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THE LUMBER DAILY

TOP STORIES

Trade Commission Votes Affirmative on Plywood From Three Countries

The International Trade Commission voted Wednesday that US producers are injured by imports of hardwood and decorative plywood from China, Indonesia and Vietnam, clearing the way for antidumping and countervailing duty orders on all six investigations. All three participating commissioners voted affirmative; two others, sworn in on Monday, did not take part. Commerce must publish the orders within seven days of notification. Commerce set its final weighted-average dumping margins on July 16 at 187.27 percent for China, 90.12 percent for Vietnam across all 52 separate-rate companies, and 18.10 percent for Indonesian all-others. The antidumping cash deposit rates run slightly below those margins once export subsidies are offset, at 185.96, 84.95 and 18.06 percent. Countervailing duties are separate and additional: 88.96 percent for China, 47.68 percent for Vietnamese all-others and 40.87 percent for Indonesian all-others, with Junma Phu Tho at 165.39 percent and one Indonesian producer at 128.66 percent. China's rates rest on adverse inferences after both mandatory respondents declined the questionnaire. The Commission defined three domestic like products and terminated the investigations on two softwood structural categories as negligible. China's antidumping critical-circumstances finding reaches entries back to December 2, 2025; in Vietnam the affirmative finding is on the countervailing side and applies only to Junma Phu Tho, 90 days before the January 22 preliminary. Vietnam's antidumping critical-circumstances finding was negative. The petition was filed in May 2025 by a five-member coalition that includes States Industries of Eugene and Timber Products Company of Springfield. The new scope runs wider than the 2018 China orders it sits beside, requiring only that the face or the back veneer be hardwood, softwood or bamboo, permitting any core material, and setting no thickness limit.

Alder and Edge-Glued Lumber Sit Inside the Paused 50 Percent Tariff

The 50 percent Section 338 duties on Canadian goods did not take effect Wednesday morning. About ninety minutes before they would have attached, the White House signed a proclamation amending the three July 20 orders, striking the August 19 effective date from each annex and inserting August 22. The new effective time is 12:01 a.m. Eastern on Saturday. The amendment touches only the effective date; not one tariff line changed. Customs was directed to suspend collection as soon as practicable, and the proclamation provides for refunds should any duty have been collected. The stated basis is that Canada has expressed a commitment to remove the practices at issue on alcohol, dairy and motor vehicles. Every wood line in the action sits in the motor-vehicle proclamation. Forty-three of the 53 subheadings of heading 4412 are listed, while the entire coniferous blockboard subheading 4412.59 is absent, and particle board and oriented strand board under 4410.11 and 4410.12 are not listed. Softwood veneer under 4408.10.01 is in; the hardwood veneer lines are not. Softwood lumber is outside the action twice over, never listed and separately carved out because goods already under Section 232 are excluded. Two lines carry Northwest specialty exposure. Nonconiferous sawn wood under 4407.99.02, whose statistical breakouts include western red alder, walnut and hickory, is in at 50 percent, and it does not appear in the Section 232 list at U.S. note 37, which reaches only the coniferous 4407 lines. Edge-glued lumber under 4421.99.94 is also in. Coniferous mouldings are listed, hardwood standard mouldings are not, and no flooring line appears anywhere. The three proclamations together cover nearly 20 billion dollars of trade, about 5 percent of the 383 billion dollars the United States imported from Canada in 2025.

July Housing Starts Fall 12.4 Percent While Permits Climb

Privately owned housing starts ran at a seasonally adjusted annual rate of 1,239,000 in July, down 12.4 percent from June's revised 1,415,000 and down 13.5 percent from July 2025. Single-family starts fell 9.9 percent to 808,000 and were 15.7 percent below a year earlier. Total permit authorizations rose 5.0 percent to 1,443,000, and single-family authorizations rose 2.5 percent to 894,000, 1.1 percent above July 2025. Single-family units authorized but not yet started stood at 149,000 in July against 136,000 a year earlier. Year to date, single-family starts are down 6.9 percent on a non-adjusted basis. Builder confidence had risen a point to 35 in the August index released two days earlier, the sixteenth straight month below 40.

