



21 June 2024



SENT TO LSU AGCENTER/LOUISIANA FOREST PRODUCTS DEVELOPMENT CENTER - FOREST SECTOR / FORESTY PRODUCTS INTEREST GROUP



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More alarms being sounded on mill closures

The three Oregon sawmill closures or indefinite curtailments in the first 45 days of 2024 only served as a preview of what was to come. In late July, two more Oregon mills announced closures. Malheur Lumber announced it would close its John Day mill. The next week Western Cascade Industries announced the closure of its mill in Toledo. That brings total closures in Oregon to seven thus far in 2024. Lumber traders wouldn't be surprised if more join the list, whether it be in Oregon or other states. In addition to the Oregon closures, two Montana mills also shuttered their doors in May.

Hampton Lumber closed its Banks facility in January, followed in February by Rosboro Company's indefinite closure of its Springfield mill, and Interfor Corp. shut its Philomath sawmill later that month. On March 1, Prairie Wood Products in Prairie City suspended operations. In Montana, on back-to-back weeks in March, Pyramid Mountain Lumber began the closing process of its mill in Seeley Lake, followed by Roseburg shutting down its particleboard plant in Missoula. Back in Oregon, in April C&D Lumber Co. shut its mill in Riddle.

In March, the American Forest Resource Council wrote a letter to Pacific Northwest members of the U.S. Congress, giving background to the closures and warning of long-term consequences. "The continued loss of the remaining infrastructure directly undermines the ability of the federal government to responsibly steward public lands and to meaningfully address the federal forest health and wildfire crises," the letter read in part.

In the same month, the American Loggers Council penned a piece called "The Dismantling of the American Timber Industry," (See Below) which included a list of more than 50 forest product mill shutdowns since the start of 2023, which led to more than 10,000 jobs being cut.

"Many current government practices are harming the forests, environment, and economy," the statement read in part. "The good news is that there is a prescription and treatment to cure the disease. The U.S. needs to be willing to take the medicine, follow the treatment, and promote the utilization of all wood fiber removed from the forests. With forest treatments and wood utilization the health of the economy will be better, the health of the environment will be better, the health of the timber and forest products industries will be better, and the health of the forests will be better."

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Oregon, Montana Curtailments Stacking Up

Company	Curtailed Mill	Indefinite Closure	Permanent Closure
Hampton Lumber	Banks (OR)		X
Rosboro	Springfield (OR)	X	
Interfor Corp.	Philomath (OR)		X
Prairie Wood Products	Prairie City (OR)	X	
Pyramid Mountain Lumber	Seeley Lake (MT)		X
Roseburg (particleboard)	Missoula (MT)		X
C&D Lumber Co.	Riddle (OR)		X
Maiheur Lumber	John Day (OR)		X
Western Cascade Industries	Toledo (OR)		X

Source: Fastmarkets RISI



The Dismantling of the American Timber Industry: American Loggers Council Warns of Consequences

Mar 25, 2024



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WASHINGTON DC (March 25, 2024) — It seems like every time a forest product mill or plant shuts down (monthly if not weekly) it's viewed as a singular isolated incident. But viewed collectively, the cumulative impacts and magnitude become more focused and apparent. The individual incidents are all symptoms of a larger serious condition that diagnosed properly reveals and represents an unhealthy state of the U.S. timber and forest products industries.

Forest products mill/plant shutdowns directly impact the mill workers and community, but they also impact the logging sector that sustained that facility, although it is typically not addressed in these announcements. Tracking these shutdowns can serve as a barometer revealing the impacts and losses to logging companies. When mills close, logging companies close, and forest health suffers.



While there has been some new mill construction and expansion, this cannot be assumed to be an equal offset. A mill opening 150 miles from where a mill closed, or that uses different species and wood specifications, does not equate to a net zero exchange. So, to merely compare lost production volume to new or expanding production outputs and ignore the geographic displacements or different timber specifications is not reflective of the direct losses and impacts. The brief summary of U.S. forest products mill closures below may not be all-inclusive, but it does document nearly 50 closures, reductions or curtailments, and it clearly represents an alarming trend during a short period of time (15 months), directly (mill workers) and indirectly (loggers) resulting in ten thousand or more jobs lost.



