



Exploring Georgia's Wood Products

A Product of the Forest Utilization Department

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Forest Utilization Staff

Nathan McClure
Department Chief
478.951.4548
nmcclure@gfc.state.ga.us

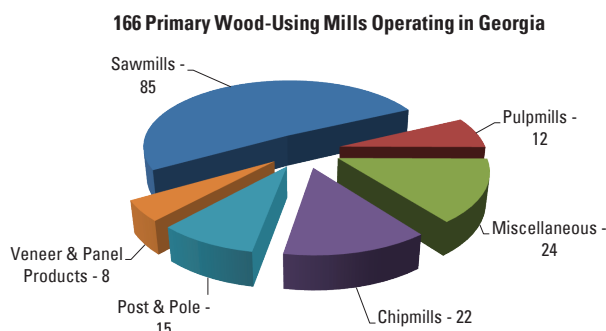
Risher Willard
Forest Products Marketing
912.739.4734
rwillard@gfc.state.ga.us

John Sunday
Ecosystem Services/Forest Economist
478.733.2605
jsunday@gfc.state.ga.us

Dru Preston
Carbon/Forest Product Certification/Biomass Suppliers
478.751.1746
dpreston@gfc.state.ga.us

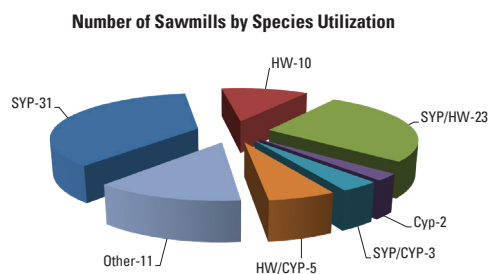
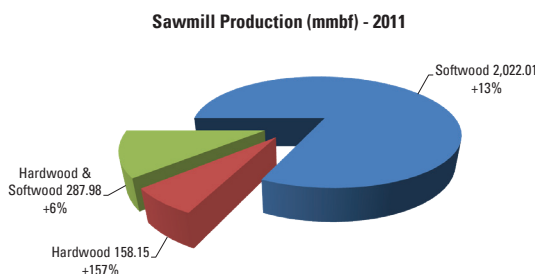
Timber Product Output Survey Completed

The GFC Utilization Department has completed a survey of Georgia's primary wood-using industries – mills that convert logs into squared, chipped or other products. This bi-annual survey is conducted in cooperation with the USDA Forest Service to determine timber drain levels and to collect company information that is used in the GFC's Wood-Using Industries Directory. **All totaled, there are 166 primary wood-using mills operating in Georgia.**



Other survey findings:

- Total sawmill production increased 16% from 2009-2011
- 22% of total mills produce 77% of total production (excluding pulp mills)
- 64 mills, or 48% of all mills, process southern yellow pine only (excluding pulp mills)
- 100% of mill residues are utilized
- 83 of Georgia's 159 counties have at least 1 primary mill
- 49 mills export wood products – 9% increase since 2010 (excluding pulp mills)
- 55 mills utilize wood as an energy source (excluding pulp mills)
- 64 mills have websites – 16% increase since 2010 (excluding pulp mills)



The 2011 Timber Product Output report for Georgia will be published by the USDA Forest Service. For more information about the GFC mill survey contact Utilization Staff Forester Risher Willard.

Four New Bioenergy Mills on the Horizon

One biomass electricity plant is nearing commercial operation and three new wood pellet mills have recently been announced.

Piedmont Green Power, a 60 MW biomass electricity plant located in Barnesville, Lamar County, will begin commercial operation in October 2012. Currently in its testing or commissioning phase of operation, the plant will utilize 600,000 tons/year of fuel chips and logging residues.

www.piedmontgreenpower.com

SEGA Biofuels, LLC will convert a former wood briquetting plant located in Nahunta, Brantley County, to a wood pellet plant, creating 35 jobs. The plant will use sawmill residues and fuel chips to produce 214,500 tons/yr of wood pellets for export to electric utility customers in Europe. Plant conversion will be completed by the fourth quarter of 2013.

