



US Forest Products Overview

The UN Food and Agriculture Organization (UN FAO) has been publishing annual wood production, import and export volumes since 1961. There are occasionally major revisions to some of the data, and some data are estimated rather than collected from industry sources. However, it is the longest running database that is comparable across all countries. The database is updated in late September. This *Forest Research Note* presents the data for the US from 1961 through 2020, the most recent year available.

Logs

Figure 1 shows the volumes for industrial roundwood—logs—production and consumption since 1961. These charts combine hardwood and softwood log volumes.

Production and consumption increased steadily through 1990, then leveled off until the Great Recession. It has been increasing steadily since

2010, but is not back to previous highs. There are two colors of bars in the production chart: the darker green is the volume of logs that is produced and consumed in the US (domestic production). The lighter green bar is the volume of logs produced and exported. Log exports are not a significant volume at the national level, but can be important for local markets.

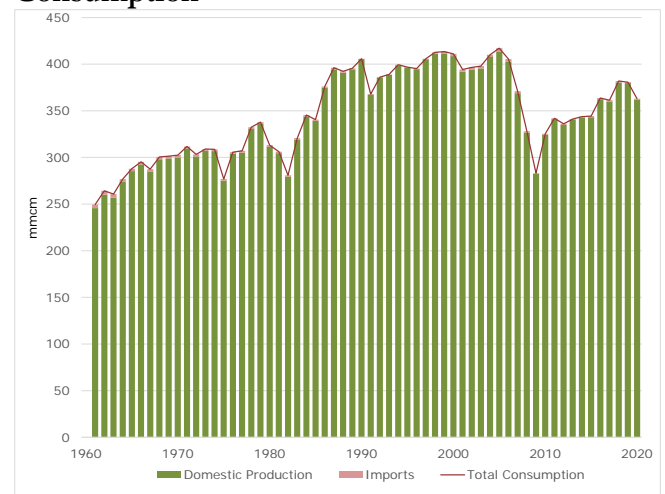
The consumption chart shows both domestic production and logs imported. In this and the following figures, a red bar shows import volumes. A magnifying glass will show that there actually are pink bars in the log consumption chart, but the volume of log imports is really insignificant at the national level. This small volume is due largely to restrictions on exporting publicly-owned logs from Canadian provinces—and a very substantial portion of the timber in Canada is owned by the provinces.

**Figure 1. Logs (mmcm)
Production**



Source: UN FAO

Consumption



Lumber

Figure 2 shows the volumes for what the UN FAO calls sawnwood, or lumber in the US. These charts combine hardwood and softwood lumber volumes.

Production was fairly steady through 1980, then fell in response to a years-long decline in housing starts. Production recovered sharply and then increased steadily through 2005. It has not yet recovered to pre-Great Recession levels. As with logs, lumber exports are a small component of total production.

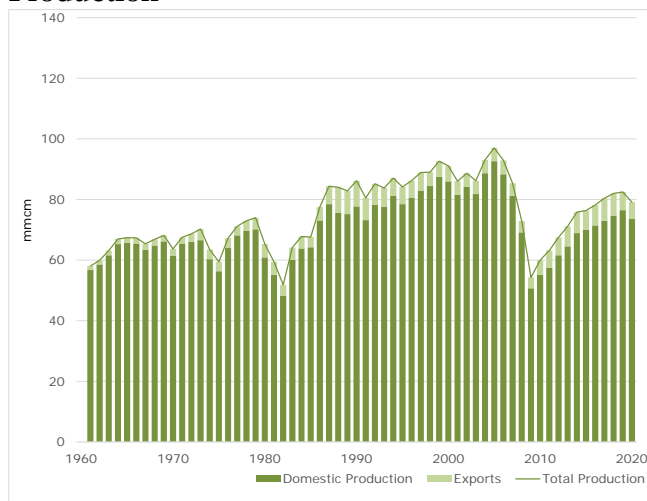
The US is a net importer of lumber. A very large portion of imports is softwood lumber from Canada. The amount varies over time with economic conditions, but Canada has supplied 25-35 percent of the softwood lumber used in the US over the past 40 years. US consumption is now

back to levels last seen in the late 1980s (and on the way down during the crash in the late 2000s).

