

2011 Timber Frame Business Council Survey (for 2010 Business Cycle)

The following pages contain a summary of the results from the fourth annual Timber Frame Business Council (TFBC) industry survey which was conducted during June 2011 for the 2010 business year. Two hundred seventy-eight (278) timber frame company representatives were identified and were sent emails or hard copies of the survey. A total of 47 responses were received which translates to a 16.9% return rate. This dropped from last year's response rate of 17.8%.

Word and Excel files containing raw data, charts, graphs and summaries have been sent to the Executive Director for use by the TFBC.

Notes and Clarifications

- All open ended responses have been included and have not been edited.
- Percentages may not add to 100 due to rounding.
- All charts and graphs refer to the 2010 business cycle, except where specifically noted.
- Comparisons for 2010, 2009, 2008 and 2007 and percent change have been included for all available questions. Because of the change in the wording of Question 4 (building method), only a comparisons between 2010 and 2009, and 2009 and 2008 were done.
- Estimated industry totals were included for sales revenue, board feet of timber used and square feet of SIPs sold.
- Submitted comments have not been edited.

Specific Results

- The greatest number of responses was received from companies with headquarters located in North Carolina with 4 responses (reference Table 1 and Figure A).
- There was a 1.5% increase in designated timber framing companies from 274 in 2009 to 278 in 2010.
- The average total business sales revenue for 2010 increased by 65.7% over 2009. (These dollars have been adjusted to reflect a 1.6% inflation rate and use 2007 as the base year.) The estimated industry total increased by 68.2% (reference Table 2).

- The average number of board feet of timber used per company in 2010 was 119,580 which was an increase of 18.6% from 2009. The estimated industry total of board feet used increased from 27.6 million in 2009 to 33.2 million in 2010, an increase of 20% (reference Table 3).
- The average number of square feet of SIPs sold in 2010 was 15,046 which was an increase of 53.7% from 2009. The estimated industry total of SIPs sold for 2010 was 4.1 million which increased by 56% from 2009 (reference Table 4).
- The percentage contribution of total sales revenue from selling timber frames decreased from 40% in 2009 to 33% in 2010. This continues a declining trend started in 2007 where the total contribution was over 60%. The percentage of sales revenue from SIPs increased slightly from 2009. However, the revenue generated from "Design," "Other wood products," and "Installation services" all declined. Revenue from "Other non-wood products," "General contracting," and "Other" were all greater than 2009 levels. The largest increase was in the category of "General contracting" which went from 8.7% of sales revenue in 2009 to 16.6% of sales in 2010 (reference Tables 6 and 7 and Figure B).
- The percentage of habitable living space using timber frame construction with SIP enclosure dropped again in 2010 (31.5% in 2009 to 28.4% in 2010). In addition, the percentage also dropped for timber frame construction used with other enclosure methods from 31.7% in 2009 to 29.2% in 2010 and in conventional framing from 29.5% in 2009 to 28.5% in 2010. There was an increase in the percentage of habitable living area using SIP Systems from 4.8% in 2009 to 7.3% in 2010 and an increase in Other Building Systems from 2.5% in 2009 and 6.7% in 2010 (reference Table 8 and Figure C).
- The number of building structures produced in 2010 increased for residential, commercial, and other by 47.2%, 291%, and 49.4%, respectively (reference Table 9 and Figure D).
- The percentage of businesses offering company-provided assembly for timber frames sold decreased from 93.8% to 81% (reference Table 10 and Figure E).
- Continuing the trend from 2007, the percentage of businesses offering SIPs increased slightly from 72.3% in 2009 to 73.2% in 2010. In addition, the number of businesses that have company crews to install SIPs increased from 54.3% in 2009 to 73.2% in 2010 (reference Table 11 and Figure F).

- The survey question regarding average customer age revealed some interesting results. After a significant increase in the percentage of clients under the age of 30 from 2008 to 2009, there was a 37.6% decline in 2010. In addition, there was also a decrease in the percentage of clients between the ages of 41-50 years old from 30.5% in 2009 to 22.2% in 2010. All other age categories (31-40, 51-60, and greater than 60 years old) showed decreases from the 2009 to 2010 business year (reference Table 13 and Figures H and I).
- The average number of employees (including owners) decreased by 12.5% from 8.2 employees in 2009 to 7.2 employees in 2010. The majority of respondents reported employing less than 10 people; while no respondents reported having between 21 and 30 employees (reference Table 14 and Figure J).
- Almost half of the respondents predicted that sales in 2011 would either increase significantly (17.05%) or increase slightly (31.7%); while 17.05% felt that sales would decrease slightly and 12.2% predicted a significant decrease. Twenty-two percent predicted sales would stay at about the same level as 2010 (reference Table 15 and Figures K and L).
- When asked to pick the five provinces or states where most timber frames sales are delivered, fifteen respondents chose New York State, followed by New Hampshire with 8, and Massachusetts and Vermont with 7 (reference Table 16 and Figure M).
- When asked about employee starting salaries by type of employment, the most frequent replies were in the following ranges: experienced joiners/framers (\$35,001 - \$40,000), apprentice joiners/framers (\$30,001 - \$35,000), CAD designers (\$35,001 - \$40,000), and Administrative Personnel (\$20,001-\$25,000). Starting salaries for sales personnel varied widely with the most frequent response in the greater than \$70,000 range but there were almost as many responses in the \$40,001-\$45,000, \$30,001-\$35,000, and less than \$20,000 ranges. For Marketing Directors, the salaries were split evenly between less than \$20,000 and \$30,001-\$35,000 (reference Table 17 and Figure N with regional data detailed in Table 5).

