

Maintaining Wisconsin's Forest Based Economy



OUTCOMES

Champion: Brent English
Lead Facilitator: John Haack
Total number of participants: 55

Priority Actions

Short Term Actions:

- Preliminary numbers indicate a shortage of available timber.
ACTION: Increase the present efforts to work with NIPF to manage their timber lands in a sustainable manner.
- Need to secure funding for the “Center for Sustainable Forestry Businesses” that the Governor announced.
ACTION: Increase efforts to redirect forestry mill tax to its appropriate purpose--assisting forestry.
- Mill tax continues to be misappropriated
ACTION: Increase efforts to redirect forestry mill tax to its appropriate purpose--assisting forestry
- Need broader implementation of Green Tier.
ACTION: Continue support of the present pilot study in the application Green Tier.

Longer Term Actions

- There is a loss of loggers: “We don’t have loggers to move product from the stump to the mill.” – Gene Francisco
ACTION: Work with the Professional Loggers Association to support the Master Loggers Certification Program.
- Wood based energy needs to overcome perceived environmental issues.
ACTION: Continue support of the Wisconsin's Council of Forestry's Biomass Task Force.

- Electricity costs in Wisconsin used to be near the lowest in the US, we are now the highest in the Midwest, adversely affecting the competitiveness of Wisconsin paper mills.
ACTION: Increase efforts to increase the use of in-state alternative power production.
- Lack of re-investment in infrastructure – not just transportation, but more specifically capital equipment investment at the paper companies.
ACTION: Continue to work with the industry, including the transportation industry, to remove barriers that reduce the re-investment in infrastructure.

Indicators of Success:

- Increase in available and sustainable wood supply
- Improved Wisconsin's business climate
- Increase compliance of existing MFL forest plans
- Reduce transportation costs
- Increase in reliable energy
- Increase in the number of certified master loggers
- Reduction in the loss of forestry businesses
- Certification of NIPF

Perceived obstacles/barriers

- Lack of funding due to the misappropriation of the Forestry mill tax.
- Lack of understanding by legislators and citizens of the importance of a forest products industry to the health of our Wisconsin forests and the state's economy.
- Lack of funding for the new Center for Sustainable Forestry Businesses

Resource needed to achieve action

- Support of MFL and certification programs
- Support of "Master Logger Certification" program
- Support of Woodlinks (high school tech ed program)
- Support of Center for Sustainable Forestry Businesses

Committed Individuals

We asked participants to identify themselves for further involvement. They are:

- Al Hastreiter, Michigan-Wisconsin Timber Producers Association
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- Teague Prichard, WDNR
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- Roger Nacker, WEDI
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- Anne F. Archie, USDA FS – Chequamegon-Nicolet NF
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- Earl Gustafson, Wisconsin Paper Council
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- Sally Kefer, WDNR
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- Gary Halpin, Riverside Sawmill, Inc.
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- Joe Timmerman, Midwest Forest Products Co
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- Wendy Hinrichs Sanders, Great Lakes Forest Alliance, Inc.
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- Lynn Wilson, Plum Creek Timber, Co
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- Bill Johnson, Johnson Timber Corp.
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- Warren C. Gaskill, Rapid Improvement Associates, LLC
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- Glen Stanosz, UW-Madison, Plant Pathology/Forestry
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Participant Comments:

Regarding globalization issues:

- “What we’re here to do is come up with innovative ideas of how to compete with other countries.” – Troy Brown

Regarding regulation:

- “We need regulators to be enablers, not inhibitors.” – State Representative Donald Friske
- “It is imperative that legislation does not limit access to property.” – Troy Brown

Regarding the supply of human capital:

- “We don’t have loggers to move product from the stump to the mill.” – Gene Francisco

Regarding the current administration:

- “This governor, who is a Democrat, has done more for business than his predecessors, which is interesting.” – State Representative May Hubler
- “The governor, with the Jobs Creation Act and other legislation, sends a message to businesses outside of the state that says that we (WI) are open for business.” – State Representative Donald Friske

Other:

