

WISCONSIN WOOD

MARKETING BULLETIN



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Winter 2015

Why is survey data useful?

In June, the Forest Products Services program mailed a survey to all known primary wood-using firms in Wisconsin. Historically, this survey was loosely known as the “drain survey,” yet now it is generally referred to as the Timber Products Output (TPO) survey. The goal of the survey is to capture important data on Wisconsin’s forest products industries including the number of firms and employees in the sector, roundwood use, and residue availability. It should be noted that all data that is collected remains entirely confidential and is only compiled at the county and state levels.

A commonly-asked question is, “why is this data important?” The TPO survey is conducted for many reasons. The data allows a direct comparison to previous survey years, allowing an assessment of industry performance over time. Also, the results help showcase the

importance of the industry to the Wisconsin’s economy as well as to driving sustainable forest management. TPO results are coupled with Forest Inventory Analysis (FIA) data to assist firms with informed business decisions such as forecasting resource availability or evaluating procurement strategies.

As thanks for completing the survey, there is an option for companies to be included in the Wisconsin Wood-Using Industry Directory, a free online database that lists the contact information, products sold, and any species or products purchased for all participating primary and secondary firms in the state.

Thank you for your patience and willingness to be a part of our survey effort. We will make an announcement in the newsletter when the results are available.

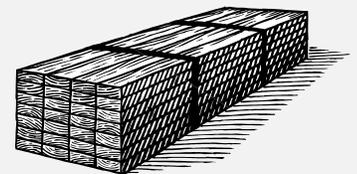
Wisconsin reaches new heights in ash exports

-Collin Buntrock, FPS Specialist

According to the latest data from the USDA Foreign Agricultural Service (FAS), exports of Ash lumber from Wisconsin totaled \$7.2 million through the third quarter of 2014 (January-October). This value is an increase of 249% from this same period of 2013 and is almost three times larger than the total value of shipments for all of 2013. In comparison, oak exports totaled \$16.7 million through Q3 of 2014, an increase of 32% over the same period of 2013. The resemblance of less-expensive ash wood to more expensive oak is a major (Con’t on page 2)

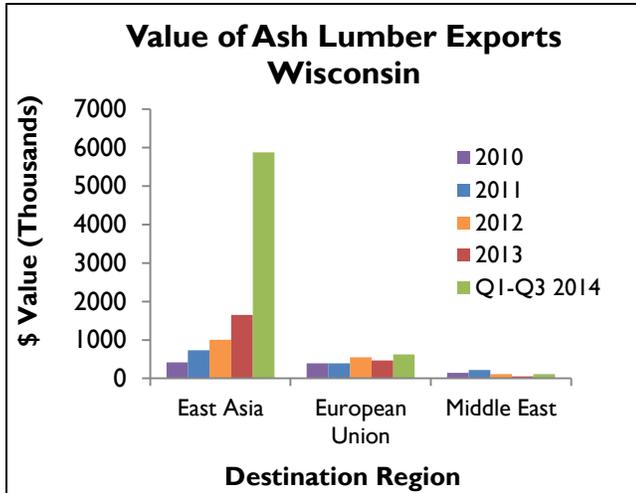
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(Cont. from page 1) driver for the upward trend in ash shipments to the East Asia region. China is the largest importer of Wisconsin ash, representing 69% of the total value of ash lumber shipments from Wisconsin this year.

In China, ash lumber, logs, and veneer are primarily manufactured into furniture. Other destinations in Asia include Japan, Vietnam, and Pakistan.



Source: US FAS Data—October 2014

The European Union has also been a consistent importer of ash lumber from Wisconsin as well as from other U.S. States and Canada. Estonia was the main destination in the EU for Wisconsin last year, representing 6% of the total value of ash lumber shipments in Q1-Q3 of 2014. There has been a general increase in the use of thermally modified wood as a more environmentally-friendly substitute for chemically treated wood throughout many European countries. Thermally-modified lumber is commonly used as decking material, for cladding, and for window applications.