■ DEEP DIVE: THE ROADLESS ARITHMETIC

What Was Filed

The Department of Agriculture announced on August 18 that the Forest Service has proposed rescinding the 2001 Roadless Area Conservation Rule in its entirety. The document was stamped for public inspection the following morning and publishes in the Federal Register on August 20. The operative regulatory text is two lines removing and reserving subpart B of 36 CFR part 294. The state-specific rules for Idaho, adopted in 2008, and Colorado, adopted in 2012, are untouched and stay in effect. Everything else is inside the proposal, including the Tongass National Forest, where a separate exemption is described as no longer necessary once the national standard is gone. A draft environmental impact statement and a cost-benefit analysis were filed alongside it. The rule text sets the comment window at 30 days from publication; the agency's own announcement puts the close at midnight on September 21. The rule carries the economically significant designation under Executive Order 12866, with impacts the agency says could exceed 100 million dollars. The proposal states that the rescission does not mandate timber cutting or road construction and sends decisions about roadless areas to local forest managers. A record of decision was projected for late 2026 in last year's notice of intent.

Where the 44.7 Million Acres Are

Inventoried roadless areas total roughly 58.2 million acres, about 30 percent of the National Forest System. Idaho's 9.3 million acres and Colorado's 4.2 million sit under their own rules, which leaves 44.7 million acres governed by the national rule today. Sixty-three percent of that is forested at 10 percent canopy cover or better. More than 95 percent sits in ten Western states. The agency's own state table, unchanged since it was built from 1999 land-area figures, ranks them: Alaska at 14.8 million acres, or 67 percent of national forest land in the state; Montana 6.4 million; California 4.4 million; Utah 4.0 million; Wyoming 3.3 million; Nevada 3.2 million; Washington 2.0 million; Oregon 2.0 million. Alaska alone is a third of the total, and 9.3 million of its acres are on the Tongass. Roughly 1.3 million acres of the affected ground already sits inside designated wilderness, another 3.1 million is managed as recommended wilderness and 6.5 million as backcountry. The proposal itself publishes no state-level acreage; every figure in it is expressed as a fraction of an unnamed affected area.

The Operable Share Is 4.8 Million Acres

Rescission would expand active management opportunity on land where both operability and forest-plan allowances are met, totaling about 4.8 million acres, or 16 percent of forested roadless area. Against the 44.7 million acres under the national rule, that is about one acre in ten. Two further figures use a different and narrower base, which the agency calls the potentially affected environment and does not define in the document: 18.2 million acres sit where forest plans already permit roads and only the 2001 rule blocks them, and 11.3 million acres lie within half a mile of an existing road, where the agency says temporary roads are more likely and permanent ones less likely because of cost, terrain and maintenance obligations. If annual harvest occurred on all of those acres, which the agency calls unlikely given budgets, operability limits and markets, it could produce a 5 to 10 percent increase in total national forest sawtimber harvest, 5.2 to 11.4 million dollars a year in revenue to the Treasury and the Forest Service, and 4.6 to 10.6 million dollars a year to the timber industry. The proposal states plainly that predicting the harvest impact is difficult. Estimated recreation losses in the same document run about 6.1 million dollars annually. The proposal attributes the limited upside to road costs, maintenance funding gaps and a 6.9 billion dollar deferred maintenance backlog on roads and bridges. The most recent published Forest Service figure for building a timber road is 50,000 to 60,000 dollars per mile, and it dates to roughly fiscal 2000.

