Notes Forestry Workshop

ABF Sunday Morning

Kathlyn Terry, Director of Appalachian Sustainable Development

Kevin Rowe, WoodRight Business Development

Scott Shouse, MACED forester and Director of Appalachian Carbon Partnership

Tanner Filyaw, Forest Botanicals Specialist and educator with Rural Action

* ASD in SW VA – Abingdon
* Want to share w/ us about what we care about instead of just presenting
* Not many folks in workshop, so more conversational
* Dana KFTC member BG KY
* Paul w/ MACED here to learn more about economics and supply chain forestry
* Austin Williams trying to start farm w/ broader intentions of making living off of land, maybe forest products
* Doug has 28 forest acres Elliott Co., joined KFTC 1996 to work toward forestry bill
* Andrew Fayette Co. WV, lives in forest knows nothing about sustainable forestry, want to
* Jenny Lauderdale, would like to see economic development from maintaining forests in EKY, not letting them disappear
* Shawn Pointer – wants to get pictures of the workshop

Intro (Kathlyn)

* Want to talk about 3 approaches forest sustainability and economic development
* All three examples may appear to be silos, but really are not.
* If you drove here, you drove thru forest
* So many options for going about harvesting forest
* Entrenched timber industry, hard to know how to work with or around that industry
* Botanicals aspect of harvesting forest products
* Kathlyn – ASD does a lot of work on the ag side, wants to brand Appalachian mushrooms and “take over the world.”
* Pass off to Scott

Scott (MACED)

* W/ MACED since 08.
* Problems with state forestry/forestry in the region
* Can’t talk about econ dev in App. w/o talking about forests
* in 2000 the forest products industry surpassed coal in benefit to the state economy
* 6-10 billion dollars/year in investments
* Forest products industry over last 200 years has moved along w/o thought to long-term management – just extraction
* We have not invested in broadscale management
* 40 million acres of forest lands in OH, WV, VA, KY, (TN?) private forestlands (non-industrial), average size of parcel 50 acres
* makes difficult to manage
* In our service area the forest is in the hands of small landowners who don’t know how to manage a forest
* A lot of people want to blame loggers, but responsibility lies, diffused, among landowners
* All comes back down to the landowner
* Carbon offset program, forest certification, working on other
* There is no such thing as sustainable forestry – the science and practice of forestry is by definition sustainable. SF is a redundant term
* W/in industry, it doesn’t pay to practice “forestry”
* Forest certification systems, recognition systems are all about moving landowners
* Just because a guy is harvesting doesn’t mean he’s practicing forestry
* Sustainable yield, species composition, long-term management plan – that’s forestry
* Not SF vs. forestry, forestry vs. harvesting

Primer on forest cert systems

* Any number of systems across the globe for anything
* 3 international forest management cert systems
  + Forest Stewardship Council (FSC)
  + Sustainable Forestry Initiative – paper based
  + American Tree Farm System
* PEFC umbrella
* Thes guys made a set of standards about what is good forestry
* Kentucky division of forestry has a forester implement a plan that aligns with the standards, receives certification
* proper documentation for ownership
* cattle fenced out, etc.
* Address standards in management plan, then implement the management plan.
* 3rd party says yes that forest is well managed so the consumer knows.
* A consumer? someone buying lumber from a hardware store, for example – Home Depot last year was targeted by environmental groups (RAN) about sustainable issues. They went through their entire inventory and sourced the wood in every single one of their products. If you go to Home Depot you probably won’t figure out what is and isn’t certified, but they have put a lot of work into it.
* Our economic times provide us with a market
* If you go to the trouble of getting organic certification on products, you expect to be able to get a premium to recoup cost of certification – same applies to forestry
* W/ a depressed building industry, green building is still going
* $135 billion industry by 2015. Growing by 25% per year. There’s still a niche, but there aren’t the premiums that you may want for growing a high quality, ethical product
* Big business in green building/forest products is a tiny percentage of American forest systems right now.
* Paper production can’t really get by without a certification any more.
* You don’t need certification systems to do good management. Each system is an investment of time and effort. If you’re going to invest, it should be worthwhile.
* Not to say we’re huge advocates of any cert system; but we want to promote forest management, and seeing those certs shows that it is under management.
* Good management means you have a healthier, more productive, more profitable forest over time; so hiring a forester as a logging company is usually a cost saver, not a deadweight expense.
* Loggers are heavy equipment operators; foresters mark what’s gonna get cut for the continued health of the forest.
* Jerry: Does certification make sense if you’re not gonna log? Not really.
* Doug: Do you manage forests for biodiversity? Sure.
* Non-timber forest products and botanicals are not really in traditional management plans. We’ve added an entire new section to management

Forest lands in C. App. change hands every 7 years on average. Forest management is by its essence long-term. This is a big problem.

