

Machine Stress Rated Lumber Producers Council MSR Update

Spring Issue

June 2004

A Message from the President

Stewart Garden, P.Eng. • Canadian Forest Products Ltd.

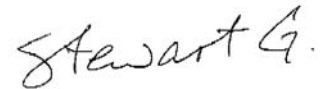
Congratulations to all those involved in the 2004 MSR Lumber Producers Workshop held in Vancouver! Feedback from participants has rated the event as a success in all respects. Hard work by the organizing committee was seen throughout the program, and we appreciate the level of membership attendance.

It was a pleasure to meet council members from across North America. Participation at the open Board of Directors meeting was indicative of the high level of interest in Council activities and the desire to get involved in our efforts to grow the awareness and use of MSR lumber. Volunteers were recruited to join our committees and we will capture this momentum going forward.

The 2003 Production Survey was distributed at the workshop and indicates a record year for MSR – 2 billion board feet of North American MSR production was exceeded for the first time! Market activity this year indicates demand will continue to grow.

The Board of Directors' plans for 2004 are to continue on a responsible financial course while evaluating the most effective way to promote MSR lumber and increase our market size.

Please contact any member of your executive committee for an update on council activities! Happy selling!!!



2004 MSR Lumber Producers Workshop a Success

Two full days of education, discussion and social activities describe the spring workshop held in Canada's beautiful Vancouver, British Columbia. Attendance was excellent and speakers were of the highest caliber. From our opening speaker arriving at the podium on a Harley Davidson motorcycle to Forest Minister Mike DeJong wrapping up the workshop perched on 2x4 2100 MSR, the workshop was eventful and worthwhile for all attendees.

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2004 MSRLPC Workshop a Success • Continued from page 1

Topics presented included marketing success stories, managing change in the forest products industry, and technical developments in MSR production. CEOs from organizations including Weyerhaeuser, Interfor and the BC Council of Forest Industry made presentations to the group over the two days.

The MSRLPC would like to offer a special thank you to Jake Kerr for his support leading up to the workshop.

Jim Logan of Metriguard received a plaque recog-

nizing his contribution to the world of MSR lumber and his passion for the technology and the product. Jim has been a knowledgeable and enthusiastic advocate of MSR lumber for as long as most of us can remember and this token of our appreciation for his dedication was overdue!

11th Annual Workshop Plans Underway

Plans are underway for our next annual workshop to be held June 7-9, 2005, in Point Clear, Alabama. We are looking forward to another great turnout and program in the heart of Southern Yellow Pine country. Watch the web site for details: www.msrlumber.org. ■

2004 Election Results Are In

Recent MSR Lumber Producers Council business included the election of new Board Members and the appointment of Committee Chairmen for 2004-05. Regular members elected to the Board include Reed Trull of Pope & Talbot Inc (2nd Vice President), Bill Love of Tembec Forest Products and Peter Lys of Weyerhaeuser Canada (1st Vice President and Treasurer). Associate members Griffin Jones of Canadian Engineered Wood Products Ltd and Cathy Clay of Howard Lumber were also elected to Board positions.

On the Committee front, Jim Kaake of Georgia Pacific Corp and Cathy Clay will head up the Workshop Committee for 2004-05. Walter Boyles of Timber Products Inspection Inc will chair the Technical Committee. Membership will be overseen by Craig Stuart of Lignum Ltd. MSRLPC President Stewart Garden of Canadian Forest Products Ltd will also chair the Marketing Committee, and Gino Bifulco of Kruger Inc and Peter Lys will co-chair the Newsletter Committee. ■

Officers:

President: Stewart Garden

Canadian Forest Products Ltd.
604/264-6227 • stewart.garden@canfor.com

1st Vice President & Treasurer: Peter Lys

Weyerhaeuser Canada
250/828-7371 • peter.lys@weyerhaeuser.com

2nd Vice President: Reed Trull

Pope & Talbot Inc
503/220-2750 • reed_trull@poptal.com

Secretary & Business Manager: Kathy James

888/848-5339 • msrlpc@msrlumber.org



Directors:

Jim Kaake • Georgia Pacific Corp
404/652-8058 • jakaake@gapac.com

Craig Steele • Schuck Component Systems
623/931-3661 • csteele@schuckaz.com

Craig Stuart • Lignum Ltd
604/687-2425 • cstuart@lignum.com

Bruce Baird • Tembec Forest Products
705/360-1202 • bruce.baird@tembec.com

Lavoyd Hudson • Gulf Lumber Co.
251/457-6872 • lhudson@gulflumber.com

Gino Bifulco • Kruger Inc
514/343-3206 • gbifulco@kruger.com

Cathy Clay • Howard Lumber
251/962-4766 • cathyclay@gulftel.com

Griffin Jones • Canadian Engineered Wood Products Ltd
250/655-8262 • griff@cewp.ca

Mission Statement: The Machine Stress Rated Lumber Producers Council has been formed to promote the benefits of Machine Stress Rated lumber for the purpose of increasing the usage and acceptability of our product. It is the intent and mission of the Council to improve, promote and advance the common interest and general welfare of all phases of the Machine Stress Rated lumber industry. We intend to engage in market promotion, collection of information, product research, and aid our grading agencies in forming proper rules and standards which will further the business of the general membership of the Council.

Wood Truss Council of America (WTCA) on Lumber Usage in the Wood Structural Building Components Industry

In 2001, shipments of the U.S. wood products industry totaled about \$80 billion. Manufactured products in this industry are varied and include lumber, wood structural building components, panel products (e.g., OSB, plywood, etc.), millwork (e.g., windows, doors, flooring, etc.), and wood containers and pallets. In recent years, shipments of wood structural building components (about 7.5% of the total) have accounted for a growing segment of the wood products industry.

In the past, the size of the wood structural building component industry has been fairly difficult to pinpoint. This changed recently when an independent analysis of the size of this industry was produced as follows¹:

Table 3-1
U.S. wood structural building components: Estimated production, 1997-2002

Items	1997	1998	1999	2000	2001	2002 ¹
	<i>Million dollars</i>					
Trusses and prefabricated panels	6,006	6,528	7,544	7,822	8,487	8,953
Engineered wood products	1,540	1,618	1,855	1,842	1,785	1,767
Total	7,546	8,146	9,399	9,664	10,272	10,720

¹ 2002 data estimated from 6 month YTD data.

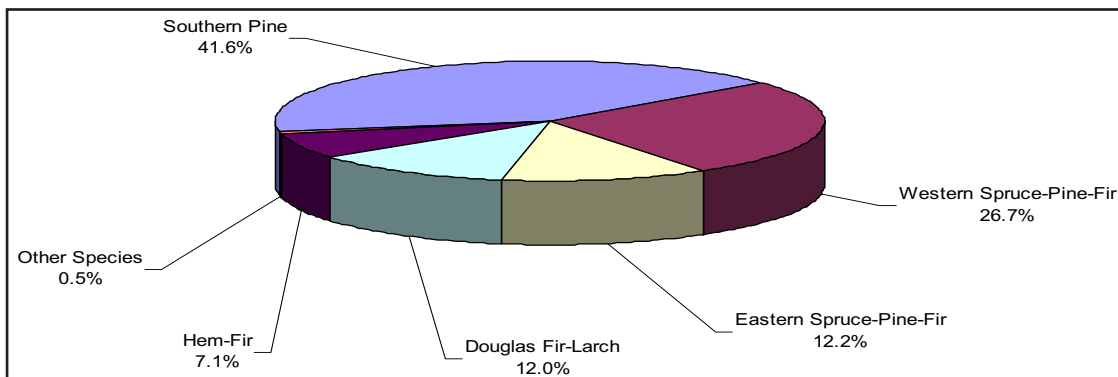
Source: Compiled from data submitted in response to Commission producer questionnaires.