What the 2001 Record Said

The 2000 final environmental impact statement put planned national forest offerings at about 3.3 billion board feet a year for 2000 through 2004, of which 220 million board feet, or 7 percent, was planned inside inventoried roadless areas, and 147 million board feet was expected to be purchased and harvested. More than 45 percent of the roadless offering was on the Tongass. The same document set roadless areas at up to 7 percent of the agency's harvest and about one third of one percent of national timber demand. A January 2001 agency fact sheet put the rule's effect at a 2 percent reduction in national forest harvest, from 3,308 to 3,234 million board feet, and estimated it would prevent up to 232 miles of road construction or reconstruction a year and affect about 461 timber jobs plus 269 tied to the Tongass. Its state appendix put forgone annual harvest at 76.6 million board feet in Alaska, 11.2 million in Utah, 9.7 million in Idaho, 6.4 million in Oregon, 3.3 million in California and 1.7 million in Washington, against a national total of 126.3 million. Six of every ten board feet at stake were in Alaska. The Forest Service sold 2.95 billion board feet in fiscal 2025, of which 1.70 billion was sawtimber, and has set a goal of 4 billion board feet offered annually by fiscal 2028. During a 21-day comment period last fall the agency received more than 220,000 comment letters on behalf of over 625,000 individuals and organizations, and reported that the majority sentiment among the tribal governments it consulted was opposition.

WHAT YOU MISSED YESTERDAY

Tuesday, August 18 — business, markets, and the broader economy.

- **Stocks:** The S&P 500 fell 0.69 percent to 7,691.76, a third straight decline. The Dow closed at 53,343.40, down 0.22 percent, and the Nasdaq composite dropped 1.33 percent to 26,289.71 on weakness in chip shares.
- **Home Depot:** Second-quarter sales of 47.9 billion dollars, up 5.7 percent, with comparable sales up 1.7 percent and US comparable sales up 1.3 percent. Net earnings were 4.8 billion dollars, or 4.79 dollars a diluted share, and adjusted earnings were 4.92 dollars against 4.68 a year earlier. Management reaffirmed full-year guidance and described demand as broad based with customers engaged in smaller projects.
- **Toll Brothers:** Fiscal third-quarter net income of 280.1 million dollars, or 2.97 dollars a diluted share, against 369.6 million and 3.73 dollars a year earlier. Home sales revenue fell to 2.65 billion dollars on 2,662 deliveries from 2.88 billion on 2,959. Net signed contracts rose to 2.52 billion dollars on 2,508 homes. Home sales gross margin was 23.9 percent against 25.6 percent, and the company raised its full-year repurchase projection to 700 million dollars.
- **Lowe's, Wednesday morning:** Second-quarter sales of 26.0 billion dollars against 24.0 billion, with comparable sales up 0.2 percent and diluted earnings of 4.27 dollars a share, flat year over year. The company narrowed full-year guidance to the bottom of its prior range, at roughly 92 billion dollars in sales, flat comparable sales and adjusted earnings of 12.25 dollars.
- **Rates:** The 10-year Treasury closed at 4.71 percent and the 30-year at 5.28 percent, down from 4.72 and 5.31 percent on Monday. The 30-year has printed above 5.2 percent in every session since August 10, after closing at 5.17 and 5.19 percent on August 5 and 7.