* Level of management is about 5% or less.
* Most landowners are going to have one harvest in their lifetime.
* Economic distress of the region makes it harder – someone who owns a forest will cut it and sell it for money, seven years later new owner will sell the scrub for money. Forest will continue to decline.
* Kentucky forestry data will tell you were are growing more forests than we’re cutting.
* Doug – it sounds like the definition of sustainability does matter

Tanner – Rural Action, Non Timber Forest Products Specialist

* mid 1990s Rural Action started working on NTFP (SE Ohio)
* medicinal, non traditional products, native
* have been wild harvested for a long time
* Ginseng, Goldenseal, Ramps, Bloodroot, Mushrooms (shiitake, oyster)
* 30 acre parcel sizes in SE OH
* small properties make timber harvesting not viable option
* NTFP are an income source while you aren’t harvesting timber.
* Species have particular habitats they thrive in
* Forest is an integrated system from the floor up – not just timber.
* Rural Action has been educating, working w/ extension offices, timber companies, etc. to develop interest in NTFP
* NTFP have been wild harvested for a long time. Not economically viable or sustainable
* Declining wild populations, limited access to public lands for harvesting, increasing regulations on valuable species
* If you’re producing wild-mimic ginseng, it’s a 10-year harvest cycle
* Multiple harvests can be made within a timber cycle, but still a slow cycle compared to agriculture
* These NTFP exist almost exclusively in this region. We’re unique as a region in this way.
* Branding and developing an identity around high quality NTFP in the region
* Example: Ginseng. This region could become a hub for high-quality,
* We currently export the highest-quality wild harvest ginseng root to Asian companies and we import the lowest quality.
* Rural Action is developing NTFP section of management plans for forest products companies; developing as an enterprise
* Just in past year we have put over 1000 acres in the region under management plans for NFTP
* Lots of barriers for pushing or enhancing the sector
  + regulations (e.g. wild-simulated ginseng is regulated by same laws that regulate wild ginseng) and bureaucracy
  + lack of segregation between the two means changes to wild regulation will affect people producing wild simulated roots in forest
  + we want policies to differentiate the two, to reflect wild simulated

Aside: difference between wild, wild simulated, and cultivated

* Growers intentionally producing ginseng – one in WV, one coming in PA
* division of forestry certifies in WV, third party in PA
* management programs are generally unfunded at state level
* when ginseng and goldenseal went on endangered list, fed government in charge and mandated that states manage these plans, but didn’t provide funds.
* Problem: don’t want to undercut the culturally inherited wild-harvest industry
* Intentional production – what do we mean by that? Mimicking forest processes to intentionally grow species that are traditionally wild harvested

Markets:

* specialty items are
* dual strategy between building up demand in area and selling to lucrative external markets
* we’ve been balancing this with all sorts of products for a long time
* export market could be very valuable, especially if we develop our niche and brand in Central Appalachia
* $30 million per year in ginseng exports goes to the guy on the ground,

Kevin Rowe

* With ASD, business manager for enterprise that collaborates btwn ASD, MACED, RA
* wood products
* we’re in an economically distressed region, and we export our raw materials
* when we sell wood products, we don’t sell trim, we sell a log. We lose out on adding value, jobs to our products
* we want well-managed land, but who cares?
  + environmental community
  + people downstream
  + everyday folks
* historically, environmentalists have been used by people to protect their land to varying effects – certifications, conservation easements
* point is that everyday folks are generally uninformed or don’t care about sustainably managed forest land and its resulting wood products
* two-pronged approach: first prong is to meet people where they are
* build value chain for sustainable wood products to folks who may not be friendly to you (mills can be hostile)
* $135 billion by 2015
* residential green construction is supposed to increase fivefold
* there’s economic opportunity – not in selling logs, but in selling wood products
* green building paperwork hoops to jump through; this organization is trying to find markets for artisans, cabinet-makers, etc.
* Center for Forest and Wood Certification
  + group certificates for forest management
  + we can explain certification to producers, and bring them into certification pretty cheaply
* sell as certified product at Home Depot
* certification for wood products has traditionally been expensive and onerous
* WoodRight Forest Products: we have manufacturers that we work with, take care of quoting, meeting with architects, educating about App species, certification; the architects buy directly from WR. Specifically buy from economically distressed mills in App
* Tried to have a vertically integrated mill of our own, but we weren’t good at it. We were good at marketing, so now we market.
* (“Explainer” Video)
* We’re trying to keep all the value added processing close to the source so that communities can benefit from their own forests.
* Abingdon Millworks in Abingdon, VA has been working w/ ASD for many years; they’ve been selling local high end stuff (e.g. selling to coal company execs who live in town)
  + now struggling to find a niche
  + we’ve done half a dozen or so jobs with them
  + snagged a $30,000 job from moving to North Carolina
  + Abingdon Millworks would be out of business if it weren’t for WoodRight
* Trying to provide marketing savvy and educational aspect on behalf of marketers who don’t have that capacity
* WoodRight is small organization,
* ASD got a grant to figure out how to help stem the closing of manufacturers’ doors; this is the strategy
* LEED certification is an economic driver in demand for wood products from well-managed forests
* government agencies, universities, have requirements for LEED for new buildings
* logistics broker
* spreading the word
* Kentucky universities are building LEED right now, are they getting their wood from Appalachia?
* probably not, because WoodRight has not really gotten off the ground yet (has been piloting)
* Architects are the low-hanging fruit for WoodRight, and are the best “influencers” when it comes to pushing contractors, homeowners, etc. in making sourcing choices.
* We’re all geared toward enviro ethics, what do communications look like for those who aren’t?
* NTFPs are culturally significant, and we’ve been seeing a *lot* of “not green” folks in our workshops, etc.
* Wood products? It’s all about money. The green stuff is worth more.
* How are you going to get ahold of these folks? What are the communications strategies?
* Word of mouth. Once a handful of landowners get paid, it’s an insane number of people calling the program (Appalachian Carbon Partnership)
* Outreach. Connecting with existing networks. University extension offices have been a huge resource. Extension agent.
* Extension agents work with landowners, and are often really open to new ideas. Especially compared to government agents from the division of forestry. Extension agents in Ohio have been cold calling Rural Action.