- The mill tax is not being used per legislative intent, This was set up in 1936 for long term to keep funding for forestry issues sustainable.
- The entire manufacturing economy is under assault from free trade – how do we address the manufacturing costs like health insurance, workers comp and taxes?
- We need to keep more of the economic value of forest products in rural communities and provide greater economic incentives for sustainable production.
- We must mandate industry to invest in Sustainable Forestry Initiative because consumers have little understanding or appreciation of certified wood and ultimately are unwilling to pay a higher cost for certified wood.
- With high rates of certification and the potential of developing a biofuels based industry, how does Wisconsin develop a plan to market its products as green and preferable?
- How can we ensure an adequate supply of trained, reliable and profitable timber producers in Wisconsin?
- Need incentives for small, rural based wood energy – Can the forest products industry in Wisconsin become a net producer of electrical energy?
- What can be done to help lower transportation costs?

Partnerships Forged:

Pat Schillinger (called by some “a breath of fresh air”) of the Wisconsin Paper Council brought up the subject of a combined group of state associations – a concept whereby all forestry related associations could join forces and work on common goals and issues. This was a very forward move on the part of the Paper Council and should be investigated further.

There were a lot of land managers and private landowners in the group who gained understanding that maintaining a healthy forest means maintaining a healthy forest economy. Through the survey, the group was asked to identify themselves for further interaction. They are listed above.

There was good representation from the landowners, loggers, primary and secondary processors and end users. Specific areas that were underrepresented include veneer producers, smaller sawmills and alternative products like mushrooms and ginseng.

Connections to other Themes:

- ALL of the other issues tie into the economy.
- Specifically, parcelization and urbanization, followed by invasive species seem to be the most significant issues.

Summary

The objective of prioritizing major issues was accomplished, though much work remains to be done in addressing these issues. Securing funding and naming of a director for Center for Sustainable Forestry Businesses will be important first steps.

Other:

- There was little interest in any type of R&D. People wanted action, not research.
- There was strong support for the Governor's announcement about a biorefinery consortium, and many people wanted to know more.
- The session's agenda was never published in the conference materials, and that may have self-sorted our audience. Smaller producers need to have a reason to take a day away from work and this wasn't given for our session, or none of the others for that matter.
- Having a presentation from Tourism was tangential to the theme. A better speaker may have been Dave Marcouiller, Dept. of Urban and Regional Planning at UW-Madison, and co-author of "Forests and Regional Development"
- Roger Nacker's "Wisconsin's Forest Products Industry Business Climate Status Report" should be required reading for members of this team going forward.

Maintaining Wisconsin's Forest Based Economy Issues Survey

November 9, 2004

Please mark with an X your top three (3) issues.

X	Issue
7	How can the impact of increased regulations on small forest businesses be reduced?
6	How can the complexity and delays of forestry permitting processes be reduced to better meet the needs of Wisconsin's forest industry?
18	How can the business climate in Wisconsin be improved for the forest industry?
6	Who should the forest industry turn to for help to survive and thrive?
4	How can tax incentives for Wisconsin's forest industry be improved?
1	How should new forest industry research and development be financed?
19	How can a plentiful and suitable timber supply for the states forest industry be assured?
16	How can forest management of Non-Industrial Private Forests be improved to meet the needs of a sustainable and robust Wisconsin forest industry?
1	How can the electrical grid inside the state be improved to provide needed and affordable energy to the forest industry?
10	How can a reliable energy supply, over time, be achieved?
2	How can a reliable source of capital for Wisconsin's forest industries be achieved?
12	Other forest industry issues: <i>Examples written in include Transportation and Tourism. Please see the .PDF file of all the completed surveys for actual comments.</i>
<input type="checkbox"/>	Question you would like to ask the panel? <i>Please see the .PDF file of all the completed surveys for actual questions</i>
<input type="checkbox"/>	I would like to actively participate with the Wisconsin Council on Forestry to help maintain Wisconsin's Forest Based Economy. My contact information: Name: _____ <i>Please see the list in report for those that identified themselves, as well as the .PDF file of the survey results.</i> ____ Affiliation: _____ Address: _____ Phone: _____ Email: _____

Thank you for your input