

# **Marketing Local Forest Products: Building Rural Community Vitality and Landowner Prosperity**



A final report for the  
Southern Appalachian Forest Fragmentation Work Group

Prepared for the USDA Forest Service  
Southern Research Station  
(grant # SRS 06-DG-11330103-190)

By Land-of-Sky Regional Council

March 1, 2008

## Executive Summary

A key to successful economic development, particularly in rural areas, is to capitalize on existing resources and to “plug the leaks” in local economies as often as possible. This report explores the abundant forest resources in Western North Carolina and ways to meet local demands for those resources. When local producers connect with local consumers, economic leaks are plugged, leading to the dollars from those purchases staying in the community and generating more jobs and long term prosperity. Local carpenters constructed the barn depicted here, from trees cleared for a pasture and milled on the site. That landowner harvested local resources that arrived in the form of sun and rain, employed his neighbors and met two needs for his livestock operation – shelter and pasture. Both this landowner and his rural community are more prosperous as a result of his decision to connect with local producers and to fully capitalize on the resources close at hand in his forest.



Figure One: A WNC barn constructed from lumber harvested and milled on the site. (Andy Bennett photo.)

Western North Carolina is home to a wide variety of forest resources. As northern species retreated before the glaciers advance of the last ice age, they found suitable habitat in the Southern Appalachians, leaving one of the most diverse forest ecosystems in the world. Our forests support lumber production, generate pulp for paper products, provide hardwoods for furniture, and produce a wide variety of non-timber forest products as diverse as medicinal ginseng, ornamental galax, shade-tolerant landscaping materials, and memorable tourism experiences for visitors to our area.

In December 2005 the Southern Appalachian Work Group of the Southern Roundtable on Sustainable Forests met to identify and rank the sustainability issues facing Southern Appalachian forests and rural communities in that region. That group of forest stakeholders concluded that in order to “keep forests as forests” we need to keep forests as *working* forests in the face of increasing pressure for subdivision development and other forms of urban sprawl. Among dozens of promising ideas, the group concluded that strong markets are needed for forest products including small diameter wood. They further saw a need for landowner and community education on the income potential from forest lands.

This project concluded in a workshop held in February 2009 that was titled Local Forest Products: New Enterprises and New Markets. Fourteen speakers explored emerging opportunities for landowners to generate income from Southern Appalachian forest lands. They also examined ways for local forest product producers to reach local buyers of forest products. The final panel of the day was composed of a variety of forest landowners who described the diverse ways that they are using forest lands to generate an income. The workshop attendees offered many suggestions. The most frequent suggestions by attendees were:

1. Support forest products co-ops, producer cooperation, and the “community supported forestry” concept presented at the event.
2. Provide consumer education on local availability of forest products, matching buyers and sellers, and ASAP-style market development. ASAP is the Appalachian Sustainable Agriculture Project.
3. Capitalize on local sawmills (including on-site milling) to meet local demands for forest products
4. Provide more forest product operator networking opportunities

Recommendations contained in this report include the following:

1. Provide a **co-op organizer** to focus on the needs of local producers of forest products. Ideally this person would come from the ranks of underemployed forest operators. We estimate that one person working for a year could take actions that would generate ten jobs a year as long as the cooperatives or cooperative work arrangements last.
2. Direct two **marketing specialists** to work in the forest products area: one marketing expert and several part-time “match-makers” to connect producers and consumers locally. Ideally, the part-timers will be underemployed forest products operators that know the many niches in timber and non-timber forest products as well as the buyers. We estimate that these two positions would generate 20 jobs through increased demand for local forest products.
3. Assign several **regional marketing specialists** to 4-5 counties each in Western North Carolina to find forest landowners interested in **custom harvesting and milling** as well as local customers for milled timber products. The basic idea here is to keep the many portable sawmills in the region busy supplying local customers – ideally the forest landowner would supply the timber and buy the milled lumber for on-site construction. The Co-op in #1 above could interact with this recommendation. We estimate that these positions equal to two person-years will generate 20 jobs for local loggers and millers and secondary jobs for construction workers using these milled products.
4. Provide a part-time **networking facilitator** for peer groups of forest products practitioners (e.g. loggers and millers, woodland herb growers and processors, ornamental growers and landscapers, specialty millers and custom furniture makers). The idea here is that the networking requested by the workshop participants will lead to more start-ups and expansions in these diverse forest-based enterprises. We estimate that a one half-time facilitator will generate 10 new jobs by displacing forest products from distant sources with local products.

Project staff will look for opportunities to support these sorts of positions and will work with forest operators to guide the work of these positions as funding becomes available.