<http://segabiofuels.com>

Fram Renewable Fuels will build its second wood pellet plant in Hazlehurst, Jeff Davis County, investing \$91 million and creating 80 new jobs. The plant will use pine logs and sawmill residues to produce 550,000 tons/year of wood pellets for export to European energy utilities. Construction will begin in early 2013 and completed by the end of the year. The company plans to begin shipping pellets by the end of the first quarter of 2014. www.framfuels.com

General Biofuels Georgia, LLC will construct a wood pellet plant in Sandersville, Washington County, investing \$60 million and creating 35 jobs. The plant will use timber and sawmill residues to produce 440,000 tons/year of wood pellets for export to a European electricity utility. Production is scheduled for the first quarter of 2014. Since 2010, GFC Utilization has provided significant assistance to the company including analyses of forest resources for several sites around the state as well as providing information and contacts in Georgia's forestry supply chain including timber owners, timber suppliers, and consulting foresters. www.generalbiofuels.com

GFC Forest Utilization Welcomes New Staff Forester

The Georgia Forestry Commission's Forest Utilization department welcomes aboard John Sunday as the new Ecosystem Services & Forest Economist Staff Forester. John, a 2006 Clemson University graduate, has been with the GFC for 6 years as a field forester and most recently as a stewardship specialist. His role will be to explore new ecosystem services markets that will ultimately bring more value to the private landowner. "The forests give so many benefits to the community outside of the traditional forest products and it is my goal to help establish a market for these benefits that are often taken for granted," said Sunday, adding "Georgia's Carbon Registry was a start at capturing pre-compliance carbon markets; however, I also want to explore new markets that have yet to make the discussion table."

Georgia's Carbon Registry was designed as a platform to list carbon offset projects in Georgia. The Registry garnered much attention when pre-compliance markets were developing until legislation failed to pass a cap-and-trade program. "The carbon market has been idle for the past few years but some regional greenhouse gas reduction programs have started to heat up interest again," said Sunday. With the recent hiatus, Sunday feels that "it is time to reflect on where the registry stands and how to move forward."

With the economist side of the position, Sunday wants to analyze forest investments and help landowners maximize their investments. "I want to help landowners realize that you need to actively manage your resources and be good stewards of the land. Each year trees continue to grow but the rate at which they grow can be optimized by active management." After all, the sooner you get a return on your investment the more valuable the investment will prove to be.

John Sunday can be reached at jsunday@gfc.state.ga.us or 478-733-2605. His office address is 2088 Warrenton Hwy., Thomson, GA 30824.

GFC Regional Landowner Meetings

Utilization staff members will participate in two GFC regional landowner meetings taking place this fall. Staff members will present programs on topics such as: *Forest Certification – the Basics* and *Do Forestry Investments Pay?* Meeting dates and locations are found below. For more information contact the utilization department staff.

October 25

Statesboro - Georgia Southern University, Nessmith-Lane Conference Center

November 27

Athens - University of Georgia, Center for Continuing Education

Long-Term Woody Biomass Supply Alternatives Explained in New Publications

A new tool that details the forestry biomass supply chain system is now available to bioenergy stakeholders. The publication series, "Developing Forest Resource and Biomass Markets in the South," has been developed by the Utilization Department with assistance from BioResource Management, Inc. to address specific needs related to the expanding biomass industry.

According to Nathan McClure, "The project is designed to provide information to private firms involved in the development, operation and financing of renewable energy facilities that use forest biomass as feedstock. The primary roadblock for many renewable energy companies is the difficulty in establishing systems of biomass feedstock supply for long terms. Secondly, the expected growth of the renewable energy industry has raised questions about the future sustainability of our forests. A method to track forest biomass from stump to bioenergy facility is needed to show that biomass sources are from sustainable forests, such as those covered by Stewardship Management Plans, Tree Farms, the Sustainable Forestry Initiative or the Forest Stewardship Council." Hopefully, this work will result in a better understanding and a better implementation of supplying forest biomass and other forest resources in the long term.

These reports will provide needed information to those involved in renewable energy development and could lead to increased confidence by potential bioenergy investors. The publications are divided into three volumes:

Volume I - An Overview of the Timber and Biomass Supply Chain

Volume II - Mechanisms for Securing Long-term Biomass Supply

Volume III - Biomass Designation and Tracking for Renewable Biomass Production.

"Developing Forest Resource and Biomass Markets in the South" is available for download at <http://www.gatrees.org/utilization/forest-biomass/>



Weyerhaeuser Announces a Preference for American Tree Farm System (ATFS) Certified Wood

In July, Weyerhaeuser announced a procurement preference for ATFS certified wood as part of their "commitment to responsible fiber sourcing." In the announcement, Weyerhaeuser President Dan Fulton noted the increasing demand for certified wood and paper products.

