



MISSOURI AGRICULTURE

forestry snapshot

Agriculture.Mo.Gov

Top 10

- BLACK WALNUT
- EASTERN RED CEDAR
- HICKORY
- SOFT MAPLE
- COTTONWOOD

- ASH
- RED OAK

- WHITE OAK
- SHORLEAF PINE
- HARD MAPLE

ECONOMIC CONTRIBUTION *to Missouri*

Missouri's forest products industry contributes \$10 billion to its economy. It supports over 46,000 jobs at a payroll of over \$2.6 billion and is responsible for nearly \$800 million in taxes, including \$103 million in state sales tax. These numbers include logging and sawmill operations, secondary wood products, furniture and cabinet makers, log cabins, paperboard manufacturing and more. The grand total includes not only the direct effect of jobs in the industry but secondary effects in the economy as a whole.

ADDING VALUE *to Missouri Wood*

Missouri exports increased nearly 7% over the last five years to reach \$188 million. Missouri mills are leading producers of white oak staves, wooden pallets, charcoal and walnut products in the U.S. They average about 2 million green tons of residues annually, and some are even used to flavor wines worldwide.

Hardwood lumber and logs make up over half of exports, while barrels, railroad ties and wood charcoal account for about a third. Wine and whiskey barrels, tequila bottle caps, hardwood flooring and furniture are just a few among the many value-added wood products Missouri supplies to its domestic and international customers.

Why Export?

Exporting internationally can be an overwhelming idea for many companies; however, exporting is great for a company's bottom line. Those that do export create value for other U.S. companies by expanding the market and increasing demand. Missouri's access to major water systems, rail systems, highway systems, airports and three Foreign Trade Zones (FTZs) eases logistics for reaching international customers. Furthermore, the U.S. has a competitive advantage as U.S. forest products are in high demand, and Missouri companies produce some of the finest logs, lumber and value-added wood products in the country.

NATURE'S TRUE VALUE

MISSOURI ENSURES AMPLE, HEALTHY AND SUSTAINABLE FORESTS FOR THE FUTURE.

GROWING

Missouri Wood

GLOBALLY

WHO'S BUYING FROM THE U.S.?

The biggest importer of U.S. hardwood lumber is China while Canada imports most of the softwood lumber. For several years, China and Canada have been the top two export markets for the U.S.; however, Vietnam, Mexico, the United Kingdom and Japan have steadily increased their imports of U.S. lumber and numbers continue to rise. China is also the top export destination for U.S. hardwood and softwood logs because they can't harvest enough domestically to meet their increasing demand. Other leading export destinations include Canada, Vietnam, Japan, Italy and South Korea.

The European Union (EU) is by far the largest importer of fuel exports (mainly wood pellets) due to their Renewable Energy Directive that must be met by 2020. Most of the wood pellets exported from the U.S. are sent to the United Kingdom, Belgium, the Netherlands, Denmark, and Italy. Outside of the EU, South Korea was also a top importer.

The United Kingdom is the largest importer of cooperage products such as barrels, staves and heading. Ireland, Canada, Spain and Japan are also top markets for exports of cooperage products.

WHAT'S THE WORLD BUYING?

The U.S. is the largest producer and exporter of hardwood lumber, providing 22% of the global market share in exports. About 60% of what is produced in the U.S. is exported to other countries in the form of kiln-dried lumber and veneer. Most foreign buyers are purchasing red oak, white oak, yellow poplar, ash and walnut lumber to design furniture, buildings, homes, barrels, hardwood floors and more. On the contrary, only 3% of the softwood lumber produced in the U.S. is exported.

Log exports are rising, with importers needing unique lumber dimensions and more loggers entering the export market. Softwood logs make up three-quarters of U.S. log exports while the remaining quarter is comprised of hardwood log exports. Most of the logs exported from the U.S. are douglas-fir, hemlock, spruce, red oak, walnut, pine and white oak logs, which are used to build high-quality homes and design furniture for re-export.

U.S. fuel exports, such as wood pellets and wood chips, have experienced the fastest growth due to an increase in global demand for renewable fuels. Wood pellets, which are made from wood waste, make up the majority of fuel exports and are becoming a hot commodity for countries to generate electricity and save on energy costs.

MARKET ACCESS TIPS FOR EXPORTING FOREST PRODUCTS:



- **Export and/or Import License/Permit:**
Contact Bureau of Industry and Security
- **Phytosanitary Certificate:**
Contact Missouri Department of Agriculture's (MDA) Plant Industries Division or USDA's Animal and Plant Health Inspection Service (APHIS)
- **Debarking of Logs, Fumigation and/or Quarantine Regulations:**
Contact MDA or USDA
- **Wood Packaging Material Regulations:**
Contact USDA-APHIS
- **Specific Packaging or Labeling Requirements:**
Contact USDA and Importer

CANADA

UNITED KINGDOM
GERMANY
FRANCE
SPAIN

CHINA

JAPAN

VIETNAM

AUSTRALIA

MISSOURI'S TOP 10 FOREST PRODUCTS EXPORT PARTNERS

1	China	\$65,489,000	6	Japan	\$9,424,000
2	Canada	\$20,530,000	7	Vietnam	\$8,718,000
3	Mexico	\$12,338,000	8	Germany	\$7,354,000
4	France	\$10,126,000	9	United Kingdom	\$6,518,000
5	Spain	\$10,037,000	10	Australia	\$5,584,000

USDA GATS 2019