

RISI's Wood Biomass Market Report dispels 'overabundant waste wood' myth

The *Wood Biomass Market Report* today dispelled a widespread myth in regards to the availability and cost of wood fiber for wood biomass projects. The Report, published monthly by RISI, the leading information provider for the global forest products industry, reported that operators of new wood biomass projects, often industry newcomers, are finding that their wood cost projections were unrealistic and that to their surprise, existing mills are willing to fight with dollars to preserve their wood supplier loyalty. The Report also stated that these operators, hungry for large volumes of wood, and frequently armed with government subsidies, are finding that the perceived overabundance of "waste wood" in the nation's forests is simply not there. As a result, the increased demand for more traditional forms of woodfiber has already triggered wood price spikes and cross-grade competition in the tightest markets.

William Perritt, editor of the *Wood Biomass Market Report*, commented, "Recent and upcoming project starts in the energy, pellet, and biofuels sectors will add an estimated 37 million tons per year to existing wood fiber demand in North America, and that number could easily jump to 50 million tons in short order." He continued, "In the rush and excitement to develop North America's largest renewable energy source, established low-grade wood consumers have not always responded positively to the appearance of new players, and these new players should understand that they are going to have to fight much harder than they might have planned to procure enough woodfiber to run at their capacity." He went on, "In fact you can clearly see the prices for woodfiber in most regions of North America, as reported in our Report, seeing significant increases."

The *Wood Biomass Market Report* is published monthly. Yearly subscriptions are available now for US\$497 -- to order or for more information, please visit www.risiinfo.com/woodbiomass.

RISI has also recently published a study on the wood biomass industry in North American entitled, Emerging Biomass Industry: Impact on Wood Fiber Markets. For more information or to order this study, please visit www.risiinfo.com/biomass.

RISI is the leading information provider for the global forest products industry. The company works with clients in the pulp and paper, wood products, timber, tissue, nonwovens, printing and publishing industries to help them make better decisions.

Headquartered in Boston (Bedford), Massachusetts, RISI operates offices in Brussels, Belgium; Atlanta, Georgia; San Francisco, California; Portland, Oregon; Sao Paulo, Brazil; Shanghai, China; Singapore; and Charlottesville, Virginia. More information can be found at www.risiinfo.com.

http://www.risiinfo.com/technologyarchives/risi-wood-biomass-market-report-woodfiber-supply.html