



Sustainable Forestry Council

580 Taylor Avenue - E-1 • Annapolis, Maryland 21401 • 410-260-8531

November 2, 2018

Verso Corporation, 300 Pratt St., Luke, MD
Conference Call 1-888-450-5996

Gary Allen
Center for Chesapeake
Communities
Annapolis, MD 21401

Kim Finch, vice-chair
MNCPPC,
Prince George's Co.
Planning Dept.
Upper Marlboro, MD
20772

Kenneth Roberts
Verso Corporation
Westport, MD 21562

Alberto Goetzl, chair
Dream Catcher Farm,
LLC
Adamstown, MD 21710

Bryan Seipp
Center for Watershed
Protection
Ellicott City, MD 21043

Elizabeth Hill
Dorchester Forestry Bd.
Linkwood, MD 21835

Donnelle Keech
The Nature Conservancy
Cumberland, MD 21502

Bill Rees
Catonsville Tree Canopy
Committee
Catonsville MD 21228

Minutes

SFC Members Attending:

Kim Finch
Ken Roberts
Bill Rees
Beth Hill
Donnelle Keech
Al Goetzl
Gary Allen
Bryan Seipp

DNR:

Dan Rider, MD Forest Service
Don VanHassent, MD Forest Service
George Eberling, MD Forest Service
Anne Hairston-Strang, MD Forest Service

Guests:

Phil Gottwals, Agricultural and Community Development Services, LLC
Bernie Coyle, Verso

Steve McHenry, MARBIDCO
Dan Sweeney, MARBIDCO

Minutes:

Kim Finch opened the meeting at 1:37pm. Phil Gottwals provided an overview of the current forest industry. He described challenges, including the decline in research and development from private and public sectors, loss of market share to wood alternatives/nonrenewable products, and lower investments by landowners (e.g., less planting, more reliance on natural regeneration). He identified a need for more markets for low quality wood and mentioned the emergence of engineered structural products such as CLT (cross-laminated timber) that can use lower quality wood. Steve McHenry with MARBIDCO identified opportunities to spur new forest product investments, including partnering with the Building Products Lab, offering continuing education courses for architects and engineers, and pursuing changes in building codes that would allow mass timber products like CLT. Dan Rider brought up potential new products, thermally modified wood and structural hardwood, and identified assets particular to Maryland: a strong relationship with the USFS Forest Products Lab, the presence of the National Home Innovation Research Lab in Upper Marlboro (as of 10 years ago, independent of the National Homebuilders Assn.), American Wood Council, and American Institute of Architects. Dan reviewed the status of sawmills in Maryland, about half being grade lumber and half lower-grade pallet; he described some significant challenges, including the loss of mills, particularly on the Eastern Shore, the loss of wood fumigation at the Port of Baltimore, EPA

limits on use of methyl bromide for future fumigation, and changes in US DOT rules regulating truck transport. Beth identified a need for marketing of wood-based businesses, increasing quality and abundance of information that could influence public perception and willingness to request or use renewable wood products, as well as marketing to businesses on why to locate in MD.

Discussion included partnering with the MD Dept. of Commerce, targeting wood product market expansions by expanding an existing viable business rather than a stand-alone startup. Ken brought up regional wood supply concerns and competition with other mills (CLT and OSB), the relatively long reach for wood supply, and the lack of reserve in logging capacity, especially in wet years like this year, where workable days are limited by wet soils and no additional crews are available to log more in the fewer days available. Dan Rider discussed limits in diversity and coverage of markets, saying that not all parts of the state are currently serviced by markets, and there are fewer players in the markets. George Eberling brought up the decline in bids received on State Forest timber sales, dependence on a single operator winning most bids, and competition with other programs like golden-winged warbler forestry practices/cost-share for logging contractors.

Ken described feedback from loggers, most of whom operate in surrounding states and prefer to avoid operating in Maryland when possible. Master Logger was not perceived as a major hurdle. Dan Rider shared that similar feedback is offered by the Mountain Loggers Association members. Discussion covered the trend towards increasing mechanization favoring larger parcels (e.g., over 100 acres) for greater efficiency and productivity, and fewer sunk costs (4 to 5 thousand dollars per move) and unproductive time in moving equipment. Donnelle brought up connections to local jobs, need for sustained support for resource-based jobs from the local government, and marketing new building products to convey their advantages in a lower carbon footprint. Phil identified a need to reach younger generations across all aspects of the industry, jobs to marketing.

Gary Allen suggested that specific recommendations be framed out for policy initiatives that the Governor could support in the upcoming legislative session. Steve McHenry suggested expanding information on carbon footprints and partnering with MD Forests Association for advancing the issue. Beth identified a need to assist with revitalizing businesses and assistance with re-sale to buyers interested in maintaining forest products businesses. Guests noted that mills were wary of acquiring debt, particularly the 9 of about 12 mills whose owners plan to retire in less than 10 years, information reinforced by results of the University of MD report on Assessing the Future Sustainability of Maryland's Forest Industry.

Members suggested a symposium on Future of Forest Industry. Steve McHenry suggested having some younger members on the steering committee. The symposium would cover reinvesting in existing businesses to improve competitiveness as well as attracting new businesses to use underutilized fiber resources. The economic development agencies have concentrated on businesses creating more than 50 jobs, which typically has not included most forest industry operations. Suggestions included competitions for business plans and engineering for new forest products/businesses, increased publicizing of the Beacon Report on industry contributions to jobs, tapping connections between forestry and water quality (Forest Industry and Saving the Bay). Members discussed the urban models, including deconstruction of rowhouses, Bricks and Board reprocessing, and Camp Small re-processing, mulching. The Maryland/Delaware Society of American Foresters may be doing a tour in May that the SFC could join. Connections to existing industry were suggested, such as through Maryland Forests Association and partnering with Delaware and Virginia for the Delmarva area. Donnelle suggested planning using situation analysis and logic chains as tools, and connections to colleges. Potential participants were discussed, including Soil Conservation Districts, Future Farmers of America chapters, Commerce and

Economic Development, conservation organizations, and Partners for Open Space. Another suggestion is to reach younger people through additions to environmental education curriculums and reaching out to high school counselors.

Kim Finch adjourned the meeting at 3:10pm.

10:30- Arrive in at Verso Corporation, 300 Pratt St, Luke, MD 21540

11-1:30 Ken Roberts leads overview, mill and woodyard tour, including lunch.

1:30-3 Forest products market discussion with call-in line

- Don and Al call in following USFS tour.

1:30 Overview of forest product market sectors and regional issues- Dan Rider, Phil Gotwaals

2pm Forest product market priorities for sustainable forest management

2:30 Action items for Sustainable Forestry Council

3pm Adjourn

Respectfully Submitted,
Anne Hairston-Strang
MD DNR Forest Service