



Missouri Economic Impact Brief FOREST PRODUCT INDUSTRIES

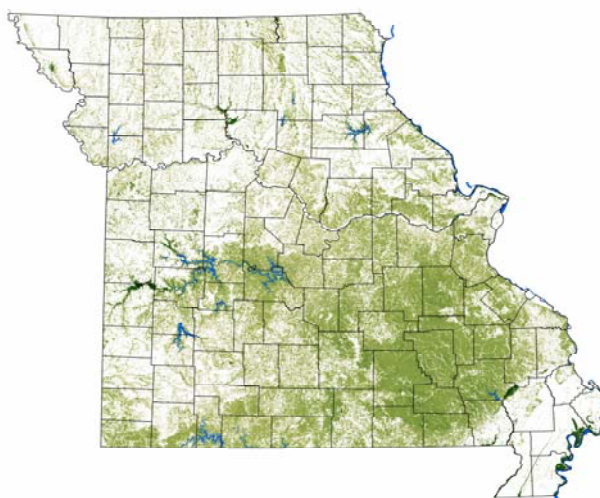
Forest Product Industries

Missouri is one of the leading producers of wooden pallets, charcoal and walnut products. In terms of economic impacts of forestry, Missouri is ranked third by the United States Department of Agriculture (USDA) Forest Service.

Missouri's forests extend over 14 million acres, nearly twice the forested land of Iowa, Illinois, Kansas and Nebraska combined (Source: www.visitmo.com). Missouri is home to 1,436 forest product firms. Forest products industry employs 27,762 workers across the state.

Location Quotient measures the share of forest products industry's employment in Missouri to its share of total national employment. A majority of counties in southeast Missouri are specialized in forest products manufacturing.

Map 1. Extent of Forests in Missouri



Forest Products Facts

Employment

27,762

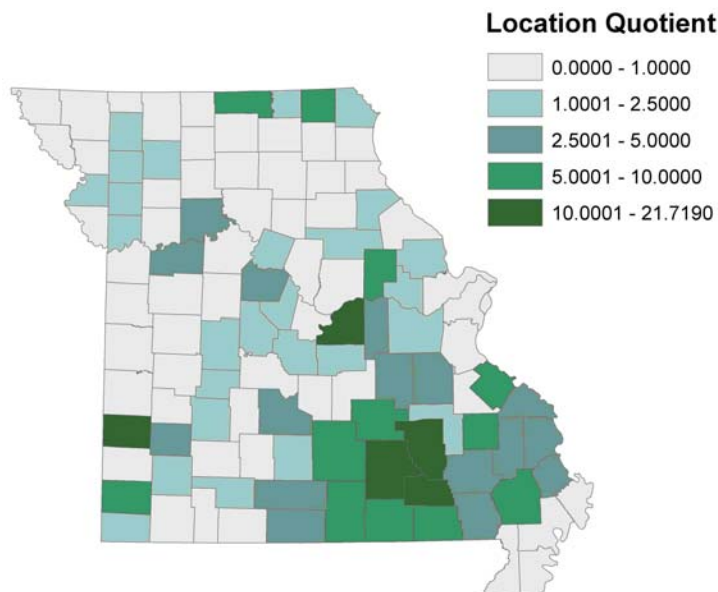
Gross State Product

1.69 billion

Average Wage

\$41,289

Forest Products Location Quotient



FOREST PRODUCT INDUSTRIES

Economic Impacts

Missouri's forest product industries included in this study are primary wood processors – logging and sawmills; secondary wood processors – wood and paper products.

Forest product industries in Missouri directly contribute over \$1.69 billion to the state, constituting 0.81% of Missouri's gross state product (GSP). Forest product industries employed 27,762 workers paying \$1.25 Billion in salaries

The total (including indirect and induced) economic impact of forest product industries and supporting industries in Missouri is over \$4.32 Billion, constituting about 2% of Missouri's Gross State Product.

Forest Product and supporting industries in Missouri employ over 67,741 Jobs paying \$2.8 billion in salaries. The general revenue generated by forest product industries is over \$909 million in total taxes, including \$124 million in sales taxes. A worker in the forest products industry earns an average wage of \$41,289 and contributes \$61,540 in GSP to the economy.

Industry	Workers Employed [*]	Number of Industries	Value Added Per Worker
Logging	203	79	\$74,456
Sawmills	3,418	413	\$53,608
Wood Products	15,374	813	\$52,224
Paper Products	8,767	131	\$80,671
Forest Products Industry	27,762	1,436	\$61,540

Among Forest Products, the Wood Products industry in Missouri employs the most workers, while the workers in the Paper Products industry add the most value.

