

Indiana Hardwood Trade Mission to Vietnam 2009

The Indiana State Department of Agriculture (ISDA) recently conducted a trade mission to Vietnam promoting Indiana's Premium Forest Products. Six Indiana companies representing logs, lumber, veneer and furniture accompanied ISDA on the trip to Ho Chi Minh City, Vietnam.

Vietnam is one of two major buyers of American hardwoods in South East Asia. Wood products are Vietnam's fifth largest exported goods and are shipped to more than 20 countries. Vietnam's exports in wood products continue to increase representing wonderful opportunity for Indiana's hardwoods.

Vietnamese wood product exports in 2000 totaled \$200 million (US dollars) and by the end of 2007 increased to \$2.5 billion. Sustainable hardwoods from the United States played a large part in this increase in wood exports, which again presents opportunity for Indiana's Premium Forest Products.

While in Vietnam the trade delegation spent two days traveling the outlining areas of Ho Chi Minh City to visit the larger furniture manufactures. The delegation was warmly greeted by their host companies able meet key management and purchasing personnel followed by a tour of each manufacturer. The openness to share the quantities, species, pricing and grades required for their operations was very helpful to the delegation members. White oak was by far the largest imported hardwood with ash, soft maple, poplar, and walnut rounding out the remaining species.

The group spent the third day meeting additional furniture manufactures at the hotel for scheduled one-on-one meetings. These meetings were a great way to convene with many smaller companies to talk about their hardwood requirements.

Most of their furniture production is shipped to the United Kingdom, Europe and Scandinavian countries with a smaller percentage to the U.S. market. Overall furniture production is down 25-50% due to the global economic crisis with most

companies reducing hours and personnel. Still all of the factories were producing furniture and very interested in our Indiana hardwoods. Several even mentioned that they wanted to move away from several of the tropical species, increasing temperate wood imports from the U.S., excellent news to the delegation.

During the visits and meeting several manufactures expressed interest in receiving quotes from the group for logs, lumber and veneer. Upon returning one of the companies did received an order for approximately 45 thousand board feet of hardwood lumber which was great news. Several other Vietnam companies were looking to place orders in the coming months and would be contacting the trade mission members.

The ISDA Trade Mission delegates included, Dave Bramlage, Cole hardwood Inc., Brian Heil, SRWood, Inc., Steve Crone, Crone Lumber Co. Inc., Phillip Fisher, Maley & Wertz Lumber Co. Inc., Roger Presl, Quality Hardwood Products, Raju Shah, Custom Wood Products and Mike Seidl, Program Manager for Hardwoods Economic Development. As Indiana hardwood companies continue to make advancements into the global markets, ISDA will be looking at additional markets in the coming year.