Table 1

Business Headquarters			
Region	Answer Options	Response Percent	Response Count
WCN	Alberta	2.2%	1
WCN	British Columbia	6.7%	3
WUS	California	2.2%	1
WUS	Colorado	4.4%	2
WUS	Idaho	2.2%	1
EUS	Illinois	6.7%	3
WUS	Kansas	2.2%	1
EUS	Maine	6.7%	3
EUS	Massachusetts	6.7%	3
EUS	Michigan	2.2%	1
EUS	Minnesota	2.2%	1
ECN	New Brunswick	2.2%	1
EUS	New Hampshire	6.7%	3
EUS	New York	4.4%	2
EUS	North Carolina	8.9%	4
ECN	Nova Scotia	2.2%	1
EUS	Ohio	4.4%	2
WUS	Oregon	2.2%	1
EUS	Pennsylvania	6.7%	3
WCN	Saskatchewan	2.2%	1
EUS	South Carolina	2.2%	1
EUS	Tennessee	4.4%	2
EUS	Vermont	2.2%	1
WUS	Washington	4.4%	2
WUS	Wyoming	2.2%	1
<i>answered question</i>			45
<i>skipped question</i>			2

ECN = Eastern Canada
 WCN = Western Canada
 EUS = Eastern United States
 WUS = Western United States

Figure A

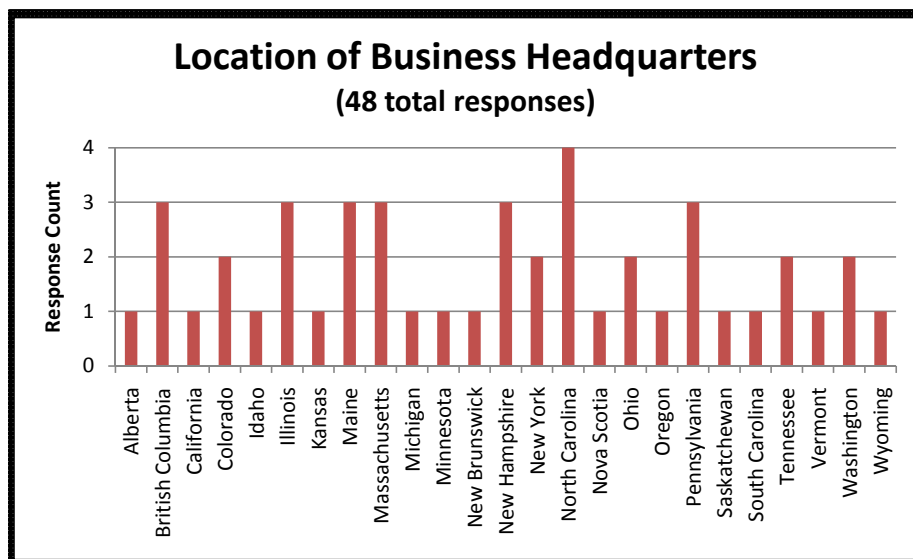


Table 2

What was your total business sales revenue? (in US dollars)							
Summary Statistics	2010	% change ('09 to '10)	2009	% change ('08 to '09)	2008	% change ('07 to '08)	2007
Mean	1,036,646	65.74	625,470	-58.85	1,520,082	1.76	1,493,802
Minimum	14,263	145.96	5,799	-81.88	32,000	220.00	10,000
Maximum	10,787,622	280.18	2,837,534	-71.62	10,000,000	809.09	1,100,000
Sum	41,465,907	44.12	28,771,578	-71.75	101,845,467	-12.59	116,516,579
Est. Industry Total	288,187,588	68.16	171,378,780	-57.77	405,861,787	25.13	324,364,230
answered question	40	-13.04	46	-32.35	68	-12.82	78
skipped question	7	250.00	2	-88.89	18	-30.77	26

Table 3

How many board feet of timber did you use last year?								
Summary Statistics	2010	% change to '10)	('09	2009	% change ('08 to '09)	2008	% change ('07 to '08)	2007
Mean	119,580		18.65	100,781	-28.84	141,625	3.30	137,100
Minimum	6,000		n/a	-	n/a	-	n/a	-
Maximum	600,000		0.00	600,000	-14.29	700,000	-6.67	750,000
Sum	3,826,547		8.48	3,527,328	-48.11	6,797,980	-6.44	7,266,288
Est. Industry Total	33,243,127		20.39	27,613,994	-26.97	37,813,764	25.37	30,161,950
answered question	32		-8.57	35	-30.00	50	-5.66	53
skipped question	15		15.38	13	-63.89	36	-29.41	51