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## Project Background

Thirty-one members of the newly-formed Southern Appalachian Work Group on sustainable forests met at the North Carolina Arboretum on December 8, 2005. The group brainstormed successes and challenges to sustainable forests, ranked these issues, then broke into three small groups to discuss proposed actions to address the highest priority issues. The top issues included:

1. Maintaining the “infrastructure” of the forest products industry (loggers, processors, natural resource professionals, etc.).
  - Furniture manufacturing is moving offshore – so our hardwood markets are now export markets
  - What direction will the pulp & paper industry go? If it goes offshore, it will hurt us even more
2. Education – getting regular people to understand the challenges, role of planning & zoning.
3. Engage citizens in conversation about what is/will happen to the land. Help communities decide what they want to preserve, and how they want to preserve it (e.g., Macon Voices community process).
4. We don’t know the (\$\$) value of ecosystem services. How to get compensation for maintaining these services? The markets could tell us the value – but they are not well developed.
5. Forest certification as a vehicle to develop local markets, and diversify the forest products industry.
6. Still need to work on the message that timber forestry is part of the success of the Southern Appalachians.

In July 2006 Land-of-Sky Regional Council proposed to explore several high priority topics raised at the meeting. Two of the challenges or issues of greatest importance were fragmentation of large tracts of land, and maintaining the “infrastructure” of the forest products industry (loggers, processors, natural resource professionals, etc.). The idea that unified these issues is that in order to “keep forests as forests,” we need to keep forests as *working* forests in the face of increasing pressure for subdivision development and other forms of urban sprawl. After initial exploration of several topics, the scope of work was revised to include:

- Assembling a group of forest products stakeholders to explore approaches to marketing high value timber and non-timber forest products (including biomass for fuels) using "buy local" programs, and local value-added processing as a means to make forest tracts more economically productive.
- As allowed by the resources available under this agreement, demonstrate an approach to marketing local forest products to local buyers.
- Prepare a final report describing the marketing approach used in this project and recommended ways for others to pursue a similar project in other areas.

This report summarizes the results of February 2009 forest stakeholder workshop entitled: Local Forest Products: New Enterprises and New Market. It recommends specific approaches to implementation and offer guidance on how others can pursue similar approaches.

## Rural Community Economic Development

Many philosophies exist on how to build the prosperity of rural communities through economic development activities. Among the best is the Rocky Mountain Institute (RMI) ([www.rmi.org](http://www.rmi.org)) approach. RMI consults nationally with communities that are interested in economic self-renewal. They also publish handbooks to guide communities in exploring their resources and internal economic opportunities. Their Four Principles of Economic Renewal are:

- Plug the Leaks
- Support Existing Businesses
- Encourage New Local Enterprises
- Recruit Compatible New Business

In contrast to older style economic development which tend to focus on landing one big factory, this approach focuses on the job production potential of smaller, locally-owned businesses. It also focuses on ways to create products within the community that were previously brought in from outside. A loss of local wealth to outside the community is an example of what they mean by an economic “leak.”

One of the reasons that leak plugging is their first principle is tied to the multiplier effect. RMI explains multiplier effect this way:

When a dollar enters a community and is then spent outside the community, its benefit is felt only once. If that same dollar is re-spent within the community, its benefit is multiplied: it adds more value, pays more wages, finances more investments, and ultimately creates more jobs. Thanks to this “multiplier effect,” each additional transaction in which the dollar is involved creates just as much wealth as a new dollar from the outside, but relies on local decisions made by people who care about the community. (Source: RMI Community Economic Renewal Project - Kinsley)

They also offer a list of tools for community economic renewal including:

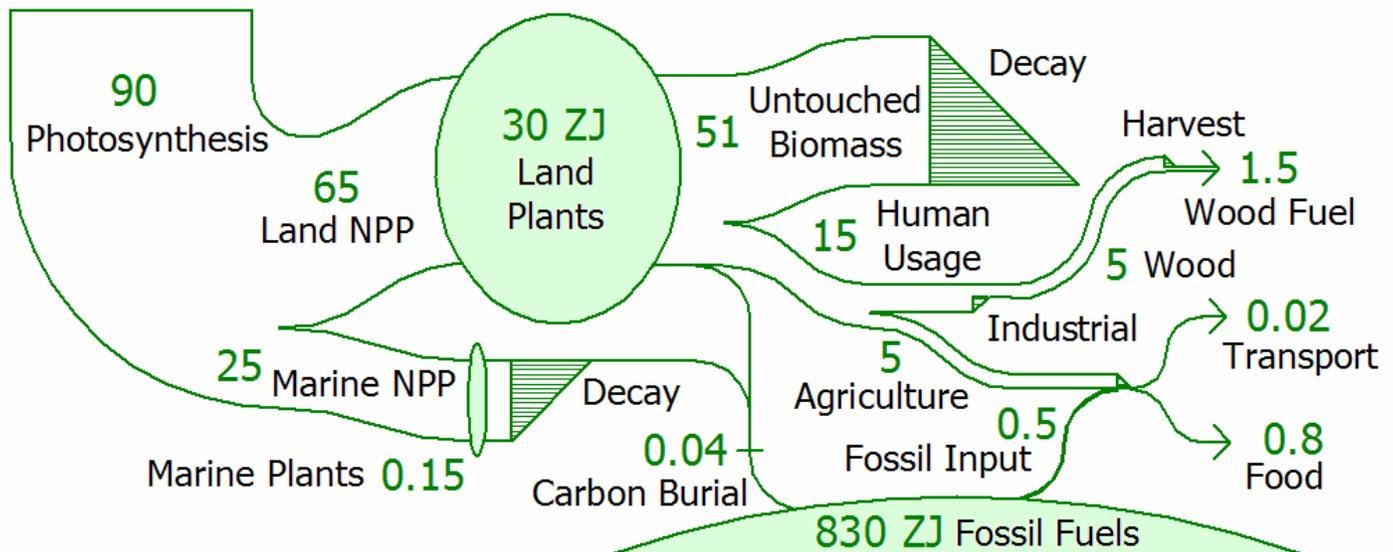
- Ask why this approach is being pursued – are there better alternatives?
- Manage demand – use resources efficiently
- Pursue development, not necessarily expansion – high quality may be better than high quantity
- Seek small solutions – many small businesses are better for some communities than one large employer
- Find problem solvers that care – use local leadership to solve local problems
- Increase the multiplier effect – support businesses that support each other
- Find hidden local skills and assets – don’t overlook your assets (like sunshine for example)
- Build social capital – invest in people that will stay in the community
- Organize regionally – consider working with other communities, cooperatively.

