

# Michigan Biomaterials Conference

October 3, 2013

Linc Cannon

Director, Forest Resources and Taxation

Oregon Forest Industries Council



# Who is OFIC?

A member-funded trade association representing more than 50 Oregon forestland owners and forest products manufacturing-related firms. Its members own more than 90% of Oregon's private large-owner forestland base. OFIC coordinates advocacy on behalf of its members to:

- Maintain a positive, stable business operating environment for Oregon's forest products community and encourage long-term investments in healthy forests.
- Ensure a reliable timber supply from Oregon's public and private forestlands.
- Promote stewardship and sustainable management to maintain productivity and protect environmental values on all of Oregon's forestlands.

# OFIC Staff & Committees

- President
  - Board of Directors
  - Operations Committee
- General Counsel & Director, Government Affairs
  - Government Affairs Committee
- Director, Water Policy & Forest Regulation
  - Forest Management Policy Committee
  - State Lands Committee
- Director, Forest Resources & Taxation
  - Forest Taxation Committee
  - **Manufacturers Committee**
- Director, Forest Protection & Security
- Office Manager



**Okay.  
So who is  
OFRI?**

Created in 1991, the Oregon Forest Resources Institute (OFRI) provides objective information about responsible forest management and encourages environmentally sound forest practices through training and other educational programs. OFRI is funded by the FPHT, has a professional staff and is governed by a Board of Directors.

## **Key OFRI Programs**

- [Classroom programs](#) and [field activities](#) for K-12 students
- Professional development and curriculum [support for teachers](#)
- [Tours](#) demonstrating modern forest practices
- [Conferences, publications and scientific research](#) on forest topics
- [Workshops that help landowners](#) manage according to best practices
- [Displays, interpretive program and tours](#) at the Rediscovery Forest
- [Speakers Bureau](#) presentations to community groups
- [Online resources](#) relating to Oregon's forests and forest management
- Television, radio and newspaper communications



