# Wood Panels

## US Industry Study with Forecasts to **2010 & 2015**

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The Freedonia Group
767 Beta Drive
Cleveland, OH • 44143-2326 • USA
Toll Free US Tel: 800.927.5900 or +1 440.684.9600
Fax: +1 440.646.0484
E-mail: info@freedoniagroup.com

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US Industry Study with Forecasts to ***2010 & 2015***

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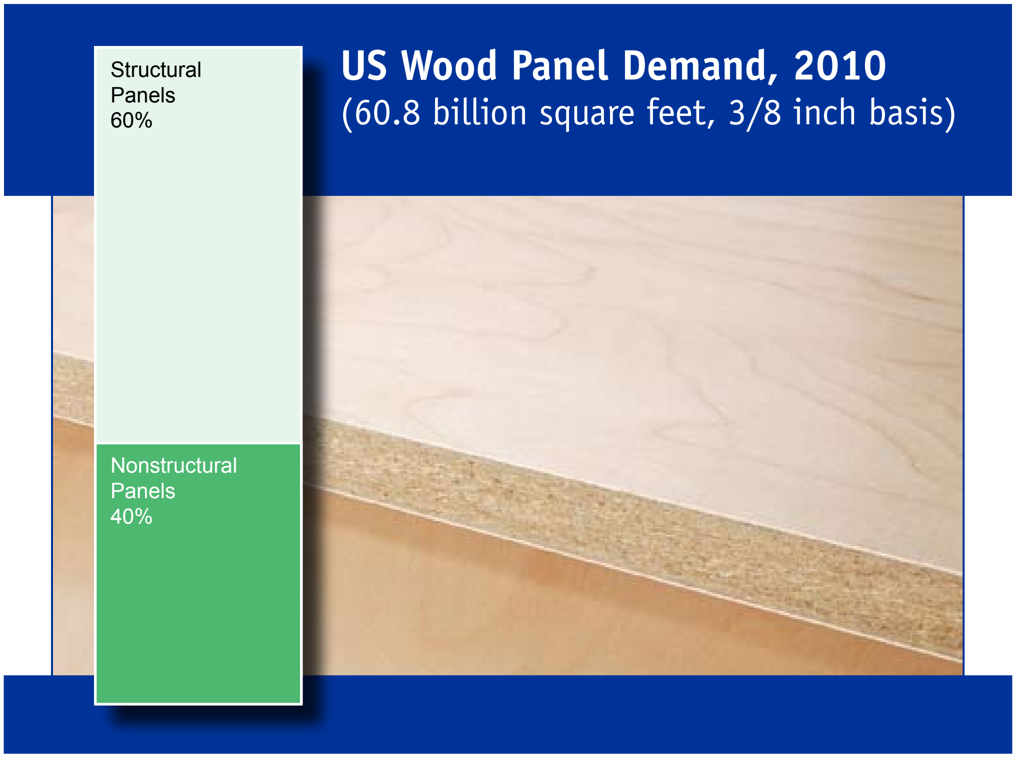
*Among the various nonstructural panel products, hardwood plywood and medium density fiberboard (MDF) will enjoy the best opportunities in wood panel demand in the United States through 2010.*

## US demand to decline 1.1% annually through 2010

Demand for wood panels in the US is expected to decline slightly more than one percent per annum through 2010 to 60.8 billion square feet, as measured on a 3/8-inch basis. Prospects for wood panels will be restrained by a softening in housing starts from a 20+-year high in 2005. Another restraining factor for wood panels will be ongoing competition from alternative materials such as plastics.




**US Wood Panel Demand, 2010**
(60.8 billion square feet, 3/8 inch basis)

## Smaller construction markets show best prospects

The brightest prospects for wood panels will occur in smaller construction markets such as new nonresidential construction, nonresidential improvement and repair, and residential improvement and repair. Wood panel demand in the first of those markets will see annual growth of nearly five percent through 2010, buoyed by a rebound in construction of nonresidential buildings. Residential improvement and repair is the largest of the three faster-growing construction segments, representing over one-sixth of overall wood panel demand. Gains in that market will be 2.5 percent per annum through 2010 to 12.1 billion square feet, measured on a 3/8-inch basis.

Wood panel use in manufacturing applications will benefit from more rapid growth in domestic manufacturing activity compared to that of the 2000-2005 period, which included the 2001 economic recession and a further year of fitful economic growth. Among manufacturing markets, transportation equipment and material handling applications will lead gains, helping to offset weakness in demand for wood panels used in furniture and in engineered wood products. While gains for manufacturing applications will be marginal, they will represent both an acceleration from the 2000-2005 pace and an improvement upon the performance in construction markets overall.