Industry Headlines

Biomass Industry Welcomes Record Pellet Demand in Northeast

The biomass industry saw a record demand for [pellets](#) in US this fall. The Pellet Fuels Institute (PFI) and the Biomass Thermal Energy Council (BTEC) urge consumers to purchase pellets at a steady pace to avoid demand spikes and to prevent surpluses at the end of the heating season. (Biomass Magazine)

Oregon Juniper Wood is the Secret Ingredient in New Gin from Sweden

A Swedish distillery now uses western [juniper](#) casks to age their gin. Western juniper is considered to be a low-value tree species that aggressively colonizes unforested land and competes for scarce water (OPB).

Exports of U.S. Hardwood Lumber to MENA Region Reach USD 56.3 Million in the First Three Quarters of 2014

Data compiled from the latest USDA statistics show a 19% increase in value of [lumber](#) exports over the January to September period of 2013 and a volume increase of 9.4%. Qatar showed the most significant increase in U.S. shipments followed by Lebanon. The main destination for U.S. hardwood lumber in MENA region is United Arab Emirates (Zawya).

The Global Wood Plastic Composite Market is Expected to Top \$4.6 Billion by 2019

MarketsandMarkets reported that the world market for [wood plastic composites](#) (WPC) is expected to increase to over \$4.6 billion by 2019. These composites are made from wood fiber/ flour, thermoplastic, and a small quantity of additives such as pigments or blowing agents. In 2014, 75% of the global WPC market was consumed by North America and Asia.

New US Forest Service Publication on Thin Kerf Band Mills

The US Forest Service with the help from Purdue University published a [handbook](#) on manufacturing and marketing of eastern hardwood lumber produced by thin kerf band mills.

Stacking Firewood Bark Up or Bark Down?

Forest products technologist, Mark Knaebe, and others from the US Forest Service weigh in on the debate over whether [firewood](#) should be stacked bark-up or bark-down.

Team Updates

Statewide- *Sabina Dhungana*



Happy New Year 2015, can you believe it's 2015 already??

I have been travelling statewide to better understand the types of forest product industries and issues and concerns they have about their businesses in Wisconsin. I have also been responding to statewide inquiries on different forest products, i.e. different species dimension lumbers, FSC certified wood products, bioenergy plants, biomass suppliers in state. I am also working with Statewide Wood Energy Team (SWET) in woody biomass to energy promotional works. For the last few months I have been spending a lot of time in developing woody biomass database. The main idea of developing such a database is to have a one stop shop for potential wood energy users. The database has information on potential woody biomass suppliers, current wood energy projects (small, medium and large scales) which are up and running as examples and hardware manufacturing companies in Wisconsin state.

Southeast District-*Scott Lyon*



It looks like winter is here to stay. I have been traveling around the region to get to know my territory and help conduct the Timber Products Output survey with primary wood products producers. I would like to thank the companies that have taken time out their busy schedules to answer a few questions. I had a couple of inquiries looking for specific species of lumber and this survey allows us to know who to contact to assist companies looking for special requests.

Additionally, I had a request about blue stain or commonly called sap stain. Blue stain caused by certain fungi reduces the value of logs and lumber. In Wisconsin, the greatest risk for blue stain occurs from April until late November. You can reduce the risk of blue stain by harvesting and transporting logs when temperatures are below 40°F. For more information regarding blue stain please visit the following link:

<http://dnr.wi.gov/topic/forestmanagement/documents/pub/fr-306.pdf>

Meanwhile, utilization and marketing efforts for urban wood have been heating up in the Southeast District. I have received numerous requests from municipalities for utilization options for urban trees. I have also worked with WI DNR Urban Forestry Coordinators to keep this material out of the landfill by presenting to their partners about producing diverse products from urban trees. These products range from high value-added, such as lumber, to lower value, such as chips and firewood. Recently, I developed a marketing plan for a forest products company to increase sales of its urban wood product line. Please feel free to contact me regarding marketing or technical assistance.