# Oregon's Forest Sector

**76,000 JOBS**

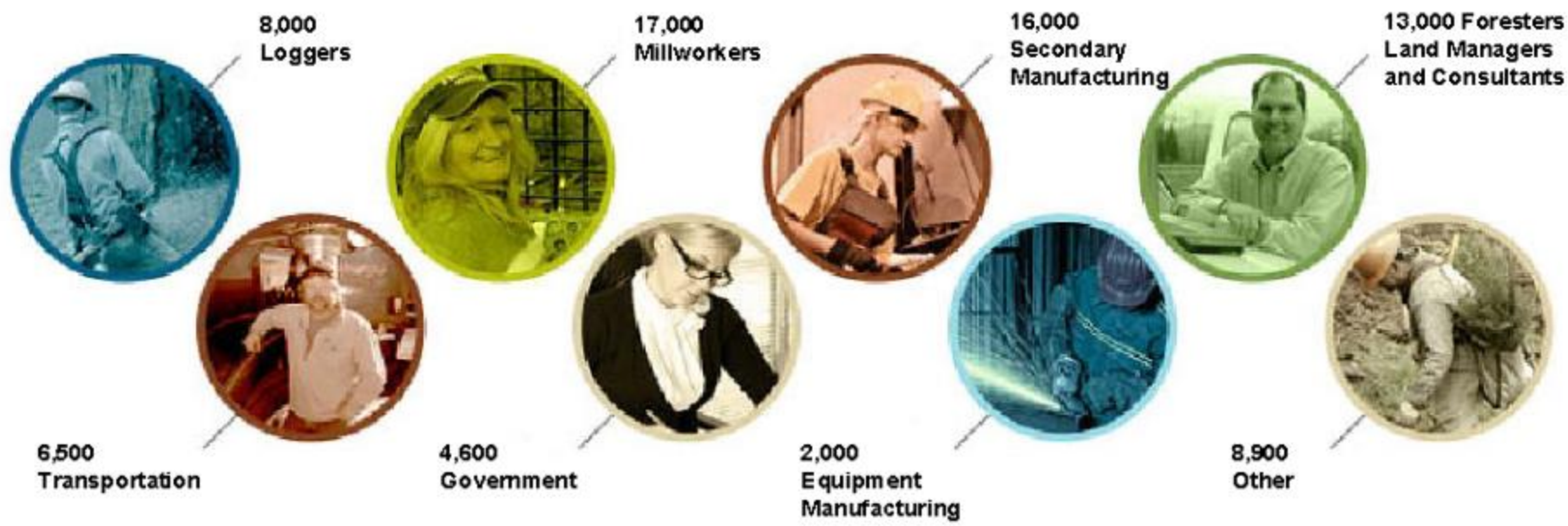
5.3% of all jobs

**\$5.2 BILLION  
TOTAL INCOME**



# Sector diversity

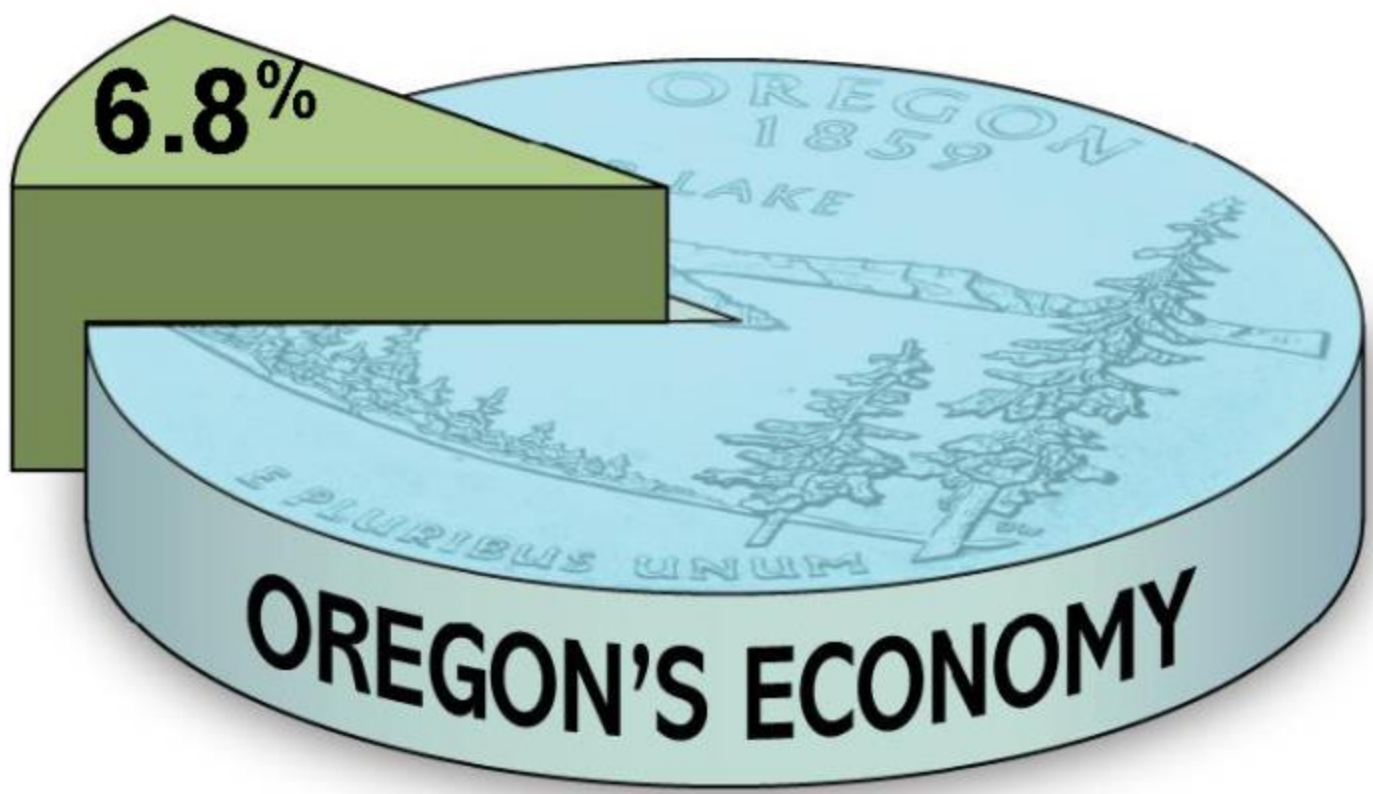
Oregon's forest sector offers diverse employment opportunities for about 76,000 people – nearly 5.3% of all Oregon jobs



These jobs create over \$5.2 billion in total income.



