Goal

- A shared vision of growing forestry’s total economic impact from $17 billion to $20 billion by 2015.
- 3.5 percent annual growth.
The microeconomic business environment is comprised of the array of skills, knowledge, rules, policies, supporting industries, and institutions surrounding competition.
S.C. Forests: Factor Conditions

- 32 of S.C. 46 counties are at least 60% forested.
- 10 of these are 75% or more forested.
- Forestland totals 12.4 million acres.
  - Timberland: 12.2 million acres.
  - Reserved and other: less than 195,000.
- Timberland: Softwood accounts for 49%.
  - Majority of softwood is loblolly-shortleaf forest types, which occupy 5.4 million acres.
- S.C.’s 12 million acres of forest land represents 67% of the state’s total land area.
- Of the 12 million:
  - 11 million acres are private ownership.
  - Families and individuals owning 7.1 million acres.
  - Forest product companies owning 3.8 million acres.

Source: U.S. Department of Commerce: Census Bureau.
Exports of S.C. Forestry

2001 and 2006:

- The top forest product exported from S.C. was paper and paperboard.
  - accounted for $2.5 billion of S.C’s forest product exports for the period.
- Wood pulp product exports were valued at $1.4 billion.
The “Comprehensive Study”: potential to contribute to per capita income


Results:

- Overall picture:
  - Wood and paper products sector had strong potential.
  - S.C. forest products show stronger growth compared to farming and agriculture processing.

- 19 of the wood and paper products sectors had growth in earned incomes during 2001-2006
  - Among these 19:
    - 18 had higher rates of growth in earned income than national counterparts
The “Comprehensive Study” performed cluster type activity analysis:

- Forest products sector was strong and appears to possess some of S.C.’s better-developed clusters.
- Potential remains for further development.
- Wood and Paper products activity had cluster-type activity for many S.C. sectors.

Total Economic Contributions of Forest-Based Products:

- Total employment impact of the sector is: 81,990 jobs.
- Total impact in the state’s economy of $3.8 billion in earned income.
  - $1.77 in earned income is generated in the state economy for $1 in earned income generated directly by forest-based products in the state.
- Total impact of average earned income per worker is $46,063.
- In terms of gross state product:
  - $6.5 billion throughout state’s economy.
  - $1 in direct gross state product leads to $1.80 in gross state product throughout state’s economy.
- Total impact of the sector is $16.3 billion in output.
Alternative Study
Economic Impacts of Forestry

Output
- Direct output of $10.8 billion a year.
- The direct and indirect impacts of the forest industry $17.1 billion a year.

Labor Income
- Direct labor income is estimated to be $2.2 billion a year.
- Adding, indirect and induced effects the forestry industry generates $4.0 billion in Total Labor Income.

Jobs
- Directly creates and supports over 36,000 jobs a year.
- Industry supports 47,000 jobs indirectly
- Total employment impact on the state of 83,824 jobs

Goal: $20 Billion by 2015

Alternative Study
- Total impact of forest industry: $17.1 billion a year.
- Total employment impact on the state of 83,824 jobs
- Generates $4.0 billion in total labor income

Comprehensive Study
- Total impact of the sector is $16.3 billion
- Total economic impact of the sector is: 81,990 jobs
- Total impact in the state’s economy of $3.8 billion in earned income
- Included gross state product:
  - $6.53 billion throughout state's economy
  - $1 in direct gross state product leads to $1.80 in gross state product throughout state’s economy.