While the US has been importing large volumes of lumber, it is still a major producer (Figure 3). It has accounted for 15-25% of the world's lumber production over the past 60 years. (It actually fell to 13% in 1982 during the 1980s crash.)



Figure 2. Lumber (mmcm) Production



Source: UN FAO

Consumption

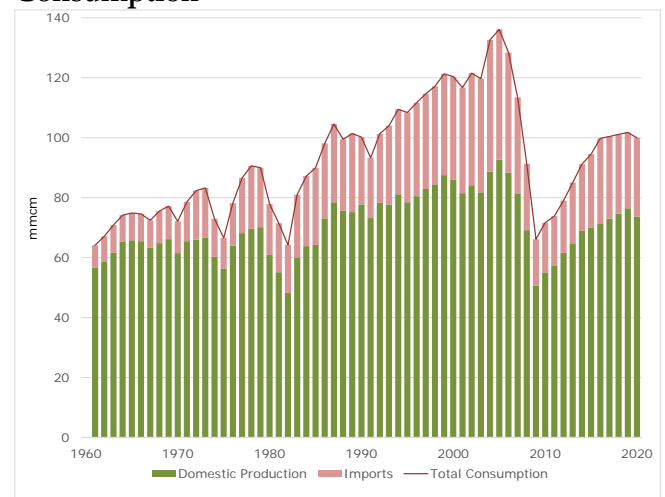
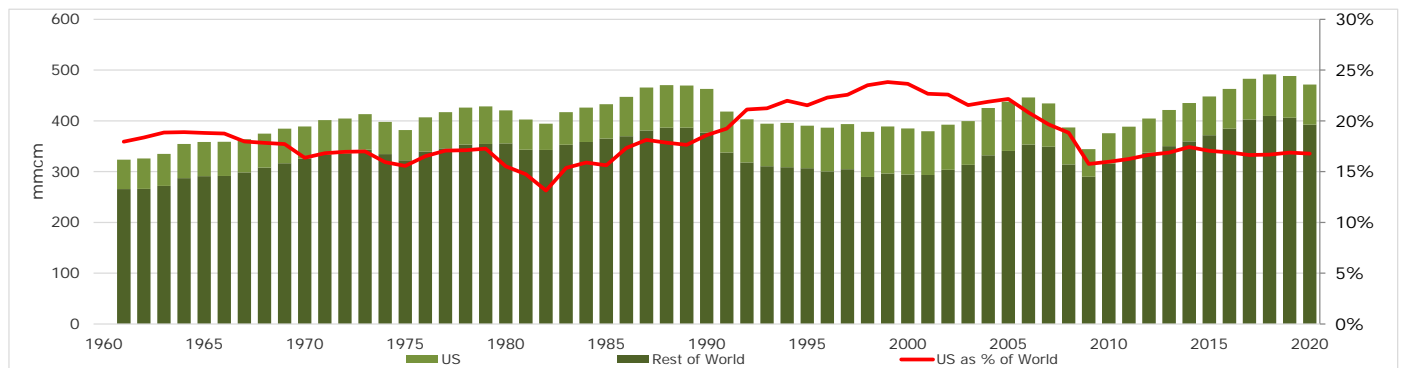


Figure 3. US and Rest-of World Lumber Production (mmcm)



Source: UN FAO

Panels

Figure 4 shows the volumes for panel production and consumption. These charts combine volumes for structural panels like softwood plywood and oriented strand board (OSB) with volumes for non-structural panels like medium density fiberboard (MDF) and hardwood plywood.

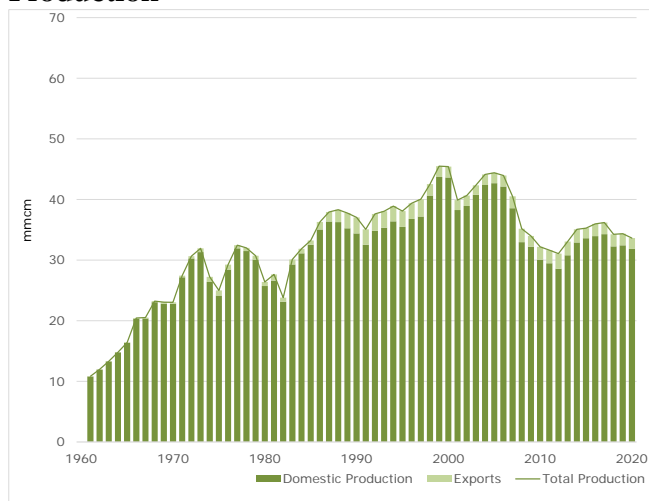
Production rose sharply in the 1960s and 1970s, then rose steadily through 2000. Exports are a small component of production. Consumption has grown much faster than production, especially since 1990, so imports have become increasingly important.

