

# Montana's Forest Products Industry and Timber Harvest, 2014

Steven W. Hayes CF, Todd A. Morgan CF, and Chelsea P. McIver

## Introduction:

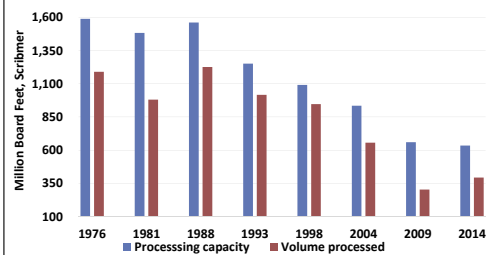
The University of Montana's Bureau of Business and Economic Research (BBER) and the Interior West-Forest Inventory and Analysis (IW-FIA) Program at the Rocky Mountain Research Station have developed the Forest Industries Data Collection System (FIDACS) to collect, compile, and make available state and county-level information on the operations of the forest products industry. The FIDACS is based on a census of primary forest product manufacturers located in a given state. Through a written questionnaire or phone interview, the following information is collected for each active facility in a given calendar year:

- Plant production, capacity, and employment
- Volume of raw material received, by county and ownership
- Species of timber received and live/dead proportions
- Finished product volumes, types, sales value, and market locations
- Utilization and marketing of manufacturing residue

## Montana's Primary Timber-processing Facilities and Land Ownership, 2014



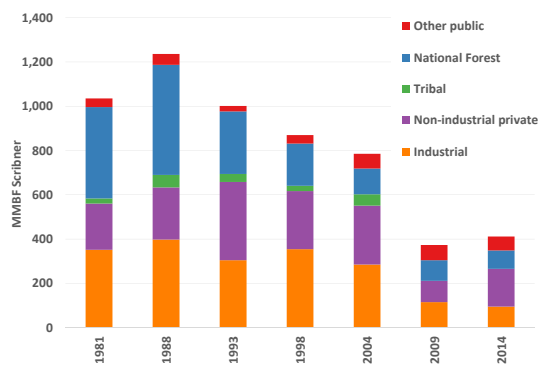
## Montana's Timber-processing Capacity, Selected Years



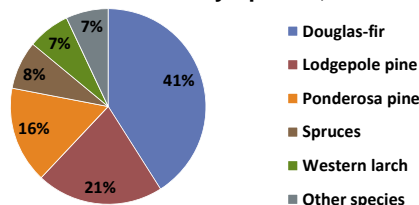
Funding provided by:  
USDA, Forest Service, Rocky Mountain Research Station, Interior West - Forest Inventory and Analysis (IW-FIA) Program, Ogden, Utah.



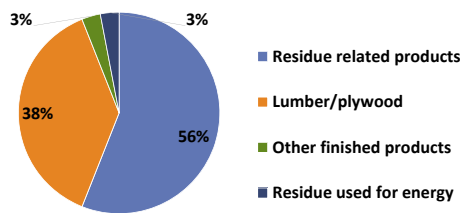
## Montana's Timber Harvest by Ownership Class, Selected Years



## Montana's Timber Harvest by Species, 2014

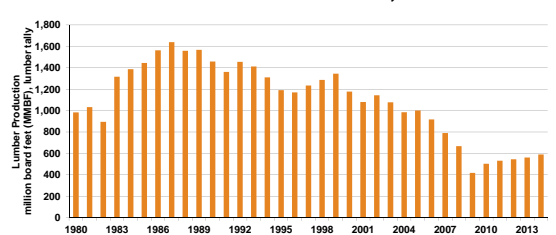


## Final Disposition of Harvested Wood by Use, 2014



Based on 111 MMCF of solid wood harvested

## Montana's Lumber Production, 1980-2014



## Results and Highlights:

A total of 102 facilities were identified as operating in Montana during 2014, compared to 127 in 2009. These included:

- 32 lumber facilities
- 2 plywood plants
- 25 house log manufactures
- 2 particleboard facilities
- 12 post and pole plants
- 5 log furniture manufacturers
- 24 bark product, fuel pellet, cedar product, pulp-chip conversion, and wood to energy plants

Montana's 2014 timber harvest was almost 412 million board feet (MMBF) Scribner, up from 374 MMBF in 2009. Private lands supplied 65 percent of the harvest. Douglas-fir was the leading species harvested, accounting for 41 percent of the harvest. Sawlogs and veneer logs were the main products harvested, accounting for 89 percent of the harvest volume. Approximately 9 percent of the harvest consisted of dead trees.

Between 2009 and 2014 Montana's lone pulp and paper mill and numerous small lumber mills closed permanently. Timber processing capacity dropped from 660 MMBF in 2009 to 635 MMBF in 2014. Capacity utilization which normally exceeds 70 percent rebounded from the historic low of slightly less than 50 percent in 2009 to 62 percent in 2014.

With rising U.S. housing starts and improving markets for wood products, Montana lumber production increased from 449 MMBF in 2009 to 611 MMBF in 2014. Production was still well below the 1,000 to 1,300 MMBF of the early 2000s.

Montana's nine largest sawmills accounted for 98 percent (598 MMBF) of lumber production during 2014. The remaining 23 small sawmills accounted for about 2 percent (13 MMBF).

About 96 percent of Montana's timber harvest was processed in-state during 2014. Almost 15 MMBF Scribner of timber was shipped out of the state, while 40 MMBF of timber was brought into Montana from other states and Canada. This is a major change from 2009, when only 15 MMBF of timber was imported into Montana, and 25 MMBF (7 percent) was processed outside the state.

State lands provided about 16 percent (67.5 MMBF Scribner) of the timber used by Montana mills in 2014. About 22 percent (98 MMBF) came from national forests. Private and tribal lands accounted for 60 percent (263.4 MMBF) of timber received by Montana mills. The remaining 2 percent (7.7 MMBF) of timber received came from other public, Canadian and unspecified sources.

Forest industry employment in Montana increased from just over 7,000 jobs during 2009 to more than 7,600 during 2014 and 2015, with earnings around \$320 million. Approximately 2,175 workers were employed in the primary wood products industry, 4,200 in forestry, logging, and forestry support activities, and 1,225 in secondary wood products.

Sales of products and residues from Montana's primary forest products industry were \$630 million in 2014. Lumber, plywood and other sawn products accounted for 54 percent, followed by residue related products at 39 percent. Sales from log home manufacturers were \$22 million, accounting for about 4 percent of total sales. The North Central states, with 30 percent of total sales, was the largest market area for Montana's forest products. Sales within Montana accounted for about 16 percent (\$101 million) of total sales.

## Contact Us:

Bureau of Business and Economic Research  
www.bber.umt.edu/FIR  
steve.hayes@business.umt.edu  
chelsea.mciver@business.umt.edu  
todd.morgan@business.umt.edu