Defiance County’s Forest Economy

Eric McConnell, Ph.D.
Forest Operations and Products Specialist
Ohio State University Extension

Wm. Bruce Clevenger
Agriculture and Natural Resources
Ohio State University Extension, Defiance County

Defiance County contains 411 square miles (263,300 acres) of land and is home to 39,000 citizens[1]. There are 152 industries in the county[2], with the median household earning an income of $44,480[1]. Major employers include businesses in the sectors of food services, state and local governments, motor vehicle parts manufacturing, and medical offices[2].

The land resources of Defiance County provide many economic benefits. The county’s 1,150 agricultural farms produce agronomic crops and dairy and milk products, among others[3]. An abundance of wooded acres are also present, providing community support to the county’s forest industries. These businesses generate $7.43 million in industrial output and $540,000 in taxes[2].

Some of the many contributions Defiance County’s forests and forest industries provide to the local economy are illustrated in this fact sheet using key figures and statistics. Figures 2–4, describing Defiance County’s forest resources, were constructed using data from the 2011 forest survey database provided by the United States Forest Service’s Forest Inventory and Analysis. Figures 5–8 explain the county’s forest industries and were developed from data analyzed using IMPLAN®. Table 1 summarizes the IMPLAN® model for Defiance County’s economy[4].

Benefits of Woodland Management

- Properly managing your woodland improves forest health, aesthetics, and wildlife habitat. It also provides soil stabilization, clean water, carbon sequestration, self-satisfaction, and a potential source of income.
- Managing timber requires less long-term inputs compared to many other land uses.
- You are often able to obtain cost share funds to establish your woodland, property tax credits while managing your forest property, and preferable tax treatment at harvest.
- Standing timber is a stable form of wealth, often comparable in performance to mutual fund investments.

For more information regarding IMPLAN® and the economic impact analyses for Defiance County, please contact the first author in the School of Environment and Natural Resources.

Figure 1. Forest industry outputs contribute 0.26% to Defiance County’s economy[2,3].
How Can I Learn to Better Manage My Woodland?

- Become actively involved in the stewardship of your property.
- Join your local forestry association.
- Search Ohio State University Extension’s website Ohioline (http://ohioline.osu.edu/for-fact/index.html) for further study of forestry related topics.
- Contact your local service forester at the Ohio Division of Forestry to help you develop a management plan for your property.
- Obtain soils and management information for trees suited to your soil types at your local Soil and Water Conservation District.
- Enlist the assistance of a professional forester when planning a timber sale.
- Consider hiring an Ohio Master Logging Company to conduct your harvesting operation.

For More Information, Please Consult the Following Sources:

School of Environment and Natural Resources
The Ohio State University
2021 Coffey Rd.
Columbus, OH 43210
Phone: (614) 688-3421
Web: http://www.ohiowood.osu.edu/
http://woodlandstewards.osu.edu/

Ohio State University Extension, Defiance County
06879 Evansport Rd., Suite B
Defiance, OH 43512-9722
Phone: (419) 782-4771
Fax: (419) 784-3883
Web: http://defiance.osu.edu/

Ohio Division of Forestry
952-B Lima Ave.
Findlay, OH 45840-2320
Phone: (419) 424-5004
Fax: (419) 424-5008
Web: http://www.ohiodnr.com/Home/landowner/
LandownerAssistance/tabid/5279/Default.aspx

Defiance County Soil and Water Conservation District
06879 Evansport Rd., Suite C
Defiance, OH 43512
Phone: (419) 782-8751
Fax: (419) 782-1791
Web: http://www.defiance-county.com/swcd/
Terminology

Acre: A unit of land measure equal to 43,560 square feet (208.7 feet × 208.7 feet). One square mile equals 640 acres.

Direct Economic Impact: The effect generated by the industry of interest in an economic impact analysis. This is measured through employment, value-added, and industrial output produced to meet demand for the manufactured product(s).

Direct Federal Tax Impact: Taxes collected by the United States government. These taxes are generated from labor income, indirect business taxes, households, and corporations associated with the industry of interest.

Direct State and Local Tax Impact: Taxes paid to state, county, and municipal governments. These taxes are generated from labor income, indirect business taxes, households, and corporations associated with the industry of interest.

Employment: The total wage and salary and self-employed jobs in a geographical area.

