



TexAmericas
CENTER[®]
Texarkana USA

Build | Lease | Manage | Sell | Incentives | Logistics

Forestry, Wood and Paper
Cluster Report

TexAmericas Center – Texarkana MSA – Texas

Eric Voyles

Eric.Voyles@TexAmericasCenter.com
(Office) 903.223.9841 & (Cell) 903.306.8923

3.10 FORESTRY, PAPER, AND WOOD PRODUCT MANUFACTURING CLUSTER OF BUSINESSES

The Texarkana area offers several advantages for placing a Forestry, Paper or Wood Products facility:

- **Abundant Timber Resources:** The Texarkana area is situated in an eco-region with abundant timber resources, including forests that provide a sustainable supply of wood for paper and wood product manufacturing. Access to these resources ensures a reliable and cost-effective supply chain for raw materials.
- **Proximity to Markets:** Texarkana's central time zone location within the southern United States provides access to major markets for forestry products, including nearby metropolitan areas such as Dallas, Houston, and Little Rock. This proximity reduces transportation costs and facilitates distribution to customers.
- **Transportation HUB Infrastructure:** The Texarkana area benefits from well-developed transportation infrastructure, including three interstate highways, railways, and access to waterways. This infrastructure enables the cost-effective and efficient movement of raw materials, finished products, and equipment necessary for paper and wood manufacturing operations all from a right-to-work state.
- **Skilled Workforce:** The Texarkana area boasts a skilled available workforce with experience in forestry, wood processing, engineering, and related fields. There is excellent availability of unskilled and semiskilled talent. Local educational institutions, such as universities, vocational schools and community colleges, offer training programs tailored to the needs of the forestry and wood products industry, ensuring the availability of a low cost, reliable workforce.
- **Business-Friendly Environment:** The Texarkana area provides a supportive business environment with favorable State and Local tax policies, incentives, financing programs and resources for business development. Local governments often actively support manufacturing initiatives, making it easier for companies to establish and expand forestry, paper, and wood products facilities.
- **Access to Utilities:** The Texarkana area offers access to reliable utilities with excess capacities such as water, sewer, fiber, electricity, and natural gas, essential for forestry, paper, and wood products manufacturing facilities. Access to these utilities ensures consistent production and reduces operational risks.
- **Quality of Life:** Texarkana provides a high quality of life for residents, with access to amenities such as parks, recreational facilities, cultural attractions, excellent educational resources, and affordable housing options. A favorable living environment can attract and retain skilled workers, contributing to the success of manufacturing operations.

-
- **Sustainable Practices:** The Texarkana area's forestry industry prioritizes sustainable forestry practices, ensuring responsible management of timber resources and environmental conservation. Companies that prioritize sustainability will find support and opportunities for collaboration within the local community. The Wood Basket is presently in a surplus situation.

Overall, the combination of abundant timber resources, proximity to markets, transportation infrastructure, skilled workforce, business-friendly environment, access to utilities, quality of life, and sustainable practices makes Texarkana an attractive location for placing a Forestry Paper & Wood Products facility.

3.10.1 The Piney Woods Eco-Region

- *"The Texarkana area wood basket is growing faster than it can harvested."*
Domtar general manager (c. 2024)
- The Piney Woods region is known worldwide for its high-quality softwood. They are predominantly Loblolly, Shortleaf, and Longleaf Pines, along with Bluejack and Post Oaks, dominate Sandhills. A well-developed understory grows beneath the sparse canopy and includes Yaupon Holly and Flowering Dogwood. Pine Savannas consist of scattered Longleaf and Loblolly Pines alongside Black Tupelos, Sweetgums, and in acid soils along creeks Sweetbay Magnolias. Other common trees in this ecoregion include eastern Redbud, Red Maple, Southern Sugar Maple, and American Elm.
- Texarkana is set at the center of one of the largest temperate coniferous forests in the USA. Covering 54,400 square miles (141,000 km²) of East Texas, southern Arkansas, western Louisiana, and southeastern Oklahoma, the Piney Woods is dominated by several species of pine as well as hardwoods including hickory and oak. The region receives 40–52 inches (1,000–1,300 mm) of precipitation annually. The Piney Woods climate type is humid subtropical which is characterized by longer, hot and humid summers, and short cool to mild winters. This region features a mean temperature in the coldest month between 0 °C (32 °F) (or –3 °C (27 °F)) and 18 °C (64 °F) and mean temperature in the warmest month 22 °C (72 °F) or higher. However, the region rarely sees snowfall. The Piney Woods region's climate and soil produce some of the best softwood and hardwood growing areas in the U.S., as well as in the world.
- Arkansas and Texas are top 10 softwood lumber producing states in the U.S. producing over 2.27 billion board feet annually. The majority of the commercial timber growing and wood processing in the state of Texas takes place in the Piney Woods region.
- An internationally recognized leader in forest, paper & wood product manufacturing, the Texarkana region combines accessible, diverse wood basket of raw materials with cutting-edge innovation to produce a diverse range of high quality, value-added forest, wood, and paper products. Forestry, Paper,

