Forest Products Stabilize and Support List for ERC

Introduction: Maine’s forest industry has experienced a rebound over the last few years with over $1 billion invested in existing mills/operations and new uses/operations. Unfortunately, we suffered a double whammy this winter with Covid19 and the explosion at the mill in Jay. The Jay mill was a substantial consumer of specific species of wood that now have very limited markets and are affecting landowners, loggers and sawmills alike. Even though demand at white pine sawmills is high, they must be able to get rid of their “residuals,” chips and sawdust, or they are forced to shove that valuable material in landfills. Our recovering building industry needs governments at all levels to continue issuing building permits and making necessary inspections in more populated regions of the east coast where Maine lumber is sold to keep orders flowing. Mills with strong safety commitments and records have had to invest in additional Covid19 measures in an ever-changing rules environment.

Stabilize and Support Necessities List

1. The Renewable Chemicals Act has already resulted in an innovative, emerging technology provider to contact players in our industry to see how they could fit in Maine. Opportunities we have been aggressively pursuing to solidify the base of the forest products pyramid of products are on hold because they can’t visit Maine and/or we can’t visit them.

2. State of Maine accepted/recommended Covid19 tests and recommended protocols must be made available to manufacturers so they can keep their employees healthy and avoid “hotspots”.

3. Maine should renew its Community-Based Renewable Energy Pilot Program so successfully used at Athens and Searsmont wood processing facilities. CHP (combined heat and power) holds great promise for co-locating Maine wood processing facilities with many other industries that need a source of heat and/or steam for heating and/or cooling. Coordinate this effort with USFS Community Wood Energy and Wood Innovation grants.

4. Maine’s newly staffed DECD has been proactive and surgical in their pursuits of “best fit” operations and technologies for Maine since the beginning of the Mills administration but Covid19 has understandably pushed them onto a different course to focus efforts on helping existing
Maine businesses navigate all the new realities created by economic and societal shut downs. We need to get their focus back on achieving the goals and objective of the strategic economic plan.

5. State of Maine purchasing power: State government can lead the way in “buy local” practices by specifying carbon sequestering building materials like wood in Cross Laminated Timber systems. It can ensure Maine made toilet paper is used at all facilities. It can burn biofuels rather than oil/gas at state facilities. The list can go on and on.

6. We have been proactively working with the Maine DOT on priority road and bridge projects, along with potential rail improvements, required to keep our products flowing to markets. Those could move up the State’s priority lists.

7. The MTI, MTAF competitive grant program has resulted in new technology development using wood as feedstock for environmentally superior insulation. A new round of Northern Border Regional Commission dollars is funding programs in Ashland, Madison, Lincoln, and the Millinocketts with focus on new, diverse uses of wood as a feedstock. Maine should fund another round of MTAF.

8. Make active use of the Economic Damage Relief Package using USDA bridge loans for loggers and truckers whose business interruption has not been covered by PPP.
With innovations that are already underway, we can diversify our heritage industries. We can grow protein in new ways to diversify fishing and farming. We can use wood and wood residuals for new fuels, plastics, and building materials.

Maine is well-poised, both through its natural resources and its people, to embrace innovation that can not only contribute to global climate solutions, but drive productivity across the entire economy.

Supporting the continued growth of bio-based alternative products that emerge from the intersection of wood supply, bioplastic, and advanced building material technologies.

Maine has all of the needed natural ingredients to grow and prosper over the next ten years and beyond. In a world that is seeking renewable resources to replace petroleum-based products, Maine has an abundance of forests, and the technology to convert them into environmentally responsible alternatives.

By 2030, Maine will be an international leader with a vibrant, sustainable, environmentally-responsible economy. All across the state, the people of Maine will have access to an unmatched quality of life and good-paying jobs.

Crawley and Hallowell write:
For example, in the last couple of years the forest product industry has seen quantum leaps forward in development where new products have begun to emerge such as nanocellulose. This product takes advantage of the great abundance of trees with cutting edge science and engineering. To keep pushing this evolution, support is needed in the existing value chain, i.e. loggers are still required to fell trees and transport is still required to mills, in addition to new elements such as coders, chemists and biologists. This thematic approach requires cross cutting labor force policies that generate the depth of skills and training needed from basic to advanced degrees.

They (Crawley and Hallowell) identified four “thematic areas” in which Maine has current strengths, there is growing global demand, and there is a potential for job
creation — particularly at the intersections of these strengths. The four themes are: Food/Marine, Forest Products, Technical Services, and Making/Manufacturing.

Bio-based alternatives
Forest products is an example of Maine’s key position in developing solutions to meet global demand. Innovative building materials that sequester carbon and make buildings more energy efficient leverage Maine’s forest resources and forest-based economy to respond to consumer demand for more sustainable products.

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Advanced Building Materials, Bioplastics, Biofuels

Maine is well positioned to develop solutions for the global climate challenge. We have established ambitious goals to reduce our carbon emissions, including requirements for increased renewable energy generation.
A changing climate, and the need for new, more efficient technologies offers tremendous opportunities for Maine’s wood products sector. From cross laminated timber, a substitute for carbon-intensive steel, to bio-fuels to wood-based insulation products, Maine is poised to be a leader in innovative construction products.

Mature businesses can use these thematic opportunities to help diversify and stabilize supply chains throughout the state, and new enterprises can use them to find high growth opportunities.

Maine has some distinctive strengths that support the four themes for high-wage growth described earlier. The University of Maine, with world-class wood composites, climate change, food, and aquaculture research programs, is based in the Greater Bangor region, but is a statewide asset.

This plan has a focus in four thematic areas; Food/Marine, Forest Products, Making/Manufacturing, and Technical Services. The intersection of these areas with significant global trends is where the largest opportunities exist for growth through innovation.

Maine’s Beverage Manufacturing industry could enter a new era of sustainable production using plant-based packaging materials.

As an example, advancements in the forest products industry will improve the value of a tree being removed from the woods in Western Maine, even though the production may be done in Lincoln. Focusing on supply chain development throughout the state ensures that the value of the hub is realized in many areas of the state.