Table 4

How many square feet of SIP's did you sell last year?								
Summary Statistics	2010	% change to '10)	('09	2009	% change ('08 to '09)	2008	% change ('07 to '08)	2007
Mean	15,046		53.74	9,786	-84.46	62,987	53.5	41,035
Minimum	-		0.00	-	0.00	-	0.0	-
Maximum	200,000		185.71	70,000	-81.33	375,000	7.1	350,000
Sum	511,551		80.25	283,800	-81.23	1,511,691	-0.4	1,518,301
Est. Industry Total	4,182,682		55.99	2,681,421	-84.06	16,817,562	86.3	9,027,700
answered question	34		-2.86	35	-18.60	43	-15.7	51
skipped question	13		0.00	13	-69.77	43	-18.9	53

Table 5

Average Starting Salary by Position (Regional Data)							
Region	Avg # of Employees	Experienced joiners/framers	Apprentice joiners/framers	Cad Designers	Sales	Admin	Marketing Director
Western Canada	11.6	\$45-\$50K	\$30-\$35K	\$40-\$45K	\$25-\$30K	\$30-\$35K	\$35-\$40K
Eastern Canada	2	\$30-\$35K	>\$20K	n/a	n/a	n/a	n/a
Western U.S.	4.1	\$30-\$35K	\$25-\$30K	\$45-\$50K	\$55-\$60K	\$45-\$50K	\$50-\$55K
Eastern U.S.	5.8	\$35-\$40K	\$25-\$30K	\$35-\$40K	\$50-\$55K	\$30-\$35K	\$30-\$35K

Table 6

What was the percentage contribution to total sales revenue for each of the following?							
Answer Options	2010	% change ('09 to '10)	2009	% change ('08 to '09)	2008	% change ('07 to '08)	2007
Timber frames	32.93	-17.44	39.88	-32.54	59.12	-1.81	60.21
SIPs	8.66	0.69	8.60	-17.25	10.39	0.68	10.32
Design	3.65	-30.21	5.23	-11.11	5.88	11.79	5.26
Other wood products	9.95	-25.49	13.35	79.01	7.46	2.90	7.25
Other non-wood products	8.83	35.15	6.53	610.15	0.92	-41.77	1.58
Installation services	7.20	-34.70	11.02	83.70	6.00	9.49	5.48
General contracting	16.58	89.61	8.74	65.25	5.29	-38.99	8.67
Other*	12.22	83.88	6.64	34.23	4.95	292.86	1.26
answered question	42	-10.6	47	-20.3	59	-19.2	73
skipped question	5	150	2	-92.6	27	-12.9	31

Figure B

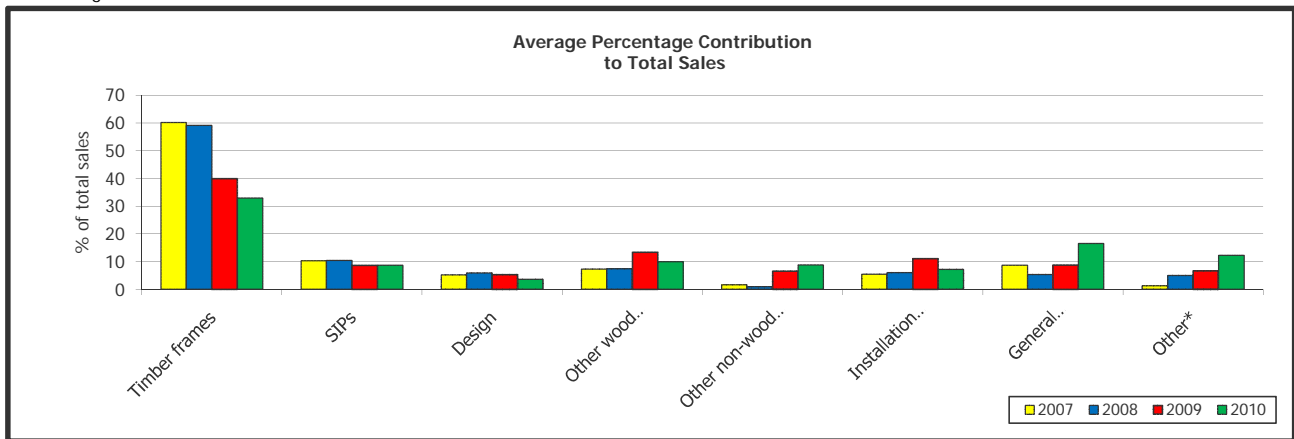


Table 7

Other*
Built up roof and wall systems as enclosure methods
Sale of salvaged timber, trim, doors, etc.
Saw sharpening, freight revenue, rental income and government subsidies for equipment and marketing
Historic Renovation
Teaching
Non-tf outdoor structures, faswall installation, decks, etc.
T&G
Windows & doors
TF barn repair work
Stairs & railings
General site work under GC
Construction of houses (non timberframe work)

Table 8

For the residential dwellings your business sold, fabricated and delivered in 2010, please estimate the approximate percentage of the habitable living areas which were constructed using the following building methods. (Base your response on the cumulative total of all houses sold in 2010.)