Source: RMI’s Economic Renewal Program: An Introduction by Michael J. Kinsley ([http://www.rmi.org/images/PDFs/Communities/ER97-02\\_EconRenewIntro.pdf](http://www.rmi.org/images/PDFs/Communities/ER97-02_EconRenewIntro.pdf) )

For communities whose efforts to develop a more sustainable local economy are focused on the forest, they offer a supplement with questions to guide community economic renewal centered around forest enterprises at [http://www.rmi.org/images/PDFs/Communities/ER97-02b\\_ForestSupp.pdf](http://www.rmi.org/images/PDFs/Communities/ER97-02b_ForestSupp.pdf)

## Income Opportunities for Forest Landowners

In a broad view of agriculture, growers manage solar collectors. The amount of food or fiber that a farmer or forest manager can harvest from a particular acre is limited by the amount of sun that falls on that parcel and by the efficiency of the plants growing there in converting sunshine to biomass. The graphic below illustrates that roughly seven percent of the world biomass is put to some sort of human use – five percent as wood and one percent as food. Of the harvested wood, about a third becomes fuel.



**Figure 2: Energy flow in terawatts through the natural and human appropriated terrestrial biomass system** (source: [http://gcep.stanford.edu/pdfs/assessments/biomass\\_assessment.pdf](http://gcep.stanford.edu/pdfs/assessments/biomass_assessment.pdf) , Klass D. Biomass for renewable energy and fuels. Encyclopedia of Energy. Oxford: Elsevier Inc.; 2004.)

**Plugging Energy Leaks with Forest Products** - This graphic also indicates that we are extracting buried carbon at more than ten times the rate that world ecosystems are burying new carbon, perhaps explaining, in part, changing climatic conditions that are being observed worldwide. An opportunity seems to exist to use more of the untouched biomass and less of the fossil biomass, perhaps presenting an opportunity to benefit our carbon balance and to plug leaks in rural communities that are growing more woody biomass than they are using. Poplar and willow, common species in Western North Carolina, are comparable to corn in their solar conversion efficiency and they do not compete for food supplies as corn does.

**Timber Products** - In the United States we use trees for a variety of purposes. Some of the most common are:

- lumber (53%)
- pulp products (32%)
- veneer and plywood (7%), and
- fuel wood (7%). ( source: <http://www.safnet.org/aboutforestry/facts.cfm>)

**Non-timber Forest Products** - While the mass is not as large as for timber products, a huge variety of non-timber products come from our forests from medicines to musical instruments. The Institute for Culture and

Environment lists 695 non-timber forest products ( <http://www.dcnr.state.pa.us/forestry/sfrmp/nontimber.htm> ). Examples of these diverse forest products are presented in Table One below.

Taking medicinal plants as one example of a non-timber forest product, the world market is \$14 billion and the market within the U.S. is approximately \$1.6 billion dollars annually. Europe is the largest consumer of herbal products at \$7 billion each year (source: <http://www.sfp.forprod.vt.edu/pubs/sfpdoc1.pdf>). While the mass of harvested woodland medicinals is small compared to timber products, they can fill an important niche as a high value forest product with a relatively high return per acre and they tolerate or even prefer steeper ground that is poorly suited to other forest enterprises. The return per hour invested can also be high compared to other forest enterprises.

**Intangible Forest Products** - Sometimes called ecosystem services, our forests provide many additional benefits. For example, American forests provide valuable habitat to thousands of species of animals, and more than half of the country's drinking water originates in forests. Additionally, the total amount of carbon stored by our trees offsets around 10% of US carbon emissions from burning fossil fuels. Recreation is also an important forest product in many areas, supporting a large tourism industry in some cases (Source: <http://www.safnet.org/aboutforestry/facts.cfm> ). In general, the markets for intangible forest services are poorly developed but examples exist of municipalities paying for watershed water supply services as well as carbon credits being paid for reforestation activities. Providing these services may provide another “crop” or enterprise stream for forest land owners in the future, helping them keep their forests as forests.