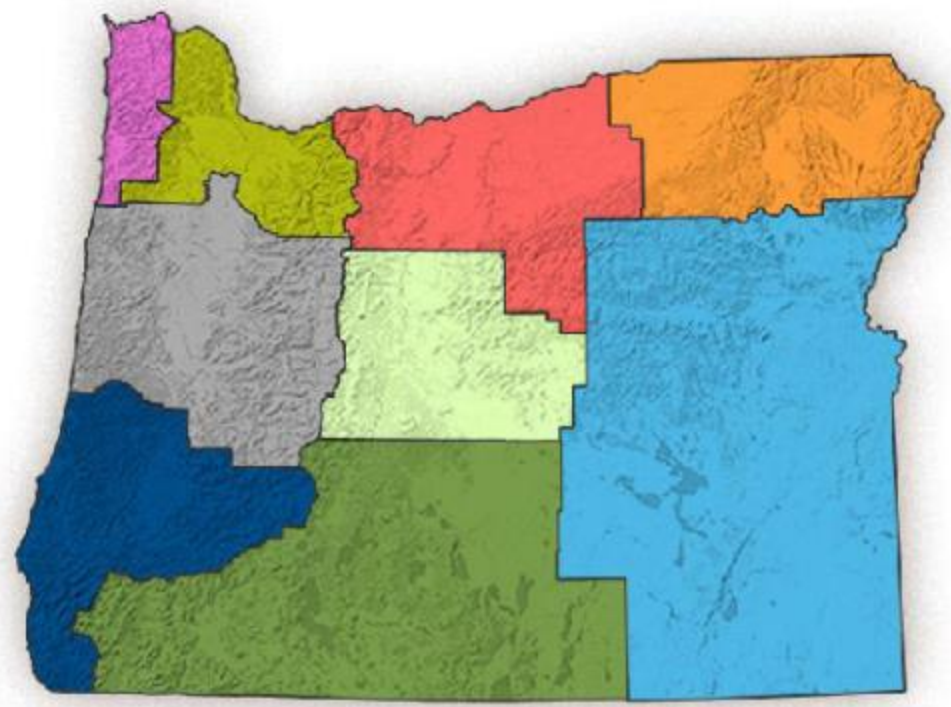
Sector accounts for 6.8% of state's economy; up to 20% in rural areas





**THE FOREST SECTOR ACCOUNTS FOR 6.8 PERCENT OF OREGON'S TOTAL ECONOMIC BASE, CONTRIBUTING MORE THAN \$12.7 BILLION IN TOTAL INDUSTRIAL OUTPUT.**

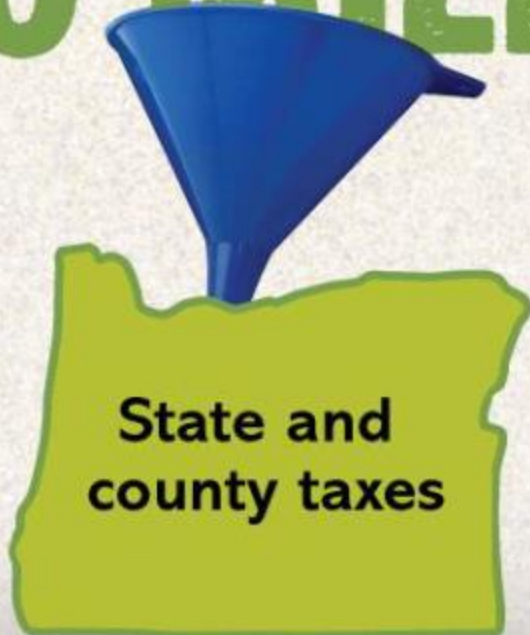
TOTAL EMPLOYMENT		ECONOMIC BASE	
10.5%		22.6%	
10.4%		18.8%	
8.7%		14.2%	
7.9%		10.2%	
6.5%		12.3%	
6.1%		11.5%	
5.9%		9.6%	
4.9%		3.1%	
3.9%		4.1%	