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While U.S. forest products mills and facilities close, the U.S. is now the leading global importer of softwood lumber as depicted by these pine products from New Zealand in a U.S. big box store. According to the World Bank, the U.S. imports over \$40 billion in wood products from Canada, China and Brazil.

In economic development it is easier to maintain your economic base rather than replace it. Supporting the existing forest products markets should be the first objective.

However, many contributing factors leading to the decline of the U.S. timber and forest products industries are government policy, regulations, restrictions, unfair trade practices, federal timber supply constraints, and incessant litigation.

First rule of medicine – Do No Harm

Many current government practices are harming the forests, environment, and economy. The good news is that there is a prescription and treatment to cure the disease. The U.S. needs to be willing to take the medicine, follow the treatment (literally forest management treatment) and promote the utilization of all wood fiber removed from the forests. With forest treatments and wood utilization the health of the economy will be better, the health of the environment will be better, the health of the timber and forest products industries will be better, and the health of the forests will be better. But Congress and the Administration must write the prescription (policies and legislation) to cure the situation, or they can practice “skillful neglect” (the “professional” term for doing nothing) and perpetuate the continued decline of rural jobs and forest health, signing the death certificate.

The forest-based bioeconomy can help replace the lost legacy markets and transition to renewable fuels, renewable energy, renewable chemicals, renewable industrial wood pellets, renewable building products, all produced from renewable timber.

The Renewable Fuel Standard (RFS) was developed to support much of this transition, yet the EPA has failed to fully implement many aspects of the RFS. The EPA misinterpretations, delayed processing, and self-imposed restrictions have impeded full implementation and leveraging of this opportunity. The U.S. needs to administer the Renewable Fuel Standard as intended by Congress in order to facilitate the renewable energy transition. Forest-based biomass feedstock can provide the input material for renewable natural gas, hydrogen, Sustainable Aviation Fuel, electricity, coal conversion, and steel / concrete production.

The U.S. has not followed the rest of the developed nations with recognizing the carbon neutrality aspects and reduced greenhouse gas emissions of renewable biomass feedstock when replacing fossil fuels. The rest of the world has. The U.S. is out of step with the accepted global science of biomass feedstock for energy production to address climate change. The U.S. needs to develop a domestic bioeconomy market and policy just as the rest of the developed world has.

Support of the timber, forest products, and bioeconomy sector’s growth will demonstrate a commitment to revitalizing America’s rural economy, communities, and ailing forest health, while developing and transitioning into renewable forest-based bioproducts. Forest health and the timber industry share a symbiotic relationship that is interdependent and mutually beneficial.

Otherwise, the U.S. can continue to add to the list below.

Jan 2023: [West Fraser Announces Indefinite Curtailment of Perry Sawmill in Florida](#), 126 jobs lost.

Feb 2023: [Georgia-Pacific closing facility in Texas](#), 166 jobs lost

Feb 2023: [Canton N.C.'s Evergreen Packaging scales back production](#)



