Sustainable Forestry and Forest Product Promotion: A North American Perspective

World Forest Institute fellowship project
Nathan Trushell
Sustainable Forestry and Forest Product Promotion: A North American Perspective

- Introduction
- A Perspective on Forest Management in Australia
  - Background
  - Public Perception
  - A challenge
- North America
  - Themes
  - Examples
  - Strategies
- Conclusion and questions
Who am I?
Where I live
Local Area
Local Forest Industry
About VicForests

• A Victorian government business established in August 2004.
• We are primarily responsible for the harvest and sale of State forest timber and regeneration following harvest, in eastern Victoria.
• Our central role is to ensure the best possible return on the harvest of State timber resources, harvested sustainably.
• We were created as part of the separation of commercial forestry policy and public land stewardship.

Our Mission
To build a responsible business that generates the best community value from harvesting Victoria’s State forests.

Our Vision
To be a leader in a sustainable Victorian timber industry.
About VicForests

- Largest producers of hardwood sawlog in Australia.
- Electronic on-line timber sales.
- Undertake own harvest and haul. All sales at the mill gate.
- Highly regulated industry.
More than 50% of Victorian Hardwood Sawn Output is at the High End
Forestry In Australia - Resource base

Land areas, by vegetation cover

<table>
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<th>NSW</th>
<th>Vic.</th>
<th>Qld</th>
<th>WA</th>
<th>SA</th>
<th>Tas.</th>
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<td>598</td>
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<td>Plantation b</td>
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<td>Total forest</td>
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<td>25,753</td>
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<td>22,760</td>
<td>172,720</td>
<td>252,550</td>
<td>98,400</td>
<td>6,780</td>
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Australia 164 million hectares
United States 304 million hectares
Canada 402 million hectares


a NFI 2003, b As at June 2006, c Native forest area from NFI 2003 and plantation area as at June 2006.
Forestry In Australia - Production

- Plantation softwood area remained steady and production increased moderately.
- Both Eucalypt plantation area and production increasing dramatically.
- Native hardwood removals declined.

Note: Data for plantation areas are reported on a calendar year basis. In this graph, data for 2006 appears in the 2005-06 column.
Forestry In Australia – Sawn Trade

- Sawnwood imports have declined 9% over the last ten years.
- Exports have increased dramatically during the same period.
- ~$300M deficit in sawn products.
Forestry In Australia - Fiber

- Woodchip exports for both softwoods and hardwoods have increased.
- Commodity prices for export hardwood woodchip have been attractive.
- Still a wood product deficit of almost $2 billion, mainly due to imports of paper and paperboard.
Australia’s growth in forestry has come at a cost
Australia ranked third in the United Nations' 2006 Human Development Index.

Changing demographics and culture..........

World Forest Institute  http://wfi.worldforestry.org
A changing Australia

Similar to many developed nations:

- Urbanization
- Aging population
- Multiculturalism
- Social Justice
- Economy
- Environmentalism

Anti-windfarm campaigners welcome parrot funding

Anti-windfarm campaigners have welcomed Federal Government money to save an endangered parrot species.

The Federal Environment Minister, Senator Ian Campbell, has announced more than $3 million to preserve the habitat of the orange bellied parrot.

Senator Campbell recently overturned planning approval for the Bald Hills windfarm in south Gippsland, saying it would harm the parrot, but is now reconsidering his decision.

Tim Leary from the Tarwin Valley Coastal Guardians says the bird is critically endangered.

“People need to realise there’s only 900 of these birds left on the planet, now there may be small parrots but imagine if there are only 900 elephants left in the world, there’d be an enormous outcry,” he said.

“So I think the Minister’s showing a lot of fortitude in making this decision.”
Australia ranked third in the United Nations' 2006 Human Development Index.

Changing demographics and culture………. 
Forestry In Australia Is Changing too!

Forestry is an idea, a concept resulting from human thought and experience; it has no other reality. Forestry as an idea can only survive if it is relevant and meets community aspirations.

Foresters have had to face a paradigm shift in which production of timber is no longer paramount and an ecosystem management is more appropriate.

Increased involvement of foresters, as agents of communication.....will be important to the outcomes of SFM ideals......If foresters are seen as champions of SFM by the wider community and prepared to accommodate community needs, their stature and respect will be enhanced.
Forestry far from dead but who killed the forester?

• Who are Foresters in Australia anyway?
  – What’s forestry??
  – Plantation growers or timber producers only?
  – Agents of destruction in natural forests!