Southwest District-*Anna Healy*



Hello from south western Wisconsin! I have been traveling throughout my service area familiarizing myself with the links on the forest products supply chain and conducting the Timber Products Output survey. I would like to thank everyone that has taken time out their busy schedules to speak with me about their business. Contacting all the small mills tucked in the hills and valleys of the drift-less region has been a challenge. So far I have surveyed 45 primary wood users that were not previously part of this survey. In my travels I am continuing to make connections between secondary wood consumers and primary producers. I have been also exploring marketing ideas to increase the market share of Wisconsin wood products outside the state of Wisconsin. Please do not hesitate to contact me if you would like to discuss how we can work together.

Team Updates (con't)

Northern District -*Collin Buntrock*



Hello from the snowy northwoods of Wisconsin! I recently had the opportunity to meet many of you at the Governor's Northern Wisconsin Economic Summit held in Minocqua. I sat on a panel that highlighted some of the available resources and market opportunities for Wisconsin's forest products companies. Thank you for giving me a few minutes of your time to discuss what was on your mind. It was especially rewarding to learn more about ways the Forest Products Services program can help the forest products industry here in Wisconsin.

I've been getting a few phone calls about hobbyist-sized dehumidification kilns. Many of you are probably aware of the plans that were developed by UW-Extension and Wisconsin DNR a few years ago. To access these plans, please visit: <http://dnr.wi.gov/topic/ForestBusinesses/kiln.html> The kiln was designed so that most if not all the required materials can be found at any home improvement store. There are other plans available out on the web and several companies offer smaller scale models for sale as well. Please do not hesitate to contact me if you are in need of assistance or would like to discuss the FPS program in more detail.

Looking for urban wood utilization options?

Recently, with the increase in the Emerald Ash Borer (EAB) quarantine areas, municipalities have contacted the Forest Products Services team for utilization options for their municipal trees that may become infested. To help communities across the state we are asking for your help in updating the WI DNR's Communities Wood Utilization Options directory: <http://dnr.wi.gov/topic/ForestBusinesses/utilization.html>.

This directory will help your company market your services that you can provide. If you utilize wood material from urban trees please send an email to: Scott.Lyon@wisconsin.gov with the following information:

Company name:

Contact person:

Address:

Phone:

Email:

Website:

Areas served (Counties):

Service description (For example: artisan craft wood working, sawmill and kiln drying services):



Ask Forest Products Services

Question: *What is the economic impact of the Wisconsin's forestry sector?*

Answer:

	Employment	Output
Forestry and Logging	4, 242 jobs	\$299 million
Pulp and Paper	30,652 jobs	\$18.3 billion
Sawmills and Wood Products	24,699 jobs	\$4.3 billion
Total	59,597 jobs	\$22.9 billion

J. Ballweg—WNR, IMPLAN 2012

**Are you interested in learning about these impacts for the county you live or work in? If so, click [here](#) to find informative factsheets created by DNR Forest Economist Julie Ballweg for each county in Wisconsin.*

Photos from the Field



Left: Rusty Damm, USFS Utilization Specialist and FPS partner discusses grading defects and utilization options at a workshop last September *(Photo by Collin Buntrock)*



Center: FPS Specialist Collin Buntrock controlling traffic while a processor removes trees along road through Winnebago County Park near Oshkosh *(Photo by Scott Lyon)*



Right: Scott Lyon and Anna Healy posing for the camera at the Great Lakes Logging & Heavy Equipment Expo in Oshkosh *(Photo by Collin Buntrock)*

Urban Wood Efforts in Wisconsin

-Scott Lyon, *FPS Specialist*

The highest value of an urban tree is when it's living; however, if a tree is killed or damaged, there are many ways to recycle it. Since the "local movement" has taken off over the last few years, urban wood recycling efforts have increased in Wisconsin. Urban trees were utilized by only a couple of mills in the state. However, with the increase of trees killed by invasive insects and disease, municipalities are trying to find alternative uses for urban wood materials rather than disposal in a landfill.