Answer Options	2010	% change '09 to '10	2009	% change '09 to '10	2008
Timber Frame with SIP enclosure (SIPs for walls and/or roof) %	28.39	-9.9%	31.5	-29.0%	44.4
Timber Frame with other enclosure methods (2x framing, concrete panels, straw bales...etc.) %	29.17	-8.0%	31.7	-14.5%	37.1
SIP System (SIPs with assembly components) %	7.30	53.0%	4.8	44.9%	3.3
Conventional Framing (2x lumber - engineered lumber) %	28.45	-3.7%	29.5	223.4%	9.1
Other Building Systems (ICF's, concrete panels, straw bales...etc.) %	6.70	169.3%	2.5	-59.4%	6.1
2010 answered question					39
2010 skipped question					8

Figure C

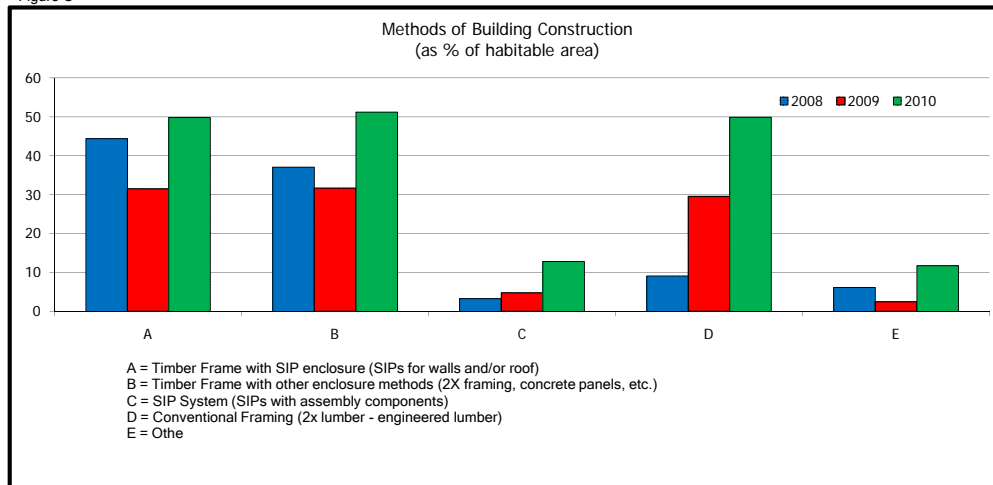


Table 9

How many building structures did you produce in the following categories?							
Answer Options	2010	% change ('09 to '10)	2009	% change ('08 to '09)	2008	% change ('07 to '08)	2007
Residential	15	47.2	10	-32.1	15	25.0	12
Commercial	8	291.1	2	-28.7	3	0.0	3
Other	4	49.4	3	-34.3	4	0.0	4
<i>answered question</i>							41
<i>skipped question</i>							6

Figure D

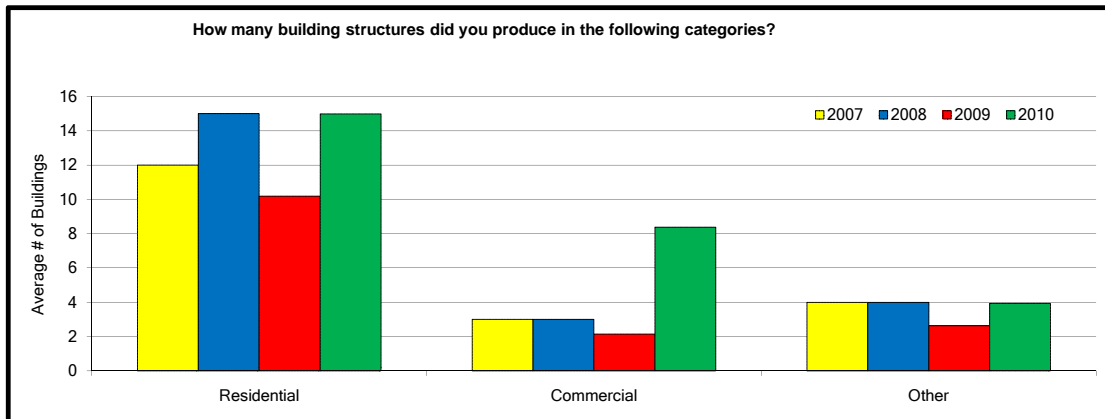


Table 10

Does your business offer company-provided assembly/raising services for the timber frames you sell?							
Answer Options	2010 (%)	% change ('09 to '10)	2009 (%)	% change ('08 to '09)	2008 (%)	% change ('07 to '08)	2007 (%)
Yes	81.0	-13.6%	93.8	-1.0%	94.7	-0.9%	95.6
No	19.0	206.5%	6.2	17.0%	5.3	20.5%	4.4
<i>2010 answered question</i>							42
<i>2010 skipped question</i>							7