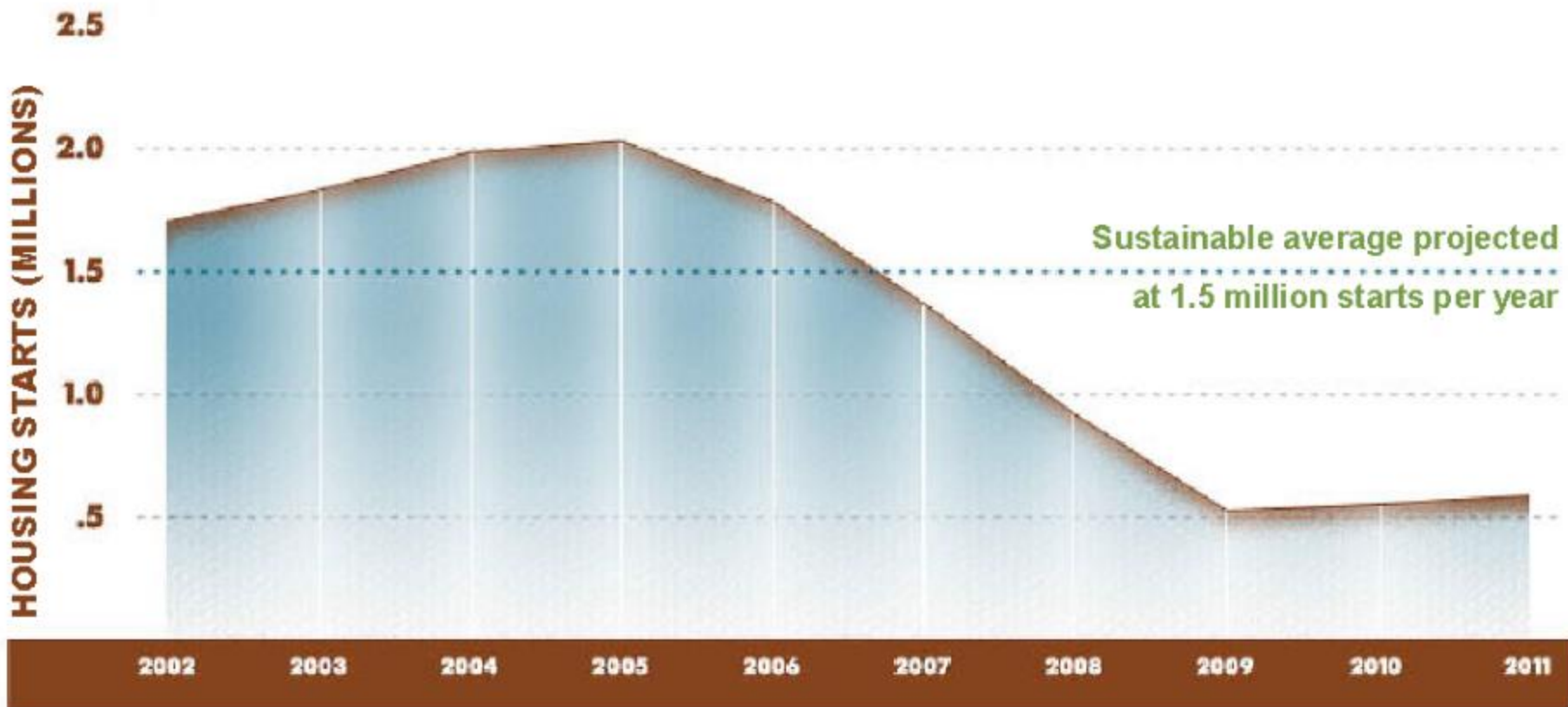
**\$250 MILLION  
TO  
\$350 MILLION**





# Markets - domestic

Due to a sharp drop in housing starts between 2007 and 2011, Oregon's forest sector lost 14,400 jobs and \$527 million of income.



