



Virginia's Forests - Forest Industry

- 16 million acres of forest land
- Generates more than \$23 billion dollars i
- Employes 108,000 people
- 3rd largest industry
- 1,500 plus wood products manufacturing facilities



Forest Utilization & Marketing Program

The program provides assistance to forest industries and organizations

- ◆ to help support and promote wood based economic activities for sustainable forest management



Program Services

- Support strong collaborative partnerships to foster business expansion and new business development
- Provide support to expand new and emerging forest markets (Mass Timber, biochar, Biofuels-energy)
- Survey Forest Industry collaboratively with USFS. (TPO survey)



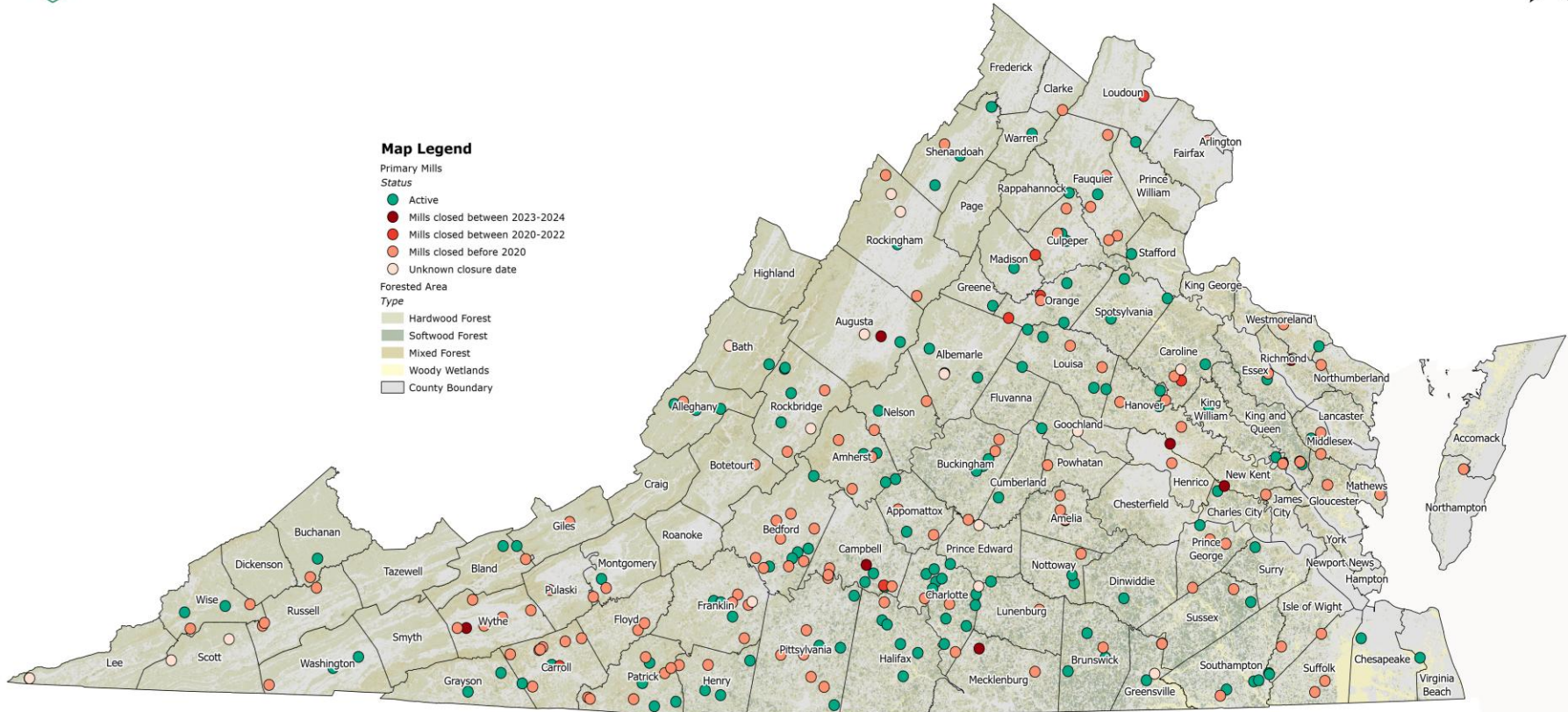
Virginia Forest Industry

Virginia Forest Product Industry



Map Legend

- Primary Mills Status
- Active
 - Mills closed between 2023-2024
 - Mills closed between 2020-2022
 - Mills closed before 2020
 - Unknown closure date
- Forested Area Type
- Hardwood Forest
 - Softwood Forest
 - Mixed Forest
 - Woody Wetlands
 - County Boundary





Key Issues

- **Rapid mill closures**
- **Declining demand**
- **Stalled business recruitment**
- **Lack of new investment**
- **No markets for mill byproducts** (wood residues = ~40% of log volume), creating waste and lost revenue.



Virginia Wood Council

- Identify emerging risks across the forest industry and develop proactive strategies to address them.
- Explore new opportunities that enhance competitiveness, innovation, and support sustainability.



Virginia Wood Council

- Build collaborative, cross-sector solutions that strengthen Virginia's forest industry
- Provide strategic guidance on priority areas where the Commonwealth should focus its efforts and resources



Opportunities

- Continue to include biomass into Virginia's Renewable Energy Strategy
- Expand Biomass Markets
 - ◆ Develop new outlets for woody biomass in the energy sector.
 - ◆ Promote efficient biomass energy systems (e.g., Combined Heat and Power).



Opportunities

- Support Existing Biomass Facilities
- Promote “Virginia Grown” Wood Products
- Revitalize Business Recruitment & Investment



Opportunities

Without immediate action, mill closures, and declining demand will erode rural economies and forest health.



Thank You

Sabina Dhungana (U&M Program Manager)

Sabina.Dhungana@dof.virginia.gov