and Wood Products employment is more concentrated in the Texarkana region because of its rural nature. It is an important source of quality jobs for many residents; therefore, the region supports the continued development of this industry as vital to the economic prosperity of many of our regions communities.

- Wood and paper industries were noted to be highly concentrated within the region, with statistics showing employment being 11 times higher for forestry and logging workers than the national average (2019). Employment in this sector grew by 3% between 2014 – 2019 and the number of companies grew by 3. The total number of companies operating in this sector was 51 in 2019.
- Woodworkers with 315 total jobs had about 53 people commute outside the region each day for employment; between 2014 and 2019 this job category only grew in employment by 13%.
- Paper Manufacturing in the Texarkana region has 1,755 employees, which is an LQ of 7.5 above the US Average. There are eight companies operating in this sector with two new companies entering the market between 2014 and 2019.
- Wood product and related manufacturing shows a strong suitability and there is slack in the labor market (2021). The Wood Product Manufacturing sector employee about 775 individuals at 34 companies. This is about 3 (LQ) times the US average. Specifically, jobs in the sawmill sector have a LQI that is 5.8 times higher than the US average, Reconstituted Wood Product Manufacturing's LQI is 10.8 times the US average, Wood Container and Pallet Manufacturing' LQI is 4.0 times the US average, Paper (except Newsprint) Mills LOI is 22.00 times the US average, and Paperboard Mills LQI is 44.9 times the US average. Any industry operating in this cluster will benefit from the region's source and supply chain synergies.
- The Texarkana region is home to many leading forest, wood and paper product manufacturers, including Weyerhaeuser, GREIF, Pallet One, Domtar, Graphics Packaging, West Fraser, Mayo Manufacturing, Davis Truss, Lewisville Wood Products, Anthony Timberlands, Gunnels Mill, Little River Hardwoods, TNM Hardwoods, Hatfield Lumber Co., Great Southern Wood, Sutton Lumber, J&J Lumber Company, H & T Truss Mill, Jay Bird Mfg. of AR, CMP Specialties, Shields Wood Products, Amerities South, Funder America, International Paper, Georgia Pacific, Gilchrist Bag Manufacturing, Camden Timbers, Magnolia Forest Products, Hixson Lumber Sales, Teal-Jones, Fowler Post, Oklahoma Pole & Lumber Co., Silver Creek Sawmill, Wood Tie and Lumber, Chips SW Mill, Pan Pacific Products, Huber Company - Engineered Woods, Lynch Truss, Magnolia Brush Mfg., North East Texas Pallet, Collins Dimension Mill, Cypress Lumber Co., Ward Timber, Sonoco Products Co., Lone Star Studs, Inc., Petra Manufacturing, Phillips Forrest Products, M&M Milling, Texarkana Truss, JW Manufacturing, Texarkana Door & Window, JPS Woodworks, Dyke Industries, Fincher Mattress and Upholstery, IV Tags, CL &

Associates, Fay J Packaging, John Webb, Southern Papers' Converting and Distribution Company, and many more. Not included are small mills, logging, and trucking operations.