Some sawmills have stepped up to offer their services in recycling this material. The City of Milwaukee has cut their disposal costs in half by sending their removed street trees to Kettle Moraine Hardwoods located about 30 miles from the city instead of the landfill¹. Additionally, the City of Madison is working with a few mills in the area to help utilize the ash trees killed by the Emerald Ash Borer. Recently, two other mills have opened their doors to process urban wood; Baraboo Woodworks in Madison and The Urban Wood Lab in Milwaukee. Most mills cannot accept this material because the trees may contain metal fragments such as nails, spikes, and screws. However, mills that are willing to work with this wood material take additional time to inspect the material with a metal detector to ensure any metal is removed so it does not cause damage to the saw. Most of the metal can be found in the first few inches of the log and can be easily removed. However, if the metal is located deeper within the log, the log may need to be utilized as firewood instead of a higher value-added product such as lumber. It is important to recognize that not all urban wood can be used as lumber; additional products made from urban wood include: chips, pallets, railroad ties, wood pellets, mulch, etc².

Recent efforts to market this growing source of material and develop ways to recycle urban trees back into the community gave rise to Wisconsin Urban Wood (WUW), a group of urban wood professionals, businesses, and nonprofit organizations in Madison, in 2013. Because the urban

wood recycling movement has started to catch on, companies elsewhere in the state have joined WUW and now membership has grown to 18 partners³. Other marketing efforts in Wisconsin are exemplified by business owners such as Dwayne Sperber, owner of Wudeward Urban Forest Products LLC. and urban wood advocate, with a grant he received from the Wisconsin DNR Urban Forestry Program. His work established architectural specifications for the use of urban wood. By having specifications for the use of urban wood, architects and designers can more easily request this material when designing a home or building¹.

In summary, the markets and utilization efforts for urban wood has expanded in Wisconsin and likely will continue to do so.

Sources: ¹Journal Sentinel 2014, ² Wood Utilization Options for Urban Trees Infested by Invasive Species 2012, ³ Wisconsin Urban Wood 2014.

For more information on utilization and marketing of urban trees please visit the following links:

Wisconsin Urban Wood

<http://wisconsinurbanwood.org/>

Recycling Municipal Trees: A guide for marketing sawlogs from street tree removals in municipalities.

USDA Forest Service Publication Number: NA-TP-02-94
http://www.na.fs.fed.us/pubs/tps/recycle/recycling_trees.pdf

Utilizing Municipal Trees: Ideas from across the country.

USDA Forest Service Publication Number: NA-TP-06-01
<http://www.na.fs.fed.us/spfo/pubs/misc/umt/>

The Use of Wood from Urban and Municipal Trees.

http://www.ct.gov/deep/lib/deep/forestry/urban_forestry/biomass_final-6-29-14.pdf

Wood Utilization Options for Urban Trees Infested by Invasive Species.

http://www.fs.fed.us/research/publications/fpl/fpl_2012_brashaw001.pdf

WI Wood for Energy Activities

-Sabina Dhungana, FPS Specialist

The Wisconsin State Energy Office (SEO) received a grant from the U.S. Forest Service, Department of Agriculture, and Wisconsin Refuels with Wood Energy to establish a Statewide Wood Energy Team (SWET). This team, made up of public and private stakeholders, aims to expand markets that convert woody biomass into thermal and/or electric energy, advance installation of commercially viable wood energy systems in public and private facilities, and support wildfire mitigation, forest restoration, urban wood utilization and other forest management goals that utilize Wisconsin woody biomass. Over the next three years, the SWET will work closely with USFS to enhance woody biomass education, outreach and project development in the state. The Wisconsin SWET goal is to implement 20-30 small scale wood energy projects and four large scale and/or cluster projects during the three-year project period.

