We were on track and firing on all cylinders in January. Our existing industry members built strong winter feedstock inventories and had good order flow for products. The Covid slowdown hit all at first but then lumber rebounded. Demand for paper was mixed as customers flocked to stores to hoard toilet and tissue paper but printing and writing and packaging paper orders dropped precipitously as businesses and offices closed. That weakness persists affecting mills and the entire supply chain, including sawmills that still have strong markets but are finding it increasingly difficult to move their residuals that have normally flowed to pulp mills.

Effort to diversify markets into new product streams continue but potential investors are limited in their ability to visit Maine and consider their options. FOR/Maine and others continue to see technological and investor interest in diversifying into alternatives to fossil fuel derived products using forest and other biobased feedstock sources. We also see global interest in the advantages of further focus on circular economy opportunities that ultimately do a better job of utilizing product and waste streams to more fully utilize resources.

Perhaps the biggest new challenge facing the sector is whether the “new normal” means a permanent shift away from use of paper products to conducting all forms of meetings and commerce digitally. If all forms of printing and writing paper are now “so old school”, more of our mills will need to pivot to other products. We should have the Talent and base Infrastructure to make necessary shifts but we will need a more investment capital and nimble Innovation landscape and willingness to move quickly.

I believe core forest sector concepts in the 10 year plan remain sound but have likely been delayed by some number of years. We had strategies to build on and slightly tweak our industry to pursue the new vision. Now, depending on how ingrained the “new normal” is, we might have to make some fairly dramatic shifts quickly just to keep our pulp and paper mill infrastructure viable and operating. Some of that impact could be mitigated if Maine and other “natural forest management system” states were allowed the benefits of the federal Renewable Fuels Standard incentives like forest plantation states elsewhere in the country. That change would allow the lowest grade of forest products, the necessary base of a forest products pyramid to remain broad and strong, supporting all of the value-added products we already have and envision developing.

Maine struggled identifying enough working age bodies to fill the positions that we envisioned needing to replace and intended to create but if the dramatic decline in hospitality and leisure jobs provides a source of individuals to train and fill those positions, perhaps sourcing those employees might not be as difficult as previously imagined.

We are aggressively pursuing value added opportunities in our solid wood sector but need biomass and pulpwod markets to serve as the base of the forest products pyramid. A focused pursuit by all economic development entities and industry players could be a great opportunity for Maine and rapidly improve the timeline for achieving our goals.