3.10.2 Specialty products

- Domtar's Ashdown Mill has steadily grown in size to become one of the largest paper and fluff pulp producing facilities in the world, and a global cost leader. The mill's total production is 700,000 air dried metric tons annually. Fluff pulp is the absorbent material found in many brands of *baby diapers, feminine hygiene and adult incontinence products, meat packaging, pet pads, air-laid absorbent towels, and other absorbent products*. Fluff Pulp is a type of chemical pulp made from long fiber softwood.
- Domtar announced that it has idled the Ashdown Mill's A62 paper machine and associated sheeter reducing the facilities annual uncoated freesheet capacity by 216,000 short tons. The machine produced uncoated freesheet paper, also known as wood-free paper, which is a type of paper that is made from chemical pulp and does not contain any added coatings. It is commonly used in a variety of printing applications, including books, magazines, and catalogs.
- The Graphics Packing facility (Queen City/Texarkana) is one of only seven Paperboard Manufacturing Facilities in their global operations. Its applications include use in the following industries: automotive, beverage, food, electronics, pharmaceuticals, health and beauty, toys and many others. There paperboard is also converted into plates, cups, liquid packaging, and liner end-uses. The plant is part of a fully integrated supply chain team that understands and knows how to overcome your packaging challenges.
- There are multiple lumber mills in the Texarkana region, with the closest to TexAmericas Center being West Fraser's New Boston/Texarkana plant. Lumber is wood that has been processed into uniform and useful sizes (aka dimensional lumber), including beams and planks or boards. Lumber is mainly used for construction framing, as well as finishing (floors, wall panels, window frames). Lumber has many uses beyond home building. Lumber from the Texarkana market may be supplied either rough-sawn or surfaced on one or more of its faces. Rough lumber is the raw material for furniture-making, and manufacture of other items requiring cutting and shaping. It is available in many species, including hardwoods and softwoods. Finished lumber is supplied in standard sizes, mostly for the construction industry – primarily softwood, but also some hardwood, for high-grade flooring.

-
- The Texarkana Region' Wood Products manufacturers are continually innovating and creating more efficient processes and better products to meet modern needs. We would welcome the addition of new processes tied to Engineered Wood, Plywood, OSB, Composite Materials, Renewable Energy, Laminated Materials, High Value Wood Products, Structural Materials, and other products that could easily be added to our cluster. One example is the development of mass timber products, such as cross-laminated timber, in the state, which provide a more sustainable, lower carbon, aesthetically pleasing alternative to concrete and steel for building construction. The growth of mass timber products and construction has the potential to create thousands of jobs in the Texarkana area.

3.10.3 Texarkana's Wood Basket, Mill and Supply Report

- **Logistics**
 - Typically hauling costs limit the distance any product can be hauled for these types of forest projects.
 - Most mills have a primary haul radius of typically 50-75 miles.
 - Mills will haul from farther away if weather limits access to the local supply.
 - The typically drayage distance does not exceed 100 miles,
 - In rare instances mills have had to go to but seldom beyond 125 miles.
 - 250 miles is too far to haul economically.
- **Primary Market Timber Usage, Lumber Supply, And Waste Generated:**
 - The primary pine sawtimber mills, distance from TexAmericas Center's East Campus, and approximate number of loads per day each takes (A load of wood is approximately 28 tons of wood.)
 - West Fraser at New Boston, Texas:
 - 7 road miles
 - 200 loads wood/day
 - Tons purchased are about 1,650,000 annually.
 - Waste
 - Chips, sawdust, shavings
 - Disposal is confidential.
 - Domtar at Ashdown, Arkansas:
 - 34 road miles
 - 360 loads Truckloads/day ~360
 - Total tons purchased/year.
 - Wood 3,900,000 total annual purchase

