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A PROFILE OF THE SECONDARY WOOD PRODUCTS INDUSTRY OF MAINE 1995

Based on a 1994 assessment questionnaire produced by:
Maine Forest Products Marketing (MFPM)
a project of
Heart of Maine Resource Conservation Development Area, Inc

Assessment data reviewed and published by MFPM
in collaboration with:
Jim Connors, Maine State Planning Office and
Sue Folsom, Department of Economic & Community Development

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Introduction

Maine Forest Products Marketing (MFPM) is a field office project of the Heart of Maine Resource Conservation and Development (RC&D) Area, a grassroots, nonprofit corporation focused on planning and project measures to better manage natural resources.

The MFPM project, was launched in January of 1993 to assist the Maine secondary wood products industry to find additional ways to market value-added Maine wood products. In order to accomplish this mission, MFPM needed to ascertain the size and scope of Maine's secondary wood product producers and verify their needs for assistance. A survey was implemented and accomplished.

To facilitate the compilation of the data from two hundred and twenty-six questionnaires MFPM sought outside assistance to formulate the data and provide rudimentary analysis, which could be used by others desiring to know more about this industry.

Mr. Jim Connors of the Maine State Planning Office and Ms. Sue Folsom of the Department of Economic and Community Development accepted this grueling task and the splendid results of their efforts have been produced in this profile. We thank you Sue & Jim!

"At minimum, the information and this insight into the secondary wood products industry can be used as a benchmark, from which to partially evaluate the effort of service delivered in the future."

Timothy Freeland Washburn, Director, MFPM

Survey Methodology

The aim of the study was to identify and survey all secondary wood product producers located in the state of Maine. Secondary wood product producers are those who add value to raw lumber by kiln drying or further adding value by turning lumber into finished goods such as canoe paddles, flooring, panels, furniture moldings and the like. A combination of face to face interviews and mailed responses was used to gather the survey responses.

There was no size limitation imposed by the study. Any and all secondary wood product manufacturers, including one person and part-time operations, were included in the initial target population.

The preliminary database initially compiled to form the population of firms targeted for the survey was gathered from the Directory of Secondary Forest Products Industries in Maine 1991, published by the University of Maine Office of Professional Development, College of Forest Resources, in conjunction with the Maine Forest Service. This database was supplemented with information from the Maine Manufacturing Directory, published by Tower Publishing Company, and a producers database provided by the Maine Products Marketing Office.

In May 1993, a listing of firms in each geographic region was sent to Chambers of Commerce and town managers in each region. They were asked to verify the existence of firms located in their region, and asked to provide information on any firms omitted from the listing. The total population of secondary wood product firms collected by Maine Forest Products Marketing (MFPM) to be targeted for the survey was 577 firms.

In the spring of 1993 a lengthy process of developing the questions to be included in the survey questionnaire. Business, education, economic development and forest products entities were asked to contribute specific questions and provide direct input regarding the content of the questionnaire. Maine Forest Products Marketing created a draft questionnaire which combined questions from the 1989 Maine Forest Service survey, a survey created by a Dr. Robert Rice of the University of Maine, and from other various solicitations.

The draft questionnaire was field tested with eleven Eastern U.S. wood product firms seeking their comments and feedback. The final questionnaire emerged as a result of the field tests.

Prior to distribution of the survey questionnaire to firms in the industry, postcards were sent to the targeted firms asking for information regarding employment, gross sales, and years in business. This information was used to determine which firms would receive a survey through the mail and which would be visited on site. Firms with fewer than five employees received a questionnaire through the mail followed by phone calls to confirm receipt and encourage participation in the survey. An attempt was made to do the questionnaire interview with all companies having five or more employees. These companies were contacted by phone to arrange face to face interviews. Those companies that could not be reached by phone received two follow-up mailings of the survey and several letters seeking participation.

The face to face interviews were conducted regionally. The state was divided into five regions coterminous with the Resource Conservation & Development Area Boundaries. Forestry Committee members of each RC&D participated as interviewers, as did people from Androscoggin Valley Council of Governments, Maine Forest Service, U.S. Forest Service and staff of the Maine Forest Products Marketing office.

A total of 577 surveys were distributed. After mailings went out, follow up phone calls were conducted to confirm receipt and encourage participation in the survey. Several times over the following months letters and bulletins were sent as reminders to encourage response to the questionnaire.

A total of 325 responses were received; 226 were usable. Overall, approximately 40% of those solicited responded to the survey. Over 100 of the survey participants were contacted by on site visits and interviews.

Appendix A contains a listing of all firms responding to the survey with their location, number of employees and years in business.
Appendix B contains a copy of the final questionnaire.
Appendix C contains the *other* responses to several questions as well as comments.

Survey Results & Preliminary Interpretation

Industry Profile (preliminaries & question #1)

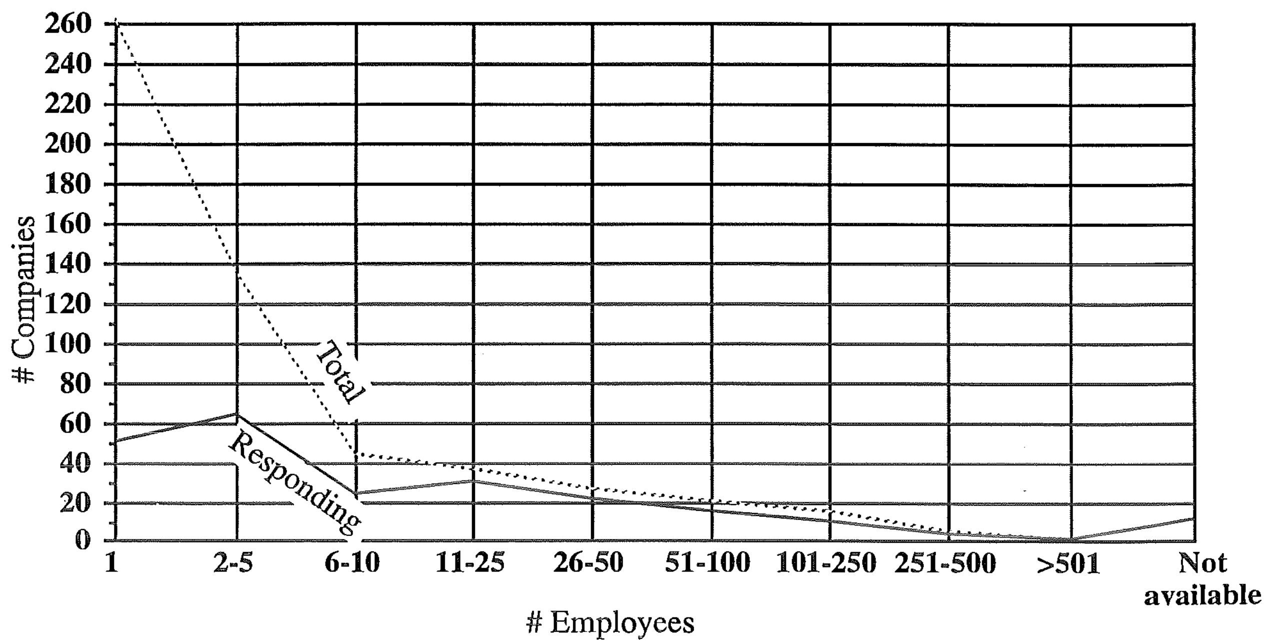
Response Rate

Table 1 below shows the company size by employees for the target population and the number of companies responding. Graph 1 is a presentation of the same data.

Table 1. Company size by employees and the number responding to the survey.

# Employees	# Firms in Population		# Responding to Survey	
1	262	(45.4%)	50	(22.12%)
2 - 5	135	(23.4%)	64	(28.32%)
6 - 10	43	(7.4%)	23	(10.18%)
11 - 25	36	(6.2%)	29	(12.83%)
26 - 50	26	(4.5%)	21	(9.29%)
51 - 100	20	(3.5%)	15	(6.64%)
101 - 250	14	(2.4%)	10	(4.42%)
251 - 500	5	(0.9%)	3	(1.33%)
>501	1	(0.2%)	0	(0.00%)
Not Available	35	(6.1%)	11	(4.87%)

Graph 1. A comparison of the company size by employees to the survey response rate



While the one person companies make up over 47 percent of the total population, their response to the survey was only 22 percent.

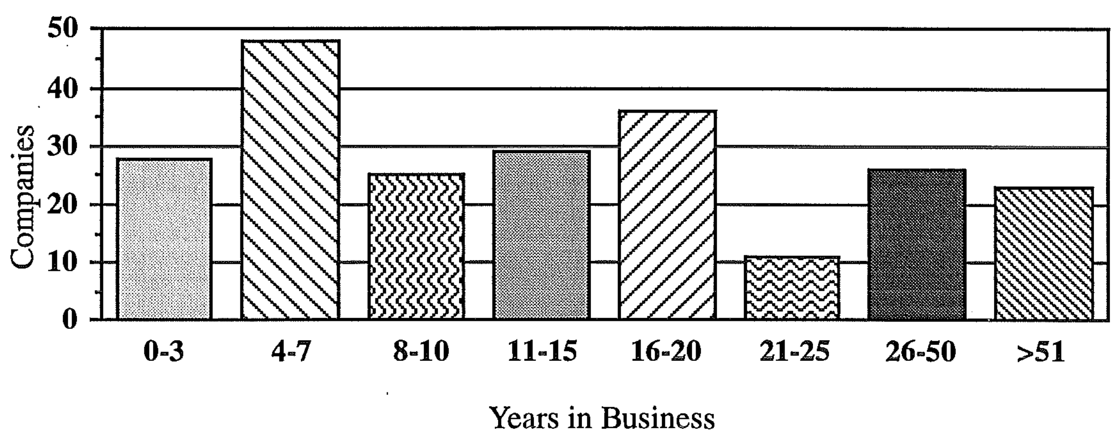
The low response rate of one person operations may be due to the fact that these companies are a diverse group of secondary wood product producers, including part-time and hobby operations. These firms may have found that many questions in the survey were irrelevant to their operations and thus chose not to respond.

Years in Business

Table 2. The years in business for those companies responding to the survey

Years in Business	# Responding to Survey	
0 - 3	28	(12%)
4 - 7	48	(21%)
8 - 10	25	(11%)
11 - 15	29	(13%)
16 - 20	36	(16%)
21 - 25	11	(5%)
26 - 50	26	(12%)
>51	23	(10%)

Graph 2. Illustration of response rate by years in business.



The highest number of respondents occurs in the *4 - 7* years in business group (21%). The remaining categories show a relatively equal response.

Question #1

What products do you produce?

Table 3 below shows the response rate by product type category. Information on the product type of the population was gathered from a number of sources including the Maine Forest Service, the Maine Manufacturing Directory, and the Maine Products Marketing Program.

Table 3. Response rate by the type of product produced.

Type of Product	Firms Targeted	Firms Responding	Type of Product	Firms Targeted	Firms Responding
Arbors/Gazebos	2	2	Handles	14	13
Architectural Woodwork	5	3	Homes—Log/Post/Beam	7	12
Bark & Landscape Material	18	16	Homes—Mobile/Modular	5	5
Barrels Cooperage	5	2	Housewares	20	20
Baskets	13	5	Ladders/Parts	2	3
Bins	1	1	Lattice & Trellis	5	7
Blanks	4	4	Lobster Traps/Trap Stock	7	1
Boats/Canoes/Ships	12	6	Millwork	55	47
Boxes/Cases/Shook	28	18	Novelties/Souvenirs	11	31
Buckets/Half Buckets	1	1	Other	NA	9
Buildings/Prefab	15	11	Paddles/Oars	6	6
Cabinets	104	51	Pallets & Skids	14	10
Canoe parts/Acces.	2	2	Panels	8	11
Carvings	10	4	Patterns	4	6
Cases	21	21	Poles/Posts	3	4
Child Swing/Play Sets	1	1	Rulers/Yardsticks	1	1
Christmas Trees	2	2	Scents	2	2
Clothes Pins	1	1	Science Kits	1	1
Containers	3	2	Shavings	20	26
Cremation Urns	1	1	Shingles/Shakes	13	9
Cross Country Skis	1	1	Siding	15	14
Cut or Dimension Stock	21	20	Signs	18	13
Doors & Windows	28	21	Sporting Goods	4	6
Dowels	19	18	Squares/Bars	9	9
Feeders/Houses—Bird	19	16	Stairs/Steps	6	11
Fencing	18	14	Stakes—Grade/Tree	10	7
Fixtures	13	8	Tongue Blades	NA	1
Flooring	11	10	Trusses	4	3
Frames, Picture	17	16	Turnings	33	30
Furniture	187	92	Wood Flour	NA	1
Furniture—Parts/Stock	4	28	Wreaths/Roping	4	4
Games/Toys/Crafts	53	40			

Raw Materials (questions #4 - 9)

Question #4

Approximately what quantity of the following species do you use annually?

Forty-six varieties of wood species were used by survey respondents. The overwhelming majority of firms reported a use of less than 5000 board feet per year. There are very few firms in the industry reporting usage of over 500,000 board feet per year.

The species used by the industry in the largest volumes were:

Mixed hardwood	158,820,700	board feet
Aspen	77,623,950	board feet
White birch	29,778,050	board feet
White pine	24,779,000	board feet

The species used by the largest number of firms were:

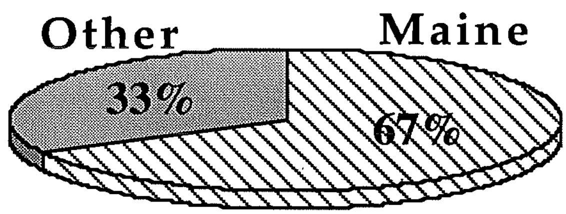
White pine	91 firms
Hard maple	61 firms
Red oak	53 firms
White ash	44 firms
Black cherry	39 firms
White cedar	36 firms
Aspen	31 firms
Soft maple	29 firms
Spruce	28 firms
White birch	25 firms

It is interesting that *aspen* ranks second in volume but seventh in popularity. The species used by the most firms do not rank highest in volume.

Question #5

What percentage of your raw materials come from Maine?

(Companies Responding: 216)



Graph 3. Where raw materials are sourced.

Sixty-seven percent of the raw materials come from Maine. Thirty-six percent of raw materials are sourced outside of the state. More information about these sources can be seen in the answers to question #4, question #5 and question #6. However, question #4 is really a question for a primary producer which may be confusing to a secondary manufacturer.

