



15 March 2019



SENT TO LSU AGCENTER/LOUISIANA FOREST PRODUCTS DEVELOPMENT CENTER - FOREST SECTOR / FORESTY PRODUCTS INTEREST GROUP

This is definitely one of the most pressing issues facing all sectors of the forest products manufacturing industry. Can't find employees which leads to investment in production efficiencies which, in turn, precludes the need for additional workers. I have always been a proponent of employee training but few companies will make the investment to establish the infrastructure to do so. States in the U.S. rarely provide training for our sector due to budget constraints and/or a lack of corporate matching funds. And so it goes.

Woodworking Network

Georgia-Pacific foresees low worker interest, invests \$30 million in machinery

Robert Dalheim March 14, 2019 | 1:15 pm EDT

ROME, GA - Georgia-Pacific, a world-leading manufacturer of lumber and composite panel products, will invest \$30 million into one of its Georgia lumber operations. The investment will go toward new machinery and equipment, which the company says will allow it to boost its output by 20 percent. Company spokesperson Rick Kimball told the Rome News Tribune that the new equipment includes a planer and grading and trimming machinery. Installation should be completed by July. There aren't plans for more workers to be added at the mill, which reportedly employs 163. In an effort to safeguard itself from a potentially growing lack of employees, the company is preparing to upgrade and maximize efficiency in all of its product lines. Kimball told the Tribune that it is getting increasingly difficult to find employees "that want to do this kind of work." In a Woodworking Network survey, 80 percent of professional woodworkers polled say the company they run or work for is having trouble finding laborers.

The mill will briefly shut down after installation as employees are trained. Upgraded production should begin by December.

Georgia-Pacific laid off 120 workers at one of its Georgia lumber plants in January, citing challenges in log procurement and market problems. It also recently exited the communication papers business and laid off 650 workers in Louisiana. The company also closed a plywood mill in Warm Springs, Georgia December 17, affecting more than 300 jobs. "Georgia-Pacific will permanently cease manufacturing operations at its Warm Springs, Ga., plywood facility, due to overall market conditions," said Georgia-Pacific Senior PR Manager Rick Kimble to WRBL News 3. "Although the new home construction market has returned somewhat since the recession in 2007/08, the construction market has continued to tighten this year due to higher interest rates and labor shortages. Plywood continues to be challenged by different -- less costly options -- like OSB and imported plywood continues to be a big driver." But despite hardships, expansion plans are in place.

A 340,000-square-foot softwood lumber mill is in the works in Warrenton, Georgia. Construction of the \$135 million facility should finish in spring of this year. The plant, which replaces an outdated facility, will add up to 40 jobs. Overall, the company employs 7,200 people at 18 locations throughout Georgia. Those jobs create an additional 21,440 indirect jobs. Based in Atlanta, Georgia-Pacific and its subsidiaries are among the world's leading manufacturers and marketers of lumber and composite panel products for use in cabinetry, furniture, casegoods, closet systems and other wood products. The company also produces related chemicals, cellulose, specialty fibers, nonwoven fabrics, and consumer-related items, including bath tissue, paper towels and napkins, tableware, paper-based packaging and office papers, with consumer brands including Quilted Northern®, Angel Soft®, Brawny®,



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Dixie®, enMotion®, Sparkle®, Mardi Gras®, Vanity Fair®, and STAINMASTER™ household cleaning products. The company operates approximately 200 facilities and employs approximately 35,000 people directly, and creates nearly 92,000 jobs indirectly.

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