



# South Carolina Forestry's 20/15 Project

## Keeping SC Forestry Growing Strong Job Creation and Economic Development

In 2008, the South Carolina Forestry Commission took the lead in conducting an economic impact study of forestry in South Carolina based on 2006 data. This study revealed a strong industry with \$17.4 billion in total economic impact which was confirmed by several subsequent analyses. Forestry was the state's leading manufacturing industry in terms of employment (84,000 total jobs) and labor income (\$2.4 billion).

The recession, which lasted from late 2007 into 2009, took its toll on the entire manufacturing industry in South Carolina, and economic conditions continue to be difficult for the forest industry as well. A project like the 20/15 initiative was clearly needed to help the forest industry recover as quickly as possible. Fortunately, the state's forest resource was and continues to be at record levels of timber volumes and growth rates and ready to support industry growth. Recognition of the presence of an abundant wood supply and the forest industry's large current and potential economic impact led the South Carolina Forestry Commission to initiate the **20/15 Project** in cooperation with the SC Forestry Association and other allies. The project was conceived and designed as a way to help the forest industry grow out of recession, move to higher levels of economic impact, and expand its already important role in improving South Carolina's economic and environmental health. The goal of the **20/15 Project** is to increase forestry's economic impact from \$17.4 billion to \$20 billion by 2015 and increase job numbers by about 12,000.

The 20/15 Project has made excellent progress over the past year. On October 28, 2009, nearly 50 forestry and economic development professionals gathered in Columbia for the first 20/15 conference. Through a SWOT analysis (Strengths, Weaknesses, Opportunities, and Threats), the group created a list of factors that most needed attention for the industry to recover from the recession and to grow to new heights. Six task force committees were formed to address the critical issues. Task force members represented a diverse, cross-section of South Carolina's forestry community. Below are the core recommendations of each task force.

### Task Force Reports

#### Retain and Strengthen

Mike Macedo (International Paper Company), Task Force Chairman

**Goal:** To grow the economic impact of forestry from \$17 billion to \$20 billion by 2015.

**Recommendations:**

1. Utilize 2009 forest resource and mill output data to identify the best opportunities to sustain & grow forest industry in South Carolina.
2. Increase the political activism of SC Forestry Association members and allies to create a more favorable business climate.
3. Become proactive in attracting a qualified workforce to forestry.

#### The Forest Resource

Mac Lupold (Lupold Consulting Inc.), Task Force Chairman

**Goal:** To describe the present and future forest resource in South Carolina based on accurate, up-to-date data.

**Recommendations:**

1. Update South Carolina forest resource & mill output reports based on 2009 data.
2. Run wood supply projections looking out 25 years.
3. Design and implement a wood availability study.



## Research & Development

Mike Cunningham (ArborGen), Task Force Chairman

**Goal:** To increase both wood supply and wood demand through research and development in order to grow forestry economic impact in South Carolina

**Recommendations:**

1. Promote the use of existing technologies on timberland to increase wood supply.
2. Encourage state funding for forestry-based research and development to increase future wood supply & demand.

## Marketing

Furman Brodie (Charles Ingram Lumber), Task Force Chairman

**Goal:** To expand the use of forest products.

**Recommendations:**

1. Promote the use of wood in new construction by offering continuing education coursework to building design professionals.
2. Promote the use of wood through educational materials at retail establishments.

## Infrastructure Needs

Bernie Deason (Smurfit Stone Container), Task Force Chairman

**Goal:** To identify the highest priority transportation issues that would improve the movement of processed and unprocessed forest products to their ultimate markets.

**Recommendations:**

1. Provide support to SC DOT for funding for maintenance of high priority H-10 bridges and rural roads.
2. Allowable truck weights should be adjusted to better compete with other countries.
3. The forest products industry should support the placement of the State Forester on the Coordinating Council for Economic Development.
4. The SC State Ports Authority should report on the feasibility of providing bulk handling facilities for the export of forest products.

## Forest Protection Capacity

Joey Ferguson (Resource Management Services), Task Force Chairman

**Goal:** To develop a concept and present a solution designed to rebuild and strengthen South Carolina's fire protection capacity.

**Ideas:**

1. Develop a user-based funding mechanism to meet the annually recurring firefighting needs of the SCFC.
2. Address the immediate need, jump-start the rebuild of SC's fire protection capacity through a state-level mechanism such as a bond fund.

## Where do we go from here?

Task Force reports and recommendations represent a strategy for helping the forest industry recover from the recession and grow to its full potential. As a five-year initiative, the **20/15 Project** recognizes that its objectives must be accomplished over time so both near and long term opportunities that can produce continuous improvement will be identified. The Project will create a blueprint that can be followed to keep forestry as the #1 manufacturing industry in the state and continually increase its economic impact, number of well paying jobs, and improve the economic and environmental health of South Carolina.