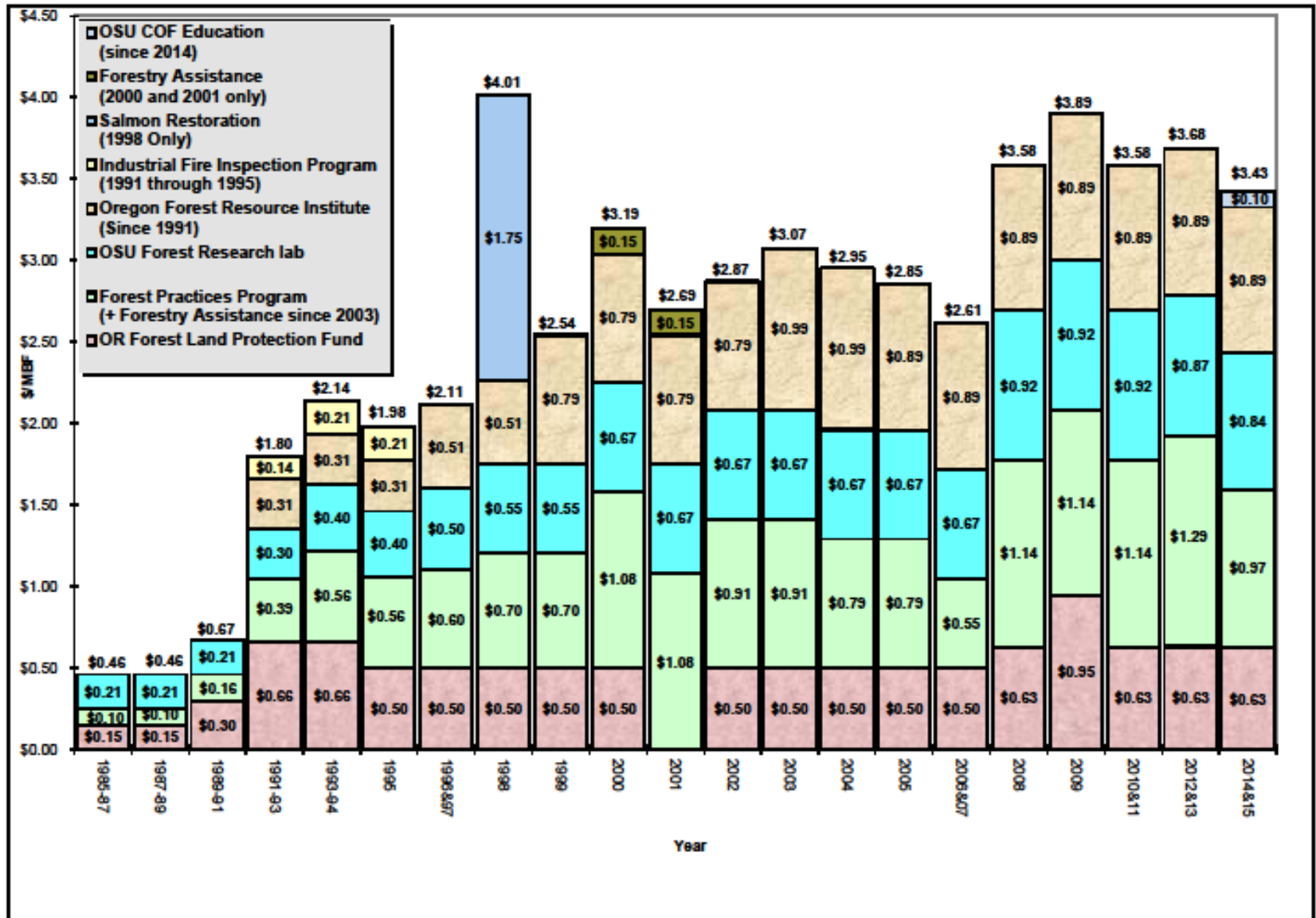


# 200 MEGAWATTS

## 70 FACILITIES STATEWIDE



# 30 Year History of Oregon Forest Products Harvest Tax Rates



# OSU College of Forestry (COF)

- **Department of Forest Engineering, Resources and Management**
  - [Forest Engineering](#)
  - [Forest Engineering/Civil Engineering](#)
  - [Forestry](#)
- **Department of Forest Ecosystems & Society**
  - [Natural Resources](#)
  - [Recreation Resource Management](#)
  - [Tourism & Outdoor Leadership](#)
- **Department of Wood Science & Engineering**
  - [Renewable Materials](#)

