NWTAAC Trade Impact Case Study

Trade Adjustment Assistance for Firms (TAAF)

Lumber Mill

CHALLENGE

Regulatory disparities in forest management between U.S. and Canada

In the two years prior to starting TAAF:

Sales Change: -38%

Jobs Change: 1%

NWTAAC assisted company to prepare a petition for TAAF

Referred to TAAF by:

Montana Wood Products Association



Disparities in forest management practices in the few soft-wood producing countries strongly affect business conditions for the industry.

SOLUTION

NWTAAC worked with management to review and advise on a strategy to focus on premium grade products and reduce operations to core products and customers until supply factors are resolved.

Investment

NWTAAC secured approval for \$150,000 for outside expertise with the company matching at 50% (\$75,000). The company invested \$4.8 Million to fully implement the strategy.

Outside * Plant Engineering with Maxi Mill

Expertise * Information System Upgrade with Express Information Systems

* Website Upgrade with Web Impakt

RESULTS

TAAF focused on projects aimed at cost reduction and sales support. The company survived a severe period of trade impact and market downturn and returned to pre-impact levels of operations. The firm employed \$73,005 of TAAF assistance over 5 years.

Results from start of TAAF:

Sales Change: 28%
Jobs Change: -19%
Productivity: +59%

Productivity: +59%

TAAF Usage: Full

Status at Close: Company recovered Long-term: Continued operation

Table: Indexed SALES and JOBS by program year, TAAF start = 100% and year 0.

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*Active for 5 years with 0 years of ongoing follow-up

TAAF helps companies (typically: small, closely held/family owned) to overcome challenges from import competition. Help focuses on business strategy and outside expertise. The program is single use with a cap on assistance.



NorthwestTAAC

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NWTAAC is a private, non-profit organization with over 35 years experience in the Pacific Northwest

Trade Adjustment Assistance for Firms

Alaska, Idaho, Oregon, Washington