Question #6

What form and volume of wood raw material do you use to make your finished goods?

Most responses were concentrated into a few types. Volumes are not shown here.

Raw Material Form	Firms
Lumber	92
Cut or dimension stock	39
Plywood	39
Roundwood	20
Particleboard	14
Logs	11

Question #7

Is your supply of raw materials satisfactory?

(Companies Responding: 199)

Yes: 153 (77%) No: 46 (23%)

(1 = satisfied, 5 = dissatisfied)

Average	Criteria
1.9	Species
2.3	Quantity
2.4	Quality
2.7	Availability
2.9	Cost

A large percentage of firms (77%) are satisfied with their raw material supply. When ranking criteria, the *species* available is scored relatively high in terms of satisfaction (1.9), with *quantity* (2.3) and *quality* (2.4) very highly rated as well. *Cost* received the lowest indication of satisfaction (2.9).

Question #8

Do you need to resolve any raw material supply question?

(Companies Responding: 210)

Yes 70 (33%) No 140 (67%)

If yes, what do you need?

(Companies Responding: 93)

More contact with landowners................ 15 responses
More contact with timber brokers .... 22 responses
Other .... 56 responses

Most respondents (67%) do not need to resolve any raw material supply question. This is consistent with results of question #7 which indicates a general satisfaction with the raw material supply. Most of those (56) who do need to resolve such an issue need some *other* form of assistance.

Generally, the *other* response category indicated concern in three areas: a lack of available high quality raw material, availability of small quantities to small producers, and export of raw material out of state. Cedar specifically was mentioned as not available to small producers.

Many firms felt the export of materials out of state limited the quantity and raised the prices of raw material available to them in-state. Also mentioned several times was the high cost of raw materials. Kiln drying was mentioned as inadequate by two firms, and three companies related the need to establish long term relationships or contracts with suppliers.

Question #9

What residues are left unsold/unused annually?

(Such as clean chips, bark, shavings, saw dust, etc.)

The form of residue produced by respondents in the highest volume was *sawdust*, with very high volumes produced. *Chips* and *shavings* are also produced in very large amounts. Other forms of residue produced in some volume were *cut-offs*, and *bark*.

Production and Manufacturing (questions 2, 3, 10 - 13)

Question #2

Do you plan on producing any new products within the next twelve months?

(Companies Responding: 217)

Yes 109 (50%)   No 108 (50%)

If yes, please indicate product type(s).

(Companies Responding: 97)

Type product	Firms
Furniture	29
Lawn furniture	4
Chairs	6
Decorative/Household accessories	12
Games/Toys	4
Crafts	5
Millwork/Flooring	3
Turnings/Machinings	4
Custom only	6
Dimension lumber	3
Siding	1
Panels	2
Boxes	2
Other	16

The respondents are evenly split on this question, with half of the firms planning to add new products within the next year, and the other half not planning to introduce new products. The question does not allow firms to indicate whether by adding new products that they are attempting to increase their product lines, respond to new market demand, or replace products currently in their lines with different products.

Half of the firms responding will not be adding to their product line in the next year. Again the responses do not indicate whether a lack of growth for the firm and/or a lack of information concerning potential new marketing opportunities is the cause or whether the firm is successful with its current product mix within its targeted markets.

An opportunity was provided for those adding new products to indicate new product types. Various forms of furniture were the most popular new product type under consideration, with 39 firms adding furniture, chairs, or lawn furniture. Household/decorative accessories were highly rated with 12 responses. The remainder of the responses covered a wide array of product types.

A significant number of firms indicated that they only do custom work and do not initiate new products on their own. Sixteen companies are planning new product lines that are unspecified in the *other* category.

Question #3

What are your best sources for new product ideas?

Rated numerically with #1 being the highest or best.

Responding	Average	Category
165	1.6	Customer suggestions
49	2.4	Other
72	2.7	Employee suggestions
88	2.8	Product research
67	3.2	Published articles
54	3.5	Sharing with competitors
73	3.5	Trade shows
48	3.6	Trade associations

By a significant margin, respondents feel that the best source of new product ideas is their *customer suggestions* (1.6). Also rating highly as sources of new ideas are *employee suggestions* (2.7), *product research* (2.8) and *published articles* (3.2). This seems to indicate that most firms focus on customer needs and satisfaction when designing products. The list of likely sources of new ideas also includes *sharing with competitors* (3.5).

The second highest rated source of new ideas was *other* (2.4). Most *other* sources of ideas originated with the respondent's own ideas or imagination (16). The rest of the responses covered a wide range of topics, the most popular dealing with accessible sources (6) such as magazines/catalogs, libraries and architectural trends. Other subjects mentioned included professional associations (1), other designers (1), and the respondent's company/management (2). A few responses (5) indicated that the firm was not looking for new products at all, the business was closing or customer specifications controlled all production (purely custom work). All of the sources listed by the survey were rated as being at least relatively good sources of new product information assuming a 1-5 scale, which was not specified in the question.

Question #10

Are you producing as much product as you want?

(Companies Responding: 218)

Yes 69 (32%) No 149 (68%)

A large percentage of respondents (68%) are not producing as much product as they would like. Those responding *no* were given an opportunity to comment on why they are not producing as much product as they would like.

Those responding *no* to question #10 commented as follows:

Reason	Responses
Lack of market demand	57
Lack of capital/equipment	56
Lack of raw materials	14
Marketing skills/plan	12
Lack of time	6
Lack of labor	5
Costs of doing business	5
Worker comp costs	5
Seasonal product	3
Low quantity/cost	3
Other	10

The two reasons for lack of growth mentioned most often were *lack of market demand* (57), and *lack of capital or equipment* (56). These two comments were mentioned significantly more often than any others listed. The third highest ranking reason for not producing as much product as wanted was *lack of raw materials* (14). Also rated relatively high as a concern was *lack of marketing skills/plan.*

Question #11

Do you send material out to be worked on by others?

(Companies Responding: 222)

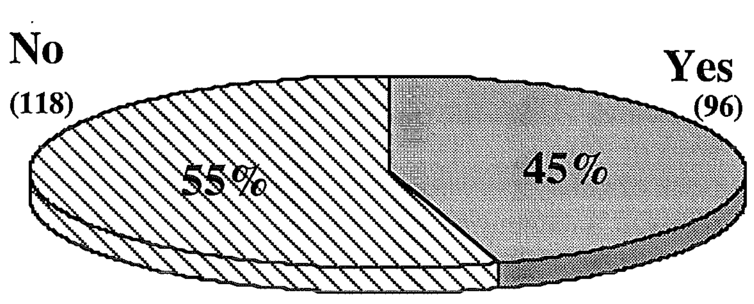
Yes 42 (19%) No 180 (81%)

Twenty percent of responding firms send material out to be worked on by others. The overwhelming majority of respondents do not send work out. The responses do not indicate why firms do or do not send material out, such as special/advanced processing or lack of capacity. The question does not indicate whether firms do not send work out because they have all the necessary equipment to fully process their products or whether they are producing products that do not require special processing found elsewhere.

Question #12

Do you have free machine time to do work for others?

(Companies Responding: 214)



Graph 4. Amount of free machine time to do work for others.

If yes, what type of machine work are you capable of?

Type of service	Responses
Joining/Planing	24
Sawing	23
Sanding	18
Millwork	12
Shaping	9
Cutting/Panel cutting	9
Lathe work	7
Turning	7
Routing	6
Drilling	5
Molding	5

Firms responding are almost evenly split on this question with 45% indicating free machine time and a slim majority (55%) responding that they have no free machine time to do work for others.

This question may relate to question #10's inquiry about production. Those responding that they have free machine time who also responded *yes* to question #10 may be constrained by marketing or growth issues. Those who responded *yes* to question #10 indicating a lack of free machine time may be limited by equipment or capital resources.

Question #13

Many secondary manufacturers have expressed interest in locating local sources of kiln dried lumber or finding kiln space to dry their own lumber. Several industries have reported excess kiln capacity and there has been serious interest shown in developing custom kiln facilities in Maine.

Part A

Would you be interested in sending green lumber to a custom kiln facility to be dried or dried and dressed to your specification?

(Companies Responding: 167)

Yes 49 (29%) No 118 (70%)

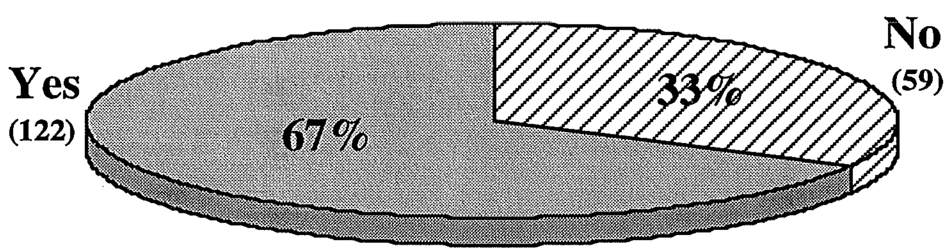
The majority of firms (70%) would not be interested in sending green lumber to a kiln for drying. Those interested in kiln drying service indicated the volume they would send to be dried at a local kiln. The responses fell into different volume ranges: 2,000 - 3,000 board feet, 100,000 - 500,000 board feet, and 2,000,000 - 12,000,000 board feet. The answers were equally dispersed with approximately 4 to 5 firms in each volume category.

The response to this question may differ if the question is confined only to those who purchase and use lumber. The question does not seem to make use of lumber a condition for responding to this question.

Part B

Would you be interested in buying dried lumber or dried and dressed lumber, from a drying and milling facility in your region?

(Companies Responding: 181)



Graph 5. Companies interested in buying lumber dried locally

The majority of respondents (67%) would be interested in receiving kiln dried wood from a regional facility.

Those interested in buying regionally dried lumber indicated the type and volume. Most firms were interested in pine, oak, and maple species. Volumes, again, ranged from extremely small quantities to very large.

Part C

What moisture content would you require?

(Companies Responding: 123)

Average: 9%

Part D

Would you prefer it rough, dressed, no preference?

(Companies Responding: 134)

Rough 56 (42%) Dressed 57 (43%) No preference 21 (15%)

The respondents are evenly split on whether they would prefer *rough* (42%) or *dressed* (43%) wood.

Part E

Would you be interested in purchasing rough/green lumber from tree farmers or portable saw mill operators?

(Companies Responding: 174)

Yes 73 (42%) No 101 (58%)

Again the respondents are split on whether they would purchase green lumber from tree farmers or portable saw mills with the majority (58%) indicating that they would not be interested. However, a significant number of companies (42%) would be interested.

Business Development (questions 14 - 21)

Question #14

Annual Gross Sales last year

(Companies Responding: 202)

Number of Companies		Gross Sales		
15	(8%)	>$5 million		
12	(6%)	$3 million	to	$5 million
24	(12%)	$1 million	to	$3 million
8	(4%)	$750,000	to	$1 million
11	(5%)	$500,000	to	$750,000
19	(9%)	$250,000	to	$500,000
28	(14%)	$100,000	to	$250,000
23	(11%)	$50,000	to	$100,000
62	(31%)	<$50,000		

There is a significant presence in each of the income categories. The majority of the respondents have small gross sales figures. The largest group of respondents (31%) do less than $50,000 per year in gross sales. The majority of respondents (56%) have less than $250,000 in sales, with only twenty-six percent of those responding exceeding the $1 million level.

Question #15

Average gross sales growth over the past three years

(Companies Responding: 202)

Number of Companies		Percent Growth	
40	(20%)	Negative Growth	
26	(13%)	0 - 2%	Increase
25	(12%)	3 - 5%	Increase
37	(18%)	6 - 15%	Increase
27	(13%)	16 - 33%	Increase
22	(11%)	34% or larger	Increase

The average growth in gross sales varied over a wide range. The largest group (20%) experienced negative growth over the last three years. The majority (80%) report some growth over the preceding three years. However, after adjustment for inflation is made, those experiencing real growth in sales is much less. Those reporting growth in the *6 - 15%* range were slightly more prevalent than other ranges although all growth ranges were evenly represented.

Twenty-seven companies experienced a very large increase in sales of *16 - 33%*. And another twenty-two companies experienced increases of *34% or larger.*

Question #16

Anticipated Gross Sales Growth this Year

(Companies Responding: 206)

Number of Companies		Percent Growth	
26	(13%)	Negative Growth	
55	(27%)	0 - 2%	Increase
40	(19%)	3 - 5%	Increase
48	(23%)	6 - 15%	Increase
20	(10%)	16 - 33%	Increase
17	(8%)	34% or larger	Increase

While twenty-one percent of those in question #15 experienced negative growth over the last three years, only thirteen percent expect to lose business this year. Nevertheless, thirteen percent do expect to lose growth this year, and twenty-seven percent expect only a *0 - 2%* increase. In real terms, forty percent of firms responding expect no growth or expect to experience losses.

Most respondents (69%) expect their growth to be in the *0 - 15%* range. The largest single group of responses was twenty-seven percent who expect minimal growth in the *0 - 2%* range.

Question #17

Reasons for Change in Growth

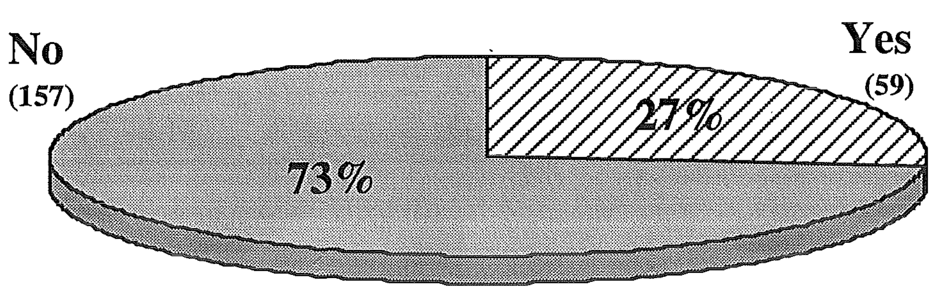
An opportunity for an open ended response was provided in this question. Comments cover a wide range of topics. Most of the responses deal with markets, although they do not specify whether markets affected growth positively or adversely. Many of the responses indicate positive growth was achieved through an "increase in marketing," "greater marketing effort," and "becoming known more in my market area."