	Direct	Indirect [†]	Total
Employment	27,762	39,979	67,741
Labor Income [§]	\$1.25 B	\$1.55 B	\$2.80 B
Value Added [§]	\$1.69 B	\$2.63 B	\$4.32 B
Taxes [§]			\$909 M

Workers in Missouri's Forest Products and supporting industries earn an average wage of \$41,289, which is 11% above the state's average annual wage.

^{*} Employment for logging, wood products and paper products were obtained from firms reporting employment to Bureau of Labor Statistic's Quarterly Census of Employment and Wages. Employment for Sawmills was obtained from Missouri Department of Conservation's Survey of Sawmills.

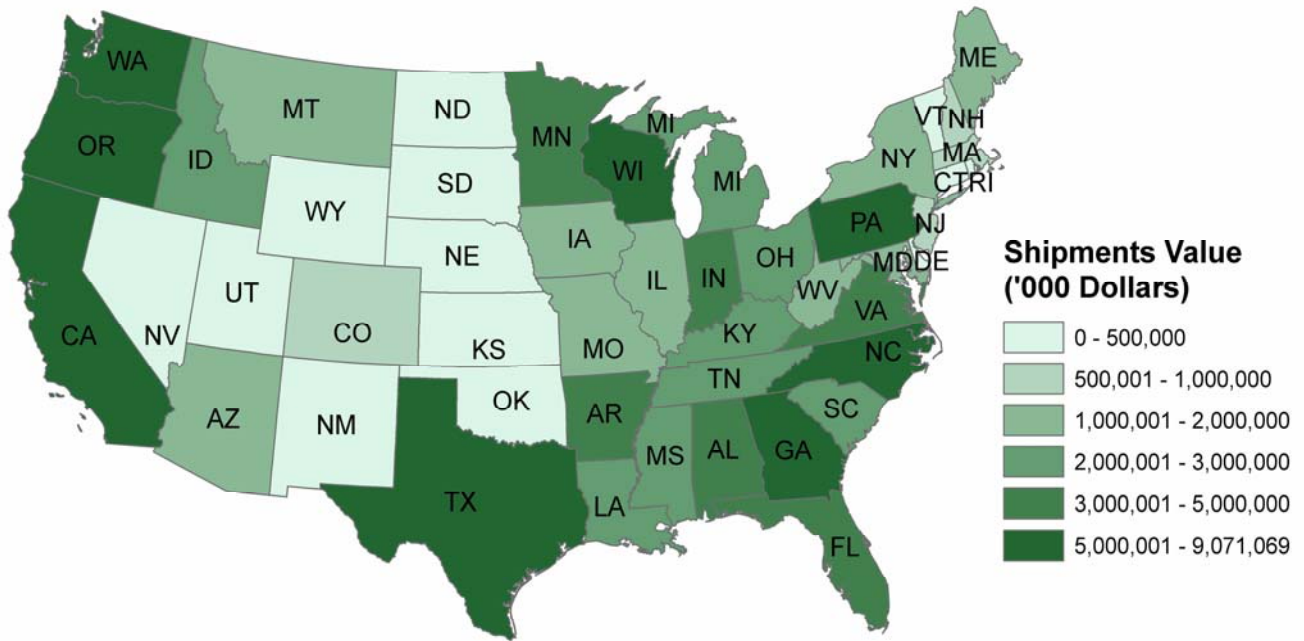
[†] Indirect Impacts include both indirect and induced impacts