US production of panels as a percent of world production declined steadily from 1961 to the mid-1980s (Figure 5) and again during the 2000s.

There have been changes in US home construction over the past 60 years that account for some of the changes in consumption of lumber and panels. Up until the 1960s, lumber was often used in subfloors and sheathing. Plywood increasingly replaced lumber in those applications, and large solid wood floor joints were replaced by I-joists, which helps explain why lumber consumption grew more slowly than panel consumption. US lumber consumption doubled between 1961 and 2005, but panel consumption increased 5.5 times.

What does not show in the panel charts is the substitution of lower-cost OSB panels for expensive plywood in most sheathing applications.

Figure 4. Panels (mmcm) Production



Source: UN FAO

Consumption

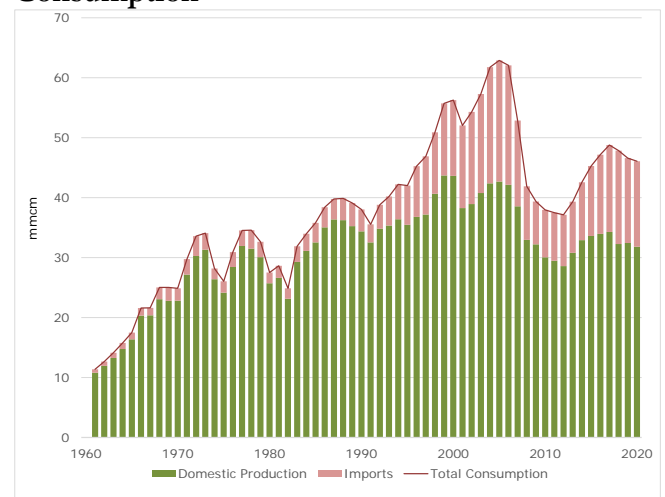
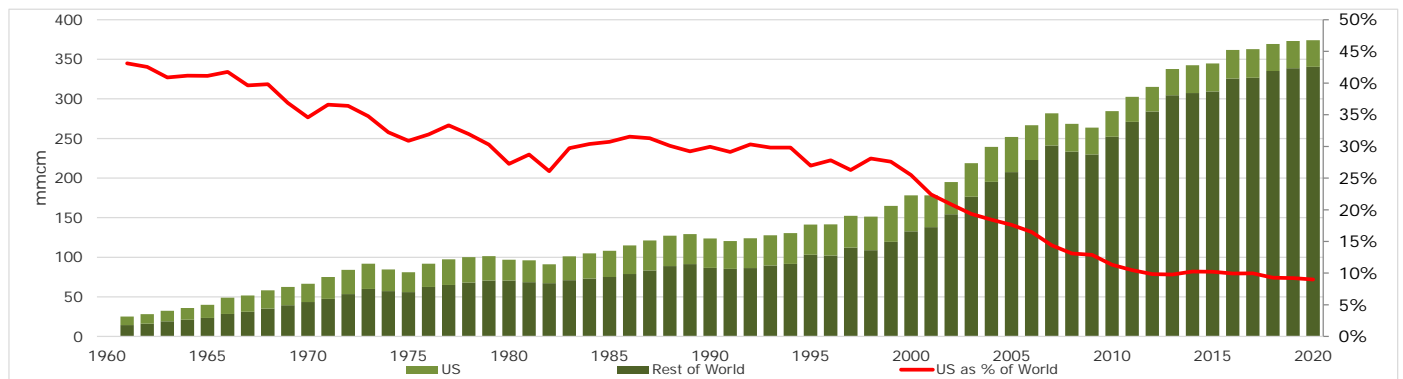


