The New York Wood Products Council is a Governor appointed, industry based organization charged with promoting and encouraging the economic activity of New York’s diverse forest products industries.
New York State Wood Products Development Council  
2017 Annual Report  

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New York is home to more forestland than any other state in the Northeast. 63% of the state’s land area is classified as forested and of the 19 million forested acres, 15.7 million are classified as timberland, defined as forestland producing or capable of producing crops of industrial timber. Forestland in New York State is largely privately owned by individuals, families and businesses, who together own over 75% of the forest. These lands provide numerous and significant benefits for New York residents and its annual visitors.

Forest Ownership

The forest products industry is important to all regions of New York State. Forestry and logging, solid wood products, pulp and paper products, and wood furniture together provide over 40,000 jobs and have a total statewide economic impact of $22.9 billion.
The Role of the Wood Products Development Council

Established by statute within the New York State Department of Agriculture and Markets, the Wood Products Development Council is tasked with supporting and encouraging the practice of sustainable forestry and the manufacture of wood products. The Council works to improve public understanding and appreciation of New York’s forests and forest products, and to direct attention and funding to programs and ventures that sustain existing forest product markets and promote the development of new markets.

Council members are appointed by the Governor and include recommendations from the Senate President, Speaker of the Assembly, Senate Minority Leader, and Assembly Minority Leader. The Council serves as a forum for open discussion of the challenges and opportunities facing New York’s forestry sector. The unique coalition provides the NYS Department of Agriculture and Markets with the opportunity to collaborate with a variety of forest industry stakeholders, including loggers, forest landowners, wood product manufacturers, state environmental conservation and economic development agencies, associations representing forest landowners and industries, and members of the public.

Through its cooperative efforts, the Council helps to provide economic, social, and environmental benefits for New York State, while enhancing both the efficacy of government programs and the quality of life in upstate communities. Increasing the economic contribution of New York’s forest industry helps to generate employment, invigorate the economies of rural communities, and incentivize the sustainable management of the state’s forest resource.

Statutory Priorities and Objectives

The following statutory priorities and objectives are used as a framework to guide the Wood Products Development Council in funding projects and supporting state agency work that achieve these priorities and objectives.

The Council shall give priority to:

• Increasing private investment in working forests;
• Maintaining access to working and family forests;
• Coordinating with state agencies, academia and the private sector;
• Working to improve public understanding of and appreciation for forestry and forest products; and;
• Increasing export and market opportunities for New York forest products.
The Council shall fund projects and support state agency work that achieve the following objectives that support the statutory priorities:

- Support expansion and growth of the forest products industry, with particular attention to the wood supply chain;
- Marketing and promotion;
- Defining the value of the forest economy;
- Forest taxation; and;
- Export and market opportunities.

## Council Membership

<table>
<thead>
<tr>
<th>Designation</th>
<th>Council Member</th>
<th>Organization</th>
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<tbody>
<tr>
<td>Agriculture and Markets Designee</td>
<td>Kevin King</td>
<td>New York State Department of Agriculture and Markets</td>
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<tr>
<td>Environmental Conservation Designee</td>
<td>Rob Messenger</td>
<td>New York State Department of Environmental Conservation</td>
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<td>Economic Development Designee</td>
<td>Jane Thelen</td>
<td>Empire State Development</td>
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<tr>
<td>Sawmill Owner</td>
<td>Steve Servies</td>
<td>Gutchess Lumber</td>
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<td>Secondary Wood Products Manufacturer</td>
<td>Vacant</td>
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<tr>
<td>Logger</td>
<td>Doug Handy</td>
<td>A&amp;H Forest Management</td>
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<td>Maple Syrup Producer</td>
<td>Mike Farrell</td>
<td>Cornell University</td>
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<td>Commercial Forest Owner</td>
<td>Mike Hanlon</td>
<td>Cotton-Hanlon, Inc.</td>
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<td>Nonindustrial Forest Owner</td>
<td>Vacant</td>
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<td>Forest Industry Organization Representative</td>
<td>Ed Wright</td>
<td>Empire State Forest Products Association</td>
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<td>Statewide Forest Landowners Association</td>
<td>Jim Waters</td>
<td>New York Tree Farm</td>
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<td>Non-designated</td>
<td>Maureen Fellows</td>
<td>SUNY College of Environmental Science and Forestry</td>
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<tr>
<td>Non-designated</td>
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Summary of 2017 Council Meetings

The New York Wood Products Development Council held 3 meetings during 2017:
- January 19, 2017 at SUNY ESF, Syracuse
- April 20, 2017 at SUNY ESF, Syracuse
- September 28, 2017 via conference call

All meetings were conducted in accordance with New York’s Open Meetings Law.