Figure E

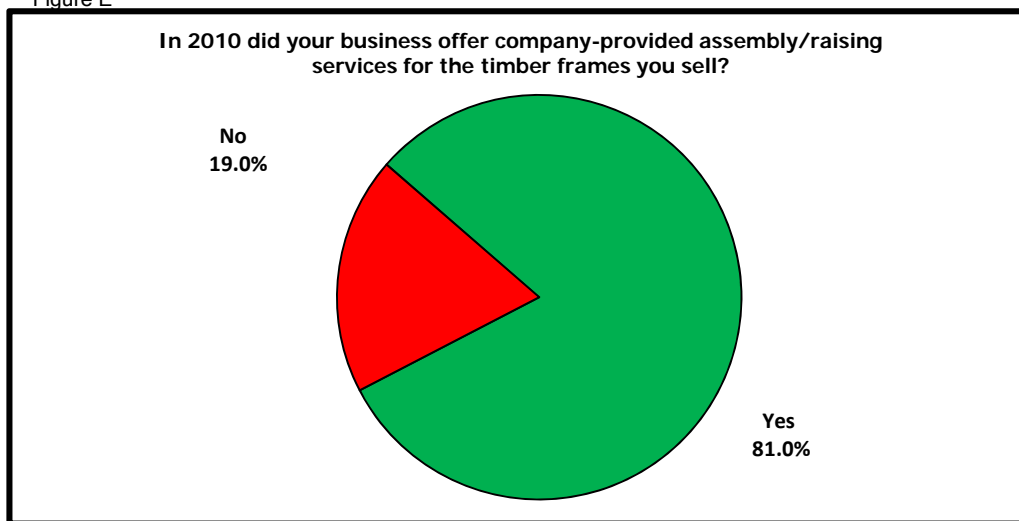


Table 11

Does your company offer Structural Insulated Panels (SIPs)?							
Answer Options	2010 (%)	% change ('09 to '10)	2009 (%)	% change ('08 to '09)	2008 (%)	% change ('07 to '08)	2007 (%)
Yes	73.2	1.2%	72.3	3.9%	69.6	1.3%	68.7
No	26.8	-3.2%	27.7	-8.9%	30.4	-2.9%	31.3
2010 answered question							41
2010 skipped question							6

Figure F

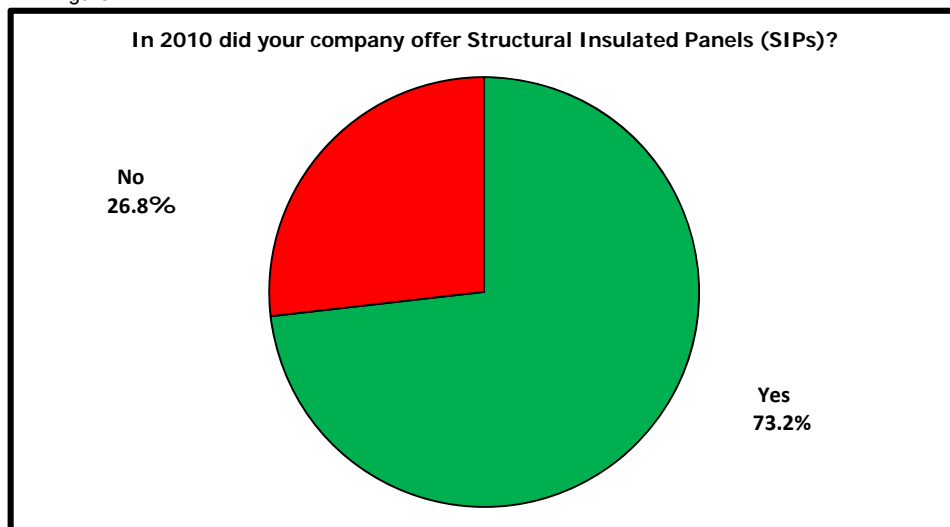


Table 12

Do you have a company crew(s) that installs SIPs?							
Answer Options	2010 (%)	% change ('09 to '10)	2009 (%)	% change ('08 to '09)	2008 (%)	% change ('07 to '08)	2007 (%)
Yes	73.2	34.8%	54.3	-6.7	58.2	3.0	56.5
No	26.8	-41.4%	45.7	9.3	41.8	-3.9	43.5
<i>answered question</i>							46
<i>skipped question</i>							3

