

Exporting a Wisconsin Hardwood Products

International Agribusiness Center

WISCONSIN DEPARTMENT OF AGRICULTURE, TRADE AND CONSUMER PROTECTION (DATCP)

January 2022

2020 WISCONSIN TOTAL HARDWOOD EXPORTS

Wisconsin ranks 13th in the export of hardwood.

2020 Hardwood Exports: \$244.96 million

June 2021 YTD Hardwood Exports: \$146.82 million

Top Export Markets:

I – Canada (45.10%)	\$110.46	millior
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2 – China (29.69%) \$72.72 million

3 – Japan(4.46%) \$10.92 million

4 – Vietnam (3.84%) \$9.40 million

5 – United Kingdom (1.87%) \$4.59 million

HS Code: 44

Top Export Markets:

I - Canada (47.83%)	\$70.22 million
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2 – China (26.54%) \$38.97 million

3 – Japan(3.29%) \$4.83 million

4 – Vietnam(2.91%) \$4.27 million

5 – United Kingdom (2.34%) \$3.43 million

WISCONSIN'S LOGS EXPORTS

2020 Log Exports: \$32.13 million

June 2021 YTD Log Exports: \$23.68 million

Top Export Markets:

I – China (65.86%) \$21.16 million

2 – Canada (15.88%) \$5.10 million

3 – Vietnam (4.64%) \$1.49 million

4 – Korea (2.32%) \$747 thousand

5 – Germany (2.14%) \$686 thousand

Top Export Markets:

I – China (69.37%) \$16.42 million

2 – Canada (9.77%) \$2.31 million

3 – Vietnam (4.46%) \$1.06 million

4 – Portugal (3.85%) \$912 thousand

5 – Hong Kong (2.65%) \$627 thousand

HS Code: 4403

WISCONSIN'S LUMBER EXPORTS

2020 Lumber Exports: \$88.38 million

June 2021 YTD Lumber Exports: \$45.45 million

Top Export Markets:

	I – China	(56.77%)	\$50.17 million
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2 – Japan (9.89%)	\$8.74	million
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Top Export Markets:

I – China	(46.13%)	\$20.97 million
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HS Code: 4407

WISCONSIN'S VENEER EXPORTS

2020 Veneer Exports: \$15.03 million

June 2021 YTD Veneer Exports: \$10.55 million

Top Export Markets:

I – Canada (76.29%) \$11.46 million

2 – Spain (14.02%) \$2.11 million

3 – China (7.88%) \$1.18 million

4 – Japan (0.75%) \$113 thousand

5 – Indonesia (0.71%) \$107 thousand

Top Export Markets:

I – Canada (61.08%) \$6.44 million

2 – Spain (21.75%) \$2.29 million

3 – China (12.43%) \$1.31 million

4 – Japan (1.61%) \$169 thousand

5 – Brazil (0.89%) \$94 thousand

HS Code: 4408

DEVELOPING AN EXPORT STRATEGY

Our staff can help you assess your company's export readiness



Develop an export plan that includes

- ✓ Realistic objectives and measurables goals
- ✓ A marketing component
- ✓ Action steps for executing export of product
- ✓ Export budget

Find a sample export plan here, https://www.trade.gov/sample-export-plan

Also, the Wisconsin Economic Development Center offers ExporTech TM , a proven export strategy development program where companies develop a customized export plan.

*See resources page for additional sample export plan resources

IDENTIFY TOP MARKETS FOR COMPETITIVE ADVANTAGE

Accurate, up-to-date market intelligence is essential to identify countries with the most potential for your product(s)



SCREEN POTENTIAL MARKET OPPORTUNITIES



ASSESS AND SELECT THE TOP MARKETS



DEVELOP YOUR STRATEGY AND MARKET ENTRY PLAN

IDENTIFY MARKET ENTRY REQUIREMENTS

Determine the import requirements for your products as each country has different market entry requirements including import quotas, licensing, labeling and tariffs.

Resources:

- USDA's Food and Agricultural Import and Regulations Standards Reports (FAIRS)
- Global Agricultural Information Network (GAIN)



PLANNING TO EXPORT PLANT PRODUCTS? A PHYTOSANITARY CERTIFICATE (PC) MAY BE REQUIRED

What is a PC?

A certificate issued by the US or State Department of Agriculture certifying to foreign governments that US plants and plant products are free of harmful pests and diseases.

Most countries have restrictions in place to keep unwanted pests out. They attempt to intercept plants, animals, viruses, fungi and bacteria that threaten an agricultural commodity or natural resource. These countries require plant products being imported to be inspected and declared free of pests through an inspection and a Phytosanitary Certificate.