• Environmental Non Government Organizations have ran the environmental agenda……..and claim the morale high ground on change to the environment including forest management.
Why?

• In the past native forest management dominant and controlled by government and industry.

• Industry and government seen in collusion and slow to keep pace with change in community attitudes.

• Lack of sustained commitment from government and industry to education and communication.

• Foresters and policy makers thought they new best.

• Inability to shift from a polarized debate.
Environmental NGO’s

• No longer seen as the radical fringe but part of the mainstream.

• Companies eager to join in partnerships with major ENGO’s and have their logo’s side by side in order to improve their own environmental and social credentials.

• Politics within and between NGO’s sometimes constrains sound environmental, economic and social policy.
Trends in Public Debate

• Ongoing popular debate around issues involving nuclear power, whaling and forests continue to exist but have taken a back seat in Australia to broader aspects of the environment, mainly climate change, water use and biodiversity.

• By broadening the discussion it has ensured that all industries that may impact on such aspects have need to consider their environmental footprint.

• Anti-logging ENGO’s have been quick to recognize this and attempt to tie forestry in a negative light to each of these aspects.
The Age of Digital Information

• Traditional media still used effectively.

• Easy and effective methods of disseminating information to what would generally be a younger audience at little or no real cost.

• Facts not important but images and emotion paramount.
Market Based Campaigns

• Level of sophistication and influence of ENGO’s has grown as they have become more experienced at campaigning and richer in funds.

• Focus has tended to shift towards the customers or business partners of target companies in an effort to persuade or pressure organizations.
The Evils of Big Business and Government

BOYCOTT MFC GLOBAL INVESTMENT MANAGEMENT*, JOHN HANCOCK INSURANCE and MANULIFE?

*MFC Global Investment Management is the institutional investment management arm of Manulife Financial. MFC Global Investment doubled its size in April 2004 through the merger of Manulife Financial and John Hancock Financial Services.

Coming Soon Special News Feature: How to ransom what’s left of the Strzelecki Ranges by logging 1.1 million cubic metres of future rainforest reserve and high conservation value native forests. Starring Hancock Victorian Plantations and the Department of Sustainability and Environment.

December 2007: Hancock breach Victorian Code of Forest Practice at Traralgon Creek.

November 2007: Hancock breaches Victorian Code of Forest Practice at Bellbrand River Otways (domestic water supply for 50,000 people) also see Warrnambool Standard article Nov 5, 2007 Inadequate remedial work?

September 2007: The Cutting of more rainforest buffers - Morwell River West Branch.

August 2007: Hancock logging buffers at Craig Court.

April 2007: Hancock threatening Strzelecki Warm Temperate Rainforest

Lots out there..........
A Confused Market for Wood?

• Wood is bad! Wood is good!
• Green building…everything is green
• FSC or AFS – what does all this mean?
• Procurement policies
• Paper, paper and paper – imports, recycled, partly recycled, bleached, unbleached?
• Maybe substitutes are better
• Price and quality
Forest are managed very differently but did we remember to tell anyone?

- Regulation and regulation
- World class practices
- World class reserve system (60% native forest where production forestry occurs)
- Third party certification and auditing
- Technology driven
- Sustainability reporting
- Increased transparency
- Competitive sales
But........with change comes opportunity!

- Industry rationalization and consolidation, less players
- A mood amongst leaders within the industry to structure effort
- Developing a coordinated approach to generic promotion
- Recognized need for consistent information (from local to global)
- Opportunity to lead direction

*It is not necessary to change. Survival is not mandatory.* ~W. Edwards Deming
“In an environment of changing community views and expectations, I was interested in gaining an understanding of how forest industries in North America utilize timber and forestry promotional activities to maintain or improve market advantage and the ‘social license’ to operate.”
United States

- Forest land is estimated at approximately 749 million acres or 304 million hectares.
- US the world’s largest producer…more than 200 million tons of wood and paper products per year or approximately 27% of global wood production.
- 1% towards a United States GDP valued at over $10 trillion.
- Highly diverse forest ownership structure with differing management objectives.
- Wood products supply and distribution chain that employs approximately 1.7 million people.
- Over 130 million National Forest visits per year and high stakeholder interest characterizes the United States forestry sector.
An Diverse and Immense Forest Sector