The SWET will work to conduct outreach, education and project feasibility assessments including:

- Train-the-Trainer Statewide Workshops
- Residential and Commercial Workshops
- Marketing and Technical Assistance for the Wood Pellet Industry
- Wisconsin Wood Energy [Website](#)
- DNR Woody Biomass Database development;
- Cluster project development
- Greenhouse Wood Energy development
- SWET feasibility study grant program
- Small project implementation.

The ultimate goal of the team is to create a sustainable model for increasing wood energy usage in Wisconsin. This will be great for wood energy education and outreach efforts for general public in the state of Wisconsin and help promoting markets for small diameter wood in the state. Any interested entities in analyzing wood energy projects can take advantage of this grant program.

Source: Wisconsin Statewide Wood Energy Team (SWET), 2014

Training Opportunities:

Wisconsin Local-use Dimension Lumber Grading Course

February 23rd, 2015
Rhineland, WI 54501

This one day short-course required for someone to gain certification to grade under the Wisconsin Local Use Dimension Lumber Grading system will again be offered for Wisconsin sawmill operators on Monday, February 23rd, 2015. The course will be held at the DNR Service Center in Rhineland, WI. This course is designed to provide the required background knowledge that is necessary for a sawmill operator to able to sell local-use dimension lumber for use in residential construction.

Location:

DNR SERVICE CENTER
107 SUTLIFF AVE
RHINELANDER, WI 54501

To register, please send an email with your name, full address, and phone number to Collin.Buntrock@wisconsin.gov or call Collin Buntrock at 715-365-4704. Leave a message with your contact information.

Classifieds:

TIMBER AND FOREST PRODUCTS

FOR SALE—Firewood: Cut, split, delivered, oak, birch, hickory and cherry
Contact: Hager’s Country Market, 344 West Main Street, Barrington, IL 60010
(847) 381-0699

WANTED—1-2 truckloads of hardwood pulp wood for firewood. Delivered to southern Jefferson County, WI.
Call Steve at (920) 563-3107.

HELP WANTED—Shiitake Growers Association of Wisconsin (SHIIGAW) is asking woodland owners and wood products suppliers for their help. Cultivation of shiitake mushrooms and other edible wood loving fungi has grown substantially in Wisconsin and surrounding states as a market crop and is an area of growth for urban and woodland gardeners. Finding suitable wood as a growing medium for the crop has become one of the biggest challenges for many of these growers. Mushroom cultivators are often willing to pay a fair price for limb wood and log sections culled from hardwood timber sales and selective cuts. SHIIGAW, in cooperation with Wisconsin Woodland Owners Association and University of Wisconsin Center for Cooperatives is conducting a survey to determine whether or not there is adequate interest from the wood industry to be of some help in providing of timber for these groups of people. Go to <https://www.surveymonkey.com/s/shiigawsurvey> to learn more and to participate in the survey or call Mary Ellen Kozak, SHIIGAW, 715-582-4997. Surveys can also be filled out and returned to SHIIGAW, N3296 Kozuzek rd, Peshtigo, WI 54157

Equipment /Services/Employment

If you want to list items, fill in the form below and mail to the following address:

Wisconsin Wood Marketing Bulletin
Attn: Phyllis Ziehr
3911 Fish Hatchery Road
Fitchburg, WI 53711

FOR SALE	WANTED TO BUY	SERVICES	EMPLOYMENT
<input type="checkbox"/> Forest Products	<input type="checkbox"/> Forest Products	<input type="checkbox"/> For Sale	<input type="checkbox"/> Available
<input type="checkbox"/> Equipment	<input type="checkbox"/> Equipment	<input type="checkbox"/> Wanted	<input type="checkbox"/> Wanted

Name _____ Date _____
Address _____ County _____
City _____ Zip Code _____ Phone: (_____) _____



For More Information Contact:

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DEADLINE FOR ITEMS TO BE LISTED IS THE 20TH OF: MARCH, JUNE, SEPTEMBER, and DECEMBER.