✦ January 19, 2017

The Department of Agriculture and Markets reported on the Empire Forests for the Future Initiative, State Fair Working Group and the New York State Grown & Certified marketing program. The Department of Environmental Conservation discussed the Empire Forestry Initiative and Empire State Development reported on the agency’s Consolidated Funding Application awards. The Northern Forest Center requested $45,000 for their Modern Wood Heat Marketing Strategy and the Council voted against supporting the proposal at the requested amount. Project updates were given from SUNY ESF on the 2015-2016 Annual Report and IMPLAN Economic Analysis Report. Project Learning Tree, in collaboration with SUNY ESF, presented a funding request for an internship with the goal of “Connecting New York Forests with Education”. New York Agriculture in the Classroom gave a presentation on opportunities available to engage students and teachers through their organization.

✦ April 20, 2017

The Department of Agriculture and Markets discussed the Council’s participation in the New York State Fair and the New York State Grown & Certified marketing program. The Department of Environmental Conservation addressed the Empire Forests for the Future Initiative, timber on New York State forested lands, and a Forest Utilization Program research project. Empire State Development described the agency’s Consolidated Funding Application process and upcoming workshops. Project updates were shared from SUNY ESF on the 2015-2016 Annual Report and the IMPLAN Economic Analysis Report. The Council approved funds for an updated proposal from the Northern Forest Center in the amount of $30,000 with the goal of creating more demand for residential and commercial wood pellet boilers. Funding for Project Learning Tree was also approved in the amount of $43,620 for an intern to develop a New York forest products website, forest product kits and a corresponding curriculum for teachers, printed materials for landowner education of best forest practices, and posters, kiosks, and panels intended to educate the public on forest practices. Senior Extension Associate, Peter Smallidge distributed an Annual Report of Cornell University forest management research, programs, and activities over the past year.
September 28, 2017

The Department of Agriculture and Markets reported on Forestry and Timber Sports Day at the State Fair and the recent reactivation of the Agricultural Labor Advisory Council. The Department of Environmental Conservation discussed the State Fair and Empire Forests for the Future Initiative and Empire State Development reported on the agency’s work to attract out-of-state companies interested in utilizing New York’s abundant softwood resource. The Council engaged in a lengthy discussion about the strategic direction of the group and determined a facilitated session to set short and long-term goals would be productive. The Department of Environmental Conservation gave an update on their Softwood Prospectus piece to address an overabundance of softwood in New York private and public lands. SUNY ESF reported updates on the 2015-2016 Annual Plan and IMPLAN Economic Analysis Report. Brief project updates were also given on the Northern Forest Center’s and Project Learning Tree’s projects. “A New York Forest Industry Supply Chain Assessment” and “Northeast Multi-State Wood Utilization Grant”, two new funding opportunities were brought to the attention of the Council by the Department of Environmental Conservation.

Wood Products Development Council Activities

The Wood Products Development Council is a unique coalition including the forest products industry, the forest landowners, and the state government. Its principle mission is to promote the wood products industry as an economic development tool for the state of New York. This goal has guided the Council’s decisions and actions since its inception in 2009.

In 2017, the Council sought to further its mission by exploring the issues and opportunities facing New York’s forest industry, and by initiating a series of projects and activities designed to support the forest industry, the forest landowners, and the sustainable management of the forestland itself.

Evaluating the Economic Importance of New York’s Forest-Based Economy

New York State is comprised of 30.2 million acres, 63% of which is classified as forested (18.9 million acres). These lands provide numerous and significant benefits for both the residents of New York and its many annual visitors. There has been a clear need for better information on the economic contributions of forestry and wood products industry. SUNY ESF employed IMPLAN data and a multiplier analysis to establish the economic impacts of the forest sector on the New York State economy.

New York State receives significant benefits from the forest industry. The sector is composed of four broad categories of output: Forestry and Logging (F&L); Solid Wood Products; Pulp and Paper Products; and Wood Furniture. The forest economy of New York generated $13.1 billion
in direct output with around 70% attributable to the production activities of the pulp and paper industry, Figure 1. In addition, the sector provides more than 41,000 direct employment and $2.5 billion in direct labor income, Figure 2. This provides for an average labor income per worker of $61,526.