[§] All figures in 2006 Dollars

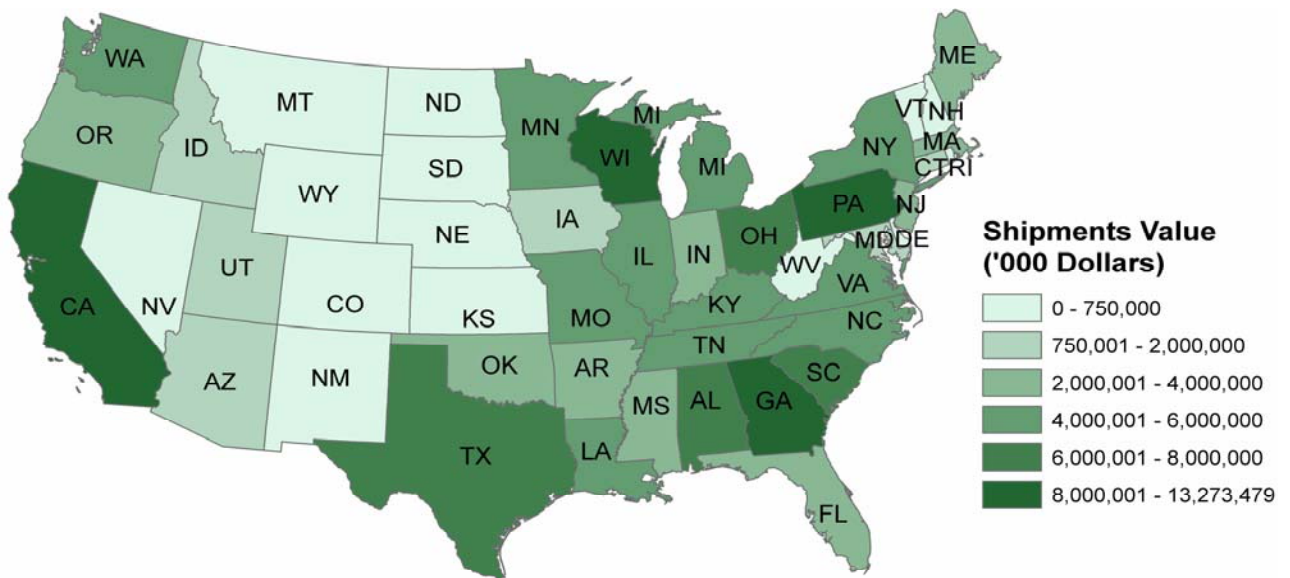
FOREST PRODUCT INDUSTRIES

Wood and Paper Product Shipments across US

Missouri's Wood Products Shipments across the U.S. are valued at \$1.27 billion

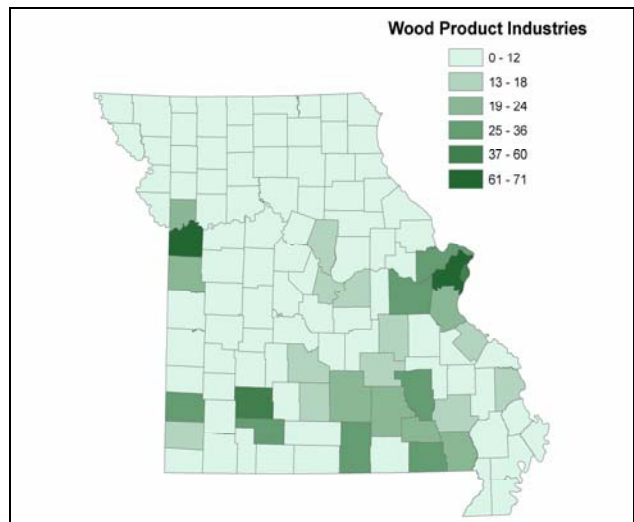
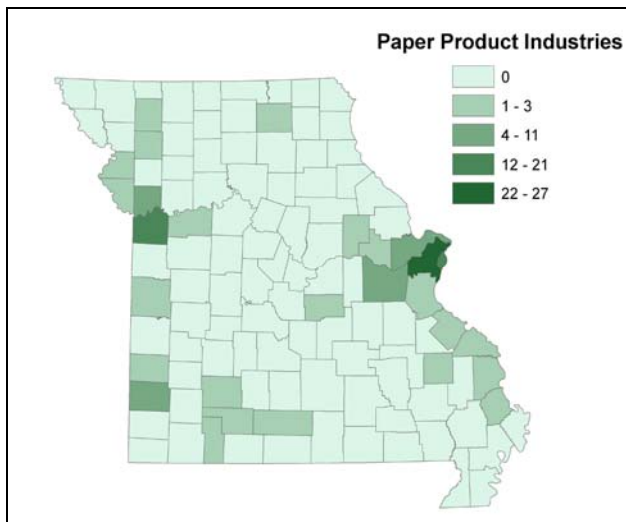
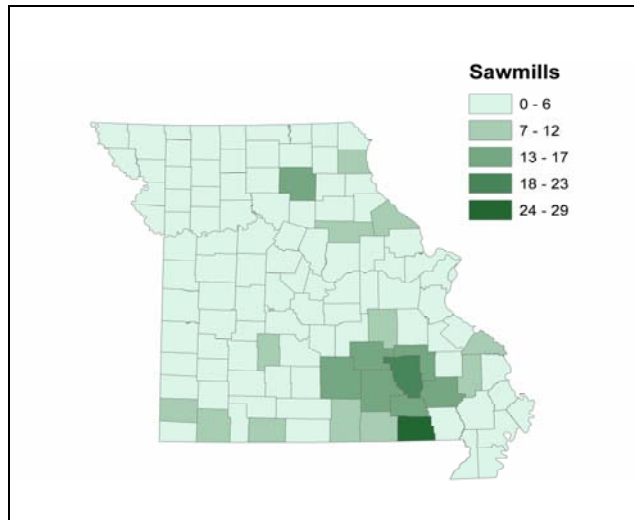
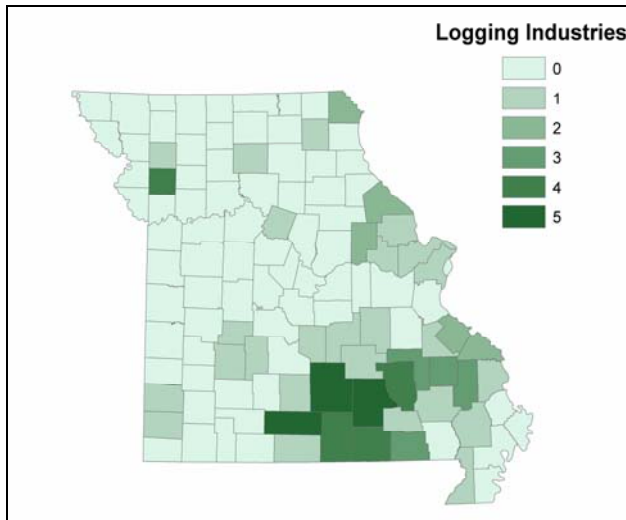