# OSU Connections

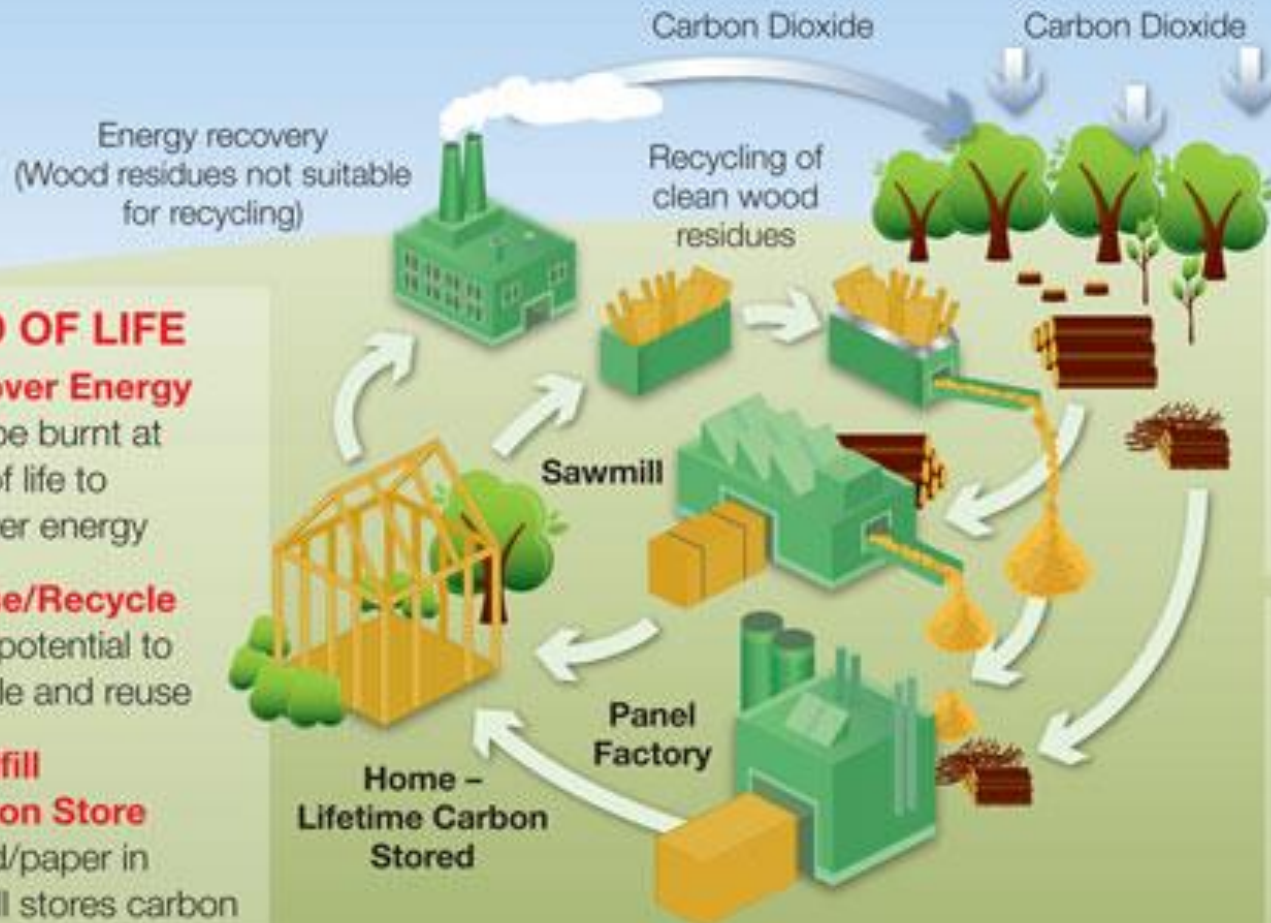
- Capital Construction Projects
  - Richardson Hall
  - Prospective Peavy Hall Renovation (wood showcase)
  - Hallie Ford Center (and many others)
- College of Forestry (COF) -- 1,100 students, looking to grow to 2,000
  - Endowments
    - College of Forestry Dean
    - Professor of Silviculture
    - Chair in Teaching Excellence
    - Professor of Forest Management
    - Professor of Forest Engineering
    - Chair in Wood Science and Forest Products
    - Chair in Private and Family Forestry
    - Chair in Forest Operations Management
  - Scholarships
  - Training and Co-ops
  - Starker Lectures