-
- Chips 350,000
 - Pulpwood 3,550,000
 - Graphic Packaging (Atlanta)
 - 35 road miles
 - 250 Truckloads/day
 - Total tons purchase/year
 - Wood 2,700,000 total annual purchase
 - Chips 648,000
 - Pulpwood 2,052,000
 - Weyerhaeuser at Idabel, Oklahoma:
 - 54 miles
 - 180 loads/day
 - Tons purchased are about 1,650,000 annually.
 - Waste
 - Chips, sawdust, shavings
 - Disposal is confidential.
 - Deltic at Waldo, Arkansas:
 - 65 miles
 - 130 loads/day
 - Weyerhaeuser at Dierks, Oklahoma:
 - 70 miles
 - 235 loads/day
 - Georgia Pacific at Gurdon, Arkansas:
 - 77 miles
 - 220 loads/day
 - Weyerhaeuser at Emmerson, Arkansas:
 - 85 miles
 - 130 load/day
 - There is also a fair number of small pallet/tie/pole/other mills in the Texarkana region that use between 6 and 15 loads per day of pine. A mid-sized mill, Ward Timber Company in Linden uses about 30 loads per day of pine logs in addition to their hardwood usage.
 - **Supply of Timber Waste from smaller producers**
 - Each of these facilities could supply pine sawtimber waste. Additional research would be needed to determine the number of tons available and at what intervals.
 - **The Texarkana Area Wood Basket / Lumber Supply:**

Forest / Wood	Within 50 miles (TX, AR, LA, OK)	Woodland 2,801,400 Acres / 1,133,686 Ha
	Within 50 miles (TX)	Woodland 1,216,700 Acres / 492,381 Ha
County Bowie	Forest Owners in the	
	Counties Bowie & Cass	Company Acres %
	1	No company land.
	2	About 75,000 acres of TIMO land.
	3	Several private owners with 1,000 to 15,000 acres of land.
Wood Cost	delivered fr. 50 miles	Summer/Fall 2021 Pricing
	to Hooks	Pulpwood \$ 29.00 / short Ton delivered
		Chips & Sawdust \$0.00 /short Ton delivered - No outlet for product.
		Sawlogs \$ 52.00 / short Ton delivered

- **Summer/Fall 2021 Pricing**

- Pine Pulpwood - 1,500,000 Tons Cost - \$45,000,000 or \$30/ton
- Wood Chips
 - Pinewood - 200,000 Tons Cost \$7,200,000 or \$36/ton (clean chips)
 - Hardwood chips average \$40/ton
- Sawdust - 100,000 Tons Cost - \$1,400,000 or \$14/ton
- Shavings - 120,000 Tons Cost - \$2,160,000 or \$18/ton

3.10.4 Frequently Asked Questions

1. **Are all wood deliveries priced into factory?** Yes, these are average “gate” wood prices for pulpwood and pine chips paid by other mills in the area. (c.2021)
2. **Sawdust, you gave a price of \$14 per ton, this seems very low, please re-check.** Lots of mills have excess sawdust, and some will give it away so the only cost would be trucking to get it from one mill to another. Other mills charge up to \$30/ton for it depending on the time of year and other market factors. Sawdust is a volatile market. The average for the area from people I interviewed works out to \$14/ton to purchase. (c.2021)

-
3. **For shavings, you have a price of \$18 per ton, please re-check, the price is normally much higher.** I need clarification on the type of shavings they intend. Shavings have many different meanings around here. None are big markets, and they are volatile markets as well depending on type and time of year. If clean shavings to be used in bedding is the product, then yes, the price would be much higher. That price would be more on the order of \$45/ton. However, my \$18/ton price was dirty shavings, that includes bark. For some of these “Dirty Shavings” products, mills in the area will give this away during the right time of the year, but this product is typically a purchased product from the mills as residuals. What each mill has to sell varies considerably based on what they manufacture, so my \$18/ton is more middle of the road price. (c.2021)
 4. **How does Texarkana rank with regard to other well-known Timber Towns?** Texarkana has more mills within its 75-mile target radius than Crossett, AR does, plus there are no competing pellet mills in our area like there are in SE Arkansas. The Texarkana region is currently producing more trees than are being harvested.

The Wood Basket, mill and supply report was compiled by a TexAmericas Center RED Team member helping TexAmericas Center assemble more information on this Targeted Industry & existing cluster. All questions were answered by our contracted forest manager and Owner of Kingwood Forestry... <http://www.kingwoodforestry.com/>



Whether you are looking to expand your business, your current lease is expiring, you are planning a move to Texas, or you have considered leaving the mid-south region, talk to us first!

Eric Voyles
Executive Vice President/CEDO
TexAmericas Center
107 Chapel Lane, New Boston, TX 75570
M: 903-306-8923 | O: 903-223-9841
Email: Eric.Voyles@TexAmericasCenter.com
TexAmericasCenter.com

