



Comprehensive Program ROI 2017 Update

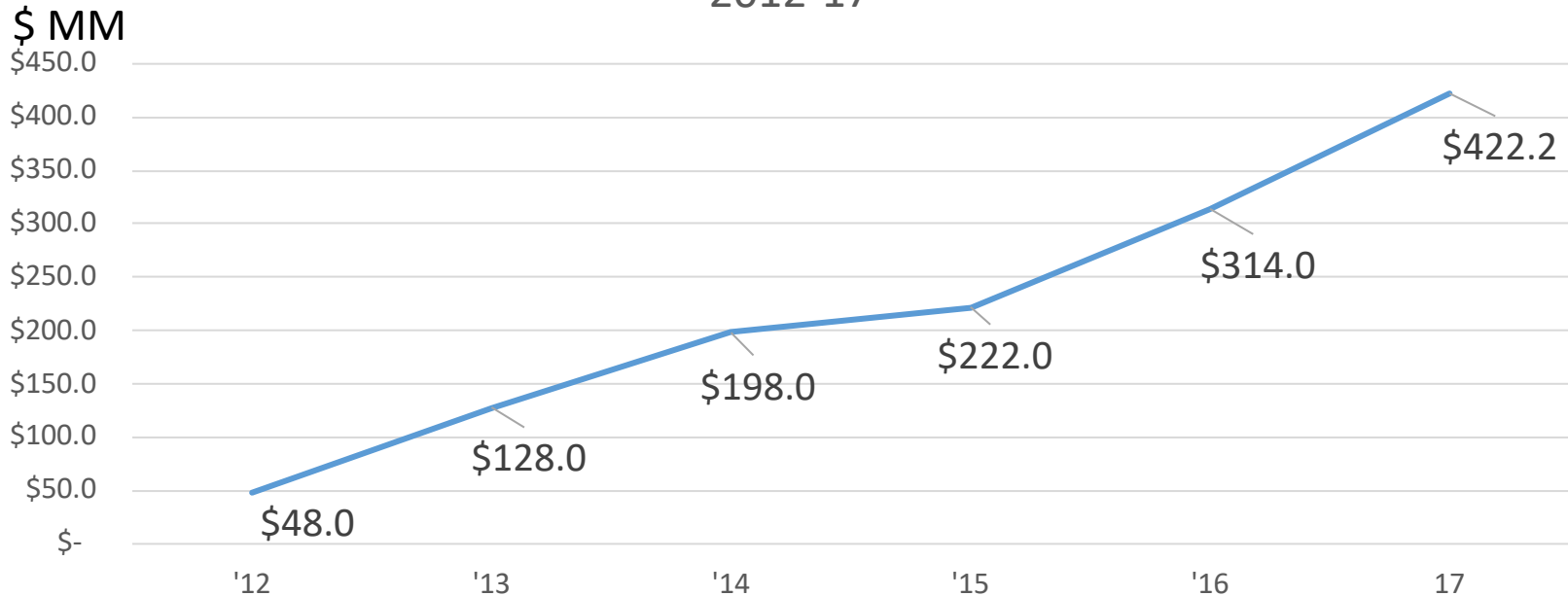
February 2018

Background and Methodology Commentary

- The Softwood Lumber Board (SLB) engaged Prime Consulting Group to develop and execute a comprehensive measurement and evaluation program for SLB program activities.
 - The full review measured 2012-2015 and compared to wood usage in 2011, the year before the SLB program commenced.
- Prime has been asked at the end of 2016 and 2017 to provide a topline update to the evaluation by projecting each year's results and adding those results to the cumulative results developed previously.
- The 2016 and 2017 updates did not involve an industry-wide survey of target audiences, rather they both relied upon internal partner reporting and industry-level data from Forest Economic Advisors (FEA).
- The key performance measure, Revenue per \$ spent, was developed for 2016 and 2017. These were added to the revised 2012-2015 performance of \$15.76 per \$1 spent to obtain a cumulative 2012-2017 measure.
- Incorporating 2016 brings SLB cumulative outcomes to \$1.3 Billion or incremental revenue or \$19.74 per \$1 spent (2012-2017) as shown on the following pages.

Has Generated \$1.33B of Revenue Since 2012

Incremental Revenue
2012-17



Expenditures (\$MM)	'12	'13	'14	'15	'16	'17
	\$4.7	\$8.7	\$12.4	\$12.5	\$15.3	\$14.4

Incremental revenue was based upon the projected incremental Board Feet of Lumber multiplied by the average price across each year.

2012-15	1,683 MM BF	2016	906 MM	2012-17	3,609 MM
		2017	1,020 MM		

Results of Nearly \$20 for each \$1 Spent

The outcome, or results, of the Softwood Lumber Board programs has been an incremental \$1.3 Billion of revenue from \$68MM of spending. This translates to \$19.74 of revenue for each \$1 spent over the six years.

2015	\$17.77	2016	\$20.55	2017	\$29.32
2012-15	\$15.76 *	2012-16	\$17.14	2012-17	\$19.74

Incremental Revenue per \$ Spent



* Revised from \$15.55 due to 2015 actual spending being lower than projected.