

## Forest Cluster

- **Key Cluster Participants:** *Core* – logging, primary & secondary wood, pulp & paper products, university research; *Allied* – forest products wholesaling, manufactured housing, printing, publishing and related machinery & equipment manufacturing
- **Contact:** Leslie Lehmann., Executive Director, Oregon Forest Resources Institute, 503.229.6718, Ext. 24, [lehmann@ofri.com](mailto:lehmann@ofri.com)
- **Geographic Location:** Oregon
- **Structure:** Several industry organizations, companies, forest landowners, universities and public agencies coordinated by the Oregon Forest Resources Institute (OFRI)
- **Mission:** The forest sector is using a cluster approach to coordinate resources and enhance its capacity for innovation, create and sustain a position of competitive advantage in global markets and forge a common agenda that supports and is supported by the interests and needs of other key clusters (e.g., education and training, clean and affordable energy, transportation infrastructure, shovel-ready sites and health care reform).
- **Background:** Historically, Oregon’s forest sector has been concentrated in or near the forest, with supportive industries (equipment suppliers, etc.) more likely to be located in urban areas. While historical linkages are still important, the forest sector has restructured in response to changing timber supply and global competition and is now concentrated closer to transportation corridors. Today it produces innovative products with an educated, technologically sophisticated workforce using research and high technology. While the restructured forest sector no longer is the state’s largest employer, it is lean, resilient and competitive and remains critical to economic diversity and rural prosperity. A recent OFRI study updated the traditional assessment of the forest cluster, suggesting an expanded vision for the 21<sup>st</sup> century: a strengthened core sector, global leadership in meeting both market and non-market objectives and pursuit of both commodity and niche markets.

### Perception of Oregon’s Overall Business Climate

*Best Ranking:* Environmental Quality, Recreation, Entrepreneurial Vitality, Healthy Communities

*Worst Ranking:* Natural Resource Utilization, Personal Taxes, Regulatory Environment, Business Costs, Public Safety

*Areas to Address:* Replacement of a soon-to-retire workforce, greater emphasis on innovation in product design and entrepreneurship, stability of natural resource availability and utilization across public and private lands



### Top Core OPB Initiative Priorities

Enhance Oregon’s Forest Resources Benefits and Transportation Infrastructure, Simplify and Streamline Regulation and Permitting; Expand Oregon’s Capacity for Economic Innovation, Achieve a Higher Return on Oregon’s Investment in Pre K-20 Education

*Potential/Suggested New Initiatives:* Energy, High-Performance Manufacturing, Targeted Workforce Development

**Specific Cluster Priorities:** *an integrated strategy to restore forest health and habitat, increase renewable energy supply and improve rural economies.*

- Generate renewable electric energy and transportation bio-fuels from woody biomass to help meet Oregon’s renewable energy and carbon emission reduction goals.
- Increase sustainable timber harvest from public forestlands.
- Promote forestry research and wood innovation.