Also cited as adding to growth were comments regarding addition of employees, low interest rates in residential construction, new equipment or increases in capacity. The economy was cited as both a positive and negative factor. Some firms found the economy better and chose to invest in capital. Others found it worse, creating higher prices and costs of doing business.

Question #18

Does your business have a written business plan?

(Companies Responding: 216)



Graph 6. Companies with a written business plan

One quarter of firms have a business plan. The overwhelming majority of firms do not have a written business plan. The question does not allow firms to specify why they do not have a plan.

If yes, year last updated.

(Companies Responding: 51)

Year Updated	Companies	Percent of Responses
1994	4	8%
1993	24	47%
1992	10	20%
1991	1	2%
1990	7	14%
1989	1	2%
1987	2	4%
1986	1	2%
1983	1	2%

The majority of those firms which do have a written business plan have a recently updated plan. Seventy-five percent of those with a plan have updated it in the last two years.

If no, would you like professional assistance in developing a business plan?

(Companies Responding: 134)

Yes 49 (37%) No 85 (63%)

Only a third of those firms without a business plan indicate an interest in professional assistance in developing a plan. Overall, only twenty-three percent (49 of 216) of the surveyed firms indicate an interest in developing a business plan.

Question #19

Do you include new products in company goals and objectives?

(Companies Responding: 195)

Yes 145 (74%) No 50 (26%)

A large majority of respondents do include new products in their company goals and objectives. The question does not allow firms to specify whether by including new products they are making efforts toward expanding their product lines or are replacing products to maintain or modernize their product line.

Question #20

In order to strengthen your business activities, how would you allocate your time and resources in the future?

Respond on a scale of 1 "no allocation of time" to 5 "Most allocation of time".

Category	Average Rating
Promoting products	3.8
Finding new markets	3.7
Production efficiency	3.6
Quality improvements	3.1
New product lines	3.0
Marketing research	2.8
New product features	2.8
Improving wood supply	2.6
Sales training	2.3

The two highest rated allocations of time were *promoting products* (3.8) and *finding new markets* (3.7). Also highly ranked as concerns were *production efficiency* (3.6) and *quality improvements* (3.1). *Sales training* (2.3) and *improving the wood supply* (2.6) were the lowest ranked concerns. This is consistent with the general satisfaction with the wood supply.

Question #21

Which of the following limits your growth?

Respond on a scale of 1 "non-limiting" to 5 "very limiting".

Category	Average Score
Limited product market	2.8
Cost of wood supply	2.7
Physical space	2.7
High labor costs	2.7
Regulatory limits	2.4
Limited skill of work-force	2.3
Wood availability	2.2
Environmental limits	2.2
Poor public infrastructure	1.7

Respondents indicated the most limiting of these factors on average is a *limited product market* (2.8). Costs in the form of *wood* (2.7) and *labor* (2.7) were also ranked as relatively limiting.

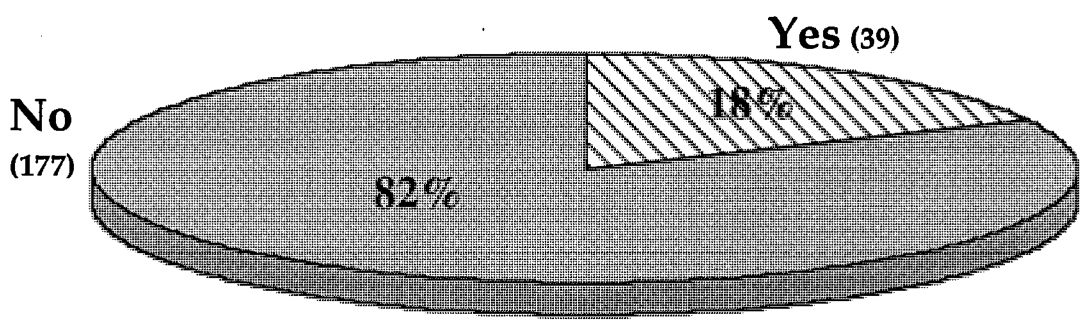
According to the survey, regulation and environmental limits do not overly constrain the industry, nor does there seem to be a need for better public infrastructure to support the firms.

Marketing (questions 22 - 29)

Question #22

Does your company have a written marketing plan?

(Companies Responding: 216)



Graph 7. Companies having a written marketing plan.

The responses reveal that very few firms (18%) have a written marketing plan.

If no, would you like professional assistance to develop a marketing plan?

(Companies Responding: 171)

Yes 77 (44%) No 98 (56%)

Again a majority of firms currently operating without a formal marketing plan are not interested in professional assistance. However, a significant proportion (44%) indicate an interest in receiving help with a marketing plan.

Question #23

Rank each of the following overall market factors in terms of their importance to the success of your product(s).

(Respond on a scale of 1 "not important" to 5 "very important")

Category	Average Score
Customer attitudes	4.0
National economy	4.0
Market value of product	3.7
State economy	3.5
New market identification	3.5
Cost of raw material	3.2
Interest rates	3.0
Availability of wood supply	3.0
Activities of competitors	2.9

The *national economy* and *customer attitudes* were both ranked equally (4.0) as being the most important market factors that respondents felt impacted the success of their products. The *state economy* was also ranked relatively high (3.5).

The *market value of the product* received the second highest rating (3.7) with *new market identification* also receiving a high rank (3.5), reinforcing the importance respondents attached to knowledge of markets and products.

Question #24

Which of the following marketing materials do you currently have developed?

(Companies Responding: 198)

# Companies		Material Developed
114	(58%)	Sales brochures
114	(58%)	Product samples
102	(52%)	Trade show booths
90	(45%)	Advertising copy
58	(29%)	Product demo materials
30	(15%)	Distributor support material
19	(10%)	Sale technical manual
26	(13%)	Other

The majority of respondents use *product samples* (58%) and *sales brochures* (58%) as marketing materials. Approximately half of the firms (52%) attend *trade shows* and have exhibits to market their products. A large percentage (45%) also use some type of *advertising copy*, although the question does not allow respondents to specify which types of media they use (i.e. TV, radio, newspaper). This question will correlate to question #26 which details advertising methods.

Question #25

Does your company allocate specific dollar amounts to advertising/marketing?

(Companies Responding: 220)

Yes 75 (34%) No 145 (66%)

The majority of firms (66%) do not have a specific budget for advertising. Although firms appear to conduct advertising, they do not allocate a specific dollar amount to this effort in their budget based on question #24 and question #26. Those who do allocate money for advertising allocate about 1% of their budget.

Question #26

Which of the following methods of advertising/marketing does your company routinely perform?

(Companies Responding: 191)

# Companies		Marketing Method
89	(47%)	Trade shows
75	(39%)	Direct mail
64	(34%)	Journals
56	(29%)	Newspaper
16	(8%)	Radio
17	(9%)	Telemarketing
102	(53%)	Other

Most respondents used *other* means of advertising not specified. The next most popular form of advertising was *trade shows* (47%), with print advertising in the form of *trade journals* or *newspapers* garnering more than half of the respondents. *Direct mail* solicitation was another very highly rated method (39%), although the survey does not detail whether the mailings are targeted or random.

Question #27

What geographic area does your company's advertising cover?

(Companies Responding: 188)

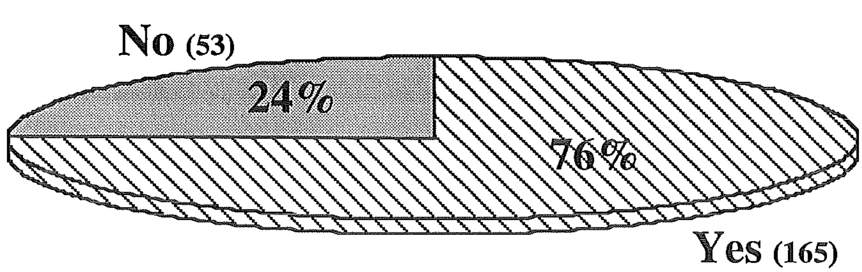
# Companies	Advertising Region
18 (10%)	International
76 (40%)	National
68 (36%)	Regional
26 (14%)	Local community

Responses indicate that the greatest amount of advertising effort (40%) is on a *national* level. Likewise, a significant portion of firms spend advertising dollars *locally* and *regionally* (50%). Only 10% of firms advertise internationally which is consistent with small sales figures in international markets in question #29.

Question #28

Does your company currently export products outside Maine?

(Companies Responding: 218)



Graph 8. Percentage of companies selling outside of Maine.

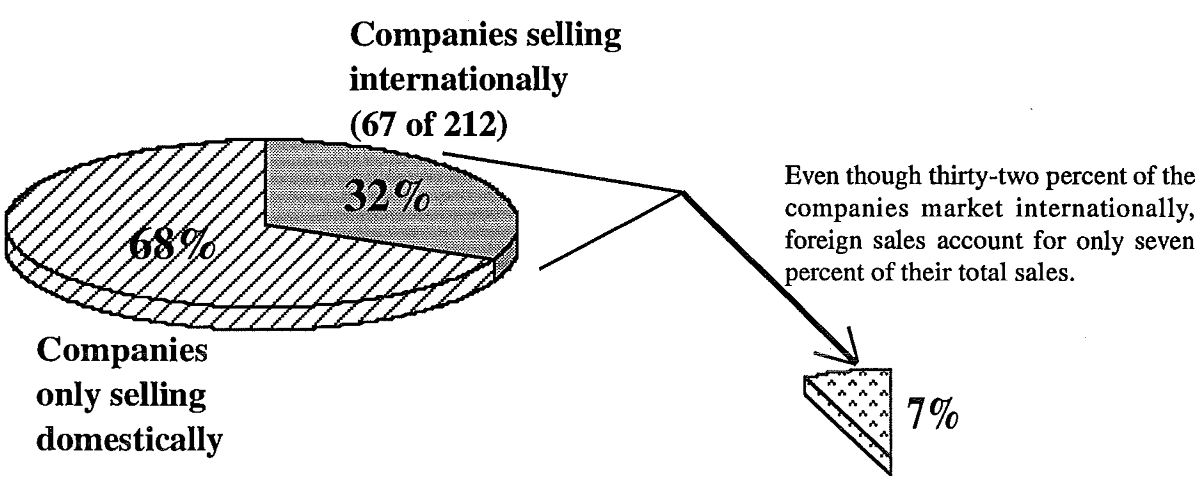
Seventy-six percent of Maine secondary wood producers export products outside the state of Maine. Question #29 reveals more about the sales distribution area for the industry.

Question #29

Please indicate the percentage of your products that are sold in...

(Companies Responding: 212)

Area	# Companies	% Product Share
Maine	203	46%
United States	181	63%
Internationally	67	7%



Graph 9. Percent of companies involved in domestic vs. international sales.

Question #29 shows the industry as a whole does little sales in international markets. The average percentage of product sales internationally is only seven percent.

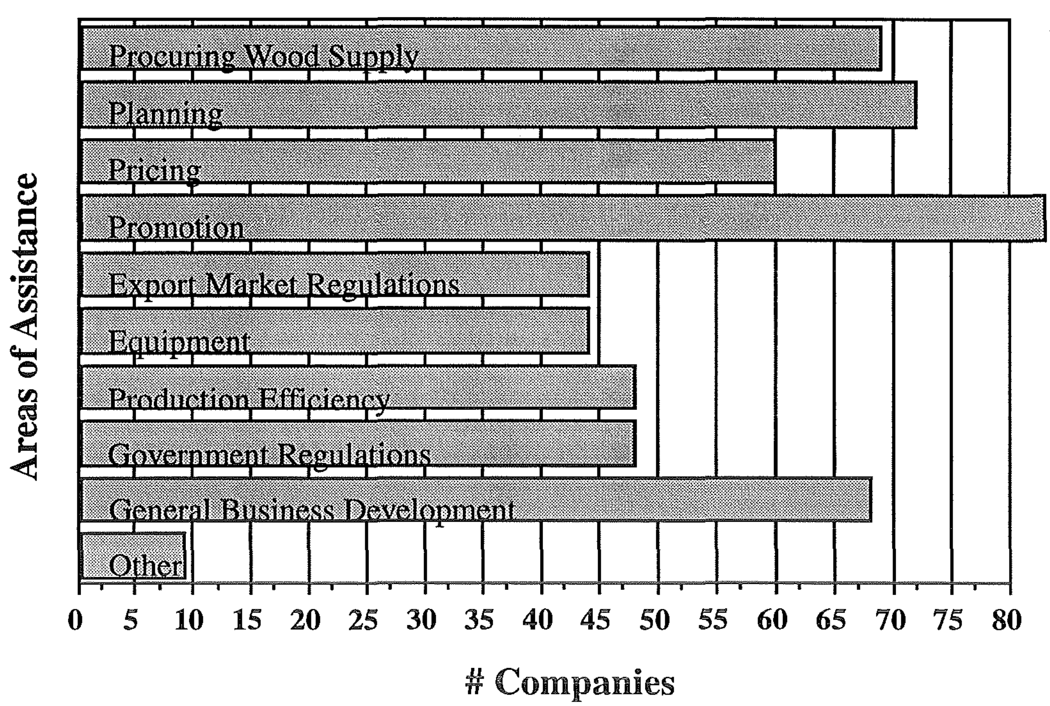
Education and Training (questions 30 - 34)

Question #30

I would like information, training or assistance in the following areas...

(Companies Responding: 156)

Area of Assistance	# Companies	Percent of Companies
A. Procuring wood supply	69	(44%)
B. Marketing:		
Planning	72	(46%)
Pricing	60	(38%)
Promotion	83	(53%)
C. Technical issues		
Export market regulations	44	(28%)
Equipment	44	(28%)
Production efficiency	48	(31%)
Government regulations	48	(31%)
D. General business development	68	(44%)
E. Other	9	(6%)



Graph 10. Companies who would like assistance in various areas.

The most frequently listed need is for product *promotion.* There appears to be much more interest in receiving marketing information as opposed to technical information. *General business development* measured as strongly as marketing.

There is a fairly even distribution of responses across all categories. This distribution suggests that there is a general need for a variety of services and that there is not a large single unmet need except in the area of promotion. There are unmet needs in all categories with a strong expression for help with product *promotion*, product *planning*, *procuring a wood supply*, and *general business development.* There is also a need for assistance with product *pricing*, *production efficiency*, *government regulations*, and *export market regulations.*

The question does not specifically mention what assistance would be offered in each category, so it is unclear what respondents are expecting. All that can be concluded is that there is an expression of interest in each area.