A full list of the phytosanitary certificates can be found in the How to Obtain Exporting Documents presentation on the DATCP website

APPLYING FOR CERTIFICATION

Phytosanitary Certificate Issuance and Tracking System (PCIT)

The PCIT system automates the issuance of a Phytosanitary Certificate, including collection and tracking of its related information, for an eligible agricultural commodity being exported to foreign countries. PCIT is an award winning interactive, Web-based tool which allows you to quickly create and submit applications for Phytosanitary Certificates for the purpose of inspection and exporting of commodities.

Customers using PCIT can communicate securely over the Internet with county, State, and Federal "Authorized Certification Officials" (ACO), which aids in shipping billions of dollars in products each year.

Use this link to access PCIT: https://pcit.aphis.usda.gov/pcit/faces/signln.jsf

FINDING QUALIFIED FOREIGN BUYERS & HOW TO PREPARE FOR MEETINGS

There are a multitude of avenues to attract and obtain foreign buyers that are fit for your product(s). Consider the following:



- American Hardwood Export Council (AHEC) Trade
 Show Pavilions and Trade Shows
- Softwood Export Council Event Calendar
- USDA International and Domestic Trade Shows
- International Agribusiness Center Calendar
- WEDC Global Trade Ventures

FOLLOW-UP WITH BUYERS

It's important to follow up with buyers. To be successful in developing trade relationships be sure to:

- Correspond quickly after meeting buyer(s)
- Provide information requested (accurate pricing, quoting of products and shipment)
- Provide your contact information (email, phone number, website)
- Follow up on the follow up

INCREASE MARKET SHARE WITH FOOD EXPORT MIDWEST'S BRANDED PROGRAM

Access Food Export's Branded Program funds available to companies headquartered in the Midwest or Northeast regions of the U.S. who meeting SBA guidelines of a small business and promote brand name products with at least 50% U.S. agricultural content by weight interested in promoting product sales by increasing their international marketing efforts. Funds are available through the Market Access Program (MAP) of the Foreign Agricultural Service (FAS) of the U.S. Department of Agriculture (USDA).

Partial reimbursement (up to 50 percent) of approved activities such as:



- International web site development
- Development, translation & distribution of promotional materials
- Participation in foreign trade shows and exhibitions
- And much more

Learn more on Food Export's website: Market Promotion/ Branded Program (foodexport.org)



WOOD PRODUCTS COVERED BY FOOD EXPORT BRANDED PROGRAM

Food Export's Branded Program can cover certain wood products. The following products may be eligible for inclusion based on Harmonized System code:

- Poles, Piles, Posts (utility poles and fencing)
 (4403part and 4404)
- Wood Wool and Wood Flour (4405)
- Railway Ties (4406)
- Densified Wood (4413)
- Picture, Mirror, and Other Wood Frames (4414)
- Pallets and Crates (4415)
- Cooperage products (4416)
- Tool and Tool Handles of Wood (4417)

- Builders Joinery items, including Doors,
 Windows, and Shingles (4418part)
- Tableware and Kitchenware of Wood (4419)
- Statuettes and Other Ornaments of Wood and Jewelry and Similar Boxes (4420)
- Miscellaneous Wood Products (4421)
- Log Homes and Other Prefab Wood Homes (traditional 2x4 construction)

RESOURCES PAGE

DATCP International Agribusiness Center - export certificate guidelines

<u>American Hardwood Export Council (AHEC)</u> – market information, statistics, trade shows *Requires membership with participation fees for some services.

<u>Softwood Export Council</u> – provides information and assistance to agents, importers, designers, and users of these products in other countries

Global Agricultural Information Network (GAIN) – search by country, product and exporter assistance reports. Reports include exporter guide, retail foods, food processing ingredients, HRI and many more

RESOURCES PAGE

<u>USDA Foreign Agricultural Service (FAS)</u> – export data, world market reports, foreign buyer trade leads, import and regulation standards reports

<u>U.S. Free Trade Agreements (FTAs)</u> – current agreements with the U.S., that provide low or duty-free market assess

International Trade Administration – sample export plans

Wisconsin Economic Development Center (WEDC) — ExporTech™, export strategy development program - Eastern Wisconsin: ExporTech™ | WMEP Manufacturing Solutions Western Wisconsin: ExporTech™ | University of Wisconsin - Stout (uwstout.edu)

QUESTIONS?

The International Agribusiness Center Team Is Ready to Help.



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https://datcp.wi.gov/Pages/Growing_WI/InternationalAgribusiness.aspx

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