Canada

• 402.1 million hectares of forest and other wooded land, representing 10% of the world’s forest cover and 30% of the world’s boreal forest.
• While the United States is a net importer of wood products, Canada exports approximately 54% of its wood products valued at $41.9 billion in 2005.
• Canada is the world’s largest exporter of forest products with the United States by far the largest buyer of Canadian forest products.
• Most of Canada’s forest land (93%) is publicly owned with 77% under provincial or territorial jurisdiction and 16% under federal purview.
• Contributes 3% to GDP. Canada’s forest sector supports about 800,000 direct and indirect jobs, almost 5% of all jobs in Canada.
Trends in North America

- Ecosystem management
- Increased forest regulation
- Forest certification
- Green building........life cycle analysis
- Climate change
- Fire
- Globalization
- Consumer guilt about using forest products
- Corporate Social Responsibility.....triple bottom line
  - Policies on forestry and forest product procurement
  - Environmental offsets
Can everything be green?

“Save a tree use PVC”

“As a tree, timber does symbolize environmental goodness. However, the processes necessary to make it a viable building material removes much of it’s assumed green credentials.” www.concretecentre.com
Challenges in effective communication

- Many forest owners with different management objectives.
- Highly complex supply and distribution chain when compared with other industries. …tens of thousands of growers, primary and secondary processors, wholesalers, distributors and retailers.
- High level of public involvement and interest…..resources often reacting.
- So much information out there……what to believe.
- Forestry is complex by nature and hard to articulate........simple but meaningful messages.
By its very nature Sustainable Forest Management is complex.

Complexity involves risk in communication which requires consistent and accurate sources of information.
Life Cycle of a Public Policy Issue

Ability to Influence

Emerging
Scientific inquiry
Dissatisfaction

Cooperative research

Operational changes
Communication

Politization
Public Discussion
Intellectual Leadership
Dramatizing Event

Legislation
Regulation

Litigation
Operational/financial

Strategies

Proactive

Reactive

Ideally work here but ultimately requires a risk approach

Lobbying
Negotiation
Public comment

World Forest Institute  http://wfi.worldforestry.org
System Architecture: Sustainable decisions are made by people – Strategies are based on understanding what matters, who decides and who influences the decisions.

Even with limited resources still need to consider all and prioritize effort.

Public Opinion
- Voters
- Opinion Leaders
- Educators
- Employees
- Consumers

Science & Technology

Company

Courts
Legislators
Media
Stakeholders
Customers, Investors

Competitors

World Forest Institute  http://wfi.worldforestry.org
Science is knowledge

Concern over level of future funding for forest research

Strong institutional base for forestry and wood products research

World Forest Institute  http://wfi.worldforestry.org
Strong networks are a critical part of communication!

Enormous number of associations and conferences

Ensures relevance to members but does it dilute effect?

Conduits for disseminating information and knowledge
Education Centers

• Tillamook Forest Center
  – Surrounded by forest
  – Forest history, wildfire, sustainable forest management.

• Weyerhaeuser’s Mt St. Helens Forest Learning Center
  – Uses the rehabilitation efforts around Mt St. Helens as a background to sustainable forest management.

• World Forestry Center
  – Forests in a global context
About OFRI

The Oregon Legislature created the Oregon Forest Resources Institute (OFRI) in 1991 to improve public understanding of the state’s forest resources and to encourage environmentally sound forest management through training and other educational programs for forest landowners. OFRI is funded by a dedicated harvest tax on forest products producers.

Key OFRI programs:

- Classroom programs and field activities for K-12 students
- Workshops and curriculum support for teachers
- Tours demonstrating modern forest practices
- Conferences, publications and scientific research on timely forest topics
- Workshops to help landowners manage according to best forest practices
- Displays, interpretive program, and the Rediscovery Forest at Oregon Garden
- Web site for forest industry employees

Known and secure source of funding enables effective building of programs
People are part of sustainability and ecosystems
Recognizing technology trends…….
Sometimes the simple thing in life are the best….getting out there and doing it……
Linking Forests and Wood Product Use

• Aims to acknowledge that wood products are part of our everyday life.
• Need to be careful not to exacerbate guilt over using wood products.
Generic Wood Promotion Campaigns

- A trend over the last 10 years as a response to substitute product campaigns (steel, concrete, plastic) and mounting anti-wood campaigns.
- Pools resources and money into a collective effort.
- Acknowledges that substitute products and anti-wood advocates are the real competition.
- Ultimately aims to grow the wood market.
“Place of Origin” Branding

- Collective campaigns aim to differentiate based on geographic location.
- Leverages on consumers association with that place.
- Used by producers, manufacturers, retailers who conform to the brand attributes.
- Proven to be successful for some other commodities….think of the wine regions of the world.
- Real long term commitment from all involved required to be successful.
- Companies that operate over different geographic areas often not supportive.
- After 7 years additional $40M to Californian milk campaign.
Vermont Brand

Symbolizes traditional values
- hardworking
- handmade
- quality

World Forest Institute  http://wfi.worldforestry.org
Case Study: The Wood Promotion Network

- Formed in 2000 to defend wood against substitute threats from steel, concrete and plastic.
- To promote the environmental case for wood by delivering the message that North American forests are abundant and growing.
- To seek opportunities to grow wood markets longer term.
- Brought together a coalition of more than 330 companies and allied organizations to leverage delivery of key messages.