The responses indicate a broad range of interest in the subject areas listed. The highest rated need for information and assistance is in *promotion* (53%). *Planning* (46%) and *general business development* (44%) were also rated highly.

The *other* responses dealt with shipping of large objects, product protection via patents/ copyrights, new product development, and business management in the area of bookkeeping and taxes.

Question #31

Would your company benefit from up to date information in the following areas?

(Companies Responding: 207)

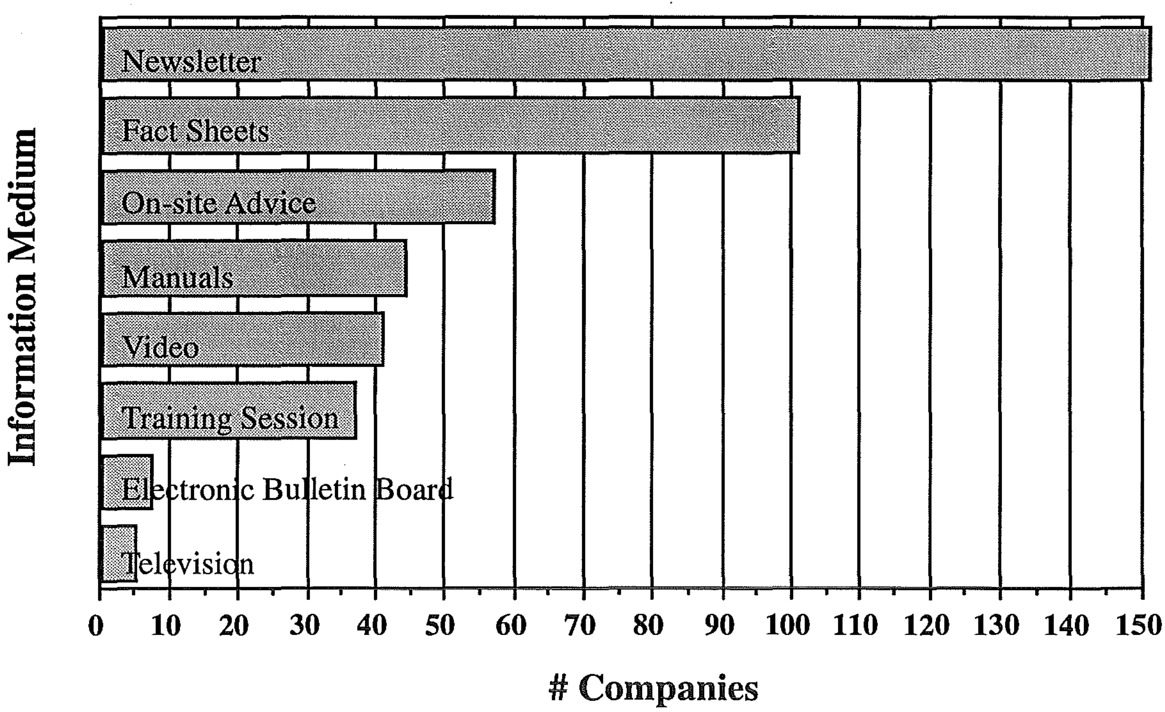
New Technology	Yes 117 (57%)	No 64 (31%)
New Equipment	Yes 123 (59%)	No 64 (31%)
New market info	Yes 148 (71%)	No 43 (21%)

Question #32

In which form would you most like to receive periodic information of this type?

(Companies Responding: 191)

# Companies		Information Medium
151	(79%)	Newsletter
101	(53%)	Fact sheets
57	(30%)	On-site advice
44	(23%)	Manuals
41	(21%)	Video
37	(19%)	Training session
7	(4%)	Electronic bulletin board
5	(3%)	Television



Graph 11. Media preference for information on new technology, new equipment and new markets.

Question #33

Currently, what is your best source of receiving this technology, equipment, marketing information?

(Companies Responding: 193)

# Companies		Technology Source
117	(61%)	Trade association publications
97	(50%)	Manufacturer's publications/newsletters
60	(31%)	Manufacturing representatives
13	(7%)	Colleges/Universities
10	(5%)	State/Federal publication
34	(18%)	Other

Comments in other areas identified word of mouth/networking (4), travel (1), others in the trade/competitors (2), magazines (1) and the Small Business Development Center (1) were also mentioned.

Question #34

Would you be interested in receiving information on various programs dealing with training existing workers, apprenticeship training of additional workers and/or training youths for transition from school to work?

(Companies Responding: 193)

Yes 98 (51%) No 95 (49%)

Respondents are almost evenly split on this issue. A slight majority (51%) would like to receive information regarding training programs.

Computer Assessment (questions 35 - 40)

Question #35

Are you currently utilizing a computer system in your business operations?

(Companies Responding: 221)

Yes 142 (64%) No 79 (36%)

Most firms (64%) do have some type of computer system in place. However, 36% have no computer system.

Question #36

General type of computer use...

Responding	Type of use
120	Accounting
101	Office/Word processing
86	Inventory control
47	Advertising/Marketing
42	Operations analysis
38	Desktop publishing
31	Manufacturing processes
13	Wood measurement/scaling
10	Transportation

Question #37

Do you currently use or have available national/international marketing computer database information?

(Companies Responding: 148)

Yes 12 (8%) No 136 (92%)

Almost none (8%) of the firms have a marketing database system in place.

Question #38

Would your company be interested in paying a small user fee in collaboration with others to receive up to date information both computer based and/or hard copy form?

(Companies Responding: 195)

Yes 71 (36%) No 124 (64%)

Most respondents would not be interested in paying for this information. Question #40 provides comments as to how respondents feel about computers in general, but it is unclear whether firms feel this information is unnecessary or is available elsewhere without cost.

Question #39

Does anyone in your household use computers on a Regular/Part-time basis?

(Companies Responding: 207)

Yes 142 (69%) No 65 (31%)

This question correlates with question #35 with almost the same percentages responding *yes* to computer use. It could be interesting and useful to note whether household use encouraged the firm's computer use or vice versa.

Question #40

If you are not currently using a computer system in your business, please explain why (i.e. lack of training, cost, feel unnecessary, other)

(Companies Responding: 81)

The responses seem to be concentrated into a few areas. By far, most of the comments indicate that respondents feel a computer is unnecessary. Cost and lack of training are reasons cited often as well.

Assessment Follow Up (questions 41 - 43)

Question #41

Are you willing to participate in a follow up marketing / research assessment to determine your company's readiness to explore or expand export sales potential outside Maine?

(Companies Responding: 211)

Yes 132 (63%) No 79 (37%)

A large percentage of the respondents (63%) would be willing to participate in a marketing assessment.

Question #42

Would your company agree to participate in group focus discussions to help us further evaluate the best way to deliver services to you?

(Companies Responding: 212)

Yes 134 (63%) No 78 (37%)

Again, a large majority of respondents (63%) would be willing to participate in a follow up program. One hundred thirty-four firms would participate in focus group discussions with Maine Forest Products Marketing in order to evaluate the best way to deliver services to firms in the industry.

Question #43

Would your company agree to become one of several case studies to gauge the results of our efforts to assist you?

(Companies Responding: 209)

Yes 109 (52%) No 100 (48%)

Each firm was asked if they would be willing to participate in a follow-up effort to evaluate the results of Maine Forest Products Marketing's efforts to fill their needs for information, training, and assistance. An affirmative answer indicates a willingness to participate in a demonstration project.

Appendix A

Secondary Wood Producers

Responding to the Survey

Producers Responding to Survey

Company	City or Town	Employees	Years in Business
Androscoggin			
1. Apex Cabinet	Lisbon	2	31
2. BradCo. Mfg. Company	Lisbon	20	30
3. D.E.C. Inc. dba Down-East Cabinetry	Auburn	7	25
4. Falcon Rule	Auburn	30	187
5. Huston & Company	Poland Spring	2	6
6. Maine Bucket Company (The)	Lewiston	30	7
7. Maine Wood Treaters Inc.	Mechanic Falls	30	11
8. Maple Tree	Livermore Falls	NA	NA
9. Modern Woodcrafts	Lewiston	125	34
10. Moose Creek Lumber	Turner	26	6
11. Nezinscot Guild	Turner	45	16
12. Pathways	Auburn	45	18
13. Prehung Door & Window Co.	Auburn	6	6
14. Selmore Fixture Mfg. Co., Inc.	Lewiston	14	45
15. Thomas Moser Cabinetmaker Inc.	Auburn	100	21
Aroostook			
16. Bradbury Enterprises	Bridgewater	23	15
17. Candace Storrs Corporation	Sherman Mills	4	1
18. Golden Ridge Wood Products Inc.	Sherman Mills	5	15
19. Green Valley Wood Shop	Island Falls	10	25
20. Hartford Cedar Mill	Blaine	7	16
21. Harttwood, Inc.	Fort Kent	1	4
22. Hersey Cedar Mill	Monticello	NA	NA
23. Houlton International Corp.	Houlton	54	72
24. Island Falls Cedar Products, Inc.	Island Falls	23	13
25. JM Huber Corp Wood Products Div	Easton	114	10
26. Katahdin Forest Products Co.	Oakfield	50	20
27. Kevlaur Industries, Inc.	Van Buren	25	NA
28. Rock Lumber	Portage Lake	10	7
29. Ward Log Homes	Houlton	33	71
30. Willa's Woodworking	Mars Hill	1	NA
Cumberland			
31. Architectural Woodworkers	Portland	8	20
32. Breton-Flannery Woodworks	Freeport	1	1
33. C.H. Becksvoort	New Gloucester	1	10
34. Coastal Structures Inc.	Scarborough	4	20

Producers Responding to Survey

Company	City or Town	Employees	Years in Business
35. Coveside Conservation Products, Inc.	Gray	NA	4
36. F E Wood & Sons Inc.	East Baldwin	26	100+
37. FAMCO	East Baldwin	5	9
38. Fine Wood Products	Harrison	6	7
39. GerardCraft Wood Products	Cape Elizabeth	2	19
40. H.A. Stiles Company	Westbrook	8	NA
41. Houses & Barns by John Libby / Barn Masters Inc.	Freeport	9	23
42. Jamie Johnson	Portland	1	NA
43. Jeffrey Peterson Wood & Canvas Canoes	Harrison	1	3
44. LC Andrew Maine Cedar Log Homes	Windham	3.5	67
45. LNM	Windham	1	10
46. Mack & Rodel Cabinet Makers	Pownal	1	9
47. Maine Cottage Furniture	Yarmouth	10	5
48. Morse Inc.	Windham	23	7
49. North Cove Design	Gray	4	7
50. Pinelyne Furniture Co. Inc.	Windham	19	50+
51. Portland Millwork	Portland	1	13
52. Saunders Brothers	Westbrook	150	93
53. Saunders Company, The Fred P.	Bridgton	22	81
54. Town & Country Cabinets Inc.	Gorham	9	20
55. Trundy Spring Farm, Inc.	Gorham	1	15
56. Windham Millwork Inc.	Windham	50	36
57. Wood Wizard	Pownal	1	8
58. Woodward Thomsen Co.	Portland	24	17
Franklin			
59. Cousineau Lumber	Strong	NA	NA
60. Fred O. Smith Mfg. Co.	New Vineyard	3	105
61. H G Winter & Sons Inc.	Kingfield	50	110
62. Kingfield Wood Products	Kingfield	80	25
63. Sweetser Mill Company	Farmington	3	43
64. W.A. Mitchell, Chairmakers	Temple	6	6
65. WA Miller Co Inc	Oquossoc	4	41
Hancock			
66. Chandler's Cabinet & Construction	Orland	10	29
67. Crobb Box Company	Ellsworth	31	50
68. Details in Wood	Northeast Harbor	1.5	7
69. H.O.M.E., Inc.	Orland	5	NA

Producers Responding to Survey

Company	City or Town	Employees	Years in Business
70. Joseph Tracy Woodworks	Mount Desert	1	13
71. Log Cabin Products Co.	Hulls Cove	3	1
72. Maine Frame Co. Inc.	Sedgwick	4	23
73. MDI Workshop	Bar Harbor	2	18
74. Parker Cabinet & Millwork	Sorrento	2	14
75. Paul Bunyan Furniture div. Amherst Lumber	Ellsworth	NA	NA
76. R & A Saw Mill, Inc.	Prospect Harbor	4	7
77. Wood 'N Needles	Trenton	1	4
Kennebec			
78. Bickford's Woodworking Prod.	Monmouth	9	23
79. Builtright Doorsteps	Gardiner	1	6
80. Dayken Pallet Co., Inc.	Monmouth	16	27
81. Duratherm Window Corp. dba York Spiral Stair	North Vassalboro	50	30
82. Hammond Lumber Company	Belgrade	140	41
83. Maine Bentwood Products	Gardiner	1.5	NA
84. Maine Solid Wood Products / Fairbanks Timber Frame	Winthrop	1	7
Knox			
85. Ace Woodworking	Rockland	1	13
86. Brooks Trap Mill div. Lawrence A Brooks Inc.	Thomaston	3	20
87. Cedar Works, Inc.	Rockport	NA	20
88. E.E. "Skip" Benson	Camden	2	8
89. Gerald Curry Cabinet Maker	Union	1	20
90. Imagineering, Inc. / Weathered Estate Furniture	Rockland	32	10
91. John A. Elliot	Thomaston	1	20
92. Maine State Prison Ind.	Thomaston	85	120
93. Mystic Woodworks	Rockport	15	10
94. O M B Wood Products	Cushing	5	14
95. Positive Images	Union	2	17
96. Sta-Blox	Camden	1	6
Lincoln			
97. Adaptive Design Industries	Whitefield	1	18
98. Ax Wood Products	Damariscotta	1	15
99. Back Shore Woodworks	Chamberlain	3	4
100. Blueberry Barn Woodworking	New Harbor	1	18