Driven by strong construction markets during 1997-2002, production of wood structural building components increased in value at an average compound annual rate of 8.0% to \$10.3 billion in 2001 and is likely to reach \$10.7 billion in 2002.

During 1997-2002, production of trusses and prefabricated panels increased steadily at an estimated average compound annual rate of 9%. Trusses and prefabricated panels represented 80% of total production of wood structural building components in 1997, but increased to 84% in 2001 as a result of strong growth relative to engineered wood products (EWP). During the same timeframe, roof trusses accounted for most production reported by truss manufacturers. Floor trusses accounted for 9%, and wall and floor panels increased from 5 to 11%.

Given this, we have begun to look at renaming WTCA the “9 billion board feet of lumber and 600 million pounds of steel” Truss Council of America due to the purchases of our two primary raw materials.

Clearly, the lumber raw material side is significant to component manufacturers because it makes up 40 to 50% of the cost of a truss. As such, we keep track of industry-wide lumber purchases in our association’s financial performance survey. A summary of this section of the survey follows:



The financial performance survey provides greater detail on lumber purchases. We would appreciate feedback on whether or not there is an interest from this readership in our putting together a detailed report on usage by the truss industry. Please respond with your comments by emailing us at lumber@woodtruss.com or calling 608/217-3713.

¹ U.S. International Trade Commission Publication entitled “Conditions of Competition in the U.S. Market for Wood Structural Building Components” from ITC Investigation No. 332-445 April 2003. U.S. International Trade Commission, Washington, DC 20436



Dynagrade: The MSR On-line Grading System

Dynagrade was developed in Sweden in the early 1990s by a few young PhDs. It was tested by the Swedish National Testing and Research Institute. Dynagrade has been found to fulfill the requirement of the European standards. It is approved in North America by ALSC and CLSAB. Setting values according to the JAS standards for glulam laminations aimed for the Japanese market have been established.

Less than six feet of an existing cross conveyor line is needed for the Dynagrade system. A spring loaded impact mechanism at the main unit is activated by the lumber in the cross conveyor line. The vibration from a small impact on the end of the lumber is captured by two microphones and analyzed by the computer. At that point the length is measured by the laser-based measurement unit.

There are two (2) models offered for the North American market:

- The standard system has a capacity of 100 ppm (2000 bfm).
- The high capacity system has a capacity of 150 ppm (3000 bfm).

For more detail on Dynagrade call Marc Deraiche at 418/681-0291 or email at mderaiache@shuot.com.



CALENDAR OF EVENTS

August

11-13: WTCA Open Quarterly Meeting, Madison, WI. For more information, email wtca@woodtruss.com or phone 608/274-4849. Everyone is welcome to attend.

September

22: Wood Solutions Fair, Metro Toronto Convention Centre, Toronto, ON. For details visit www.cwc.ca or email wsf@cwc.ca.

October

6-8: Building Component Manufacturers Conference, Charlotte Convention Center, Charlotte, NC. Visit www.bcmcshow.com.

9: WTCA Open Quarterly Meeting, Charlotte, NC. For more information, email wtca@woodtruss.com or phone 608/274-4849. Everyone is welcome to attend.

14: Wood Solutions Fair, Doubletree Resort (Scottsdale), Phoenix, AZ. For details visit www.cwc.ca or email wsf@cwc.ca.

November

9: Wood Solutions Fair, Nashville Convention Center, Nashville, TN. For details visit www.cwc.ca or email wsf@cwc.ca.



The MSR Lumber Producers Council will exhibit once again at the Building Component Manufacturers Conference (BCMC). This year's show, "Revvin' Up the Component Industry," will be held October 6-8 in Charlotte, NC.

For more information about BCMC 2004 and to register online, visit the official show web site at www.bcmcshow.com. If you are interested in assisting with the MSRLPC booth at BCMC, contact Kathy James at 888/848-5339 or msrlpc@msrlumber.org.