SC FORESTRY
A GROWING INDUSTRY

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SC Forestry Commission
SC FOREST FACTS

- 13.1 million acres of forestland
- 67% of SC’s land area is forested
- 52% hardwood / 48% pine types
- 24% planted pine, producing >50% of timber supply
- 88% private / 12% public

- 300,000 family forest owners (86,000 own >10 acres)
- Growth exceeds harvest
- Timber volumes at record levels
- Unbalanced pine age-class structure
SC HAS THE MOST UP-TO-DATE FIA DATA

- Describes the extent and condition of the state’s forests.
- Completed 10 surveys between 1936 and 2011.
- Data collected by SC Forestry Commission
- Data analyzed and published by USFS
SC’s FORESTS ARE BALANCED AND DIVERSE

South Carolina Forest Types, 2013

- Natural Pine: 24%
- Planted Pine: 24%
- Upland Hardwoods: 22%
- Mixed Pine/Hardwood: 11%
- Lowland Hardwoods: 19%
PRIVATE LANDOWERS ARE KEY TO WOOD SUPPLY

Private citizens own 88% of South Carolina’s forestland and produce 96% of the state’s timber supply.
• 14,000 forest family landowners have a written forest management plan.
• 11,000 have implemented elements of their plan.
• 61% of the plans were written by private consultants.
• Reasons given for not having a plan:
  • Don’t need one
  • Too busy to be bothered
  • They are too expensive
  • Too complicated.

<table>
<thead>
<tr>
<th>Size of Woodland Holdings</th>
<th>Acres</th>
<th>Number of Ownerships</th>
</tr>
</thead>
<tbody>
<tr>
<td>10-19</td>
<td>319,000</td>
<td>26,000</td>
</tr>
<tr>
<td>20-49</td>
<td>797,000</td>
<td>28,000</td>
</tr>
<tr>
<td>50-99</td>
<td>893,000</td>
<td>15,000</td>
</tr>
<tr>
<td>100-199</td>
<td>1,211,000</td>
<td>9,000</td>
</tr>
<tr>
<td>200-499</td>
<td>1,594,000</td>
<td>6,000</td>
</tr>
<tr>
<td>500-999</td>
<td>733,000</td>
<td>1,000</td>
</tr>
<tr>
<td>1,000-4,999</td>
<td>1,211,000</td>
<td>&lt;1,000</td>
</tr>
<tr>
<td>5,000-9,999</td>
<td>96,000</td>
<td>&lt;1,000</td>
</tr>
<tr>
<td>10,000+</td>
<td>32,000</td>
<td>&lt;1,000</td>
</tr>
<tr>
<td>Total</td>
<td>6,885,000</td>
<td>86,000</td>
</tr>
</tbody>
</table>
SC TIMBERLAND ACREAGE STABLE

Wood volume increasing at record levels
PLANT GENETICALLY IMPROVED TREES

...and actively manage them!

GROWTH RATE COMPARISON

<table>
<thead>
<tr>
<th></th>
<th>Growth Rate (Tons/acre/year)</th>
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</thead>
<tbody>
<tr>
<td>Natural stands</td>
<td>0</td>
</tr>
<tr>
<td>First plantations 1970s</td>
<td>16</td>
</tr>
<tr>
<td>Today's plantings 1990s</td>
<td>14</td>
</tr>
<tr>
<td>Future stands 2010s</td>
<td>12</td>
</tr>
</tbody>
</table>
HUGO AND CRP CREATED A “WALL OF WOOD”
...and uneven age structure
WOOD PRODUCT MFG. FACILITIES

PRIMARY AND SECONDARY WOOD-USING MILLS, 2015

Primary mills

- Sawmills: 40
- Veneer: 5
- Pulp and paper mills: 7
- Composite panel board: 3
- Other: 39
- TOTAL: 94

Secondary mills: 725

Legend:
- Blue: Primary mills
- Red: Secondary mills
TIMBER USE, BY PRODUCT CATEGORY

- Pulpwood: 59%
- Saw logs: 26%
- Other: 10%
- Veneer logs: 5%
HOUSING STARTS RECOVERING SLOWLY
SC FORESTRY’S ECONOMIC IMPACT

$18.6 BILLION

1. Manufacturing sector in jobs and labor income
2. Harvested crop totaling $17.5 billion
3. Export commodity from the Port of Charleston
4. Manufacturing sector in forest products exports
5. 90,320 jobs in the forestry industry
THE 20/15 PROJECT VISION

Grow the forest industry from $17.4 billion to $20 billion in total economic impact by the year 2015
20/15 ACTION ITEMS

- Retain and grow existing businesses and seize new opportunities.
- Fully utilize record timber volumes.
- Conduct needed research and development
- Aggressively market SC forest products and business opportunities.
- Address infrastructure needs.
- Protect forests and business investments.
ECONOMIC RELATIONSHIPS

- $17.4 billion and 90,000 jobs from 23.4 million tons of wood
- One ton = $744 economic impact
- 260 tons = one job
- 10.4 log trucks = one job
HOW TO REACH $20B BY 2015

- Increase timber production from 23.4 to 27 million tons
- And/or increase value added from $744 to $855/ton
- 2013 production was up about 9.6% (25.65 million tons)
- 25.65 million tons approximates a $19 billion economic impact
- Current IMPLAN economic impact study will confirm status
THE FOREST INDUSTRY’S EXPANDING

despite declining pulpwood-sized pine timber

- Expand sawmilling
- Retain pulp & paper & OSB manufacturing
- Increase exports
- Increase secondary manufacturing
- Increase active forest management
- Plant more trees
- Public and private effort!
FORESTRY IS AN “IDEAL” INDUSTRY
SC’S FOREST INDUSTRY GROWS, AND SO DO ITS JOBS!
SC AT 40-YEAR LOWS IN TREE PLANTING
SC HAS LOWEST % PLANTED PINE ACREAGE in 0-15 age class in the Southeast

PLANTED ACREAGE, BY SE STATE

- Alabama: 54.1%
- Florida: 54.0%
- Louisiana: 52.9%
- Texas: 52.5%
- Tennessee: 50.3%
- Alabama: 49.9%
- Mississippi: 46.2%
- Oklahoma: 44.4%
- Georgia: 40.7%
- Virginia: 38.7%
- N. Carolina: 37.2%
- S. Carolina: 30.2%
TOTAL WOOD INVENTORY WILL CONTINUE TO GROW
SUPPLY OF LARGE-DIAMETER PINES TO GROW

Pine Large Roundwood Inventory
High Demand Scenario

- S. Coastal Plain
- N. Coastal Plain
- Piedmont
- State

2009 - 2029
SUPPLY OF SMALL-DIAMETER PINES TO PEAK SOON

Pine Small Roundwood Inventory
High Demand Scenario

- S. Coastal Plain
- N. Coastal Plain
- Piedmont
- State

2009-100
0 20 40 60 80 100 120
2009 2013 2017 2021 2025 2029