

Wood Cluster Development In Brief

Las Vegas, New Mexico, is surrounded by national, state and privately owned forestlands. Consequently the economy of Las Vegas has been tied to the wood products industry for decades. Early businesses supplied wood railroad ties for the expansion of the railroad and materials for the construction of homes and businesses. Lumber mills and the logging industry thrived for years, investing in the area and supporting endeavors such as a manufacturing plant producing wood molding and fiberboard. These industries have been major employers in the region. Economic slow-downs affected those dependent on forest harvesting for their living. Lumber imports from other countries have seriously eroded soft pricing. At least 18 lumber mills have shut down in the southwest over the last few years. This figure includes mills in northern New Mexico in and around Las Vegas. The downturn in this industry has had a negative impact on Las Vegas and the surrounding area.

The focus by EDC on the timber industry is appropriate. It is traditional to the area and there are many loggers and foresters skilled in this field. By developing the capacity within our community and providing specific technical assistance EDC and its forestry partners can contribute to the revitalization of the wood industry. EDC support of this important industry will mean increased employment, augmentation of resources and infrastructure, new dollars through exportation of products and services, and dramatic improvement of northern New Mexico's competitive edge in the industry.

Project Strategy

Factors that will strengthen and grow the Wood Cluster:

Fire suppression

— Because of public concern over forest fires and the urgent need to thin forests, private enterprises that use small diameter forest products can take advantage of significant business opportunities.

Watershed improvements

— For every acre of thinned forests specifically removing piñon and juniper, an increase of up to one acre-foot of water can be recovered.

The State of New Mexico Department of Transportation has just adopted official specifications for using composted mulch on all new highway landscaping projects. This constitutes a large market source for new wood products. Erosion control has become a government priority and new regulations are in effect, including a new market for erosion control devices made from wood chips.

New Mexico Highlands University and La Jicarita Enterprise Community

— Employing people from the area through grant funded programs to thin forests, creating added supply of low-cost raw material and the imperative to develop additional markets and businesses to take advantage of this opportunity.

New Mexico Highlands University

— Forest and timber management and watershed management curriculum. The program will bring expertise and students that will be employable by local businesses. NMHU is committed to working with the community and the Las Vegas/San Miguel Economic Development Corporation to promote

businesses that rely on small diameter forest material.

Developers have serious plans to construct large biomass energy-production facilities in northeastern New Mexico.

— Will use small diameter forest material and wood waste. Creates demand for small diameter forest harvesting and provides markets for wood by-products that result from primary manufacturing activities.

Las Vegas, there is a nucleus of wood cluster businesses that can benefit from these changes as well as an economic development support program.

For more information about the cluster, contact EDC's Executive Director at 505 454-0739 or e-mail: executivedirector@lvsmedc.org

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