This preference will be demonstrated by:

1. Incentives (priority for ATFS wood, particularly under a quota system)
2. Procurement Decisions (where Vendor Management Plan is used – positive metric for ATFS certified wood)
3. Policies and Tracking (support for ATFS policies and tracking of ATFS wood used)
4. Supporting ATFS Expansion (landowner assistance to help certify and manage for ATFS standards)

Weyerhaeuser's press release can be found at:

http://www.eyerhaeuser.com/Company/Media/NewsReleases/NewsRelease?dcrid=2012-07-09_WYATF



Executive Order Treats All Forest Certification Systems Equally

Georgia Governor Nathan Deal recently issued an executive order for all new or expansion state building projects to consider “Green Building” projects that fairly and equally recognize wood products certified under the American Tree Farm System (ATFS), Sustainable Forestry Initiative (SFI) and Forest Stewardship Council (FSC). While this order does not require that wood used in state construction projects be certified under any system, it does recognize the tough position that the U.S. Green Building Council’s LEED rating system puts Georgia’s forest products in. The LEED rating system currently only recognizes one (FSC) certification system. Governor Deal stated, “Recognizing all forest certifications equally will promote sustainable forestry in our state and will help create thousands of jobs while maintaining our strong outdoor heritage.”



The executive order can be found at:

http://gov.georgia.gov/vgn/images/portal/cit_1210/6/43/18801377308_10_12_01.pdf

The press release about the executive order can be found at:

http://gov.georgia.gov/00/press/detail/0,2668,165937316_187431258_188013794,00.html

Naval Stores Resurgence in Pierce County, Georgia

Pierce County landowners and father and son entrepreneurs, Wade Griner and Chip Griner, are attempting to resurrect the dormant naval stores industry in southeast Georgia. Co-owners of Diamond G Forest Products in Patterson, Georgia, the Griners’ have recently experimented with producing raw pine gum from slash pines using the bore-hole and bag method pioneered by Dr. Alan Hodges from the University of Florida, and others. The four-step process of tapping a tree takes a minute or two and can be viewed on YouTube “Harvesting Pine Gum” at www.youtube.com/watch?v=iJKszCMr3nI.



Slash pine
13 years old - 2nd generation
2 weeks production
June 6, 2012



Refining the raw pine gum in their still produces the higher-valued products gum rosin (solid) and gum turpentine (liquid).

Photos by: Risher Willard, GFC



On September 24th Diamond G Forest Products partners Wade Griner, Ben Hackett, R.D. Thomas, Jr. and Chip Griner delivered 24 drums of gum rosin to Pinova in Brunswick, GA. Pinova will use the high quality gum rosin as a raw material to produce specialty pine rosins and resins that are sold globally to companies that make adhesives, food and beverages and many other specialized products.

Increased domestic and worldwide demand for high quality gum rosin and gum turpentine may lead to the resurgence of naval stores as an important product from Georgia’s vast forests, says Chip Griner, adding that “pine rosin demand in the U.S. is approximately 2 billion lbs/yr,” most of it coming from China. The export value of Chinese gum rosin was \$1,646/ton in March 2012 (*Source: Forest Chemicals Review, May - June 2012*).

As a new domestic supplier of high quality pine gum rosin for Pinova, Diamond G Forest Products is seeking additional timber owners to supply raw gum for their operation. For further information contact Chip Griner by telephone at 912.286.1689, or by email at diamondgforestproducts@hotmail.com.

Georgia Exporter & Logistics Directories Now Available Online

Two divisions of the Georgia Department of Economic Development have recently launched new websites that promote exporting and logistics.

The **International Trade Division** has a new online directory of the state's exporters. All qualified Georgia exporters can have a free listing in this directory in order to increase visibility in the global marketplace. To register your company or to view exporters and the products they export visit www.georgiaexportdirectory.com.

The **Center of Innovation for Logistics** offers assistance that will help companies overcome challenges and capitalize on opportunities related to the movement of freight.

New web tools include:

- Georgia Logistics Provider Directory – logistics provider database for Georgia
- Logistics Industry Mapping Tool – logistics overview of each of Georgia's 159 counties

For further information about these new logistics tools visit www.GeorgiaLogistics.com.