Producers Responding to Survey

Company	City or Town	Employees	Years in Business
101. Bruce Marcus	Alna	1	20
102. Christ Lumber Products	Waldoboro	1	27
103. Christmas Cove Products	Damariscotta	4	8
104. Coastal Woodworking	Nobleboro	22	4
105. David Margonelli	Edgecomb	NA	NA
106. Fine Joinery LTD	Damariscotta	1	4
107. Grimes Woodcraft Shop	Wiscasset	1	19
108. Knickerbocker Woodworking Co.	Boothbay	6	8
109. Konitzky Boat Works, Inc.	New Harbor	6	NA
110. New England Screen Door Co.	Bristol	4	6
111. Science Source (The)	Waldoboro	19	9
112. William Evans	Waldoboro	1	20
Oxford			
113. Andover Wood Products	Andover	110	39
114. Appalachian Cabinet Co.	Dixfield	1	5
115. Bailey Manufacturing	Fryeburg	65	20
116. Bethel Furniture Stock	Bethel	82	35
117. Breezy Hill Fine Country Reproductions	Paris	9	6
118. Burlington Homes of New England	Oxford	105	18
119. C.B. Cummings & Sons Company	Norway	195	133
120. C.F. Wells, Inc.	Buckfield	46	8
121. Forest Industries	Fryeburg	65	50
122. Gilbert Mfg. Corp.	Locke Mills	82	8
123. J. Littlefield, Inc.	Andover	6	12
124. Kendall Dowel Mill Inc.	Bethel	18	30
125. Little Harbor Corp.	Bethel	12	15
126. M.R. Dowel	Andover	15	5
127. Maine Balsam Fir Products	West Paris	21	11
128. Newton & Tebbets, Inc.	Bethel	85	55
129. Oxford Homes Inc.	Oxford	207	16
130. Oxford Pine Products Inc.	Paris	10	17
131. Penley Corp.	Paris	80	70
132. S. Timberlake Company	Bethel	3	19
133. Sebago Wood Crafters	Buckfield	21	11
134. Separate Dimensions	Peru	1	5
135. Thurston , J.A. Co., Inc.	Rumford	60	90
136. Turner Manufacturing Company	Buckfield	4	35
137. Wedgewood Crafts	Buckfield	2	5

Producers Responding to Survey

Company	City or Town	Employees	Years in Business
Penobscot			
138. Abba's Workshop	Bradford	4	11
139. Bangor Millwork & Supply Inc.	Bangor	25	18
140. Beanbag Madness	Howland	2	4
141. Buck's Oars and Paddles	Howland	3	NA
142. Byer Manufacturing Company (The)	Orono	NA	NA
143. Corinth Products Company, Inc.	Corinth	16	24
144. Holden Cabinet & Furniture Inc.	Holden	11	16
145. Jones Aromatic Cedar Shop	Bradley	2	11
146. Mainely Folk	Orono	2	8
147. Mountainwood Designs	Corinna	1	3
148. Parker Lumber Company	Bradford	11	14
149. Peavey Mfg. Company	Eddington	45	137
150. Porter's Woodworking Inc.	Patten	26	9
151. R. Leon Williams Lumber Co.	Clifton	50	38
152. Russell's Mill, Inc.	LaGrange	4	39
153. Shaw & Tenney, Inc.	Orono	5	136
154. Sherman Lumber Company	Sherman Station	96	100
155. Ward Clapboard	Patten	2	5
Piscataquis			
156. Alder Stream Forest Products	Dover-Foxcroft	4	20
157. Borealis Yurts	Dover-Foxcroft	2	4
158. Cyrus H. Doore	Dover-Foxcroft	NA	NA
159. Dave's Sign & Frame Shop	Dover-Foxcroft	1	5
160. David Gaw	Guilford	1	1
161. Ernest R. Palmer Lumber Co. Inc.	Sangerville	NA	NA
162. Hardwood Products, Inc.	Guilford	325	75
163. Maine Stream Cabinetry	Greenville	1	1
164. Moosehead Country Log Homes	Greenville Junction	15	7
165. Moosehead Manufacturing Co.	Monson	205	46
166. Moosehead Wood Products	Greenville		
167. Northern White Cedar	Greenville	3	7
168. Northwoods Canoe Co.	Atkinson	1	10
169. Pride Manufacturing Company	Guilford	300	63
170. Wood Carver's Shop & Sign Co.	Greenville	1	5

Producers Responding to Survey

Company	City or Town	Employees	Years in Business
	Sagadahoc		
171. BDHH Wood Works Co.	Woolwich	1	4
172. Carrot Signs	Topsham	2	6
173. Connolly & Co.Timber Frame Homes	Bath	4	14
174. Robbins' Carving	Bath	1	20
175. The Kennebec Company	Bath	24	20
	Somerset		
176. Cedar Shed	Pittsfield	2	16
177. Christiaan Beeuwkes	Mercer	1	6
178. Colonial Keeping Room (The)	Fairfield	3	14
179. Crescent Wood	Solon	1	8
180. Different Drummer Workshop	Solon	3	20
181. Frost Cedar Products, Inc.	North Anson	8	32
182. K-D Wood Products, Inc.	Bingham	90	15
183. Maine Fence Company	Pittsfield	40	32
184. Michael Hoy Woodworking	Skowhegan	2	5
185. Norridgewock Crafts	Norridgewock	2	7
186. O Ames Company	Pittsfield	10	55
187. Redmond Pet Kare Products Inc.	Pittsfield	11	NA
188. River Bend Baskets & Supplies	Norridgewock	2	6
189. Solon Manufacturing Co., Inc.	Solon	250	50
190. Solon Woodcrafters	Solon	1	NA
191. Walpole Woodworkers, Inc.	Detroit	33	61
192. Wolf River Handcraft	Jackman	1	4
193. Yurth Hollow Woodworks	Solon	1	11
	Waldo		
194. Baldwin Apple Ladder	Brooks	2	10
195. Brooks Woodworking	Brooks	7	2
196. James Macdonald Woodworker	Burnham	1	6
197. Maine Carvings & Creations	Palermo	2	8
198. Mathews Brothers Co.	Belfast	90	140
199. Windsor Chairmakers	Lincolnville	12	7
200. Wood Concepts	Belfast	1	7
	Washington		
201. Barry Gillis Wood Products	Danforth	12	8
202. Fred Gillis Lumber Co.	Danforth	14	22
203. Hobby Hut / Once Upon a Tree	Charlotte	2	NA

Producers Responding to Survey

Company	City or Town	Employees	Years in Business
204. Iris Boat Works	Machias	2	15
205. Mama Makes EM	Cherryfield	2	19
206. Sunrise Workshop	Machias	15	10
207. Tolecrafts	Alexander	2	11
	York		
208. Creative Works Systems	Saco	45	8
209. Fred Wills	Newfield	1	17
210. Hussey Seating Company	North Berwick	400	158
211. J B Woodworks	North Shapleigh	2	7
212. James M. Taylor & Company	York	3	5
213. Joinery Inc. (The) / Custom Stairworks	Saco	3	4
214. Kittery Graphics	Kittery	1	12
215. Lee Schuette Fine Art & Design	Kittery Point	1	11
216. M.R. Labbe	Biddeford	1	15
217. Mayberry's Enterprises	Kezar Falls	1	3
218. Millrock, Inc.	Sanford	85	15
219. Millwork Specialities	Waterboro	5	11
220. Northern Cabanas	Eliot	2	24
221. Prospect Hill Woodworking	West Lebanon	1	9
222. Saco Manufacturing & Woodworking	Saco	7	8
223. Sylco Manufacturing	Waterboro	3	17
224. Townsend Cabinetmakers	Limington	2	6
225. VanSinderen Woodworking	Lebanon	3	22
226. Welware, Inc.	Lebanon	5	17
227. Wood Structures, Inc.	Biddeford	NA	26

Appendix B

Survey Questionnaire

MAINE MADE AMERICA'S BEST

Maine Forest Products Marketing
1993 Assessment of Maine
Secondary (Value-Added) Wood Product Producers

A collaborative effort of: Maine Association of Resource Conservation and Development Areas, Maine Forest Service, Maine Department of Economic And Community Development and USDA Forest Service Northeastern Area.

MFPM Interviewer Name:______________________________
Representing Organization:____________________________
Date of Interview Visit:______________ Reschedule Visit Date:______________
Person Being Interviewed:____________________________

MFPM current label on Company

COMPANY INFORMATION *(Please make changes or additions below to any mis-information printed on mailing label)*
Company Name:____
Principal Contact Person:______________________________
Mailing Address:______________________ City______________ State______ Zip__________
County:__________________________
Telephone:________________________
Fax Number:_______________________

(Additional information requested not on label)
Physical Address :____
Toll Free Number, Maine:1-800-__________________U.S:1-800-__________________

THIS ASSESSMENT DOES NOT APPLY TO MY COMPANY, OR WE SIMPLY DO NOT WISH TO PARTICIPATE:
REASON IF GIVEN:____

The questionnaire was printed on recycled paper.

PROGRAM OUTLINE

The Maine Association of Resource, Conservation and Development (RC&D) Areas is seeking to enlist your firm's cooperation in our state wide assessment of Maine's Secondary Wood Product producers. Using our collaborative entity: Maine Forest Products Marketing as the lead for this project, we are attempting to identify areas where we might assist you in selling more "Value-Added" wood products.

We are placing major emphasis on obtaining information regarding current capabilities, market expansion potential and specific areas of assistance needed from your firm and over 600 other Maine Wood Product companies. Over 600 "On-Site" visits and mailings will be made by MFPM volunteers during the summer months, to better assess problems and gain valuable insight into Maine's Secondary Wood Products industries.

The results of this state wide survey will help focus and coordinate the efforts of many of our State's current service providers. These groups, working with Maine Forest Products Marketing are collectively striving to find more effective ways to assist our wood products industries. They include; Maine Rural Development Council's Value-Added Wood Products Group, State Business Development Centers, New England Wood Product Development Center at University of Maine, regional & community economic development agencies, local chambers of commerce and municipal entities.

We thank you in advance for your time, cooperation and consideration concerning this most important matter.

Timothy F. Washburn

Timothy F. Washburn, Director
Maine Forest Products Marketing

CONFIDENTIALITY DISCLAIMER

The results of this survey will be compiled, printed and distributed in summary form only, by county. Individual company raw data will be held in confidence by Maine Forest Products Marketing. However, MFPM reserves the right to share information with various assistance agencies and service providers when asked to provide services by the "Producer".

The undersigned agrees to release, indemnify and hold harmless MFPM, its agents and assigns, from any loss or liability, without limitation, resulting in any way from or to the "Producer" as a result of this assessment.

Signature: ______________________________ Date: ________________

Title: ________________________________

*__Please print__ all information, including any comments. Return all forms to **Maine Forest Products Marketing, P.O. Box 1250, Greenville, Maine 04441 as soon as possible.** If you have any questions, please call Timothy F. Washburn or Jenny Ward at Maine Forest Products Marketing 1-800-870-3104 for assistance.*

COMPANY STRUCTURE

This company is a :

1.__________Single Location Entity

2.__________Subsidiary of:

Parent Company:______________________________

Home Office Location:______________________

3.Has other locations in Maine *(Towns)*: ________________ ________________

Current number of employees________________ *I f your employment levels are cyclical please approximate your average annual FTE's.*

Current number of Full Time Equivalent Employees (FTE's):____________ *(I FTE = 40 Hours per week)*

Number of years in business: (Yrs./Mos.)_____________

PRODUCT INFORMATION

1. What products do you produce? **Please check all items that apply.**

1.____Boats/Canoes/Ships
2.____Bark & Landscape material
3.____Barrels-Tight/Slack Cooperage
4.____Baskets
5.____Blanks
6.____Boxes/Cases/Shook
7.____Buildings/Prefab
8.____Cabinets
9.____Cases
10.____Caskets
11.____Containers (other than #3 & #6)
12.____Cut or Dimension stock (pallet)
13.____Doors & Windows
14.____Dowels
15.____Feeders,Houses, Bird
16.____Fencing
17.____Fixtures
18.____Flooring
19.____Frames, Picture
20.____Furniture
21.____Furniture-Parts/Stock
22.____Games/Toys/Crafts
23.____Handles
24.____Home Log/Post/Beam
25.____Homes,Mobile/Modular
26.____Housewares
27.____Ladders/Parts
28.____Lattice
29.____Lobster Traps
30.____Millwork
31.____Novelities/Souvenirs
32.____Paddles/Oars
33.____Pallets & Skids
34.____Panels
35.____Patterns
36.____Other
37.____Poles/post/piling
38.____Pulp & paper
39.____Reel
40.____Scents
41.____Shavings
42.____Shingles/Shakes
43.____Siding
44.____Signs
45.____Sporting Goods
46.____Squares/Bars
47.____Stairs/Steps
48.____Stakes Grade/Tree
49.____Trusses
50.____Turnings
51.____Wood Flour
52.____Wreaths/Roping
53.____X-mas Trees
54.____Other

Please note annual quantities by corresponding number above.

Number	Quantity	Number	Quantity
______	__________	______	__________
______	__________	______	__________
______	__________	______	__________

2. Do you plan on producing any new products within the next twelve months? Yes______ No______
If yes, please indicate product type(s).____

3. What are your best sources for new product ideas? Rate numerically with #1 being highest or best.

Customer suggestions_____
Published articles________
Trade associations_________
Product research__________
Employee suggestions________
Trade shows________________
"Sharing" with competitors______
Other______________________

RAW RESOURCES

4. Approximately what quantity of the following species do you use annually? **(Indicate volume in board feet.)**

1.Mixed softwood______________
2.White Pine________________
3.Red Pine__________________
4.Hemlock__________________
5.Spruce____________________
6.Fir_______________________
7.Tamarack (hack)____________
8.White Cedar_______________
9.Mixed Hardwood____________
10.Aspen (poplar)____________
11.Basswood______________
12.Soft (red) Maple_________
13.Hard (sugar) maple_______
14.White Birch____________
15.Yellow Birch___________
16.Red Oak______________
17.White Oak_____________
18.White Ash_____________
19.Brown (black) Ash_______
20.American Elm__________
21.Black Cherry______
22.Beech____________
23.Other (specify)_____
24.________________
25.________________
26.________________
27.________________
28.________________
29.________________
30.________________

5. What percentage of your total raw materials come from Maine?________%

6. What form and volume of wood raw material do you use to make your finished goods? Please note amounts of raw material you utilize. **(Answer in M Bd Ft or Cord)**

1.________Blanks	9.________Lath-Slats	17.________Turnings
2.________Blocks, Cants or Flitches	10.________Lumber	18.________Veneer
3.________Composition Board	11.________Piling	19.________Other (specify)
4.________Fiberboard	12.________Plywood	20.____________
5.________Hardboard	13.________Poles	21.____________
6.________Particleboard	14.________Posts	22.____________
7.________Container Veneer	15.________Roundwood	23.____________
8.________Cut or Dimension Stock	16.________Ties	24.____________

7. Is your supply of raw material satisfactory? Yes________ No_______ **Circle one in each category applicable.**

Quality	Satisfied	1	2	3	4	5	Dissatisfied
Cost	Satisfied	1	2	3	4	5	Dissatisfied
Availability	Satisfied	1	2	3	4	5	Dissatisfied
Quantity	Satisfied	1	2	3	4	5	Dissatisfied
Species	Satisfied	1	2	3	4	5	Dissatisfied

8. Do you need to resolve any raw material supply questions? Concerns? Yes________ No__________ If, yes what do you need?

