

FRA REGION ACTIVITY REPORT

APPALACHIAN Region



ISSUES & TRENDS

COVID-19

The COVID-19 virus outbreak of early 2020 disrupted the production at wood and paper manufacturing facilities for several months in the year, as mills, loggers, and truckers adjusted to outbreaks and new work restrictions or procedural changes. The ripples from this were felt throughout the entire wood fiber supply chain.

Economic Outlook

Hardwood sawtimber and lumber is the dominant wood products industry and the driving force behind the hardwood market in the Appalachian Region (AR). Overseas demand for American hardwood logs and lumber declined greatly for much of 2020 due in part to COVID-19 and retaliatory tariffs from China. Additionally, the permanent closure of Domtar's Kingsport, TN pulping operation put another large dent in the hardwood pulpwood demand. This demand had already been on a long, slow path of decline in the AR as a few other pulp mills ceased operations in previous years. The lower demand for hardwood pulpwood is impacting the ability of forest landowners in some localities to improve the health and quality of their timber, as loggers may not be able to cut the pulpwood in tracts.

Markets Improved

Beginning late in 2020 and continuing into 2021, the hardwood lumber and sawtimber market has been improving. It remains to be seen whether there will be enough log trucking capacity to meet this increasing demand for wood; trucking is still suffering from driver shortages and high insurance rates.

FRA ACTIVITY

The Appalachian Region Spring Policy Committee

April 1, 2020 – The AR Spring Policy Committee Virtual Meeting included presentations from two Virginia Tech forestry professors who provided a summary of the forestry school's undergraduate program as well as current and past research projects of interest to the forest products industry.

Webinar

September 22, 2020 – The Appalachian Region hosted a webinar on [**Appalachian Region \(AR\) Hardwood Timber/Lumber Supply & Demand Overview, and Cable-Assist/Tethered Logging Operation**](#). This webinar featured speakers that presented the following: Hardwood Market Overview focused primarily on FRA's AR; and a video and PowerPoint demonstration of an innovative cable-assist and tethered logging operation on Lyme Timber property in the mountains of southern West Virginia.

ON THE HORIZON

Fall 2021 (date TBA) – AR Fall Meeting and forestry field trip near Beckley, WV.