Figure 5. US and Rest-of World Panel Production (mmcm)



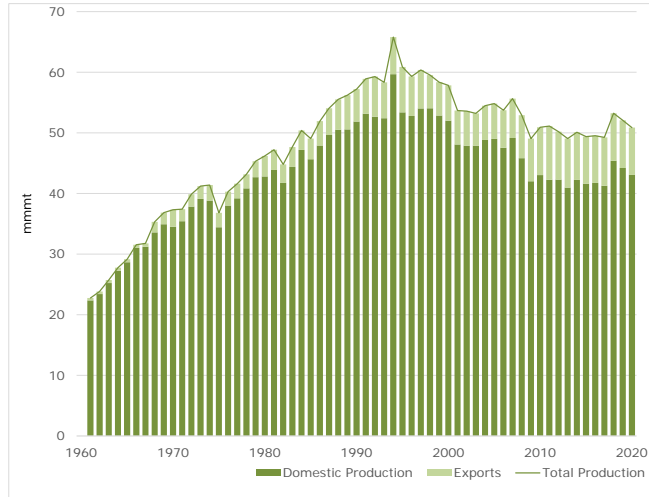
Source: UN FAO

Wood Pulp

Figure 6 shows the volumes for wood-based production and consumption. These charts do not include pulp made from recycled fibers.

Production and consumption are pretty well matched. Both peaked in the mid-1990s, then

Figure 6. Wood Pulp (mmt)
Production

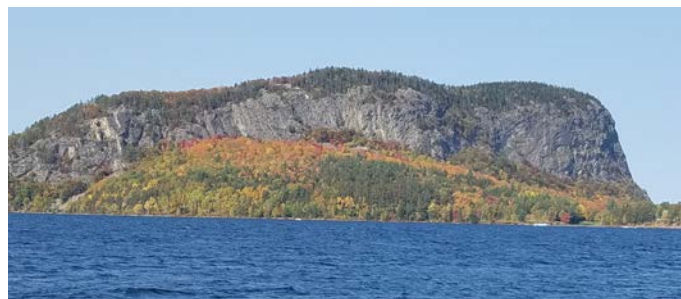


Source: UN FAO

Summary

Wood products production and consumption in the US grew from 1961 through 2005, when the housing bubble popped and the Great Recession began.

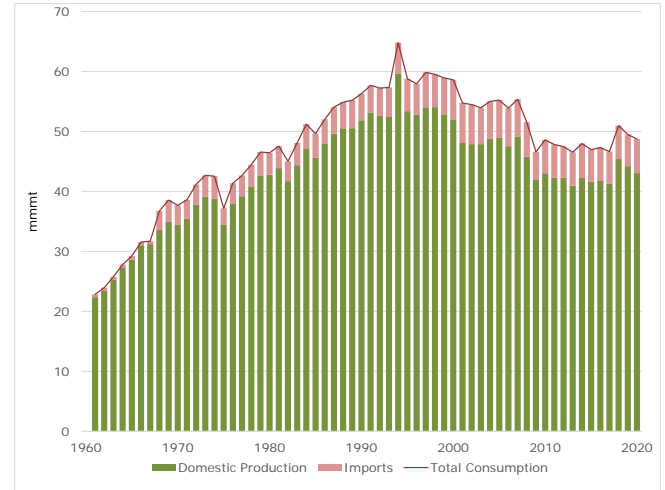
Consumption of logs, lumber and panels has increased since the recession, but not to pre-recession levels. Pulp production and consumption has leveled off.



Peak foliage at Mt. Kineo, Moosehead Lake, Greenville, Maine

declined slowly through 2010. The decline may be attributed to the decline in printed newspapers and the decline in printing and writing papers. The steadier state since 2010 may be due to the increase in the use of pulp in non-paper and paperboard applications.

Consumption



Up-Coming Event

UGA Timberland Conference

I will be speaking at the long-awaited UGA Timberland Investment Conference will be held at the Ritz Carlton Amelia Island in Florida, November 1-3, 2021. I will be reviewing recent timberland transactions.

For more information, see:

- <http://www.ugacfb.com/timberlandasset/>
- <http://www.ugacfb.com/timberlandasset/agenda/>

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