## Nonstructural panels to show marginal gains

While volume demand for structural panels is projected to fall through 2010, nonstructural panels will eke out marginal increases. The brighter outlook for the manufacturing market will support demand for nonstructural panels, which have relatively higher use in manufacturing applications. Among the various nonstructural panel products, hardwood plywood and medium density fiberboard (MDF) will enjoy the best opportunities through 2010. Each product will benefit from demand in the furniture market. Although shipments of wood furniture from the US are expected to decline, production from US producers will increasingly be focused on products tailored to higher-end markets, which will benefit hardwood plywood and MDF at the expense of particleboard.

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## Sample Text, Table & Chart

**TABLE VII-8**

**SOUTH WOOD PANEL DEMAND BY SUBREGION & PRODUCT**
**(million square feet - 3/8 inch basis)**

| Item | 1995 | 2000 | 2005 | 2010 | 2015 |
|---|---|---|---|---|---|
| South Constr Expend (bil 2000$) | 2 | | | | .5 |
| square feet/000$ construction | | | | | .2 |
| South Wood Panel Demand | 1 | | | | 60 |
| By Subregion: | | | | | |
| South Atlantic | 1 | | | | 80 |
| East South Central | | | | | 60 |
| West South Central | | | | | 20 |
| By Product: | | | | | |
| Structural Panels | 1 | | | | 00 |
| Nonstructural Panels | | | | | 60 |
| % South | | | | | .1 |
| Total US Wood Panel Demand | 4( | | | | 50 |

SAMPLE TABLE

**STRUCTURAL PANELS**

**Softwood Plywood Construction Markets**

Demand for softwood plywood in construction applicati forecast to annum through 2010 to square fee n acceleration of the d 2000 to 20 r new housing construc is expecte gh reached in 2005, wi opportunit Among the various ma ments, wa xpected to experience declines. rgely driven by new co so weakness arket segment will redu for softwood plywood. Demand for plywood siding will be s competition from alternative materials, such as fiber cement and vinyl, and other wood products such as OSB siding. In general, plywood siding is losing market share to other types of siding, even in markets where the material had previously demonstrated strength, such as the manufactured housing sector.

SAMPLE TEXT

In 2005, the leading construction market for softwood plywood was in flooring, where the product is used as an underlayment and sheathing. Softwood plywood's share of the floor sheathing and underlayment market is higher in improvement applications than in new construction. OSB has made greater inroads in the latter. Residential improvement spending is expected to outperform new residential spending through 2010, but the overall size of the improvement floor sheathing segment is much smaller, so demand for softwood plywood in floor sheathing will be limited. Through 2010, demand for softwood plywood in floor sheathing applications is expected to fall just over four percent annually to 3.7 billion square feet. Manufacturers have developed new softwood plywood floor sheathing products to support demand. For example, Georgia-Pacific's PLYTANIUM DRYPLY features a water-repellent coating so that the subflooring can be left exposed during the construction process with no ill effects.

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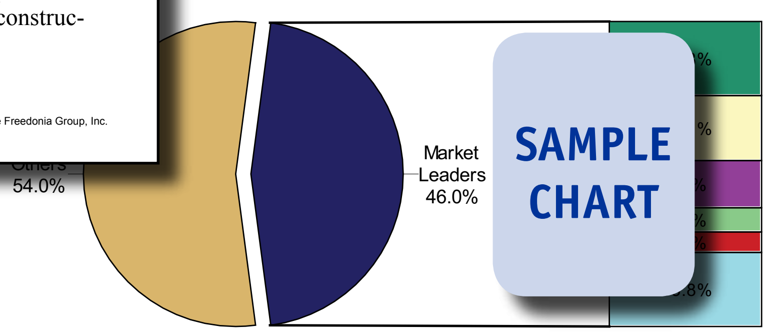
**CHART VIII-1**

**WOOD PANEL MARKET SHARE, 2005**
**($18.2 billion)**

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## Sample Profile, Table & Forecast

**TABLE V-10**

**HARDWOOD PLYWOOD DEMAND & SUPPLY**
**(million square feet - 3/4 inch basis)**

| Item | 1995 | 2000 | 2005 | 2010 | 2015 |
|---|---|---|---|---|---|
| Nonstruct Panel Demand (3/8 inch)* | 18 | | | | 50 |
| % hardwood plywood | | | | | .4 |
| Hard Ply Demand (3/8 inch basis)* | 3 | | | | 45 |
| Hardwood Plywood Demand | 1 | | | | 25 |
| Construction | | | | | 45 |
| Manufacturing | 1 | | | | 30 |
| - net imports | | | | | 55 |
| Hardwood Plywood Shipments | | | | | 50 |
| $/000 sq ft | | | | | 92 |
| Hardwood Plywood Shipments (mil $) | 3 | | | | 40 |