**TABLE 1: EXAMPLES OF DIVERSE FOREST PRODUCTS**

**Medicinal, Herbal, Botanical**

Plants  
Bulk raw herbs  
Processed herbs

**Medicinal & Herbal Examples**

Black Cohosh  
Catnip  
Echinacea  
Ginseng  
Goldenseal  
Slippery elm  
St. John's Wort  
Sweet gum

**Crafts**

Dyes  
Weaving supplies  
Baskets  
Wreaths  
Musical instruments  
Instrument parts  
Artisan paper  
Frames and plaques  
Carvings and turnings  
Signs  
Beeswax

**Specialty Wood Products**

Carvings  
Utensils  
Containers  
Sculpture  
Cabinets  
Furniture

**Edible Products**

Black Walnuts  
Honey  
Pecans  
Persimmon  
Shitake Mushrooms  
Flavor wood, cooking wood, smoke wood  
Mushrooms  
Berries  
Nuts  
Syrups  
Ramps  
Rose hips  
Seeds  
Fruit such as persimmons

**TIMBER PRODUCTS**

**Lumber (by species)**

Rough sawn  
Milled  
Kiln dried  
Pallets, crates, and boxes  
Wood parts and components

**Pulp Products**

Paper  
Paper board

**Round wood**

Logs (by species)  
Firewood  
Posts and poles

**Certified Wood Products**

Many green labels exist

**TABLE 1: EXAMPLES OF DIVERSE FOREST PRODUCTS (continued)**

**Nursery Crops**

Native plants  
Ball and burlap  
Container ornamentals  
Seedlings  
Restoration plant materials  
Seeds

**Floral and Evergreen Materials**

Christmas trees  
Wreaths  
Boughs  
Moss  
Bark  
Greenery  
Cones  
Woody cuts  
Flowers  
Dried flowers  
Vines for wreaths

**Forest-related Services**

Foresters and consultants  
Trucking  
Sawmills  
Loggers

**Building Products**

Flooring  
Millwork  
Stairs  
Windows  
Doors  
Cabinets  
Wood panels  
Manufactured housing  
Posts and beams  
Trusses  
Shakes and shingles

**Other Forest Products**

Firewood  
Character wood  
Chips  
Mulch  
Needles

**Forest-related Services**

Timber frame construction  
Log homes construction  
Wildcrafters

## Marketing Local Forest Products

Of the many “Buy Local” programs that have existed for years, among the most active recently are the local food promotion programs. Western North Carolina is home to one of the most active of these - the Appalachian Sustainable Agriculture Project (ASAP) ([www.asapconnections.org](http://www.asapconnections.org)). It’s Local Food Guide and Local Food bumper stickers are ubiquitous in Western North Carolina (WNC). While promoting food and forest products are likely to have differences, there are also parallels.

ASAP describes its work as rebuilding a local food system. They believe that reconstruction depends on building the capacity for regional systems of food procurement and distribution. These include cooperative strategies that pool the resources and products of local farmers in a way that overcomes market barriers facing local growers. Key steps may involve both adapting components of the existing food distribution system to accommodate local products, as well as establishing new facilities specifically for local processing in the region (source: Locally Grown Foods Positioning Research, ASAP, 2004).

At one point virtually all forest products were consumed locally but inexpensive fuel supported shifts to a more global market for forest products. As with food, systems may need to be rebuilt if our community is to reconnect local producers and consumers of forest products. The upward trend of the price of transportation fuels will tend to support local market development.

The willingness of consumers to pay a premium for sustainably harvested local forest products may also parallel consumer motivations to buy local food. ASAP research concludes that consumers living in Buncombe, Henderson and Madison Counties appear to have a positive attitude towards locally-grown or produced food. When asked how strongly they believe eight statements about locally-grown food, the majority of consumers indicated that the statements are very or somewhat believable in 2004. The degree of acceptance of a series of statements is listed below. Consumers believe that buying local food:

- Contributes to the local economy (95% stated very or somewhat believable).
- Supports neighbors (93%).
- Preserves rural character (90%). (Four years earlier, only 79% believed this statement.)
- Tastes better (88%).
- Safer and healthier (81%).
- Improves health and personal well-being (76%).
- Makes statement about providing a better future for children (68%).
- Saves environment (65%)

(Source: [Locally-Grown Foods Strategic Positioning Research](#), December 2004, prepared for ASAP by Research Inc. , Alpharetta, GA).

Except for the “tastes better” statement, most of these consumer perceptions may well apply to forest products, suggesting an opportunity to market locally produced forest products as more valuable than those from distant or unknown sources. Hopefully, that perceived higher value will also translate to a willingness to pay a premium price to support local producers.



Figure 3: Locally produced firewood is a renewable source of energy for space heating that also produces local jobs.

(Photo: Andy Bennett, Double Tree Logging and Milling)

In moving toward a reconstructed local forest products system experience with local foods may also be helpful. The ASAP Growing Local report recommends the following actions to support local sales of locally produced food.

