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The Maine Technology Institute (MTI) Awards $1.5 Million in its Emerging Technology Challenge for Maine's Forest Resources

Two Innovative Companies will Bring Much-Needed Jobs to Madison and Bucksport Regions

BRUNSWICK, Maine – The Board of Directors of the Maine Technology Institute (MTI) approved two awards from the Emerging Technology Challenge for Maine's Forest Resources, each for $750,000. The Challenge was launched in December 2018 and was part of MTI's collaboration with the Forest Opportunities Roadmap (FOR/Maine) in supporting the development and/or attraction of emerging technology companies in the forest resource sector, using Biobased Maine as an external contractor to vet and evaluate the proposals.

The two companies receiving the awards represent different natural resource-based technologies that make use of Maine's abundant forest resources and supply chain.

The first $750,000 award was made to GO Lab, Inc. GO Lab, a building products manufacturer in Belfast, Maine, will transform the insulation market in the next 10 years. Its insulation, made from wood fiber, is renewable, recyclable, nontoxic, and performs as well, or better than, other available insulations. GO Lab's production facility, located at the former UPM paper mill in Madison, Maine will consume 180,000 tons of softwood chips annually, create 100 jobs and generate approximately $70M in annual revenue. They will become the leader in manufacturing wood-dominant, environmentally-preferred building materials. The company will help fill the void left by the demise of paper manufacturing in Madison, and in turn, will improve the long-term viability of Maine's rural, forest-based economy.

The second $750,000 award was made to Biofine Developments Northeast (BDNE). The funding will allow BDNE to carry out the commercial development of the first large scale bio-refinery deploying Biofine's technology in Bucksport, Maine. This plant will enable the conversion of woody biomass to the chemical intermediate, levulinic acid allowing economic production of a completely renewable heating oil substitute. Biofine will work with Treadwell Franklin-Sewall as development consultants and the University of Maine at Orono for technical operations.

The goal of MTI's Emerging Technology Challenge for Maine's Forest Resources is to help diversify and build more resilience into Maine's forest industry. Responders to the challenge were expected to submit information to describe their strong business case, feedstock fit with Maine, the technical and technoeconomic merit of their technology, economic benefits to Maine, and geographic fit. Responses were evaluated for those same criteria and, as a condition of the awards, both recipients must demonstrate a minimum one-to-one match to the Challenge Grant, consistent with all MTI awards.

While this innovation challenge was restricted to emerging technologies for Maine's forest resources, the challenge has served as a pilot project to inform MTI innovation challenges in other sectors in the future to benefit Maine's overall economy.

"MTI supports Maine's robust forest products industry, including efforts to diversify it," said Brian Whitney, MTI's President. "This innovation challenge was an opportunity for MTI to take an active role in helping to identify promising and innovative technologies to help address daunting challenges in one of our key industrial sectors. And, it's a model that we can replicate to address formidable problems plaguing other sectors in our state."

Over the past several years, Maine's forest industry stakeholders have collaborated to chart a course for the future of the industry. The industry remains strong and robust, contributing an estimated $8.5 billion annually to the state's economy, with the potential to grow to $12 billion by 2025. It is poised to embrace new opportunities, and there have been recent success stories. In the past few years, approximately $1.02 billion has been invested in Maine's forest industry, including pulp and paper equipment, wood processing equipment, energy production, and new facility construction.

"MTI's support of Maine's forest industry is crucial to the growth and continued success of the state's innovation and sustainability efforts," says Patrick Strauch, Forest Opportunity Roadmap/Maine (FOR/Maine) Co-Chair and Executive Director of the Maine Forest Products Council. "Maine has an incredible, sustainable forest resource that in the past went primarily to papermaking and lumber. These remain our core products, but the industry will soon look much more diverse; and Maine's sustainably-harvested forest residuals will be raw material for renewable chemicals, biofuels, advanced materials, and other high-value products."

"With a wave of recent investments and a new vision for growth through 2025, the future of Maine's forest industry is bright," said Charlotte Mace, executive director of Biobased Maine.

"New forest technologies will help to diversify and sustain the industry into its second golden age and revitalize rural Maine communities with the creation of high-paying jobs."

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The Maine Technology Institute *is a publicly financed, private, nonprofit organization created by the Legislature in 1999 to stimulate research and development activity leading to the commercialization of new products, processes and services in the state's seven targeted technology sectors. MTI programs are either loans, equity investments, or grants designed to enhance the competitive position of those sectors and increase the likelihood that one or more of these sectors will support clusters of industrial activity and create quality jobs across Maine. For information on MTI programs, events and resources, visit the Maine Technology Institute at www.mainetechnology.org.*

Biobased Maine *is a mission-driven trade association promoting the sustainable use of renewable biomass from forests, farm, and sea. Its mission is to achieve a sustainable biobased manufacturing industry in the state of Maine. Its members include manufacturers, raw material suppliers, landowners, farmers, consultants, research institutions, private equity and nongovernmental organizations. For more information visit: www.biobasedmaine.org.*

Forest Opportunity Roadmap / Maine (FOR/Maine) *is a unique cross-sector collaboration between industry, communities, government, education, and non-profits, which have come together to realize the next generation of Maine's great forest economy. The coalition was created with support from the U.S. Economic Development Agency and U.S. Dept. of Agriculture. For more information visit: www.formaine.org*