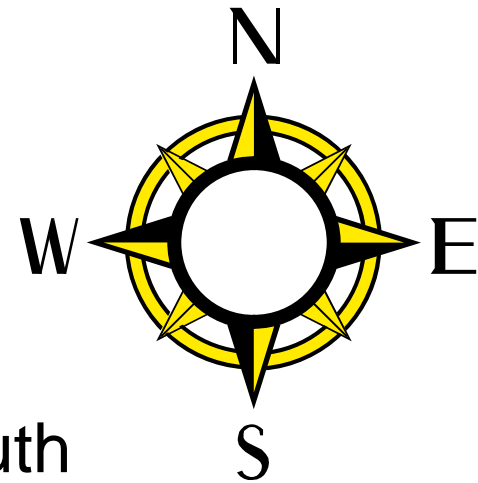


Forest Certification: Case Study of a Combined Research and Outreach Effort in the Southeastern United States

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Outline



- Challenges facing certification in the South
- Describe certification project
 - Research component
 - Extension/outreach component
- Landowner survey results
- Home retail center survey results
- Where we are now
- “Take Home” messages



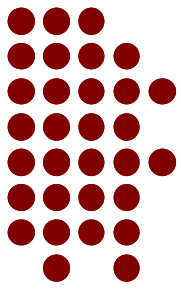
Location Map of MISSISSIPPI



Challenges with Forest Certification in the South

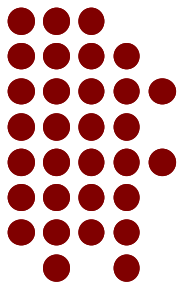
- Most certification systems designed for large landowners (industry, government, NGO)
- Ownership dominated by 4.9 million PNIF landowners holding 71% of the forestland.
- PNIF landowners are concerned about costs & benefits of certification
- Unclear where the home retail sector sees forest certification heading

Research/outreach effort begun in LA and MS



- Research consisted of 2 mail surveys
- Research objectives
 - The landowner survey--how well PNIFs understand forest certification and overall perceptions of the certification environment (2,000+ surveys).
 - The home center survey--perceptions of current and future forest certification trends, as well as certification systems deemed “acceptable” to them both now and in the future (500 surveys).

Research/outreach... (cont'd.)



- Outreach objectives
 - Conduct 6 landowner workshops on certification
 - Prepare a “Forest Landowners Guide to Forest Certification in the South”
 - Develop appropriate material on forest certification for a variety of outlets
 - Develop and maintain a joint web site on forest certification

Results-Certification NIPF Landowners in Louisiana & Mississippi



Results – NIPF Landowners

Percent of Respondents

	Strongly Disagree	Somewhat Disagree	Neither Disagree Nor Agree	Somewhat Agree	Strongly Agree
I understand the concept of forest certification	8%	8%	36%	27%	20%
I believe forest certification can improve the forestry profession in the US	9%	5%	30%	30%	26%
I believe consumers will pay a premium for certified wood products	15%	12%	36%	21%	16%