- Develop Trusted Local Food Labels
- Boost Outreach Efforts Targeting Larger-Scale Markets
- Support Farmers' Efforts to Satisfy Local Demand
- Create State and Local Policies to Favor Local Food Distribution and Sales
- Improve Public Education and Awareness About Local Food
- Expand Direct Marketing Channels
- Expand Local Food Activities Throughout the Region
- Foster Collaboration Around Shared Goals
- Adapt and Encourage Infrastructure for Distribution and Processing
- Develop and Support Working Farmland Preservation and Transition Programs
- Align Tourism and Agriculture

Similar actions directed at local forest products are likely to produce better returns for forest enterprise operators and forest land owners.

The US Forest Service offers two companion publications specifically directed toward primary and secondary forest products that are available on the internet. They are:



Figure 4; Locally milled wood in Fairview NC  
(Photo: William Hamilton, Hickory Nut Gap Lumber Co.)

[A Marketing Guide for Small and Medium Sized Primary Forest Products Processors](#)

By Robert L. Smith, Edward T.Cesa, and Patrick M. Rappold, U S Forest Service (NA-TP-02-07CD June 2008) ([http://www.na.fs.fed.us/pubs/forest\\_products/marketing\\_guide\\_na-tp-02-07cd.pdf](http://www.na.fs.fed.us/pubs/forest_products/marketing_guide_na-tp-02-07cd.pdf)).

and

[A Marketing Guide for Manufacturers & Entrepreneurs of Secondary-Processed Wood Products in the Northeastern United States](#), Ed Cesa, US Forest Service (NA-TP-09-92)

([http://na.fs.fed.us/pubs/misc/guide\\_wood\\_products/marketing\\_guide\\_wood\\_products\\_ls.pdf](http://na.fs.fed.us/pubs/misc/guide_wood_products/marketing_guide_wood_products_ls.pdf)).

With the diversity of timber and non-timber forest products, connecting producers and consumers is likely to be more complicated than promoting local food where everyone is a potential consumer of all food products. A searchable directory similar to the ASAP Local Food Guide may be useful. Many states have forest products directories – some electronic and some searchable examples are provided in Table Two below and in the appendix to this report.

Table Two: Web-based Forest Products Marketing Examples

<b>Local Examples</b>	
<b>NC District Forester</b> David Amaral 220 Sardis Road Asheville NC 28806 Voice: 828-667-5211 Fax: 828-665-0331 <a href="mailto:greg.yates@ncmail.net">greg.yates@ncmail.net</a>	<a href="http://www.dfr.state.nc.us/Managing_your_forest/timber_buyers.htm">http://www.dfr.state.nc.us/Managing_your_forest/timber_buyers.htm</a>
<b>Appalachian Sustainable Agriculture Project</b> 729 Haywood Rd. Asheville, NC 28806 Voice: 828-236-1282	<a href="http://buyappalachian.org/">http://buyappalachian.org/</a>
<b>HandMade in America</b> 125 South Lexington Avenue, Suite 101 P.O. Box 2089 Asheville, NC 28802  phone 828-252-0121 Executive Director <u>Geraldine Plato</u> Phone Extension #308	<a href="http://www.handmadeinamericacraftregistry.org/artists/artists.php">http://www.handmadeinamericacraftregistry.org/artists/artists.php</a>
<b>WNC Green Building Council</b> <b>Phone</b> 828.254.1995 <b>Email:</b> <a href="mailto:info@wncgbc.org">info@wncgbc.org</a> PO Box 17026 Asheville, NC 28816	<a href="http://www.wncgbc.org/membership/business.php">http://www.wncgbc.org/membership/business.php</a>
<b>North Carolina Ginseng &amp; Goldenseal Company</b> Robert A. Eidus, President 300 Indigo Bunting Lane, Marshall, NC 28753 <b>(828) 649-3536</b> <a href="mailto:robert@ncgoldenseal.com">robert@ncgoldenseal.com</a>	<a href="http://www.ncgoldenseal.com/info/price_list.html">http://www.ncgoldenseal.com/info/price_list.html</a>
<b>MoonBranch Botanicals</b> 5294 Yellow Creek Road Robbinsville, North Carolina 28771 (828) 479-2788 <a href="mailto:moonbranch@earthlink.net">moonbranch@earthlink.net</a>	<a href="http://www.moonbranch.com/info.html">http://www.moonbranch.com/info.html</a>

<b>Southern Appalachian Examples</b>	
<b>Appalachian Sustainable Development</b> 366 West Main St. Suite 400 Abingdon, VA. 24210 (276) 623-1121 Email: <a href="mailto:asd@asdevelop.org">asd@asdevelop.org</a>	<a href="http://www.asdevelop.org/sustainablewoods2.html">http://www.asdevelop.org/sustainablewoods2.html</a>
<b>Next Generation Woods, Inc.</b> 4615 Mountain Pride Rd. Hiwassee, Va 24347	<a href="http://www.nextgenwoods.com">www.nextgenwoods.com</a>

