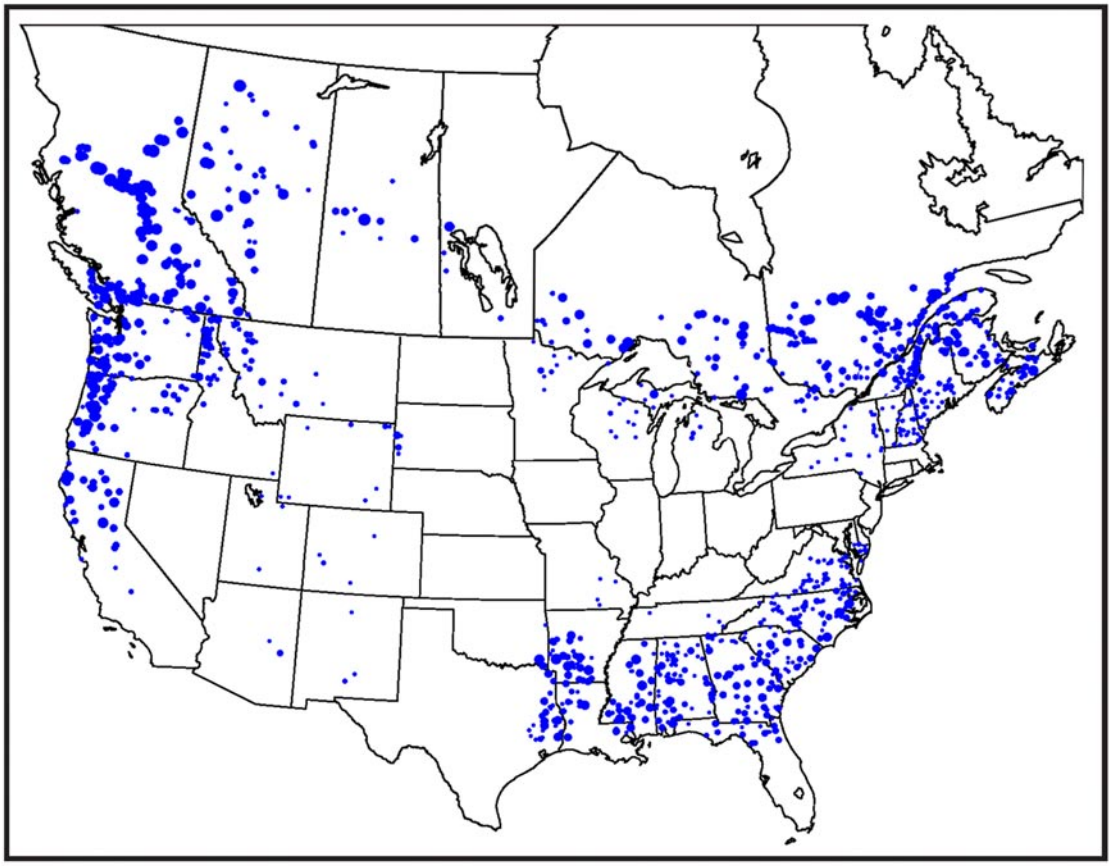
RESEARCH in Progress

Forest Products Laboratory

Assessment of North America Softwood Sawmilling Capacity

Since 1999, the Forest Products Laboratory (FPL) has compiled, analyzed, and published fundamental data on the number, size, and location of permanent sawmill operations in the United States and Canada. Drawing from a large set of state, provincial, and private directories, a unique and comprehensive database encompassing the most significant operations was built. Maintaining this database over time dynamically describes the evolution of the sawmilling industry. Capacity data were matched with geographic coordinates, which were then used to indicate each location on state and provincial maps, each mill being represented by a symbol proportional to its size. These data were juxtaposed against shaded backgrounds representing underlying timber density to visually convey scarcity or abundance of timber in relation to installed capacity in a region. These maps thus offer an overview of the size, geographic dispersion, and



Location of softwood lumber mills in North America.

USDA

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ownership of the softwood lumber industry in America and Canada.

Background

Traditionally, the compilation of data on production, shipments, and stocks of lumber fell to the U.S. Census Bureau and trade associations representing the industry. However, the activities of the Census Bureau have been curtailed by budget cutbacks, and they were limited by confidentiality regulations from divulging information on mill-specific sites. Their data were aggregated to at least the state level and published only after a delay of several years. Likewise, trade association data were limited to activities of members and thus not fully representative of the industry. A need existed for a more comprehensive and timely source of information on the evolution of the industry, which is widely dispersed in ownership and geography, with more than 1,400 locations scattered across the continent.

State and provincial forestry departments generally maintain lists of known sawmills within their jurisdictions; however these data are often outdated, as they are not gathered on a regular schedule, and they vary widely in the scope of information collected. These data offered a starting point for compiling basic information on each mill, which could be brought up to date through contacts with machinery vendors, reviews of the trade press and company news releases, and reference to published industry directories.

Objective

The objective of this research is to provide a dynamic detailed narrative of the market evolution of the North American sawmilling industry, including detail on developments in mill capacity, ownership, location, and product orientation.

Approach

A thorough review of state sawmill directories and industry reference manuals resulted in a list of approximately 1,400 larger and permanent softwood sawmills in the United States and Canada. A systematic approach, involving periodic monitoring of company news releases, company annual reports, industry directories, and trade journal reports on particular sites, was developed to monitor ongoing changes in capacity, ownership, and product orientation and to update the information obtained from state and provincial directories. A mapping system was developed to allow the data to be periodically published in a visual format.

Expected Outcomes

The research enables monitoring of ongoing industry capacity changes in a real-time framework; facilitates assessment of the adequacy of capacity in relation to demand or, its obverse, the excess of supply in relation to demand; and supports decision making related to locating new plants and closing or expanding existing ones.

Timeline

The research is ongoing. Funding is sought to expand the database to other branches of the wood products industry, including engineered wood, glulam, particleboard, plywood, oriented strandboard (OSB), and treated lumber.

References

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