Results – NIPF Landowners

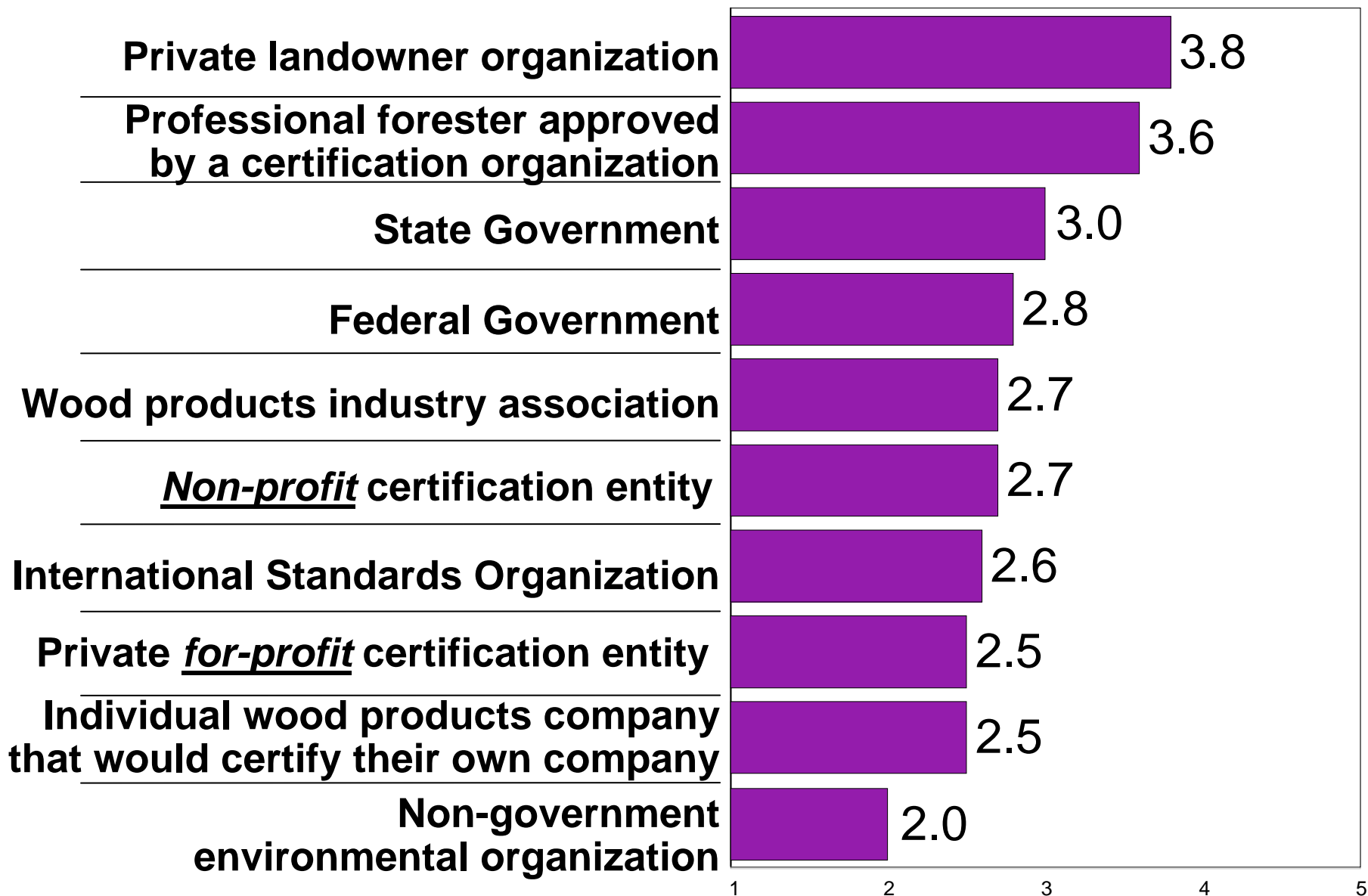
(1=strongly disagree;3=neither disagree nor agree;5=strongly agree)

	Strongly Disagree	Somewhat Disagree	Neither Disagree Nor Agree	Somewhat Agree	Strongly Agree
I question the willingness of the public to support certification.	3%	6%	40%	27%	24%
Consumers are confused by the number of certification organizations that exist.	3%	5%	42%	22%	27%

Results – NIPF Landowners

Level of Trust to Administer Forest Certification

(1=trust least;5=trust most)

