



## Heritage Industry Infrastructure Survey

### Overview of Findings

May 2021

---

The Maine Departments of Agriculture, Conservation and Forestry; Marine Resources; and Economic and Community Development recently surveyed Maine's agriculture, forestry, and fisheries sectors to determine infrastructure investment priorities within the heritage industries. For the purposes of this survey, infrastructure and innovation needs were defined as being inclusive of transportation, storage, processing, research and development, essential equipment, and any other structures, improvements, and services that are vital to the success of heritage industry businesses. The survey was open for a period of two weeks, during which time feedback from over 750 constituents was collected.

The following summaries provide a preliminary overview of results for each sector. Further analysis of the data is underway to refine our understanding and application of these survey results.

#### Agriculture

- The majority of agriculture respondents identified as farmers (74%), which was expected given the prevalence of producers in Maine. 12% of respondents were processors, 11% were "other" types of operations (e.g., agricultural service and technical assistance providers), and 7% were value-added businesses.
- For agricultural respondents, the top five infrastructure types indicated as investment priorities were expanded on-site storage (50%), increased on-site processing capacity (46%), increased off-site processing capacity (38%), increased packaging/co-packing options (32%), and technical assistance (31%).
- Categories that reflected the most urgent infrastructure needs were diversified farming, grain, fruit, and dairy. In addition, processors strongly indicated meat.
- With regard to financial resources, agricultural respondents indicated that federal and state grants were the most critical sources of funding, followed by non-profit grants and commercial loans.
- For over 50% of agriculture stakeholders, investments of \$100K or less would allow for significant improvements to their operations. Over 70% of agriculture responses indicated that they could afford necessary infrastructure upgrades with investments under \$250K.

#### Forestry

- The majority of forestry respondents identified as landowners (36%) and loggers (19%). An additional 18% represented "other" types of businesses, including R&D facilities, conservation advocates, and municipalities. 12% represented foresters, 10% represented sawmill owners/workers, and 6% represented industry consultants. Other wood product manufacturers, pulp and paper mill owners and workers, and value-added processors each represented less than 3% of respondents.
- The top five types of infrastructure investment opportunities cited were more outlets/markets for softwood pulp (71%), more outlets/markets for low-grade biomass, and mill residuals (64%), funds and facilities for R&D/innovation to explore new product development (51%), more outlets/markets for hardwood pulp (50%), and funds and facilities for mill facility improvements (41%).



- Categories that most urgently require enhancement were value-add and other wood product facilities (49%), R&D/innovation facilities (39%), roads/rail (34%), and pulp and paper mill equipment (31%).
- Forestry respondents identified federal and state grants as the most important funding sources for infrastructure, followed by commercial loans.
- 32% of forestry respondents reported that investments of \$100K or less would allow for significant improvements to their business. 23% of respondents indicated that they could afford upgrades with funding between \$100K and \$500K. 23% selected funding levels between \$500K and \$5M. 23% selected funding over \$5M.

## Marine

- The majority of marine respondents identified as harvesters (68%), which is expected given their proportion within the marine economy (DMR license lists include approximately 12K harvesters, versus 1.2K dealers and over 700 aquaculturists). 11% represented aquaculturists, and 12% represented “other” roles, including students, restaurateurs, and researchers. 5% represented dealers, and 3% represented processors.
- The top five types of infrastructure investment opportunities cited were working waterfront access and infrastructure improvements (75%), increased processing capacity (42%), expanded access to high-speed internet (26%), expanded cold storage capacity (20%), and enhanced logistics/transportation capacity (18%).
- Categories that most urgently require enhancement were harvesters and value-added processors. The majority of respondents indicated their own category as most in need of infrastructure investment. Harvesters were selected by nearly 50% of respondents as the sector most in need, and value-added processing was selected by over 42%.
- Federal and state grants represented the most critical financial resources for over 50% of marine stakeholders. Private/commercial loans remain important for over 30% of respondents.
- While most respondents indicated investment needs between \$50K and \$100K, 50% of responding dealers indicated a need for investments of over \$100K. 100% of processors chose investments of over \$100K, and 35% of aquaculturists chose investments of over \$500K.