More contact with Landowners__________________

More contact with Timber Brokers__________________

Other ____

____

RESIDUES

9. What residues are left unsold/unused annually? *(Such as clean chips, bark, shavings, saw dust, etc.)* **Please answer in cord or weight volume.**

1.______________________Approx. Volumes________________

2.______________________Approx. Volumes________________

3.______________________Approx. Volumes________________

4.______________________Approx. Volumes________________

PRODUCTION

10. Are you producing as much product as you want ? Yes____ No______ If not, list reasons, *i.e. market demand, lack of equipment, capital, quantity, cost, quality, etc.*________________________

____

11. Do you send material out to be worked on by others? Yes_______ No_______ If, yes, where do you send it?

Business Name ______________________Location______________________

Business Name ______________________Location______________________

12. Do you have free machine time to do work for others? Yes_________ No_________ If yes, what type of machine work are you capable of?______________________________

MANUFACTURING

13. Many secondary manufacturers have expressed interest in locating local sources of kiln dried lumber, or finding kiln space to dry their own lumber. Several industries have reported excess kiln capacity and there has been serious interest shown in developing custom kiln facilities in Maine.

A. Would you be interested in sending green lumber to a custom kiln facility to be dried, or dried and dressed to your specification?______________ Approx. vol. annually________________

B. Would you be interested in buying dried lumber or dried and dressed lumber, from a drying and milling facility in your region? Yes___ No___ What species? _______________What annual volume?_____________

C. What moisture content would you require?________*% (percent)*

D. Would you prefer it rough____ dressed_____ no preference_______?

E. Would you be interested in purchasing rough/green lumber from tree farmers or portable saw mill operators? Yes________ No__________ If yes, what annual volume?____________________

BUSINESS DEVELOPMENT

14. Annual Gross Sales last year **(Check one)**

________<$50,000 __________$250-500,000 _________$1 million-3 million
________ $50-100,000 __________$500-750,000 _________$3 million-5 million
________ $100-250,000 __________$750-1 million _________over $5 million

15. Average Gross Sales growth over past three years **(Check one)**

_________Negative Growth _________6-15% increase
_________0-2% increase _________16-33% increase
_________3-5% increase _________34%+ increase

16. Anticipated Gross Sales growth this year **(Check one)**

_________Negative Growth _________6-15% increase
_________0-2% increase _________16-33% increase
_________3-5% increase _________34%+ increase

17. Reasons for change in growth, i.e., *capital availability, labor, cost of doing business, raw resources, quality issues, markets, etc.*____
____
____
____

18. Does your business have a written business plan? Yes_________ No_________
If yes, year last updated: _________
If no, would you like professional assistance in developing a business plan? Yes__________ No__________

19. Do you include new products in company goals and objectives? Yes___________ No___________

20. In order to strengthen your business activities, how would you allocate your time and resources in the future? **Circle one in each category applicable.**

Improving wood supply........................	No allocation	1	2	3	4	5	Most allocation
Quality improvements..........................	No allocation	1	2	3	4	5	Most allocation
Promoting your products......................	No allocation	1	2	3	4	5	Most allocation
Production efficiency...........................	No allocation	1	2	3	4	5	Most allocation
Finding new market(s)..........................	No allocation	1	2	3	4	5	Most allocation
Sales training.......................................	No allocation	1	2	3	4	5	Most allocation
New product line(s).............................	No allocation	1	2	3	4	5	Most allocation
New product features...........................	No allocation	1	2	3	4	5	Most allocation
Marketing research...............................	No allocation	1	2	3	4	5	Most allocation
Other______________________________	No allocation	1	2	3	4	5	Most allocation

21. Which of the following limits your growth? **Circle one in each category if applicable.**

Wood availability..................................	Non-limiting	1	2	3	4	5	Very limiting
Cost of wood supply.............................	Non-limiting	1	2	3	4	5	Very limiting
Physical space at location.....................	Non-limiting	1	2	3	4	5	Very limiting
Regulatory limits..................................	Non-limiting	1	2	3	4	5	Very limiting
Environmental limits.............................	Non-limiting	1	2	3	4	5	Very limiting
Limited skills of work force....................	Non-limiting	1	2	3	4	5	Very limiting
High labor costs..................................	Non-limiting	1	2	3	4	5	Very limiting
Limited market for product....................	Non-limiting	1	2	3	4	5	Very limiting
Poor public infrastructure.....................	Non-limiting	1	2	3	4	5	Very limiting
Other______________________________	Non-limiting	1	2	3	4	5	Very limiting

MARKETING

22. Does your company have a written marketing plan? Yes_______ No_______
If no, would you like professional assistance to develop a marketing plan? Yes_________ No_________

23. Rank each of the following overall market factors in terms of their importance to the success of your product(s). **Circle one in each category if applicable.**

Interest rates	Not Important	1	2	3	4	5	Very Important
National economy	Not Important	1	2	3	4	5	Very Important
State economy	Not Important	1	2	3	4	5	Very Important
Activities of competitors	Not Important	1	2	3	4	5	Very Important
Availability of wood supply	Not Important	1	2	3	4	5	Very Important
Cost of raw material	Not Important	1	2	3	4	5	Very Important
Market value of product	Not Important	1	2	3	4	5	Very Important
Customer attitudes	Not Important	1	2	3	4	5	Very Important
New market identification	Not Important	1	2	3	4	5	Very Important

24. Which of the following marketing materials do you currently have developed?

_____ Sales brochures
_____ Advertising copy
_____ Product demonstration materials
_____ Distributor support material
_____ Other (Explain) ____

__________Sale technical manuals
__________Product samples
__________Trade show booths

25. Does your company allocate specific dollar amounts to advertising/marketing? Yes____ No____. If yes, what percentage of your total 1993 budget is allocated for this?__________%

26. Which of the following methods of advertising/marketing does your company routinely perform?

Advertisement	% of total advertising	Other	% of total advertising
_______Journals	________	_______Direct mail	________
_______Newspaper	________	_______Telemarketing	________
_______Radio	________	_______Trade shows	________
_______Other	________	_______Other	________

27. What geographic area does your company's advertising cover?

_______Local community
_______Regional (Segment of State or States)
_______Nationally
_______Internationally What countries?____

28. Does your company currently export products outside Maine? Yes_______ No________

29. Please indicate the percentage of your products that are sold : **(Total should be 100%)**

Maine_______%*(percent)*
U.S.________%*(percent) List states you currently sell product in*_______________ _______________
_______________ _______________
International________%*(percent) List countries*_______________________ ____________________
_______________________ ____________________

EDUCATION/TRAINING

30. I would like information, training or assistance in the following areas: **Check all that apply**

A. Procuring wood supply: ________
B. Marketing:
  planning ________
  pricing ________
  promotion ________
C. Technical Issues:
  Export market regulations ________
  Equipment ________
  Production efficiency ________
  Government regulations ________
D. General Business Development ________
E. Other:____

31. Would your company benefit from up to date information in the following areas? **Please check appropriate blanks.**

	Yes	No
New technology	_______	_______
New equipment	_______	_______
New market info.	_______	_______

32. In which form would you most like to receive periodic information of this type? **Please check all that apply.**

Newsletter_____ Manuals_____ Video_____ TV_____
Fact sheets_____ Electronic bulletin board_____ Training session_____ On-site advice_____

33. Currently, what is your best source of receiving this technology, equipment, marketing information?

Manufacturing Representatives__________ State/Federal publications___________
Manufacturer's Publications/Newsletters____ Colleges/Universities_______________
Trade Association Publications___________ Other_____________________________

34. Would you be interested in receiving information on various programs dealing with training your existing workers, apprenticeship training of additional workers and/or training youths for transition from school to work? Yes____ No_____

******Many of these programs provide partial or full funding of the employee during the course of the specific program.*

COMPUTER ASSESSMENT

35. Are you currently utilizing a computer system in your business operations? Yes_____ No_____ *If No, go to #38.*

36. Type of computer system:

________IBM Compatible (MS-DOS) __________Tandy/Radio Shack ___________Macintosh
_________Apple __________Other *(specify)*:______________________________

General type of use:	Specific application or program*
_____Accounting	______________________________
_____Advertising, Marketing	______________________________
_____Laboratory	______________________________
_____Manufacturing processes	______________________________
_____Desktop publishing	______________________________
_____Inventory control	______________________________
_____Office/Word processing	______________________________
_____Wood measurement/scaling	______________________________
_____Transportation	______________________________
_____Operations analysis	______________________________
_____Other	______________________________

*Such as, Lotus 1-2-3, Microsoft Word, Word Perfect, Excel, Pagemaker, Filemaker Pro and others.

37. Do you currently use or have available national/international **marketing computer** data base information?
Yes______ No______ If yes, from what sources:

In-house____________________ Data base name_________________________________
Data base name_________________________________
Outside source________________ Data base name_________________________________
Data base name_________________________________

38. Would your company be interested in paying a small user fee in collaboration with others to receive up to date information both computer based and/or in hard copy form? Yes________ No__________

39. Does anyone in your household use computers on a **(Circle one)** Regular / Part-time basis? Yes_____ No_____
Check all that apply:

_____Son _____Daughter _____Husband _____Wife _____Other

40. If you are not currently using a computer system in your business, please explain why *(i.e., lack of training, cost, feel unnecessary, other)*:____

Assessment Follow Ups

41. Are you willing to participate in a follow up marketing/research assessment to determine your company's readiness to explore or expand export sales potential outside the state of Maine? Yes_______ No________

42. Would your company agree to participate in group focus discussions to help us further evaluate the best way to deliver services to you? Yes______ No_______

43. Would your company agree to become one of several case studies to gauge the results of our efforts to assist you? Yes______ No_______

Comments

____

____

____

____

____

____

Appendix C

Other Responses & Comments

To Various Questions

Other Responses to Question #3

1. Presently interested in may one sole product
2. My own
3. I manufacture to customer specs.
4. ideas
5. Own ideas
6. Own designs
7. landscape designers
8. School
9. I am a furniture designer
10. Brokee
11. magazines, visits to historical sites
12. Old
13. Myself
14. Own designs
15. Company ideas
16. Own head
17. Distributors
18. Trends, of architects
19. self
20. Management
21. Library
22. Professional Assoc.
23. Own designer
24. Personal brain
25. Catalogs
26. Everywhere
27. Wood Magazines
28. Owner's inspirations
29. Staying with present line
30. market place opportunities
31. Common sense/imagination
32. no new products ideas currently
33. closing business
34. Experience
35. design experimentation and marketing
36. travel & low environmental impact of intended use
37. Personal Experience
38. My own ideas

Other Responses to Question #8

1. Finding more/and diff. species of high quality lumber for high end furniture construction.
2. Kiln drying in Maine needs improvement
3. Lumber Companys
4. Cost of Raw Stock
5. White Cedar doesn't seem to be readily available to small business
6. Producers of 5/4 fine shorts
7. Better sources of hardwood distribution
8. Pine mills need to make contct with people like this. Needs jam stock, finger joint material
9. Cash flow
10. Contact with mills to arrange long term arrangements
11. have priority opportunity for specie at average price before brokered out-of-state.
12. insufficient supply of low-grade
13. Mill purchase waste lumber from local mills. Cost has more than doubled in last two years.
14. Like to see better prices and better grade
15. More contact with small sawmills
16. more help Me forest service & USDA to obtain more wood
17. White national forest to kept for lumbering
18. Hardwood rebuilder and small mill operators
19. Price flucuation
20. Lumber brokers
21. straight true alternative to popular
22. gov. agencies, industry problems over cutting raw materials & esporting of these raw materials
23. buy enough ahead to withstand droughts of wood
24. to cont. growing we need about 70-100M more excellant quality 4 by 4 by 16 and 4 by 4 by 8 No. White Cedar.
25. Problems with logs being exported-creating shortage of raw materials, increasing cost
26. Sizes and lengths
27. Major operators i.e. Boise Cascade
28. Conservationists restricting supply
29. Price Flucuations
30. Need more bark
31. New laws concerning harvest
32. Land owners & sawmills should get "closer together"
33. Availability of cedar-lack of mills in Maine
34. Pine/cost not what we could use, Elm not available for hoops
35. Works with GP
36. Steady supply agreement
37. Closer suppliers
38. more public relations
39. working w/ cooperqtive extension holding educ. seminars
40. Be able to operqte on an even playing field with the rest of the world. Problem with logs being exported.
41. Mainly quality issues
42. stop shipping raw materials overseas!Mfg. material here in US then ship overseas.
43. stop sending our raw material overseas manufacturer here add value and then export finished products.
44. tropical woods, use & availability problems
45. mills that cut 4 foot material
46. major problem in grading
47. to know if wood is consciencely logged, sustainable cutting
48. Expanding buying area
49. better quality and availibility
50. sources for small amounts of material
51. My requirements are for fairly small quantities of high quality materials. Clear sopruce for rail stock is biggest problem.
52. The best source I can find, pricewise, ships most of the lumber out of state with a long waiting list in state!!
53. Sawmills
54. kiln dry
55. high quality white pine
56. If I expand, quantity of quality cedar may be a problem