Figure G

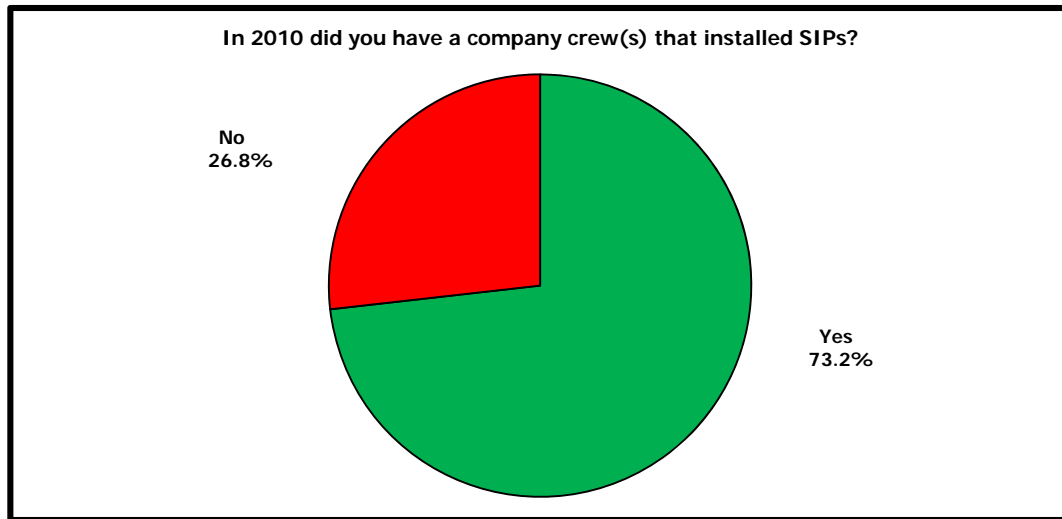
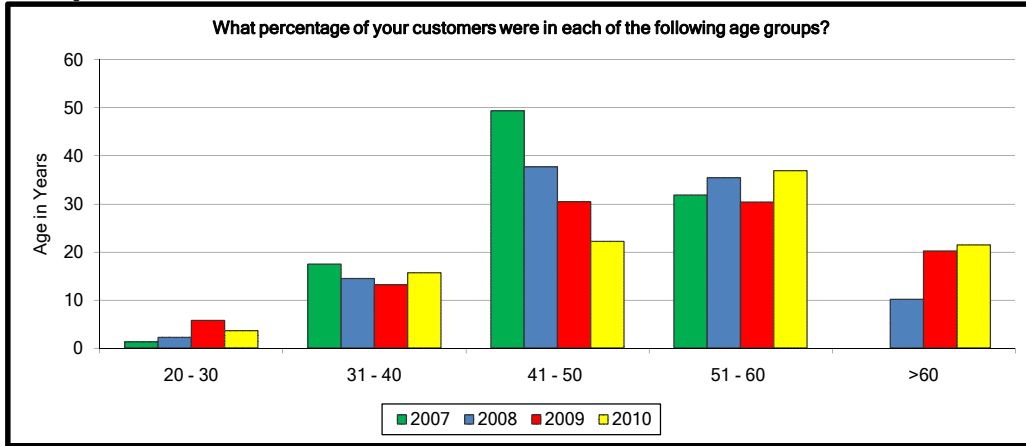


Table 13

What percentage of your customers were in each of the following age groups?							
Answer Options (in years)	2010 (%)	% change ('09 to '10)	2009 (%)	% change ('08 to '09)	2008 (%)	% change ('07 to '08)	2007 (%)
20 - 30	3.6	-37.6	5.8	162.2	2.2	76.0	1.3
31 - 40	15.7	19.4	13.2	-9.1	14.5	-17.0	17.4
41 - 50	22.2	-27.2	30.5	-19.2	37.7	-23.6	49.4
51 - 60	36.9	21.4	30.4	-14.3	35.5	11.3	31.9
>60	21.5	6.5	20.2	99.5	10.1	n/a	n/a
2010 answered question 2010 skipped question							37 10

For 2007 this percentage represents over 50 years. The question was changed in 2008.

Figure H



NOTE: The bar for 2007 ages 51 to 60 actually represents over 50 years.

Figure I

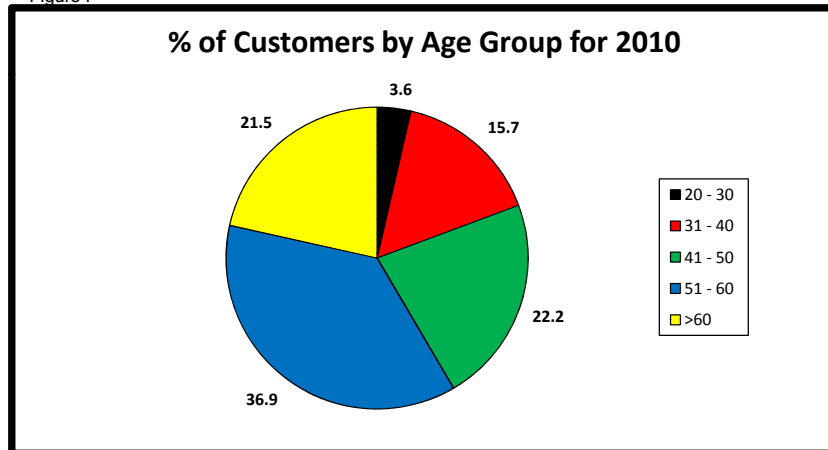


Table 14

How many employees do you have including owners?							
Summary Statistics	2010	% change ('09 to '10)	2009	% change ('08 to '09)	2008	% change ('07 to '08)	2007
Mean	7.2	-12.5	8.2	-22.8	10.7	-6.1	11.4
Minimum	0	0.0	0.0	-100.0	1.0	0.0	1.0
Maximum	54	35.0	40.0	-33.3	60.0	-29.4	85.0
Sum	296	-10.0	329.0	-38.3	533.0	-31.0	772.0
<i>answered question</i>	41	2.5	40	-20.0	50	-26.5	68
<i>skipped question</i>	6	-33.3	9	-75.0	36	0.0	36

