Business

Forestry still growing business in Louisiana

By Pamela Glisson
Business Writer

Buck Vandersteen says trees cover "everything but the soul" of Louisiana, and he ought to know. As executive director of the Louisiana Forestry Association in Alexandria, he's a man of facts.

For instance:
- Forestry is Louisiana's second largest manufacturing employer, second only to the petrochemical industry;
- Forestry generates an annual $3.8 billion in the state, with total economic impact last year nearly $4.5 billion;
- By occupying 45 percent of Louisiana's land area, forests are the state's greatest single land use.

But if that all sounds pretty good, you'd better knock on wood because, according to Vandersteen, "The industry, nationwide, is at risk." The reasons include anything from unfavorable housing starts to widespread weakening of both the national and state economy.

The more oblique challenges are even consuming environmental concerns and forestry competition from just about every state in the nation.

In the midst of it all, from what Vandersteen can tell, are a lot of misconceptions. "Most people think the industry owns most of the forestry in Louisiana," he said, "but that's not true."

According to his estimates, the forestry industry owns 30 percent of forested land, and federal and state governments own 10 percent. The remaining 60 percent is owned by "moms and pops." Furthermore, Vandersteen claimed, all of the state's 200,000 loggers are in small business.

Finally, he said, forested wetlands also are misconceived. Because the current federal definition of wetlands is a misnomer, Vandersteen said 80 percent of Louisiana's forests are designated as wetland-based. Using a "true definition" of land with standing water year-round, he said maybe 30 percent of the state's forests are actually on wetlands.

Protection of wetlands is, of course, only one facet of environmental pressure; endangered species compose another. The Forestry Association is trying to tackle concerns about the state's black bear on a local level, according to Vandersteen.

But he said "considerable numbers" of Louisiana's federal

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timber are being left untouched because the red cockheaded woodpecker is on the Endangered Species List of the U.S. Fish and Wildlife Service. Such bans, he pointed out, affect not only the industry, but also the communities whose livelihood depends upon it.

The Louisiana Forestry Association is tackling the obstacles from more than one direction, the director said. It’s pushing for revised wetlands rulings, free trade, and a state constitutional amendment (no. 6) designed to ease financial burdens of small businesses by bringing worker’s compensation costs in line with other states.

Vandersteen said the pending North American Free Trade Act would be good for Louisiana’s foresters because it would open up the Mexican market, where 600,000 new houses need to be built each year.

Visions of foreign business such as that are a big part of why Vandersteen feels optimistic about the coming year. He said 95 percent of Louisiana’s lumber goes out of state, with 30 percent going out of country.

Despite current lows in the economy, forestry in Louisiana still goes on seven days a week, sometimes 24 hours a day. And, although Acadiana has only a fraction of the state’s forestry, the industry still generates for this region nearly $20 million in annual gross farm value.

Regarding the state as a whole, Vandersteen said, “Our strength is in primary products,” such as paper and lumber. Although the market includes the sale of Christmas trees, firewood, and pine straw for landscaping, he added that, as with many other Louisiana industries, “We have not yet developed our secondary products (such as furniture).”

In order to encourage secondary industrial growth, Vandersteen hopes the state, within the next few years, will appropriate the $400,000 needed to set up a Forest Products Utilization and Development Center. Given that trees make up more than 60 percent of the state’s agricultural income — more than all other commodities combined — the idea isn’t far-fetched.

That, he concluded, would increase the more than 30,000 employees in Louisiana now supported by the forestry industry.