

Notes on North America Project-Based Mass Timber Demand/Capacity Model

This demand/capacity model focuses on project-based mass timber (buildings with CLT, CLT / GLT combined or MPP). This would be the target products manufactured for a large scale CLT / GLT factory. It does not include commodity GLT, DLT, NLT or rig mats. The purpose is to calculate the timing for adding mass timber manufacturing capacity. For calculating the economics of a large scale \$140+ million factory it is important to understand the timing of market demand.

Starting factories too soon adds excess production into the market potentially eroding manufacturing earnings. Adding factories too late has the potential of slowing the mass timber growth curve due to higher pricing and longer deliveries. The estimated demand is determined in our mass timber benchmark adoption ratio model (BAR).

The user of this calculator can change parameters for demand, CAGR, capacity and start-up curve. The calculator will automatically adjust the number of new factories required based on always maintaining a positive demand gap (under manufacturing capacity)