Figure J

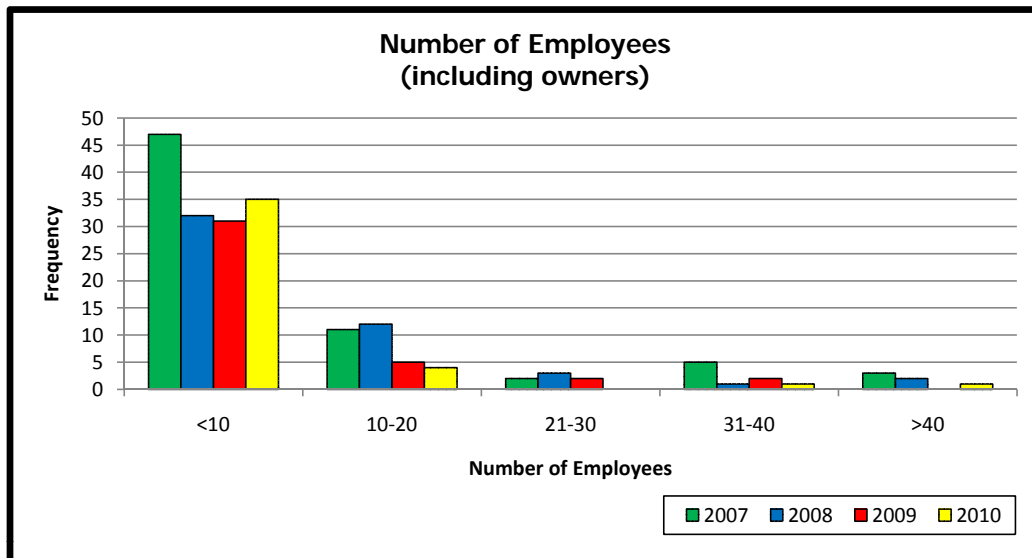


Table 15

What trend best describes your company's forecast for future sales for calendar year 2011?							
Answer Options	2010 (for 2011 %)	% change ('09 to '10)	2009 (for 2010 %)	% change ('08 to '09)	2008 (for 2009 %)	% change ('07 to '08)	2007 (for 2008 %)
Increase significantly	17.05	-14.75	20.0	166.7	7.5	-74.1	29.0
Increase slightly	31.7	18.73	26.7	57.1	17.0	-56.5	39.1
Stay about the same	22.0	-23.88	28.9	18.0	24.5	30.3	18.8
Decrease slightly	17.05	9.29	15.6	-44.9	28.3	293.1	7.2
Decrease significantly	12.2	37.08	8.9	-60.6	22.6	289.7	5.8
2010 answered question							41
2010 skipped question							6