Missouri's Paper Products Shipments across the U.S. are valued at \$4.19 billion



FOREST PRODUCT INDUSTRIES

Number of Forest Product Industries across Missouri

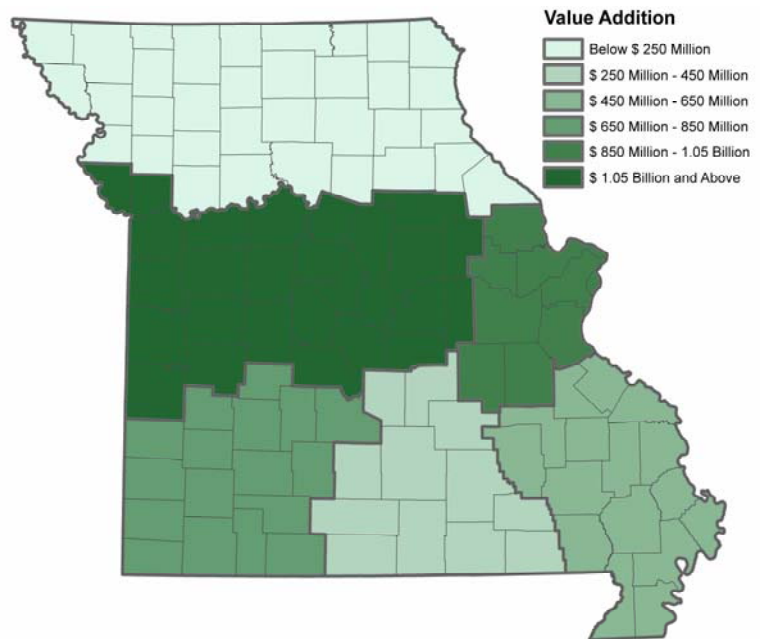


- Logging industries and sawmills are primarily located in South-Central Missouri.
- Wood product industries are located in South-Central Missouri and near the MSAs - St. Louis, Kansas City and Springfield.
- Paper Product industries are located in St. Louis, Kansas City region and some in Southwest region.
- Forest Product industries have a competitive advantage in locating in South-Central Missouri and near St. Louis and Kansas City regions.

Value Added by Forest Product Industries in MFPA Regions

The following map depicts value added by the Forest Product industries in the six Missouri Forest Product Association (MFPA) regions.

- Value Added includes payments made to workers, taxes, interest, profits and other income to industries.
- Value addition to forest products in Missouri is driven by the wood product and paper product industries as well as the supporting industries.
- Wood and paper products industries as well as the supporting industries located in the region covering Kansas City and central Missouri as well as the region covering the St. Louis area added the most value to the economy.



DATA AND METHODS

Forest products are classified in North American Industrial Classification System (NAICS) as logging (113), sawmills (321), wood products (321, 337) and paper products (322).

Employment numbers for Forest product industries were obtained from Quarterly Census of Employment and Wages and Missouri Department of Conservation – Survey of Sawmills.

Value Added includes labor income, other property income and indirect business taxes.

Location Quotients are generated for Forest Products sector in Missouri using the Regional Data Analysis Tool.

Data is reported in 2006 constant dollars and is taken from IMPLAN (Minnesota IMPLAN Group, Inc.).

Values of Wood Products and Paper Product Shipments in U.S. are obtained from Annual Survey of Manufactures, U.S. Census Bureau, 2005.

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