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Mar 2023: [Pactiv Evergreen closing mill in Canton, North Carolina](#), 1000 jobs lost
Mar 2023: [Sonoco Hutchinson, Kansas Paper Mill closes](#), 116 employees laid off
Mar 2023: [Clearwater Paper closing Georgia facility](#), 150 jobs lost
Mar 2023: [Jay Pixelle paper mill stops making paper](#), 230 jobs lost
Mar 2023: [R.R. Donnelley closing Plainfield, Indiana facility](#), eliminating 79 jobs
Mar 2023: [ND Paper Old Town mill shutting down for extended period](#)
Apr 2023: [Billerud temporarily idles Escanaba, Michigan mill](#)
Apr 2023: [ReEnergy BioMass, Fort Hood, N.Y.](#), 28 jobs lost
Apr 2023: [Nine Dragons Paper \(ND\), Extended downtime announced, Old Town, Maine and Fairmont W.Virginia. \(recycled feedstock\)](#)
May 2023: [Cascades to Close Underperforming U.S. Tissue Plants, S.C.](#), OR, 350 jobs lost
May 2023: [WestRock to Close Paper Mill in North Charleston, South Carolina](#), 500 jobs lost
May 2023: [Cascades: Permanent closure of a paper machine at the Niagara Falls mill](#), 40 jobs lost
May 2023: [PCA idling Wallula, Washington mill](#), 300 laid off.
May 2023: [Canton paper mill bell sounds for final time, signaling an end after 115 years](#)
Jun 2023: [Graphic Packaging to close Auburn, Indiana site](#), 70 jobs lost
Jun 2023: [Western Forest Products to Temporarily Reduce Lumber Production Due to Weak Market Conditions](#)
Jun 2023: [Roseburg Forest Products to close Mississippi plant](#), 100 jobs lost
Jul 2023: [Paper Excellence's Catalyst Crofton Mill Shuts Down for July](#)
Jul 2023: [Essity to close manufacturing facilities in New York, impacting hundreds of workers](#), 300 jobs lost
Jul 2023: [WestRock to close St. Louis facility](#), 52 jobs lost
Aug 2023: [WestRock Announces Plans to Close Tacoma, Wash., Paper Mill](#), 400 jobs lost
Aug 2023: [WestRock plans to close Indiana facility, 100 employees to lose their jobs](#)
Sep 2023: [Georgia-Pacific closes mill in Green Bay after 122 years](#), 170 jobs lost
Sep 2023: [Billerud's Escanaba Mill to temporarily layoff employees in October](#)
Sep 2023: [Georgia-Pacific to permanently close Foley Mill in Florida](#), 535 jobs lost.
Sep 2023: [WestRock packaging company to close Louisville, Kentucky locations](#)
Sep 2023: [WestRock closing Fridley, Minnesota facility, laying off 70 employees](#)
Sep 2023: [Menasha Packaging cutting 66 Madison County, Illinois jobs](#)
Oct 2023: [Graphic Packaging to permanently remove K3 CRB machine at Kalamazoo mill in Michigan](#)
Oct 2023: [Rayonier Advanced Materials to Temporarily Idle Production at its Paperboard and High-Yield Pulp Operations](#)
Oct 2023: [International Paper to close mill in Orange, TX and reduce production in Pensacola, FL, cut about 900 jobs.](#)
Oct 2023: [Hood Container cutting 88 jobs, closing N.C. facility](#)
Nov 2023: [Boise Cascade to curtail lumber production in Chapman, Alabama](#), 80 jobs lost
Nov 2023: [Bristol Lumber, Vermont](#), 40 jobs lost
Dec 2023: [WestRock closure in Charleston, SC.](#) 500 jobs lost.
Jan 2024: [WestRock facility in Washington is closing, laying off 87](#)
Jan 2024: [Hampton Lumber closing in Banks, Oregon](#), 58 jobs lost.
Jan 2024: [WestRock to close Lexington, N.C. facility](#), lay off 153
Jan 2024: [Graphic Packaging to close Grand Rapids-area plant](#), laying off 111 workers
Jan 2024: [Graphic Packaging to close Charlotte facility](#), lay off over 100 employees
Jan 2024: [Soundview Putney, Vermont paper mill to close](#), putting 125 people out of work
Jan 2024: [PaperWorks Industries to cut 74 jobs in North Carolina as it closes facility](#)
Jan 2024: [West Fraser to close one sawmill, curtail another due to high costs and soft markets](#) (Florida & Arkansas), 219 jobs lost



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- Feb 2024: [Domtar to Curtail Paper Operations at Arkansas Ashdown Mill](#)
- Feb 2024: [Mohawk Fine Papers shutdown leaves nearly 100 jobless](#)
- Feb 2024: [Interfor Announces Lumber Production Curtailments in Oregon](#), 100 jobs lost.
- Feb 2024: [Cascades closing two facilities in Ontario, one in Connecticut](#), 310 jobs affected
- Feb 2024: [DPI Michigan and Ohio](#). 200 jobs lost.
- Feb 2024: [Alleghany Wood Products closes in West Virginia](#), 800 jobs lost.
- March 2024: [Pyramid Mountain Lumber, Montana](#), 100 jobs lost.
- March 2024: [Roseburg Forest Products, Montana](#), 150 jobs lost.

Note: Prolonged mill quotas (timber delivery supply limits and restrictions) have been imposed by some southeastern mills reducing volume to levels unable sustain cashflow/debt service for loggers.

Sources:

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- U.S. International Trade Commission, Forest Products 2020
- Observatory of Economic Complexity, Lumber Softwood, 2022
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