Figure K

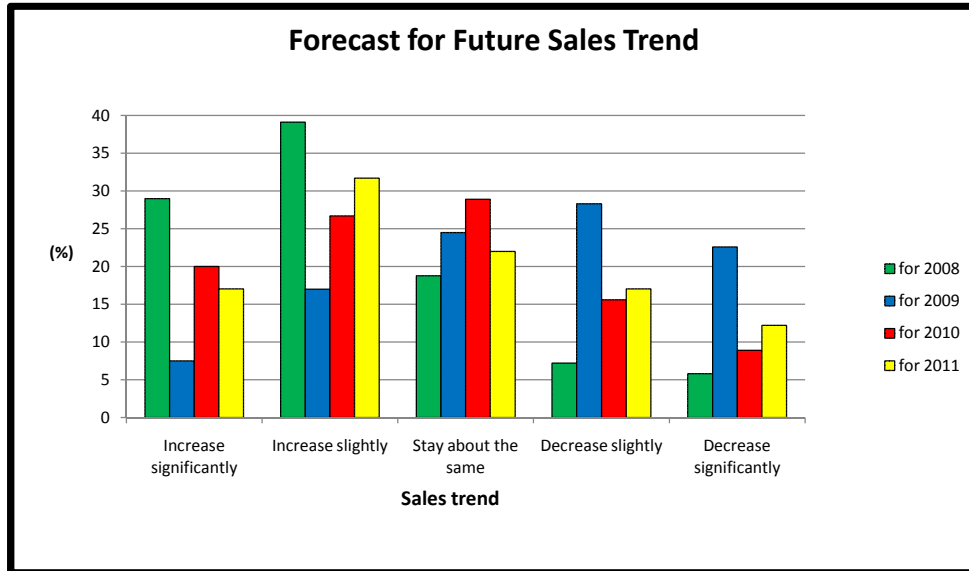


Figure L

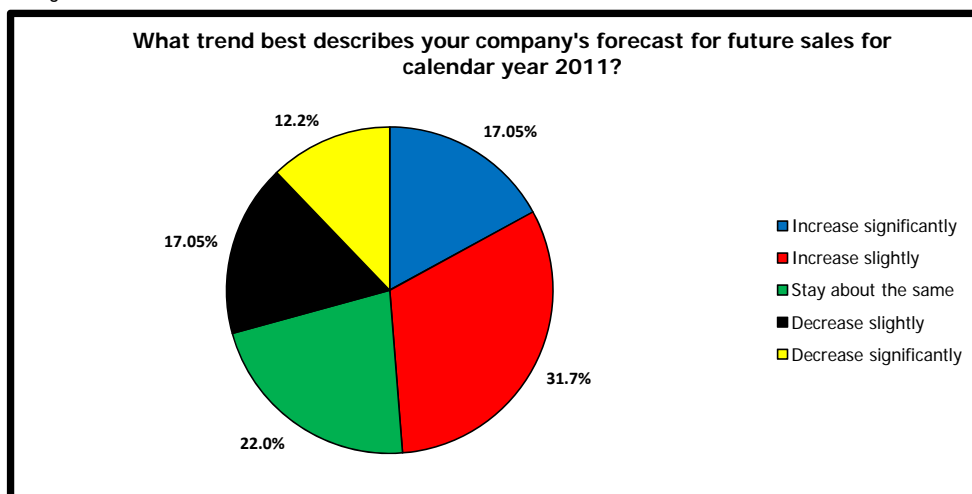


Table 16

Please choose the FIVE Provinces and/or States where most of your timber frame sales are delivered:		
Region	Answer Options	Response Count
EUS	Alabama	3
WCN	Alberta	4
WUS	Arizona	1
WCN	British Columbia	3
WUS	California	3
WUS	Colorado	5
EUS	Connecticut	3
EUS	Delaware	1
EUS	District of Columbia	1
EUS	Florida	1
EUS	Georgia	4
WUS	Idaho	1
EUS	Illinois	2
EUS	Indiana	1
EUS	Iowa	2
WUS	Kansas	1
EUS	Kentucky	1
EUS	Maine	5
EUS	Maryland	3
EUS	Massachusetts	7
EUS	Michigan	2
EUS	Minnesota	5
WUS	Montana	2
ECN	New Brunswick	2
EUS	New Hampshire	8
EUS	New Jersey	4
WUS	New Mexico	1
EUS	New York	15
EUS	North Carolina	4
WUS	North Dakota	2
ECN	Nova Scotia	1
EUS	Ohio	4
ECN	Ontario	2
WUS	Oregon	2
EUS	Pennsylvania	6
ECN	Prince Edward Island	1
EUS	Rhode Island	1
EUS	South Carolina	6
WUS	South Dakota	3
EUS	Tennessee	5
WUS	Texas	3
WUS	Utah	1
EUS	Vermont	7
EUS	Virginia	5
WUS	Washington	2
EUS	West Virginia	2
EUS	Wisconsin	5
WUS	Wyoming	2
WCN	Yukon	1
OTHER	Export	1
<i>answered question</i>		42
<i>skipped question</i>		7

Figure M

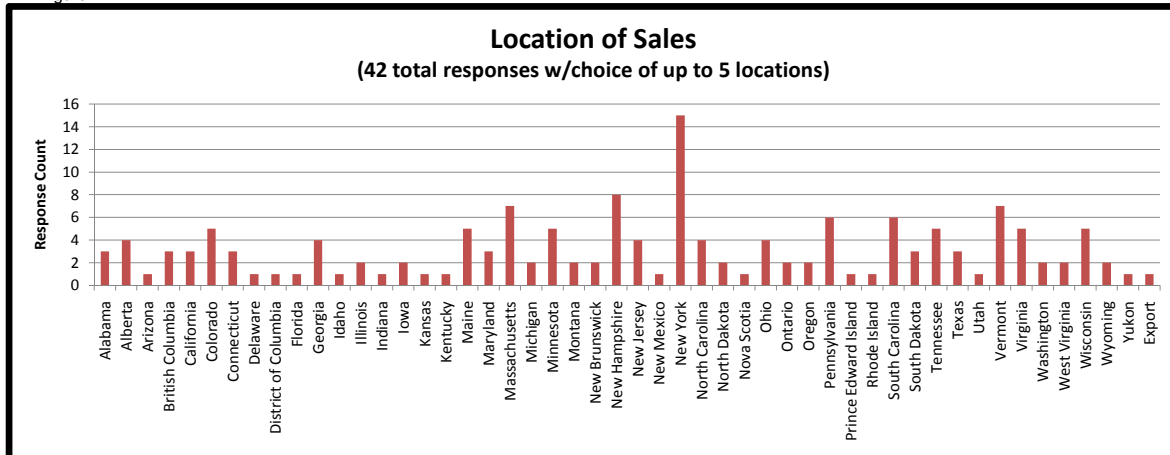


Table 17

What is the average starting salary for the following positions in your company?													
Answer Options	under \$20,000	\$20,001 - \$25,000	\$25,001 - \$30,000	\$30,001 - \$35,000	\$35,001 - \$40,000	\$40,001 - \$45,000	\$45,001 - \$50,000	\$50,001 - \$55,000	\$55,001 - \$60,000	\$60,001 - \$65,000	\$65,001 - \$70,000	More than \$70,000	Response Count
Experienced Joiners/Framers	1	1	5	2	9	5	3	2	0	1	2	0	31
Apprentice Joiners/Framers	2	6	6	7	2	0	0	0	0	0	0	0	23
CAD Designers	0	0	2	4	5	4	0	2	0	1	0	1	19
Sales Personnel	2	0	0	2	0	2	1	0	1	0	0	3	11
Administrative Personnel	2	4	0	2	2	1	0	1	1	0	0	1	14
Marketing Director	2	0	1	2	0	0	1	1	0	0	0	1	8
answered question													34
skipped question													13

Figure N