# OSU Connections

- Forest Research Lab (\$0.84/MBF FPHT)
  - Research Co-ops
  - Fish & Wildlife in Managed Forests
  - Wood Innovation Center
  - Research Projects
- Forest Engineering, Resources & Management
  - Professional Forestry Program (\$0.10/MBF FPHT)
    - Harvesting Instructor
    - Forest Management Faculty
    - Field Camp Support
    - Co-op Education Manger
- Wood Science and Engineering
  - Renewable Materials
    - **Develop & Expand Markets for Manufactured Wood Products**
    - Five Endowed Scholarships (in the works?)
    - New Lab Facilities (proposed)

# The Timber Cycle

Carbon released and CO<sub>2</sub> absorbed by new trees



## END OF LIFE

### Recover Energy

Can be burnt at end of life to recover energy

### Reuse/Recycle

High potential to recycle and reuse

### Landfill

### Carbon Store

Wood/paper in landfill stores carbon

## REGROW

Natural, organic and non-toxic

Greenhouse positive, sequesters CO<sub>2</sub> and produces oxygen

## MANUFACTURE

Manufacturing is low in embodied energy

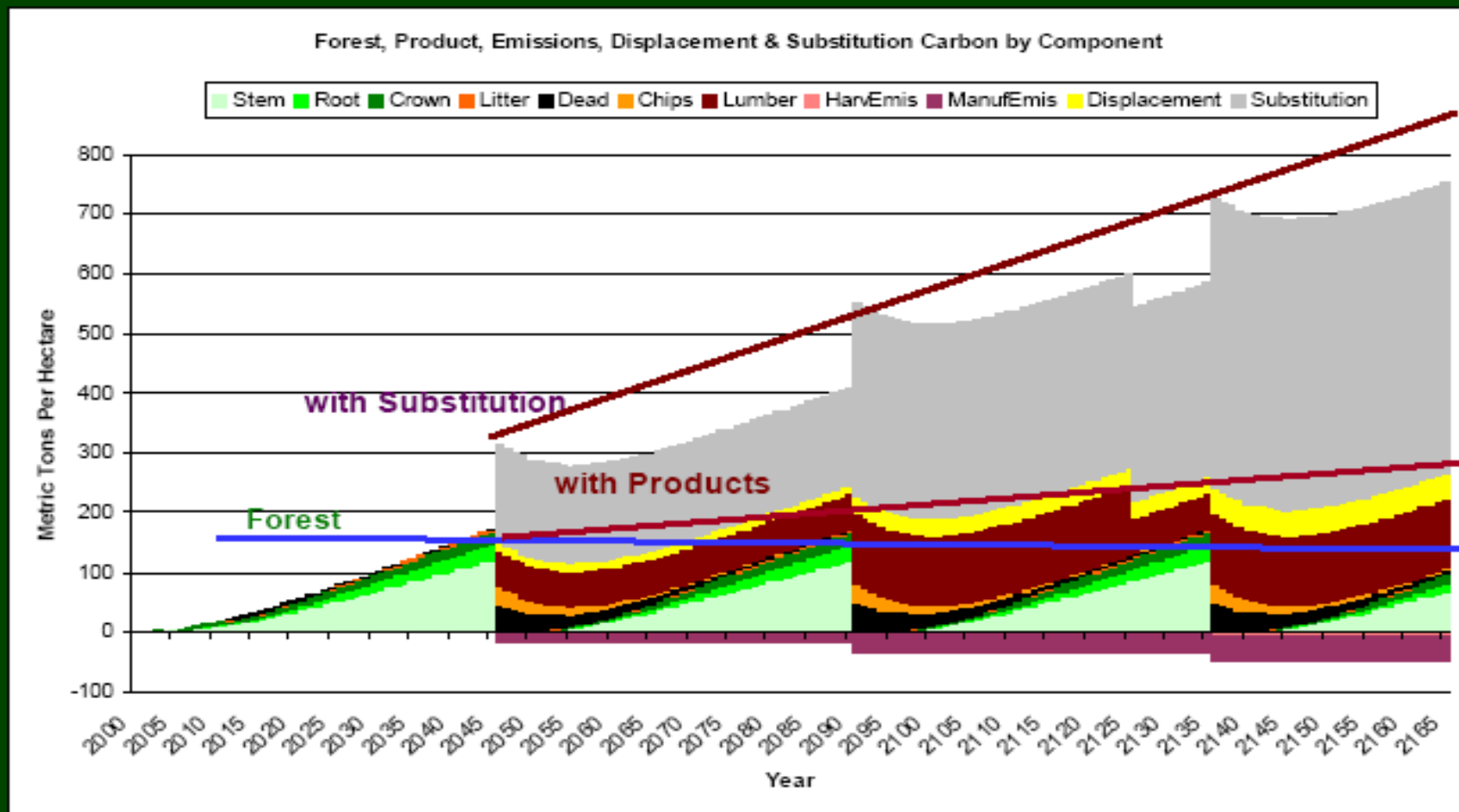
Minimal pollutants are created during processing