INDUSTRY & COMPANY NEWS

- **Tolko Industries** indefinitely curtailed veneer production at its Heffley Creek division north of Kamloops, British Columbia, telling employees the prior week. The company attributes the shutdown to drought and active wildfires restricting woodlands operations and access to economic fibre, and says the timing depends on fibre availability rather than a calendar. Plywood and laminated veneer lumber (LVL) production continues as fibre allows. The plywood and veneer operation employs 250 people. It follows the Millar Western decision to stop Quesnel River Pulp at the end of the day shift on September 4 with a planned November 1 resumption, and more than 20 BC mill closures since 2023.
- **Ontario** committed 2.1 million Canadian dollars to four forest-sector projects, announced Wednesday at Golden Lake. More than 1.9 million of that goes to Ben Hokum and Son of Killaloe to install two biomass-assisted steam kilns, which the province expects to triple the mill's lumber drying capacity, lift export sales by more than 30 percent and protect 115 direct jobs. The mill produces more than 40 million board feet of white and red pine a year. A further 100,000 dollars goes to Ben Hokum for a biomass electricity and thermal facility with carbon capture, and 87,500 dollars to TorchLight Bioresources for a combined heat and power feasibility study at Petawawa.
- **Nippon Dynawave Packaging** began dismantling the white liquor storage tank that imploded at its Longview, Washington mill on May 26, killing 11 workers. Crews started Monday. The company is installing temporary tanks to hold white and black liquor needed for a restart, and a filing with the state ecology department estimates those temporary tanks would be in use up to three months. The company says the tank work itself will take a matter of weeks and has given no full restart estimate. State labor investigators indicated their findings may not be released until late November and confirmed the demolition would not destroy evidence. More than 500 mill workers are being paid through October 11 under an extension agreed in mid-July.
- **MM Board & Paper** agreed to acquire the Arnsberg recycled cartonboard mill in Germany from the R.D.M. Group. The site runs about 230,000 metric tons a year of recycled-fibre cartonboard specialised in liner grades. The transaction is structured as an asset deal at an undisclosed price, all Arnsberg employees transfer to the buyer, and closing is expected in the fourth quarter subject to antitrust approvals.
- **Homann Holzwerkstoffe** plans to idle its medium-density and high-density fibreboard plant at Pagiriai, Lithuania, from January 1, 2027, for at least 12 months and potentially 21, tied to furniture demand. The plant cost 215 million euros and was the largest investment in the company's history. More than 200 employment contracts would be terminated. The company lists four production sites, one in Germany, two in Poland and the Lithuanian plant, and employs about 1,650. The company separately cut full-year guidance on August 14, citing start-up losses in Lithuania.
- **Prince George, British Columbia** council voted unanimously to ask the province to reinstate the Bridging to Retirement program, which paid forestry workers 55 and older to take early retirement and stopped accepting applications in February 2025. The trigger is the July 14 decision to close the Northwood pulp mill by year end. Council also voted to lobby the forests and finance ministries to end the provincial closure allowance that reduces the assessed value of shuttered industrial properties, ahead of next month's municipalities convention.

■ PANEL TRADE & HOUSING SNAPSHOT

INDICATOR	VALUE	TREND
Vietnam plywood imports (2024)	**828,767 m3**	Value $251.6M; volume up 90% from 2023
Indonesia plywood imports (2024)	**787,821 m3**	Value $337.6M, the highest of the three
Canadian hardwood plywood (2025)	**$197.2M**	Excludes flooring; down from $220.4M in 2024
Section 232 cabinets and vanities	**25%**	Scheduled to rise to 50% on January 1, 2027
Housing completions (July)	**1,212,000 SAAR**	Down 9.1% from June, down 16.8% year over year
West region housing starts (July)	**257,000 SAAR**	Down 13.8% from June, up 5.3% year over year

■ THE BOTTOM LINE

Two duty decisions landed within twelve hours of each other. Hardwood plywood from China, Indonesia and Vietnam is getting antidumping and countervailing orders after a unanimous injury vote, with final dumping margins from 18.10 percent on Indonesian all-others to 187.27 percent on China and countervailing duties collected separately on top. The Canadian 50 percent moved to Saturday, signed about ninety minutes before it would have attached. The annex behind it is not a panel list: nonconiferous sawn wood and edge-glued lumber are on it, hardwood veneer is not, and neither is oriented strand board. July housing starts fell 12.4 percent to a 1.24 million annual rate while permits rose 5 percent. The Forest Service proposed rescinding roadless protection across 44.7 million acres and put the operable share at 4.8 million in its own filing, with a ceiling of a 5 to 10 percent rise in national forest sawtimber harvest that it called unlikely.