Phone: 540-639-3077 Fax:540-639-6741	
Harry Groot, CEO <b>Blue Ridge Forest Cooperative</b> 4615 Mountain Pride Road Hiwassee, VA 24347 Phone: 540.392.8081	<a href="http://blueridgeforestcoop.com/index.html">http://blueridgeforestcoop.com/index.html</a>
<b>Healing Harvest Foundation</b> Jason Rutledge 8014 Bear Ridge Rd. Copper Hill VA 24079 540-651-6355 retledge@swva.net	<a href="http://www.draftwood.com/">http://www.draftwood.com/</a>

<b>National Examples</b>	
<b>Minnesota Dept of Natural Resources</b> 500 Lafayette Road St. Paul, MN 55155-4040 (651) 296- 6157 (888) 646-6367	<a href="http://www.dnr.state.mn.us/timber_producer/index.html">http://www.dnr.state.mn.us/timber_producer/index.html</a>
<b>Utah State Univ. Forestry Extension</b> 5230 Old Main Hill Logan, UT 84322-5230	<a href="http://extension.usu.edu/forestry/Business/WoodDirectory.htm">http://extension.usu.edu/forestry/Business/WoodDirectory.htm</a>
<b>Colorado Forest Products</b> P.O. Box 33 Lafayette, CO 80026 Attn: Jeff Thomas <a href="http://www.coloradoforestproducts.org">www.coloradoforestproducts.org</a> <a href="mailto:jthomas@neodial.com">jthomas@neodial.com</a>	<a href="http://www.coloradoforestproducts.org/">http://www.coloradoforestproducts.org/</a>
<b>Catskills Watershed Agricultural Council</b> Forestry Market Development (607) 865-7790 ext. 112 <a href="mailto:info@nycwatershed.org">info@nycwatershed.org</a> <a href="http://www.nycwatershed.org">www.nycwatershed.org</a>	<a href="http://www.catskillwoodnet.org/secondary/PureCatskillsWoodProductsDirectory.pdf.pdf">http://www.catskillwoodnet.org/secondary/PureCatskillsWoodProductsDirectory.pdf.pdf</a>

## **Project Workshop Report**

A central feature to this project was a February 2009 workshop entitled **Local Forest Products: New Enterprises and New Markets**. The intended audience was forest land owners, farmers, forest professionals, and policy makers. The sponsors were the USDA Forest Service through a grant from the Southern Research Station, the American Farmland Trust through a grant from the Community Foundation of Western North Carolina Asheville Merchants Fund, the Buncombe County Soil and Water Conservation District and the Land-of-Sky Regional Council. The six-hour workshop was approved for five hours of Continuing Forestry Education Credits.

The workshop explored a range of emerging forest enterprises that may help land owners improve revenues from their forest land. It also explored ways for producers to connect with local buyers to capture a larger share of value of their forest products. The agenda with speakers is listed below:

### **9:00 Welcome and Introduction**

Susan Fox – USFS Southern Research Station

Gerry Cohn – American Farmland Trust and Organic Valley Cooperative

### **9:10 Forest Products Opportunities Panel**

Wider use of yellow poplar – Phil Araman, Virginia Tech Forest Products Center (USFS, Blacksburg VA)

Woodland herb production - Jeanine Davis, NCSU, Horticulture Science Department, Mills River

Carbon credits – Mark Megalos, NCSU Forestry Extension, Raleigh

Forest energy production – Dennis Hazel NCSU Forestry Extension, Raleigh

### **10:45 Marketing Panel**

Forest Co-ops – Harry Groot, Blue Ridge Forest Cooperative, Hiwassee, Virginia

Appalachian Sustainable Agriculture Project – Charlie Jackson, Asheville NC

Community Supported Forestry - Ian Snider, Mountain Works Sustainable Development, Boone NC

### **12:30 Forest Practitioners Panel**

Regional timber production - Ed Hicks, consulting forester, Asheville

Sustainable Forestry and Poplar Bark Shingle Production - Chris McCurry, Highland Craftsmen Inc, Spruce Pine

Silvatourism – David Kendall, NCSU, Madison County Extension Service, Marshall NC

On-farm logging and milling – William Hamilton, Hickory Nut Gap Lumber, Fairview NC

Horse logging and milling – Andy Bennett, Doubletree Logging and Milling, Marshall NC

Forest Herbs - Richard Bonsteel, Appalachian Ginseng Farms, Otto NC

### **2:45 Audience Advice on Forest Policy**

Share your thoughts on comment cards or  
directly to workshop organizers on:

- Barriers to forest products production
- Lowering the barriers
- The best idea from today

### **3:00 Adjourn**

The workshop materials are listed in the appendix and available at  
<ftp://www.landofskygis.org/Local%20Forest%20Product%20Workshop%20Files/> .

