STRUCTURAL BUILDING COMPONENTS — THE FUTURE OF FRAMING

ITC 332 Report Summary

U.S. EWP Market and Employment[i]

Market Size Facts

Table 3-1
U.S. wood structural building components: Estimated production, 1997-2002

Items	1997	1998	1999	2000	2001	2002[1]
	Million dollars					
Trusses and prefabricated panels	6,006	6,528	7,544	7,822	8,487	8,953
Engineered wood products	1,540	1,618	1,855	1,842	1,785	1,767
Total	7,546	8,146	9,399	9,664	10,272	10,720

[1] 2002 data estimated from 6 month YTD data.

Source: Compiled from data submitted in response to Commission producer questionnaires.

1. There are **38 U.S. firms that manufacture EWP**. Thirteen firms manufacture two or more different types of EWP; typically, they produce a complete line of EWP. Included in this group are most of the largest, integrated U.S. forest products companies.
2. The **top three U.S. manufacturers of EWP** are **Trus Joist** (Weyerhaeuser), **Boise Cascade**, and **Louisiana-Pacific**. The market share of the top three producers reportedly declined from 83% in 1991 to 74% in 2002. Although some of the large firms also produce glulam, the remaining 25 EWP manufacturers only produce glulam and are generally much smaller firms.
3. U.S. EWP manufacturers reported that in 2001, 64% of sales went to building material dealers and 21% was one-step sales (of which 7% was to home builders and 14% to framers).
4. 60% of U.S. truss manufacturers indicated that their firms purchased EWP for resale.
5. EWP manufacturers reported that in 2001 64% of their EWP sales went to residential construction. They also reported sales to commercial construction in 2001 were 25%.
6. Average haul distances for EWP manufacturers increased irregularly from 551 miles in 1997 to 568 miles in 2002, while maximum haul distances showed year-over-year increases from 1,973 miles in 1997 to 2,111 miles in 2002.
7. The capital investment required to manufacture SCL is typically much larger than for I-joists alone or glulam. Producers of LVL reported average plant replacement cost of $72 million, whereas producers of I-joists and glulam reported average plant replacement cost of $9 million.
8. EWP manufacturers reported that exports accounted for 2% of sales in 2001. Firms reported exports to Japan, Taiwan, the United Kingdom, Canada, and Australia.

Employment Facts

Table 3-3
U.S. wood structural building components: Employment, 1997-2001

Items	1997	1998	1999	2000	2001
	Number of employees				
Truss manufacturing:[1]					
All employees	32,069	34,661	37,649	38,597	39,307
Production workers	24,266	26,401	28,856	29,276	29,634
Engineered wood products:[2]					
All employees	5,372	5,811	5,884	5,709	5,724
Production workers	4,469	4,869	5,049	4,844	4,932

[1] Employment data for truss manufacturing, NAICS code 321214.
[2] Employment data for engineered wood members, NAICS code 321213, which includes some products not in the scope of this investigation.

Source: U.S. Census Bureau Annual Survey of Manufactures, M019(AS)-1.

1. The reported number of persons employed in the manufacture of EWP during 1997-2001 increased at an average compound annual rate of 1.6% to 5,724 in 2001. Generally, **the number of persons employed by producers of LVL and I-joists is much larger than the number of persons employed by companies that produce glulam exclusively**. The average number of employees per firm for producers of LVL and I-joists was 804 in 1997 and 931 in 2002. On the other hand, for firms that only manufacture glulam, total reported employment was flat during the period, and the average number of employees per firm was 70 in 1997 and 69 in 2002.

[i] All facts taken directly from the U.S. International Trade Commission Publication 3596 entitled "Conditions of Competition in the U.S. Market for Wood Structural Building Components" from ITC Investigation No. 332-445 April 2003. U.S. International Trade Commission, Washington, DC 20436, www.usitc.gov