Indirect Business Taxes: Sales and excise taxes paid by individuals to businesses through normal operations. They do not include taxes on corporate profits and dividends.

Industrial Output: The total value of production measured as the sum of value-added plus the cost of buying goods and services to produce the product(s).

Labor Income: Wages and benefits paid to employees plus proprietary income for self-employed work.

Sawtimber Volume: Net volume in board feet by the International 1/4-inch rule of sawlogs in sawtimber trees on timberland. Gross volume minus the deductions that affect use for lumber equals net volume.

Value-Added: The sum of labor income, interest, profits, and indirect business taxes.
Table 1. Direct industrial contributions within Defiance County’s economy, 2010[2]. The IMPLAN® model’s 440 sectors were aggregated into 12 industries by each sector’s 2-digit North American Industry Classification System (NAICS) code number. A (----) indicates less than five employees or a value less than $500,000 to prevent potential disclosure of individual company information.

<table>
<thead>
<tr>
<th>Industry NAICS Description</th>
<th>Employment</th>
<th>Labor Income</th>
<th>Value-Added</th>
<th>Output</th>
</tr>
</thead>
<tbody>
<tr>
<td>11 Agriculture, Forestry, Fishing, and Hunting</td>
<td>1,430</td>
<td>$20,421,275</td>
<td>$40,786,818</td>
<td>$117,407,245</td>
</tr>
<tr>
<td>113 Forestry and Logging</td>
<td>(----)</td>
<td>(----)</td>
<td>(----)</td>
<td>$669,105</td>
</tr>
<tr>
<td>21 Mining</td>
<td>(----)</td>
<td>(----)</td>
<td>(----)</td>
<td>$637,217</td>
</tr>
<tr>
<td>22 Utilities</td>
<td>27</td>
<td>$1,883,239</td>
<td>$10,575,104</td>
<td>$13,946,371</td>
</tr>
<tr>
<td>23 Construction</td>
<td>877</td>
<td>$26,607,466</td>
<td>$34,916,218</td>
<td>$94,809,605</td>
</tr>
<tr>
<td>31–33 Manufacturing</td>
<td>3,494</td>
<td>$272,324,278</td>
<td>$433,649,098</td>
<td>$1,220,866,950</td>
</tr>
<tr>
<td>321 Wood Products Manufacturing</td>
<td>45</td>
<td>$1,647,914</td>
<td>$2,029,994</td>
<td>$6,462,932</td>
</tr>
<tr>
<td>322 Paper Manufacturing</td>
<td>(----)</td>
<td>(----)</td>
<td>(----)</td>
<td>(----)</td>
</tr>
<tr>
<td>337 Wood Furniture Manufacturing</td>
<td>(----)</td>
<td>(----)</td>
<td>(----)</td>
<td>(----)</td>
</tr>
<tr>
<td>42 Wholesale Trade</td>
<td>477</td>
<td>$28,984,632</td>
<td>$54,396,252</td>
<td>$70,934,593</td>
</tr>
<tr>
<td>44–45 Retail Trade</td>
<td>2,912</td>
<td>$72,866,817</td>
<td>$108,422,387</td>
<td>$165,120,770</td>
</tr>
<tr>
<td>48–49 Transportation and Warehousing</td>
<td>621</td>
<td>$30,321,528</td>
<td>$40,575,333</td>
<td>$71,483,352</td>
</tr>
<tr>
<td>61–72 Educational, Health, and Recreation Services</td>
<td>5,213</td>
<td>$128,768,901</td>
<td>$153,961,325</td>
<td>$301,563,464</td>
</tr>
<tr>
<td>81 Other Services</td>
<td>1,190</td>
<td>$30,672,907</td>
<td>$33,255,149</td>
<td>$77,619,907</td>
</tr>
<tr>
<td>92 Government and non-NAICS Industries</td>
<td>2,211</td>
<td>$106,277,014</td>
<td>$120,025,243</td>
<td>$141,432,072</td>
</tr>
<tr>
<td>Forest Industries</td>
<td>51</td>
<td>$1,979,532</td>
<td>$2,387,472</td>
<td>$7,427,359</td>
</tr>
<tr>
<td>Total</td>
<td>21,877</td>
<td>$827,469,771</td>
<td>$1,367,059,855</td>
<td>$2,833,019,305</td>
</tr>
</tbody>
</table>

References