“The goal isn't to speak with one voice, but to have thousands of voices, all carrying a few simple messages.”
Case Study: The Wood Promotion Network

- Developed and implemented a strategy to improve builder and consumer opinion of wood as a building material.
- Recognized that builders make 80% of residential wood use decisions.
- Trade audiences wanted environmental concerns addressed with customers.
- Short-term: Aimed at reducing business risk
  - Trade effort included print advertising, partnerships and event sponsorships, builder outreach, media relations, direct mail and web-based communications
  - Consumer effort included television and print advertising, supported by high profile media and web-based communications.
- Longer-term: Growing the market
  - Based on results from short-term campaign recognised the opportunity to grow the wood market.
Case Study: The Wood Promotion Network

Some Examples

- Partnership with Ford
  - Recognizing that builders are important to both sectors. Give away Ford vehicles via trade shows and building magazines.

- Media
  - Using high profile personalities to leverage media—Lou “Mr Fix-it” Manfredini
  - Creating media events like the “build a house in a day”

- Sponsor
  - International builders shows
  - Green building conferences

- Builders outreach
  - Technical support
Case Study: The Wood Promotion Network

Measured success

• In three years improved home builders view that wood is an all round better building material by 13%, from 62% to 75%.
• Improved builders perception that wood performs well in terms of the environment by 13%, from 75% to 88%
• The number of builders who agree that forests are abundant increased 9%, at 47%.
• The number of involved consumers who believe concerns about forests are easing increased 7%, from 33% to 40%- but the number who disagree with that statement decreased from 64% to 49%.
Case Study: The Wood Promotion Network

But……..campaign winding up and will completely finish this year.

Why?
• Shift towards issue based communication strategies.
• Paper industry moving in a different direction to solid wood industry.
• Lack of perceived need to enter the long term phase?

A Perspective
“Very difficult to create the critical mass needed to get a program going and once it is going it is a challenge to keep it going. The reasons were pretty basic, when the market is good the industry does not feel the need to promote anything and when the market is bad no one has the money to do anything. And the industry is so fragmented. In the end what the final downfall for the WPN was that the paper industry wanted to go in a different direction from the solid wood industry.”
Targeting issues of the day rather than Generic Wood Promotion

• Green globe
  – A response to the growing green building market
  – Provides competition for United States Green Building Council LEED’s program.

• Sustainable Forestry Initiative
  – A response to growing awareness around forest certification.

• Wood WORKS! (Canadian Wood Council)
  – Is a national campaign to increase the use of wood in commercial, industrial and institutional construction. Growing the market.
Abundant Forest Alliance

- Alliance of 8 large wood and paper companies.
- One mission — to reassure target audience that there will always be plenty of forests.
- Renew, reuse and recycling a strong theme.

- Targeted at specific consumer groups.
- Provides consistent information to the customers of wood and paper companies.
And now for the 3 top environmental issues of the day, in order they are:

1. Climate Change
2. Climate Change
3. Climate Change

- Lots of discussion and research
- Science and integrity in debate crucial
- Huge risk but represents a new way of defining the industry
- Emphasizes the importance of Life Cycle Analysis
- Factual communication will be critical given the history of the issue...not to be exploited
Three final thoughts

- Well managed wood promotion campaigns can influence consumer or market views and are critical to maintaining or improving market share. However, the challenge for any program to be successful is harnessing the support of stakeholders and then maintaining that support.

- Social attitudes towards forestry will continue to change. A commitment to the science that underpins Sustainable Forest Management is essential if foresters wish to stay relevant or effectively contribute to the debate on how our forests are managed into the future.

- While short term market based programs can assist in maintaining or growing the market for wood, the long term future and health of the industry will be determined by broader community views around forestry and wood products. A commitment to forestry education should be seen as a long term investment in maintaining a healthy industry.

If we are interested in the long term we have to communicate our message!