

Vital Forests | Vital Communities

Building the Capacity of Minnesota's Wood Products Industry:
Creating the Edge for Global Competition and Future Investment

This conference brought together nearly 100 key stakeholders in the wood products industry to ponder the question, “How can the Minnesota wood products industry build its capacity at home to compete successfully in the global marketplace?” Participants included manufacturers from the primary and secondary wood products industry, public officials, university and organizational leaders involved in these issues.

Keynote speakers included John Brandt, CEO of The Manufacturing Performance Institute, who spoke about how successful companies in other industries have adapted to compete successfully in the emerging global marketplace. Brandt was particularly compelling in discussing critical threats that face industries trying to compete and ways for them to meet the challenges. Don Gerhardt, President of Medical Alley, also gave a well-received keynote address. Medical Alley is a Minnesota health care industry trade association that mapped out that industry’s path to becoming nationally recognized as a focus of innovation and investment in Minnesota. He emphasized the importance of front-end strategic planning and collaboration by companies and organizations to build their industry.

Best Practice panels of experts shared their expertise on ways to add value to the industry in the areas of: Design, Utilizing Undervalued Species and Wood Waste, Energy Efficiency and Marketing. Participants were urged to apply lessons to their own company’s or organization’s particular needs.

Several key themes emerged:

- The new economy is a “relationship economy”. Knowing exactly what customers want helps them cross jobs off their “to do” list, keeps them coming back and strengthens the company.
- Incremental change is no longer adequate for managing the changes stimulated by globalization. It takes strategic vision and commitment to change from the top leadership.
- Companies need to run their businesses efficiently and profitably, but still understand that employees are one of their most important assets. Investments in education and training may be costly, but essential to employees’ capacity to be productive for the company during times of great change.

Participant Evaluation:

Of the nearly 100 conference attendees, the 24 who completed the survey were highly complimentary of the conference. Virtually all agreed there is a need to build the collective capacity of the industry. When asked about how efforts should be undertaken to increase capacity, the overwhelming majority believed that public-private partnerships were the most important way to proceed, while cooperative efforts within the private sector should also be considered. When asked what areas collaborative actions should be focused on, the top responses were new product development, marketing, association building and manufacturing efficiency. One hundred percent of respondents indicated that they would attend a follow up conference. Three quarters reported that they learned about new opportunities to develop new or enhance existing Minnesota forest products, processes and technologies.

As Jim Hoolihan, president of the Foundation said, " Minnesota has an extraordinarily valuable asset in its forests and forest industry. If we apply the leadership we've seen today, a vision of what's possible (ala Medical Alley), and adapt some of the best practices presented today, we can help our wood products industry go from *Good to Great*."