## Forest Enterprises and Key Points Made by Speakers at the Workshop

Topic	Speaker	Key Points
<b>FOREST OPPORTUNITIES</b>		<b>Refer to Appendix Two for full presentation materials</b>
Using Yellow Poplar	Phil Araman	<b>The common and fast-growing Poplar is a nearly universal wood. It can be used much more widely than it is now including for construction.</b>
Woodland Herbs	Jeanine Davis	<b>A wide variety of woodland herbs grow well here. Global demand affects pricing and some herbs are more viable than others as a commercial crop. False Unicorn may have potential in the future but it is tricky to grow.</b>
Carbon Credits	Mark Megalos	<b>An active market exists in Europe for carbon credits and one has been started in Chicago. A regulatory approach to carbon in the US will add certainty to this “crop” for forest land owners in our area.</b>
Energy Production	Dennis Hazel	<b>Adding a chipper to wood harvest operations can add income to forest operations by supplying the rising demand for renewable energy, particularly for electricity generation, space heating and an emerging market for transportation fuels.</b>
<b>MARKETING</b>		
Blue Ridge Co-op	Harry Groot	<b>The Blue Ridge Forest Cooperative is a forest land care business serving western Virginia and offering a range of products from millwork, to charcoal, to carbon credits.</b>
ASAP Marketing	Charlie Jackson	<b>The Appalachian Sustainable Agriculture Project has a well-developed program to support farmers in marketing local food. The public demand for local farm products may favorably affect demand for local forest products.</b>
Community Forestry	Ian Snider	<b>A group of forest operators enlisted both forest land owners and wood buyers such as custom home builders in a community supported forestry approach to marketing. The co-op connects buyers and producers of sustainably harvest wood.</b>
<b>PRACTITIONERS</b>		
Timber Production	Ed Hicks	<b>Professional foresters can assist land owners in capturing a larger share of the profit “pie” in wood harvesting. Current demand for all type of wood is depressed by declines in construction and other sectors of the economy.</b>
Poplar Shingles	Chris McCurry	<b>Barkhouse offers poplar shingles and a wide variety of forest products for custom construction applications. Green labels for forest products are an important way to improve the forest and to add value to forest products.</b>
Silvatourism	David Kendall	<b>A wide range of interconnected tourism businesses are in Madison County which rely on their forests and forest products. More opportunity exists to meet the demands for forest-related tourism.</b>
On-farm Milling	William Hamilton	<b>Custom milling with portable sawmills presents an opportunity for a value-added on-farm enterprise. It makes available unique, custom wood products for contractors and home owners. (MORE→)</b>

Horse Logging	Andy Bennett	<b>Horse logging and custom milling present an opportunity to add value for the property owner and the forest operator while sustainably harvesting lumber. Opportunities exist for more efficiency in forest operations by sharing expensive equipment.</b>
Forest Herbs	Richard Bonsteel	<b>Wild-simulated ginseng is a viable crop in WNC. Value-added herbal products offer an opportunity to capture a larger share of the full value of the product for the land owner.</b>

Seventy-four people attended the workshop from a wide variety of disciplines. At the end of the session we collected comments from 21 people that took the time to respond. A few comments offered logistics suggestions but they were uniformly positive about the quality of the speakers and the content that they offered. The table below lists the comments and the frequency that a similar comment arose.

Number of Comments	Workshop Participant Comments
	<b>Barriers to Local Forest Products Production</b>
4	Lack of publicity on local forest products
4	Low prices and low demand
3	Matching buyers and sellers
3	Markets
2	Lack of customer appreciation of the value of local products
	<b>Lowering Barriers</b>
6	Form a co-op(s) or work cooperatively
4	Pursue ASAP-style market development
4	Build customer appreciation of local products through education
3	Provide producer networking opportunities
2	Develop a directory of local buyers of forest products
	<b>Best Idea from Today</b>
5	Community Supported Forestry or Forest Cooperatives
4	Local on-site sawmilling
2	Silvatourism
	<b>Other Comments</b>
Several	Positive comments such as well done, excellent program, excellent diversity, great workshop, enjoyable, great, excellent fast paced, keep up the good work, etc.
1	Do a workshop targeted to landowners
1	Do a website for networking
1	Do hands-on workshops
1	Circulate the mailing list
1	More specifics on sequestration and biomass
1	Involve USDA agencies

After combining and grouping all comments, the main suggestions from attendees are to:

1. Form a forest products co-op, support producer cooperation, and encourage the “community supported forestry” concept presented at the workshop. (11 comments)
2. Provide consumer education on local availability of forest products, matching buyers and sellers, and ASAP-style market development. (22 comments)
3. Capitalize on local sawmills (including on-site milling) to meet local demand for forest products. (4 comments)
4. More forest product operator networking opportunities. (3 comments)



Figure 5: Poplar bark shingles offered by Highland Craftsmen in Spruce Pine NC  
(photo: [www.barkhouse.com](http://www.barkhouse.com))

## Recommendations and Next Steps

In order to move forward with the goal of building a local network of producers and consumers of forest products, the following action steps are recommended:

1. Provide a **co-op organizer** to focus on the needs of local producers of forest products. Ideally this person would come from the ranks of underemployed forest operators. We estimate that this one person working for a year could take actions that would generate ten jobs a year as long as the cooperatives or cooperative work arrangements last.
2. Direct two **marketing specialists** to work in the forest products area: one marketing expert and several part-time “match-makers” to connect producers and consumers locally. Ideally the part-timers will be underemployed forest products operators that know the many niches in timber and non-timber forest products as well as the buyers. We estimate that these two positions would generate 20 jobs through increased demand for local forest products.
3. Assign several **regional marketing specialists** to 4-5 counties each in Western North Carolina to find forest landowners interested in **custom harvesting and milling** as well as local customers for milled timber products. The basic idea here is to keep the many portable sawmills in the region busy supplying local customers – ideally the forest landowner would supply the timber and buy the milled lumber for on-site construction. The Co-op in #1 above could interact with this recommendation. We estimate that these positions equal to two person-years will generate 20 jobs for local loggers and millers and secondary jobs for construction workers using these milled products.
4. Provide a part-time **networking facilitator** for peer groups of forest products practitioners (e.g. loggers and millers, woodland herb growers and processors, ornamental growers and landscapers, specialty millers and custom furniture makers). The idea here is that the networking requested by the workshop participants will lead to more start-ups and expansions in these diverse forest-based enterprises. We estimate that a one half-time facilitator will generate 10 new jobs by displacing forest products from distant sources with local products.

We will look for opportunities to support these sorts of positions and work with forest operators to guide their work as funding becomes available.



Figure 6: A portable sawmill at work in WNC. (Andy Bennett photo)

# Appendices

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## Appendix One: February 2009 Workshop Agenda

### **Local Forest Products: New Enterprises and New Markets**

A workshop for forest land owners, farmers,  
forest professionals, and policy makers

9:00-3:00 on Friday, February 13, 2009

At Land-of-Sky Regional Council

339 Leicester Highway

Asheville, North Carolina 28806

Directions at: [www.landofsky.org/mainlinks/contact.html](http://www.landofsky.org/mainlinks/contact.html)

(828) 251-6622



Economic uncertainty is nothing new to farm and forest operators. This workshop explores a range of emerging forest enterprises that may help land owners improve revenues from their forest land. It also explores ways for producers to connect with local buyers to capture a larger share of value of their forest products.

### **Workshop Agenda**

#### **9:00 Welcome and Introduction**

Susan Fox – USFS Southern Research Station

Gerry Cohn – American Farmland Trust and Organic Valley Cooperative

#### **9:10 Forest Products Opportunities Panel**

Wider use of yellow poplar – Phil Araman, Virginia Tech Forest Products Center (USFS, Blacksburg VA)

Woodland herb production - Jeanine Davis, NCSU, Horticulture Science Department, Mills River

Carbon credits – Mark Megalos, NCSU Forestry Extension, Raleigh

Forest energy production – Dennis Hazel NCSU Forestry Extension, Raleigh

#### **10:30 Break**

#### **10:45 Marketing Panel**

Forest Co-ops – Harry Groot, Blue Ridge Forest Cooperative, Hiwassee, Virginia

Appalachian Sustainable Agriculture Project – Charlie Jackson, Asheville NC

Community Supported Forestry - Ian Snider, Mountain Works Sustainable Development, Boone NC

#### **LUNCH 12:00 – 12:30**

#### **12:30 Forest Practitioners Panel**

Regional timber production - Ed Hicks, consulting forester, Asheville

Sustainable Forestry and Poplar Bark Shingle Production -Chris McCurry, Highland Craftsmen Inc, Spruce Pine

Silvatourism – David Kendall, NCSU, Madison County Extension Service, Marshall NC

On-farm logging and milling – William Hamilton, Hickory Nut Gap Lumber, Fairview NC

Horse logging and milling – Andy Bennett, Doubletree Logging and Milling, Marshall NC

Forest Herbs - Richard Bonsteel, Appalachian Ginseng Farms, Otto NC

## 2:45 Audience Advice on Forest Policy

Share your thoughts on comment cards

or

Directly to workshop organizers on:

- Barriers to forest products production
- Lowering the barriers
- The best idea from today

## 3:00 Adjourn

### Thanks to Our Sponsors:

USFS– Southern Research Station   American Farmland Trust   Land-of-Sky Regional Council  
Buncombe County Soil and Water Conservation District



**Figure 7: A Biological Woodsman at Work** (Source: Ian Snider, The Healing Harvest Coalition )

## **Appendix Two: Workshop Materials**

The workshop handouts and materials are available at

<ftp://www.landofskygis.org/Local%20Forest%20Product%20Workshop%20Files/>

and presented below in the same order as listed in the agenda:

Phil Araman  
Jeanine Davis  
Mark Megalos  
Dennis Hazel  
Harry Groot  
Charlie Jackson  
Ian Snider  
Ed Hicks  
Chris McCurry  
David Kendall  
William Hamilton  
Andy Bennett  
Richard Bonsteel

Please refer to the agenda in appendix one for more information on the topics and affiliations of the speakers.

## **Appendix Three: Forest Products Marketing Approaches**



**The next generation appreciates sustainable forestry**  
(Photo from Ian Snider, Mountain Works Sustainable Development)