Detailed Responses to Question #17

1. Lack of capital has reduced marketing efforts
2. Demand
3. Becoming known more in the market area.
4. Markets
5. Anticipating slight increase due to better marketing strategy although the price and availability of quality lumber could have a negative impact.
6. Economy not good for craft/art
7. Markets, good luck!
8. Limited market
9. Change in location, increase demand
10. Markets (lack skills for successful marketing)
11. Hope to find new markets for wood & canvas canoes this year. plan to print up a small brochure advertising products, new ad placed in wood canoe magazine.
12. Costs/markets
13. Market development and research
14. It's only 3-5% increase because of the cost of doing business, and capital or the lack of capital
15. Better known
16. Markets
17. Economy
18. Access to markets, mail order catalogs "promises Kept" Good catalog company "The Wooden Store" and individual store through out the US
19. Markets
20. Marketing
21. 1993 Market not there
22. Marketing-offered custom built units, expanded from local to national
23. Good sales via marketing etc., Good production via quality issues
24. I have been developing new markets east of the Mississippi River from Maine to Florida.
25. Economy, cost of doing business
26. Workers Comp. insurance rates
27. Economy has turned around, more demand
28. Economy - people not spending
29. Cost of doing business, insurance costs
30. Capital availability, labor, raw resources
31. Markets
32. Market also. I am working on commission work. and I am tapering off that and doing more speculative art oriented projects.
33. Change in market--more demand
34. Developing new markets nationwide
35. Market
36. Haven't been forced to fit regulations (OSHA)
37. Changing customers
38. Economy
39. Economics-lack of capital to advertise or market.
40. Markets are in recession since 1990. Home building needs to increase especialy in the Northeast.
41. Low interest in residential construction
42. Quality because of sheltered workshop public tends to buy.
43. Markets
44. Survival-had to increase or go out
45. Service & Quality
46. Fire '91 Lost market
47. Housing start ups and remodeling down
48. Area mills have increased production which has resulted in an increase in business activity.
49. Refocusing to markets and genera economic uprising.
50. New products, greater marketing effort
51. Expanding Company's market share
52. No incentive , too many taxes, state & federal regulations
53. Quicker reaction to customer demans
54. Business market getting better
55. Growth in market demand
56. Market demand
57. Capital availability and costs
58. Have not reached market; having trouble accessing market
59. Labor, markets
60. Taking on a line of cabinets and expanding into appliances
61. Slow growth because of free trade to Canada
62. New products new markets
63. Markets
64. Productivity
65. Quality issues, markets.
66. Marketing
67. Add employees
68. Increase production

Detailed Responses to Question #17

69. Raw resources & changing market area: lumber supply is limited due to preservationists and lack of cutting plus the spotted owl in the west has made the eastern species very valuable. It is a supply or lack of, driven market.
70. Better handle on our costs and better pricing
71. Markets, sale of wooden traps & parts is constantly declining
72. Excellent product, excellent marketing, excellent raw materials
73. Due to transition period-this can be better addressed after a 2 year period from time of acquisition.
74. Increased volume capacity
75. Worker's Compensation
76. Steady-market demand, more outside competition, price & cost of lumber
77. Overall market has a greater sence of confidence-landed one large contract job.
78. Market demand
79. Market flucuations due to climate, crop, and changes in marketing process
80. Market demand and increased product line
81. Markets (into more markets) involved in Boston markets
82. Expanded capabilities and product lines
83. Price increases
84. Longer in business-word of mouth advertising
85. Market and Rising Costs
86. Recession in New England states & decline in value of real estate
87. Sales effort
88. Customer demand
89. Increased marketing, superior product-full product line
90. Marketing service to New England
91. National economy governed by state & federal gov't. (or not governed, I don't know which)
92. Cost of doing business, markets and the Canadian Dollar
93. New Products, wider customer base, aggressive marketing
94. Market try develop new markets
95. Equipment
96. New products, high quality, new technology
97. Cost of doing business-Insurance
98. Defence related business and some customers do export work so when the economy slowed down this was negatively impacted.
99. Very high quality products
100. Market conditions
101. Markets
102. Capital and added equipment and quality shingles production
103. Economy
104. Just starting out
105. Increased markets
106. Increase in market increase in reputation
107. Capital availability, raw resources
108. No market-people don't have the money
109. Loss of sales outlet couple of years ago forced him company into bankrupcy. Got help from NMDC to re-start about a year ago.
110. Market costs
111. Improved market conditions
112. Markets
113. Markets
114. Expanded market
115. Markets keep opening. owners sales plan
116. Productivitiy
117. Markets
118. Capital availability, raw resources, markets
119. Markets
120. Market expansion
121. Increased demands/ loss from competitors lack of delivery and quality
122. Economy is better, invested in equipment
123. Coming out of recession, regaining from lost business from imports, new customers
124. Slight increase in demand
125. No change in growth
126. Unable to purchase raw materials to fill orders. Capital availability
127. Capital availability, raw resources
128. Market demand improving
129. Workmen's comp, and all other above reasons plus government regulations
130. Market penetration education of contractors reg. advantages of engineered wood.
131. Markets
132. Presents in market place
133. New products
134. Markets
135. Markets, capital availability
136. Market improvement
137. Markets

Detailed Responses to Question #17

138. Recent growth a result of new facility

139. Improved construction market, lower interest rates

140. Limited market

141. Cost of doing business ... no breaks for small shops with 1-2 employees because of workers comp.

142. Increasing our marketingf

143. Raw resources

144. Labor, cost of doing business, raw resources, quality issues, markets.

145. Expanding product mix and customer base

146. Market seems to be improving

147. Markets stable

148. Cost of doing business markets

149. Economy

150. Different marketing

151. Opening up more markets & nw products

152. Markets

153. New product designs, referrals from past customers, high quality

154. Trying new products and markets. Capital is a problem; so are woodworkers turning out junk (products with little or no sanding, or splitting, or falling apart). We make a good quality product but have a hard time reaching markets we'd like to reach.

155. My customer marketing more aggressively

156. Increase marketing

157. Not enough room here, it's not work keeping business open anymore, I've laid off 5 employees and am shutting the "circus" down.

158. Percentages under questions 15 and 16 should be 100%. Growth is 34%/year, varies slightly of course

159. Purchasing stores have shifted away from over seas products, replaced with domestic goods if competitively priced

160. Market expansion

161. Controlling qrowth

162. Markets

163. Quality-customer requests

164. Markets

165. Capital availability

166. Downturn in home building industry and overall business climate in Maine

167. Longer time in business and more contacts

168. All of the above listed

169. Markets

170. No expansion capital

171. New products and expanding markets

172. Market, Stronger economy, More marketing

173. Markets

174. Am working at top capacity now. Have more requests for special orders than I can fill.

175. Depressed sales levels in 90 & 91 due to recession

176. Extraordinary circumstances

177. Great exposure

178. Quality issues, Improving economy, Customers needs

Other Responses to Question #20

1. Capital improvements
2. Retail sales
3. sub contracting
4. New England Show
5. Money
6. Man. Tech.
7. Internal People
8. telemarketing, marketing
9. Capital
10. design accounting
11. Financing
12. Florida
13. Employee participation
14. Capital availability
15. Improving facility
16. machinery development

Other Responses to Question #21

1. Labor taxes, benefits,regs
2. capitalization
3. Capital
4. High property taxes
5. Worker's comp.
6. Age-planning to retire
7. Money
8. Workers comp
9. Capital
10. Capital
11. Cash
12. Capital
13. motivation of workforce
14. location
15. Workers comp/health Ins.
16. rehabilitation of workers
17. Banking Fed. Gov. anti bus.
18. $ to attend trade shows
19. Capitalization
20. Workers Comp
21. Workers Comp.
22. Capitsal
23. mandated benefits & overhead costs
24. regional warehouses around the country
25. lack of Mrkt. plan
26. Workers comp
27. Expansion Capital
28. capital
29. Equipment/capital

Other Responses to Question #26

1. Yellow Pages
2. Trade Publications
3. Pamphlets
4. Chamber of Commerce
5. Craft Shows
6. Word of Mouth
7. Other
8. Other
9. none
10. Craft Shows
11. Word of mouth
12. Other
13. Business Cards
14. Catalog Work
15. Other
16. Flea Markets
17. Personal Contact
18. Uses Broker
19. Word of Mouth
20. TV
21. MICS
22. Sweets File
23. Sales Calls
24. Word of Mouth
25. None
26. Sending out Samples
27. Other
28. Retailers
29. Word of Mouth
30. None
31. Yellow pages
32. None
33. Sales Rep
34. None
35. Dirct Mail
36. Schemoz
37. None
38. Personal Calls
39. Free Publicity
40. Donated services
41. Brokers
42. none
43. Yellow Pages
44. Telephone Book Sales calls
45. Telephone Book
46. Thomas Register
47. Trade Show
48. Trade Show
49. Other
50. Trade show Booths
51. Catalog
52. None
53. Literature
54. Brokers
55. Word of Mouth
56. None
57. NA
58. Personal contact
59. Other
60. 1-800 service
61. Other
62. Reps
63. Other
64. Rep
65. NA
66. brochures
67. Yellow Pages
68. Word of Mouth
69. Word of mouth
70. Referrals
71. Phone book
72. Other
73. Yellow Pages
74. Magazines
75. Magazines
76. Word of mouth
77. References
78. Other
79. Yellow pages
80. TV
81. Other
82. Craft Fairs
83. Other
84. Other
85. Brouchures
86. Magazine in Summer
87. Other
88. Other
89. Sales Rep
90. Other
91. Direct Contact
92. Telephone Directory
93. Other
94. Other
95. Other

Other Responses to Question #30E

1. Bus. Mgmntm bkkpng., Taxes, etc.
2. Product Protection via Copyright, patents
3. shipping procedures for canoes.lrg. objects
4. New Product Development

Other Responses to Question #33

1. Info. shared with competitors
2. research ourselves at auctions
3. Wood shops
4. Word of mouth in industry
5. word of mouth
6. experience & others in trade
7. Word of mouth/trail & error
8. SBDA
9. Fine Woodworking magazine
10. Word of Mouth, networking
11. travel

Detailed Responses to Question #40

1. Cost
2. Too small for expense
3. Feel unnecessary
4. Training Cost
5. Feel unneccesary
6. No need
7. Feel unnecessary
8. Feel unnecessary
9. Feel unnecessary
10. I have a simple one man business, selling primarily at craft shows, with a small amount of wholesaling. No use at this time.
11. Feel unnecessary
12. Lack of training, cost, no electricity to run one.
13. Unnecessary
14. Unnecessary
15. Cost
16. Unnecessary
17. Cost
18. Cost & lack of training
19. Lack of purchasing capital
20. Cost
21. Cost
22. Also has Macintosh and Digital Vax
23. Altosmini additional computer system
24. Feel unnecessary
25. Feel unnecessary
26. Just learning
27. Cost
28. Currently talking to Reps
29. No need to --will probably in future
30. Cost prohibitive
31. Cost of equipment
32. Available but not used.
33. Cost
34. Sales don't warrant it.
35. Lack of training
36. Unnecessary
37. Cost, working toward goal of computer purchase.
38. Garbage in garbage out
39. Didn't have time to get started but are planning to within 18-24 months.
40. Feel unnecessary
41. Unnecessary
42. Too much money
43. Unnecessary
44. Feel unnecessary
45. N.F.G.
46. Unnecessary
47. No need
48. Lack of training and cost
49. Lack of training
50. Contracted to outside firm
51. Unnecessary
52. Lack of training and cost
53. Lack of training
54. NA
55. Price
56. Lack of training, unnecessary and cost
57. Haven't gotten into it yet
58. Lack of training, unnecessary
59. Currently looking into computers-could use information on computer systems.
60. Cost, available time
61. Feel unnecessary
62. Feel unnecessary
63. Cost, lack of training, marginal need
64. Lack of training, cost, feel unecessary
65. Cost, feel unnecessary
66. Unnecessary
67. Unnecessary
68. Just obtained one, lack of trainin at this time
69. Cost
70. Cost
71. Unnecessary cost for benefit derived
72. Cost
73. Unnecessary
74. Unnecessary
75. Nervous
76. Unnecessary; accounting done on accountant's computer
77. Lack of training, cost, feel unnecessary
78. Too small. Unnecessary.
79. Don't know how. Doesn't seem necessary.
80. not necessary at this time
81. Cost/ Lack of training We are shopping for a computer

Comments From Last Page of Survey

1. I am a school teacher who developed a wood product (music stand). This has met with very favorable public (specialized) response. I am more interested in the marketing of the product then in the manufacturing of it-my shop is not will equipped and I am not will-skilled. I may develop a shop however and more activity develop the business. The stand currently sells for $140.00 but I am only making a few a year and not actually seeking sales. I would be interested in names of small scale, high quality furniture producers who might be interested in producing the product-quantities of less then 100 per year, until I can develop a wide market and advertise.

2. A lot of the questions do not seem to apply to me. I do custom woodwork, repairs, dollhouses and miniatures and wood toys. Custom work can be anything from a complete kitchen to a spinning wheel I do repairs on furniture and make an occasional piece, The materials I use are varied and fairly small quantity. I usually purchase locally and I do not always know where the materials originate. I do some sub work for a couple of local wood products companies. They supply the material.

3. We make crafts-shelves, Thread holders chests, and the like. We are small one man operated. Me. Thank you for asking

4. I found this questionnaire somewhat unapplicable to my small one man furniture business as I basically produce one of a kind custom furniture. As such some of my answers maybe a bit hazy.

5. I am a part time carver. I have only two hands and 3 months in which to devote full time to carving since I am a full time teacher.

6. We are too small for this information, cottage craft, retired, husband & wife-under $1,000 project.
NOTE: producer did not complete questionnaire.

7. As a self employed artisan most of this doesn't apply to me. My biggest concerns are of wood supply. Burls need old-growth forest to form. The forest Products marketing council needs to ensure continued availability of all types of quality wood. How about some lobbying to promote truly sustainable forests?

8. I am a very small business operating in the crafts industry, semi-retired and with limited resources. I find marketing my products challenging and inspirational. Am also interested in promoting Maine made products and its image.

9. My product is at the mercy of "Defense Spending". At present I am at an all time low in sales and contemplating whether I should retire.

10. In addition to raw resources listed under number 4. please add the following:
Sitka Spruce 50 bf, red Cedar 50 bf, Cypress 150 bf, Walnut 200 bf, Mahogany 400 bf, Teak 600 bf, White Oak 50bf, Soft Maple 150 bf, Tamarack 50 bf, Poplar 150 bf.

11. I am a one man craft type of production oriented business. I run at full capacity year round. Any interest in expanding is immediately stifled by the many taxes relating to hiring employees, as well as the associated paperwork and regulation related to employees.

12. We believe we produce a quality product at competitive price but lack marketing skills and ability to promote our product to the public.

