



# TIMBER/ WOOD PRODUCTS

*The Forest & The Trees in Mississippi*

The timber/wood products sector represents a significant portion of Mississippi's economy. The total value of the state's timber harvest has consistently topped the \$1 billion mark since 1993. As the industry continues to grow and prosper nationwide, Mississippi, with its plentiful timberland, has much to offer the timber/wood products industry.

## An Industry Overview

Mississippi has an estimated 19.6 million acres of timberland, 72 percent of which is owned by private, non-industrial property owners. This large wood basket is a significant reason that companies like Georgia-Pacific, International Paper and Weyerhaeuser have chosen to plant their futures in Mississippi.

Of the state's total land acreage, 61 percent is devoted to commercial forests, and timber and wood products rank as the state's number two agricultural commodity. In at least 35 Mississippi counties, timber ranks as the most valuable agricultural crop each year. The state's furniture industry, which directly accounts for approximately 24,000 jobs statewide and over \$3.1 billion in production value, also relies heavily on the wood products industry in Mississippi. Furthermore, Mississippi's ample timber resources support the production of cellulosic ethanol, wood pellets, and other energy products that are generated from wood.

**Fast Fact:** Due to reforestation efforts in Mississippi, twice as much timber is grown in the state as is cut each year.

## Available Raw Materials

Officials in Mississippi understand the importance of the timber/wood products industry to our economy, and we are committed to maintaining an extensive and reliable wood crop for our forest products companies. Since 1992, Mississippi has added more than 1 million acres to its forestlands, clearly demonstrating that timber is a renewable and expandable resource. In addition, Mississippi has more tree farms than any other state in the U.S.

## A Trained Workforce

Mississippi's colleges and universities offer not only excellent educational opportunities, but also strong research centers that conduct research relevant to industries located in



<b>Mississippi Timber &amp; Wood Products</b>	
<b>Total Employment</b>	<b>51,281</b>
<b>Total Timber &amp; Wood Product Companies</b>	<b>440</b>
Source: MSU Forest and Wildlife Research Center, 2006	

the state. Mississippi State University in Starkville is home to the **College of Forest Resources**, which offers undergraduate and masters degrees in forestry and forest products. The university is also home to the **Forest and Wildlife Research Centers**, where research is conducted regarding the conservation, development and use of forest products, wildlife, and fisheries resources worldwide.

Furthermore, the State of Mississippi is committed to providing quality workforce programs and will work with businesses to tailor these programs to their specific needs. The State's workforce training programs are managed through its network of **community colleges**, which offers companies a variety of options for adequately providing their workers with the technical skills needed for success.

**Fast Fact:** In 2008 and 2009, a number of wood pellet producers chose to locate in South Mississippi. Wood pellets are an increasingly viable fuel option for heating homes and other purposes, and companies that produce this renewable energy source have been attracted by Mississippi's plentiful timber resources.

## An Accessible Location

The ability to move raw materials and finished product is essential to successful timber and wood products companies, and prime Mississippi locations offer access to highway and rail lines, in addition to key ports along the Gulf Coast and the state's navigable rivers.

- **Highways:** Mississippi's highway system ranks among the four best in the country and the best in the southern United States. Five interstate highways run through the state. Interstate 55, which runs north and south, provides access to major markets like Chicago, St. Louis, Memphis and New Orleans, while Interstates 10 and 20, running east and west, provide access to Atlanta, Birmingham, Dallas and Los Angeles.



- **Location:** Mississippi's location, which is central to both U.S. coasts, is within a day's drive of more than 50 percent of the U.S. business population, including such major markets as Atlanta, Birmingham, Dallas, Houston, Little Rock, Memphis, Mobile, Nashville, New Orleans and St. Louis.
- **Rail Access:** More than seventeen rail systems serve Mississippi with more than 2,800 miles of track.
- **Ports:** The state's 15 ports include two on the Gulf Coast that provide deep water access to worldwide commerce.

**Fast Fact:** Mississippi enacted tort reform legislation in 2004, further strengthening the business climate in the state. This act ensures fairness and predictability in the courtroom for Mississippi businesses, with provisions that address joinder and venue; innocent seller protection; and non-economic damages caps.

## A Supportive Business Climate

Mississippi offers a strong, supportive business climate, where the cost of doing business is low and many other tools are available to help your business compete in today's economy.

Locations within Mississippi can offer companies substantial savings compared with many other parts of the U.S.

Construction costs, energy costs, and business tax rates in Mississippi are below the national average. In fact, for 2008, CNBC ranked Mississippi 10th in the U.S. for cost of living and 17th for cost of doing business, given its business taxes, utility costs, wages, and workers' compensation insurance rates.

Economic incentive programs provide income tax credits for job creation, investment, retraining of employees and for research and development activities. For example, the **Mississippi Advantage Jobs Incentive Program** offers quarterly incentive payments based on a percentage of withholding to qualifying companies for up to 10 years, providing an important cash benefit to new companies locating in the state. Cities and counties may also provide a property tax exemption for qualifying projects.

Furthermore, state officials in Mississippi have made a commitment to be responsive to the needs of businesses.

**Mississippi's Department of Environmental Quality** offers manufacturers a one-stop permitting process for all environmental permits and regulations. It is also important to note that the entire state of Mississippi has achieved air quality attainment status.

Mississippi's available raw materials, or wood basket, accessible location and supportive business climate make it an ideal location for the timber/wood products industry.

To learn more about planting your future in Mississippi, call the Mississippi Development Authority at 1.800.360.3323 or visit our website at [www.mississippi.org](http://www.mississippi.org).