# CORRIM Voting Members

<u>Steve Kelly</u> President, & Executive Committee	<a href="#"><u>North Carolina State University (NC State)</u></a>
<u>Leonard Johnson</u> Vice President Forest Management, & Executive Committee	<a href="#"><u>University of Idaho (U. Idaho)</u></a>
<u>Ivan Eastin</u> Vice President Marketing & Green Building, & Executive Committee	<a href="#"><u>University of Washington (UW)</u></a>
<u>Adam Taylor</u> Vice President Outreach Education, Secretary Treasurer, & Executive Committee	<a href="#"><u>University of Tennessee (UT)</u></a>
<u>Steve Zylkowski</u>	<a href="#"><u>APA - The Engineered Wood Association</u></a>
<u>Gary L. Heroux</u>	<a href="#"><u>Composite Panel Association Research Foundation</u></a>
Jennifer O'Connor	<a href="#"><u>FP Innovations - Canada</u></a>
<u>Phillip Steele</u>	<a href="#"><u>Mississippi State University</u></a>
<u>Paul Smith</u> (alt.Jim Finley)	<a href="#"><u>Pennsylvania State University (PSU)</u></a>
<u>Eva Haviarova</u>	<a href="#"><u>Purdue University</u></a>
<u>Susan E. Anagnost</u>	<a href="#"><u>State University of NY (SUNY)</u></a>
<u>Stephen Shaler</u>	<a href="#"><u>University of Maine (UME)</u></a>
<u>Pat Huelman</u>	<a href="#"><u>University of Minnesota (U. Minn)</u></a>
<u>Dan Hindman</u> (alt.Paul Winistorfer)	<a href="#"><u>Virginia Tech University (VPI)</u></a>
Kevin Cheung	<a href="#"><u>Western Wood Products Association (WWPA)</u></a>
<u>Chadwick Oliver</u>	<a href="#"><u>Yale University (Yale)</u></a>
<u>Richard Vlosky</u>	<a href="#"><u>Louisiana State University</u></a>
Temporarily Vacant	<a href="#"><u>Oregon State University (OSU)</u></a>
Temporarily Vacant	<a href="#"><u>Washington State University</u></a>

# Forest, Product and Substitution Pools



# Green Building!!

- Wood First
- Governor's Executive Order 12-16
  - Pilot Projects
  - Assessment of Forest & Green Building Certification Standards
  - Market Development
- LEED v4 Appeal
  - Forest Certification
- WoodWorks
  - Portland Wood Solutions Fairs in 2013 & 2014
- Oregon Forest Cluster Working Group

# Bioenergy, Biofuels & Biochemicals

Carbon Neutral!!! (??)

Eligible Feedstocks?

Market Disruptions?

- Governor's 10-year Energy Action Plan
  - Oregon Forest Biomass Working Group
    - Cogeneration
    - Thermal Energy
    - Research
- Pellets & Bricks (Malhuer Lumber & Bear Mtn Forest Products)
- Northwest Advanced Renewables Alliance (NARA)
  - Woody Biomass to Jet Fuel
- Zeachem
  - Cellulosic Ethanol



Favorable climate

SOFTWOOD LUMBER BOARD

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OREGON FOREST RESOURCES INSTITUTE

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THANK YOU!