13. We're just a small business, just starting out. We hope to build & sell wood & canvas canoes as our main source of income-between 6 and 8 canoes per year. Much of your questionnaire does not apply to us. Any information you have on shipping canoes & other large objects would be helpful, though. Thanks.

14. The limitations of time and money are especially felt in a one man business. If there are more efficient ways to handle marketing without losing shop time I'd like to hear about them. Also, my new product "Maine Pathfinder" wood cross country skis has met with slow sales locally but find more interest in the Canadian market. Details on international sales would be welcome.

15. I feel its is a good survey and I hope it can help my business.

16. Has own kiln-could dry for others up to 10MBF (at a charge). Company structure: Hobby Hut is primary producer Once upon a Tree is a retail sale shop near the Junction of Rt. 9 & Rt. 1. Open approximately 6 months per year soon to move to downtown Calais-full time.

17. Up to two additional employees based on work orders (not seasonal). Products patterned, would like to license or franchise products to another producer or sell idea completely. Not interested in expanding business beyond what it is (maybe worth a call to producer on that). Owner is satisfied with present output and comfortable with present market situation. However, he is tired of making present product line and would like to move onto develop new ideas. Absolutely paranoid about dept. of capitalization and expansion. Would like to license or franchise present product line to finance the developing and marketing of a new product.

18. Husband & wife team, She teaches parttime.

Comments From Last Page of Survey

19. Good questions. Mr. Hughes really though about the answers to all of the questions. I found it interesting that they had an aggressive marketing plan last year and did not have one this year.

20. This gentleman runs a very exemplary business in quality of workmanship, job safety etc. but lacks an aggressive marketing plan either from lack of knowledge or financial ability or both.

21. I'm a carpenter in repair & remodeling. When work started to slack off in late fall & winters I started to build arbors & trellises to sell in the spring. My goal is to do this year round.

22. Congratulations, keep going!

23. I sincerely hope your efforts continue, as you already know, there is a very large potential for developing much needed jobs in our state.

24. I would like to volunteer to serve on a aboard as a small manufacturer with much experience to share. I feel that programs like this need input from individuals who have hands on experience in the field. These people should be in decision making positions. Thanks.

25. Computer system is Quantel-Mainframe

26. This was a tough servey to complete. Pathways is a non-prfit agency that rehabinilitates and trains retarded individuals. The wood stake (survey) is a very small part of what they do. They have very little information kept by this specific part of the business.

27. Mr. Murphy wants to be able to utilize more Maine products, The ME suppliers have stayed away from millwork and they have let the West Coast have it all. This means extra transportation costs. Very professional operation-has a real need in the raw materials area, also his capital has been depleted over the last two years making it hard to keep up with the current demand.

28. Does not want name traded to direct marketers, not interested in increasing marketing primarily concerned about cost of worker's comp. and improving quality of cedar logs.

29. This gentleman is committed to a broker for marketing outside the State of Maine. He could be interested in developing a broader in-state market.

30. I am a small high-end "one of a kind" art furniture designer and maker. My goal is few finely designed and made objects.

31. Mr. Palmer was sent this questionnaire by this office after his relunctance to participate in a face-to-face interview. Many of the questions were left empty thus showing his total disregard for our project (this feeling was also evident per my telephone conversation with him). May want to remove from mailing database. Will discuss this further before action is taken. JW

32. Does not apply to situation. Bailey manufacturing sells directly to Parent Company. Parent company responsible for most information asked.

33. Willing to work with group to help others.

34. Yes answers above were based on the thought that they would do only if they could be helpful with others. Tim dropped this questionnaire off with John therefore many questions were not answered.

35. Great idea, should help the many small producers in this area and the state. Sunrise Workshop is a sheltered for the handycapped.

36. We currently function primarily as a job shop

37. All marketing decisions made in West Viriginia Main Office.

38. Turning away up to $10,000/wk. due to haul of wood-currently talking to banks to finance a $600,000 Sawmill. Target of Dec '93-Jan'94, talking to IP. Pay more than pulp price for HW by ton. Looking at BA 504 Program #5-7 new employees. Talking to EMDC-Dana P Sumner-Lending Director.

39. Very interesting people. Knows what he does & knows what elements effect what he does. He would be interested in having a Kiln available so that his materials would not have to be transported to Mass. to be dried.

40. This company does not produce any product for direct sales, does secondary work only, therefore the questions 23-29. Also answered as a "1" self interviewed because of duplication under database. Therefore I have merged the two under this response sheet. He stated on self interview...At this time I'm doing secondary work for local wood turner, which has all the room I have at this time. I would be interested in more work of this type or work with pine for toy parts, etc.

41. Note: fro question 4. Chair parts & turnings are purchased and figures include estimates.

42. Question number 43. stated that it depends.

43. No incentive for growth! Workman's Comp up 100% Health insurance costs paid 100% 51% increase in BCBS.

Comments From Last Page of Survey

44. Worker Comp is biggest problem, WC is driving business out of state. Labor- a lot of people don't want to work. Raw Material- not enough supply

45. Government tries to help but may actually hurt small business.

46. Financing major problem

47. Any time have worked with state, have not seen results from them. State doesn't understand small business. Selling product & locating market are problems

48. Although access to raw materials for both the consumer and secondary wood product producer is easy, access to markets for the value-added producer is difficult. Due to the rural nature of the state, manufacturers located away from the population corrider of the osuth-south east must spend an inordinate amount of time marketing. It seems that each industry develops an insular communication newtwork with very little interface with other interestes. Consumers too, suffer. Note: Makes equipment and furniture for ADA approval.

49. To make this relevant they should design the questionnaire toward one man shops. Note: company is not interested in growth.

50. Maine's best logs are being shipped out o state and we can't get that quality of raw material

51. Makes lobster crates not traps. Cuts lumber for same makes small sheds.

52. Have to find a wooden wheel manufacturing Co. that can make them cheap. Like Database or electronic bulletin board on one man shops in Maine. This company makes scientific equipment for schools.

53. It is too expensive to hire help because of workers comp. The cost has rose from 5% to 6%...that hurt. This company makes, trays, mast hoops and other flourist items.

54. Most of his units are cut somewhere else and he assembles them.

55. Need a technical advisor of their choice (on site) would be helpful. They build fancy screen doors.

56. Is satisfied with workers comp and other reg's. Marketing is always a problem in Maine. They make Museum quality furniture (excellant work)

57. Concerned with handling manufacturing trade with outside USA. This company is a boat builder, finishes fiberglass hulls

58. I have a small mill and work out side. The mill is only a hobby which pays 2-3 thousand dollars per year. I don't really have time to make it a business withour quitting my job.

59. Wood products represent about 3% of our total sales.

60. Company is in transition after being in retirement from 1985. Company is a family owned company-David is in a process of buying out company and revitalizing it. Followup and/or better profile would be more appropriate after a 2 year period.

61. "Get out of our lives" Gov't regulations are stifling greatly. Anti'business. Financial support not present.

62. Mr. Ambrose was very busy and some of the questions are left blank or incomplete.

63. Question 13 he found interesting-they would be interested in the kiln idea. They produce a beautiful product-very high end.

64. Mr. Goulet has been in business for 31 years and says that he has never seen business this bad.

65. Questionnaire was incomplete at best.

66. Take whatever help he can get. This is a good medium for assisting. Good use of tax dollars.

67. Worker's Compensation; no incentive.

68. Contemplating building new sawmill but it would not be in Maine; Worker's comp big reason.

69. I am not sure that your information is appropriate to single person small businesses. The questions seem to be directed to larger enterprises.

70. This business utilizes im place manufacturing capabilities in Maine and provides the design, marketing, packaging and distribution of products. They design, market, subcontract manufacturing. We finish, pack & ship from our facility. THerefore, some of the assessment is not complete because it does not pertain to them.

71. We are in a specialized market and use no local source of raw material to speak of.

72. We need training seminars fro employees & management on Worker's Comp. A critical issue for all us. We need basic training infor for all!

73. Client finds disclaimer offensive and unnecessary.

Comments From Last Page of Survey

74. Our company sells into 6-8 major markets such as Lawn & Garden, Home Center, Pet Center, Store Dispaly, etc. that the forest product marketing efforet does not and cannot cover. We need to target marketing & sales dollars not shotgun those efforts. The area you can help is wood supply and equipment technology effort.

75. Company answered unsure to questions 42 and 43. Please make note of this.

76. No answers indicate that the client did not wish to give out this information fo the survey.

77. No answer indicates that the client did not wish to give this information out for this survey.

78. Question 43 was answered with a question mark.

79. Why won't the state allow factors (for financing) in the state?
Drop Worker's Comp when national health care comes through.

80. Can't grow-no capital-Insurance too expensive-resolved to stay small-self only-liability too great-limited space-commercial equipment too expensive-local market to limted-must be careful to not over sell what time allows me to produce.

81. Above questions were answered no with depens on time written next to them. Would like to export more overseas.

82. Involved with the Maine House Project in Japan. raw Material of Fir in form of branches and balsam.

83. Survey incomplete due to lack of time.

84. Also makes wreathes.

85. Need hardwood finished parts suppliers that is dependable.

86. Will probably be putting in new kilns in 1994.

87. This company has 5 kilns.

88. Availability of supply has to do with exporting to canada and control of paper company land. This company uses direct mail to existing customers and the Thomas Register.

89. Questionnaire is not well designed. Company is very focused...clothespins. Wants to increase capitialization (equipment) and decrease labor costs. Under question #13 not interested at this time.

90. Also uses White Ash, Brown Ash and Beech. Would take 6 million in any combination of these resources because he is unable to purchases adequate quantities.

91. Barry would be interested in manning a booth at trade shows to gain experience asz he hasn't attended any. Unable to purchase enough raw material.

92. Business is for sale. No plans to manufacture in 1994

93. Requesting aid in procuring native red pine and spruce

94. Also using Black Cherry 1M, and Mahogany 15M. Don't want to grow any larger then they are. Deal with brokers as a prime marketing tool.

95. Also use Black Cherry 3M, Sothern Pine 20M, Mahogan 1M, Walnut 5M. Buy there raw materials through wholesalers, therefore they did not know the percentage from Maine.

96. More interaction between Maine businesses. Raw materia mgrs. in Maine and users. Line to people who use these products. Constant update on these issues and products.

97. I will take any help that I can get. Needs help in developing a same technical manual(s).

98. This business is a training facility- non-profit, for disable persons.

99. Would love to answer yes to questions #42. & 43. but time commitment to business operations does not allow i at this time.

100. Ms. Breton is managing a business that is the remnants o a 9-year partnership that disolved 9 months ago. The employees were terminated when the partnerships broke up. All work is now subcontracted. The business and the sole proprietor were struggling. They build and install cabinets, doors and windows... build furniture, do millwork; all to the customer's specifications.

101. This is a small family business. Owner thinks that he ma have been interviewed before this survey since he moved his business fro mCumberland to Sagadahoc county. It is possible.

102. Maine products trade show's should be just that " Maine Made Products"

103. Suggest further contact with Scott Nussinow

104. I am currently a one man shop, specializing in custom hardwood canoe paddles, wood & canvas canoe repairs and building several wood & canvas canoes each year. This ha been a shoestring operation with little advertisement. Business has been conducted out of pocket with no outsid financing for necessary upgrades of equipment, exzpandin physical space at location and advertising, if I could develop and expand markets. My interests are in high quality work rather than large production runs of lesser qualtity.

Comments From Last Page of Survey

05. We amke a good product and have a fairly decent retail market via craft fairs, etc. We would much rather get more into wholesale but that market is hard to get into without a lot of capital. Maybve the state could help out here to promote this industry.

06. I have the technical skill but badly need the training in sales and marketing. Thank you for trying to help Maine workers.

07. I am a very small time operator and I like it that way. I build furniture, primarily on a commission basis. I found some of this to be not applicable. but I did some of it anyway. I don't use a lot of material-I am not interested in being a production facility, I do a considerable amount of design development work for other concerns.

08. We are very interested in being a part of this program. We feel our marketing efforts are very poor becasue of lack of knowledge and funding. We are in hopes of gaining much from this program.

09. As I've recently told Maine Chamber of Commerce"Too late; it's too little, too late" This state and the economy have squeezed every ounce of blood out of my business. Wh should I continue to beat my head against the wall when everything only goes to taxes, workers comp. the bank and attorneys? Sorry-the circus is over...

10. possibility for expansion to large no. of small woodworking enterprises under one roof-70,000 sq. ft. good manufacturing space-presenting share space with one developing industry (yurt manufacturing)

11. Our biggest problem is state and federal regulations.

12. Wish to remain small, provide qulaity product to satisfied customers. Should overcome fear of computer expansion possible.

13. Enclosed you will find a letter that I had recently sent to Govenor McKernan, which by the way I have never got a response from. I think my feelings addressing some of the issues in the survey are told in this letter.

14. Answered maybe to questions 42 and 43, I had to put in Yes for database purposes.

15. Our company is currently involved in the principals of Dr. W. Edwards Deming and Bill Conways, "The Qulaity Secret...The right way to manage" and would like to share this with others.

116. Our company started out as a wholesale distributor of millwork products (doors, windows, etc.) With todays economic conditions our competitiveness in this area has been severely impacted. We are currently diversifying our abilities to the furjniture industry. At present we are only manufacturing for others, but plan to open a retail store and sell our own line of fine furniture in aprox. 1 month. We need help with this venture in particular as we have never been involved with marketing.

117. #43. The main concern right now is working capital. No personal contact to this date...has been Made Maine Products.

118. I am one of those very small businesses. Small businesses would benefit from help, but not the same type of help that large businesses need.

119. Networking for our signs and hand carved doors & wood carvings could help to ensure our money...I need a 24" high quality plaine...cheap. Also sales of top end items is always a problem. How does one sell or gain commisioned work for a $3,4000 to $4,000- hand carved door?

120. Many difficult to answer because of my situation-real goal is to produce custom made canoes (real ones) withmodels and kits secondary. Thanks D. Gow.

121. We are currently engaged in international marketing in an effort to expand our efforts.

122. I think you are asking more questions than necessary. I am a bit uneasy about sharing this info because I do not want competitors to see the info.

123. I am a one man show, and my business is a very unusual one in that I do it all. I have a sawmill, and starting from scratch I design and make everything I sell, which includes maybe a hundred different products.

124. Window standards are Western/Ponderosa Pine therefore do not get raw resources from Maine.

125. We would be interested in operating small scale kiln for others on contract basis.