**SAMPLE TABLE**

### COMPANY PROFILES

**Hunt Forest Products Incorporated**
401 Reynolds Drive
Ruston, LA 71
318-255-2245
http://www.hun

Annual Sales: $ verify, 12/06)
Employment: (

**SAMPLE PROFILE**

Key Products: softwood plywood

Hunt Forest Products is a privately held company that owns and manages 45,000 acres of timberland in Louisiana. In addition to its forestry operations, the Company manufactures and markets plywood, veneer, lumber and hardwood lumber from Southern yellow pine. Hunt also owns and operates chip mills that supply products to other industries.

The Company participates in the wood panel industry through the production of softwood plywood from Southern yellow pine. Plywood is manufactured at Hunt's mills in Pollock and Natalbany, Louisiana, and sold through the Company's corporate office in Ruston, Louisiana. The Pollock mill has an annual production capacity of 250 million square feet of plywood and veneer on a 3/8-inch basis, while the Natalbany mill has an annual production capacity of 200 million square feet of plywood and veneer on a 3/8-inch basis.

Hunt manufactures plywood in various grades and thicknesses. Among the panel grades are CCPTS, CDPTS, Sturd-I-Floor (SIF) tongue-and-groove, SIF square-edge, CCX and Structural I. The Company also makes plywood sheathing and furniture-grade panels. A limited quantity of touch-sanded items are available. The plywood

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"Construction demand for hardwood plywood is expected to grow 2.0 percent per annum through 2010 to 810 million square feet, as measured on a 3/4-inch basis. All major construction markets for hardwood plywood -- flooring, cabinets and paneling -- will see gains, with the most rapid increases coming in cabinetry. Hardwood plywood will benefit from ..."

--Section V, pg. 141

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## OTHER STUDIES

### Wood & Competitive Decking

US demand for decking will reach 3.6 billion lineal feet by 2011, supported by solid residential improvement and repair activity. Alternative decking materials such as wood-plastic composite and plastic will continue to lead gains, further supplanting wood. Tropical hardwoods will grow the fastest in the wood decking segment. This study analyzes the $4.6 billion US decking industry, with forecasts given for 2011 and 2016 by product, market and region. It also evaluates market share and profiles major players.

*#2222 .................. 07/2007..................... $4500*

### World Siding (Cladding)

Global demand for exterior siding (or cladding) will grow 3.8% yearly through 2010 based on a pickup in nonresidential building construction. Metal, concrete and stone, and fiber cement siding will grow the fastest. China, India and Russia will lead gains, while growth rates in developed countries will be slower. This study analyzes the 4.3 billion square meter world siding industry to 2010 and 2015 by product, market, world region and for 31 countries. It also evaluates market share and profiles major producers.

*#2159 .................. 02/2007..................... $5500*

### Flooring in China

Chinese demand for hard surface flooring will rise 7.3% annually through 2010. Ceramic floor tile will remain dominant while laminate flooring will lead gains among the major products. The housing market will outpace the nonresidential building segment, spurred by ongoing privatization, higher incomes and further growth in larger new homes. This study analyzes the hard surface flooring industry in China to 2010 and 2015 by product, market and region. It also details market share and profiles major players.

*#2147 .................. 01/2007..................... $4900*

### Roofing in China

Demand for roofing materials in China will rise 4.4% annually, outpacing all other major economies in the world. Concrete and clay tiles and bituminous roofing will remain the dominant types, while elastomeric and plastic membranes lead gains. The nonresidential building market will grow more rapidly than the residential segment. This study analyzes the ¥40 billion Chinese roofing industry to 2010 and 2015 by product, market and region. It also evaluates company market share and profiles major producers.

*#2148 .................. 12/2006..................... $4900*

### World Flooring & Carpets

World floor covering demand will rise 4.1% yearly through 2010. China will surpass the US to become the top market, and sales will also be strong in India, Indonesia, Turkey, Iran, the Ukraine and Saudi Arabia. Developed areas will grow slower. Nonresilient flooring will outpace resilient flooring and carpets and rugs. This study analyzes the $126 billion world flooring and carpet industry to 2010 and 2015 by product, market, world region and for 31 countries. It also evaluates market share and profiles major firms.

*#2139 .................. 12/2006..................... $5500*

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