The forest sector’s linkages to the state’s economy generated an additional $9.8 billion in indirect and induced production activities for a total state wide economic impact of $22.9 billion dollars Figure 3. An additional 53,992 jobs are also generated for a total economic impact of nearly 100,000 jobs state wide and $3.7 billion additional labor income for a total economic impact of $6.2 billion in labor income state wide.
Forestry activities occur in all parts of the state. We utilized the New York State Economic Development Council (EDC) regions, Figure 4 to describe the regional diversity of the sector. For this analysis, we combined the New York City and Long Island regions to make the analysis clearer. Figure 5 shows the total direct impact of the forest sector in the 9 EDC regions. Somewhat surprisingly, the combined economic regions of New York City/Long Island,
the Capital Region, and the mid-Hudson represent fully half of the total output for the sector. This is because secondary manufacturers are often based in these areas.

The forest sector in the North Country region is a very important economic driver. The sector represents nearly 5% of the total economic output and employment of the region. This is much higher than in any other region of the state. The sector has recovered exceptionally well in recent years from the economic slowdown to the general economy. Figure 6 shows that the percentage growth in direct output, employment, and labor income from 2010-2014 (most current available). As a whole, the sector had a positive growth of almost 14% in output, 8% in employment, and 12% in labor income. Most of this growth occurred in solid wood products and pulp and paper. Employment also increased but labor income increased at a greater rate.

**Figure 6**
Percentage growth output, employment, & labor income, 2010-2014

Engaging and Educating the Public

In an effort to support and expand the forest products industry, the Wood Products Development Council supported the first-ever Forestry and Timber Sports Day at the New York State Fair. Collegiate teams and coaches from Morrisville, Alfred State, SUNY ESF, and Paul Smith’s participated in the inaugural event. In addition to demonstrations by over 60 collegiate competitors, there were demonstrations by professional timber sport athletes and Bill Lindloff’s
Game of Logging program. Ongoing exhibits included the Vernon Verona Sherrill FFA maple truck, a Department of Environmental Conservation landowner education booth, and an extensive forestry exhibit put on by Cornell Cooperative Extension of Onondaga County.

**Encouraging State Economic Development Opportunities**

In recent years, the Wood Products Development Council has worked to increase awareness of New York’s vibrant forest products industry through the promotion of economic development opportunities throughout the state.

The integration of wood products into accepted branding programs has the potential to connect New York’s rural producers to a large consumer base. The Council is currently considering the role of forest products manufacturers into the state’s newest branding program, New York State Grown & Certified. The inclusion of Wood Products in the new program may help New York’s rural producers take fuller advantage of the growing market demand for local, high quality, and sustainable products.

The Council has also been working to develop a prospectus titled “Softwood Timber Utilization Opportunity” to share with interested parties to develop a softwood manufacturing facility or other utilization project in eastern/central New York State. The goal of this work is to develop a sizeable market so that large volumes of maturing growing stocks of softwood timber will be utilized, and that the necessary timber management options for forest owners are expanded. In the coming months and years, the Council will continue to promote economic development opportunities as a means to encourage investment in all phases of the forest industry supply chain and manufacturing process.

**Developing Export Markets for New York Hardwoods**

The United States grows more temperate hardwood species than any other region in the world. Hardwoods—including oak, maple, and cherry—are well suited for a variety of commercial applications, ranging from flooring and cabinetry to molding, furniture, and fuel. Accordingly, high-quality desirable hardwoods can be of considerable economic value. The nation’s commercially important hardwood resource is concentrated in the northeast.

Hardwoods dominate New York State’s forests; the Northern Hardwood forest type—composed primarily of American beech, yellow birch, and sugar and red maples—in particular, makes up over half of the state’s forest cover. New York hardwoods are prized worldwide for the exceptional quality and consistency of the material. However, despite the superior qualities and tight growth rings of its hardwoods, New York must compete with other states to meet the growing global demand for American hardwood products.
The American Hardwood Export Council (AHEC) is the leading international trade association for the U.S. hardwood industry, representing hardwood exporting companies and the major hardwood product trade associations. The worldwide program promotes American hardwoods in over 50 markets and more than 35 countries. All initiatives are carried out by the U.S. hardwood industry and the Foreign Agricultural Service (FAS) of the U.S. Department of Agriculture (USDA). AHEC membership allows for participation in the Hardwood State Export Group (HSEG)—an informal coalition of trade specialists from eastern hardwood states that receive AHEC funding. The group collaborates on multi-state efforts to increase sales for U.S. wood product companies through the development of international markets and opportunities. The Wood Products Development Council supports New York’s membership in the AHEC. Inclusion in the association provides the state’s hardwood suppliers with a distinct advantage in an increasingly competitive global market. The Council will continue to develop strategies to improve the business climate for New York State’s forest industry and facilitate the development of expanded and new markets for the state’s high-quality wood products.

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