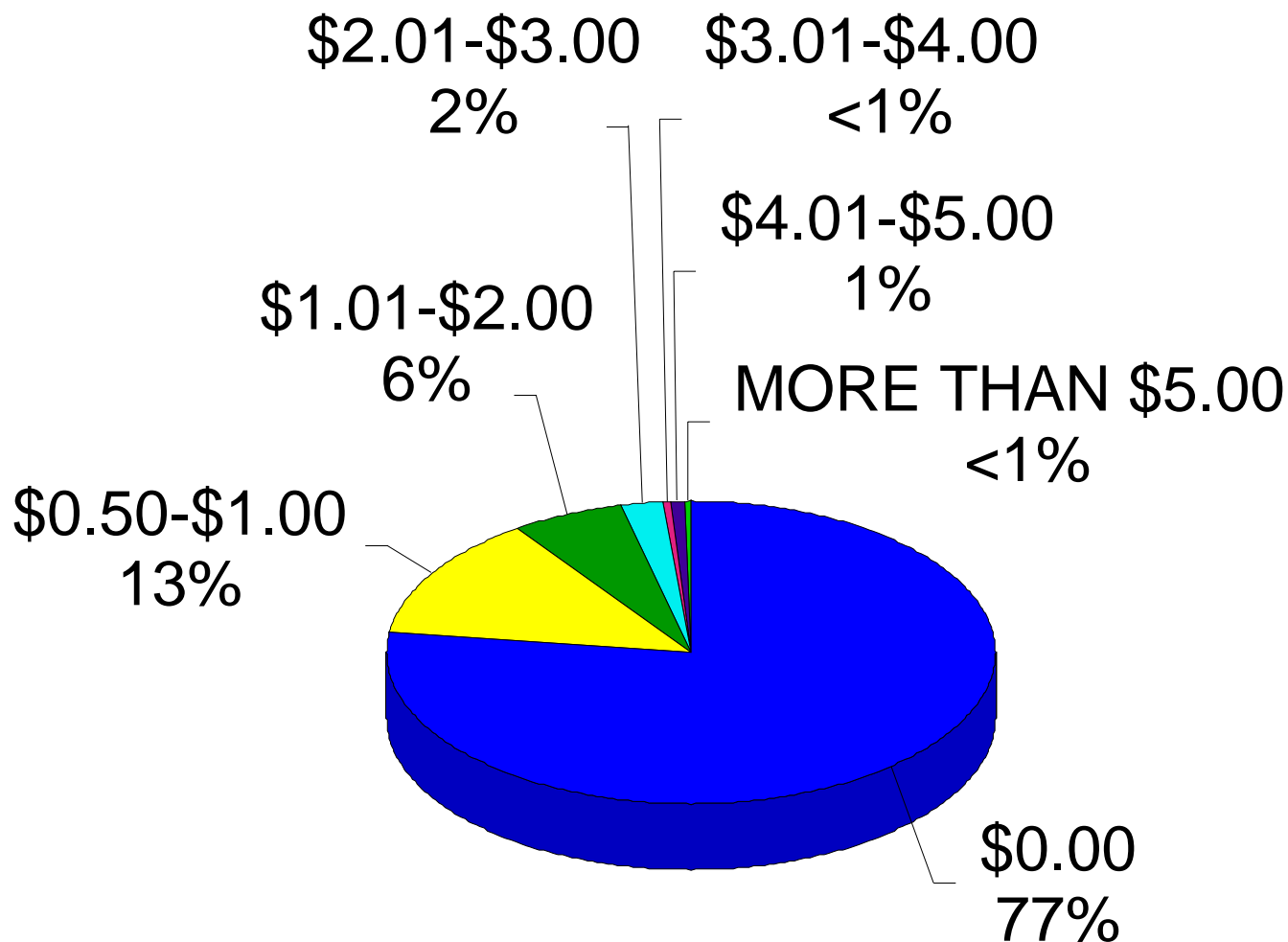


Results – NIPF Landowners

Amount Per Acre Respondents are Personally Willing to Pay for the Costs of Certification

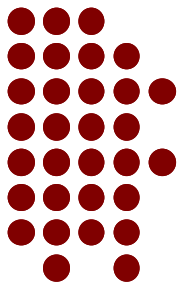
Percent of Respondents

(n=541)



Results-General Profile
US Home Center Retailers

Home Center Retailers



- Repair and remodeling accounts for the second largest wood products demand segment in the U.S. after new home construction.
- Top 500 home center retail sales was \$217 Billion in 2004* (larger than GDP of Ireland, just below Greece)
- Lumber & plywood accounted for the greatest share of top 500 home center category sales (17.6%) in 2004.

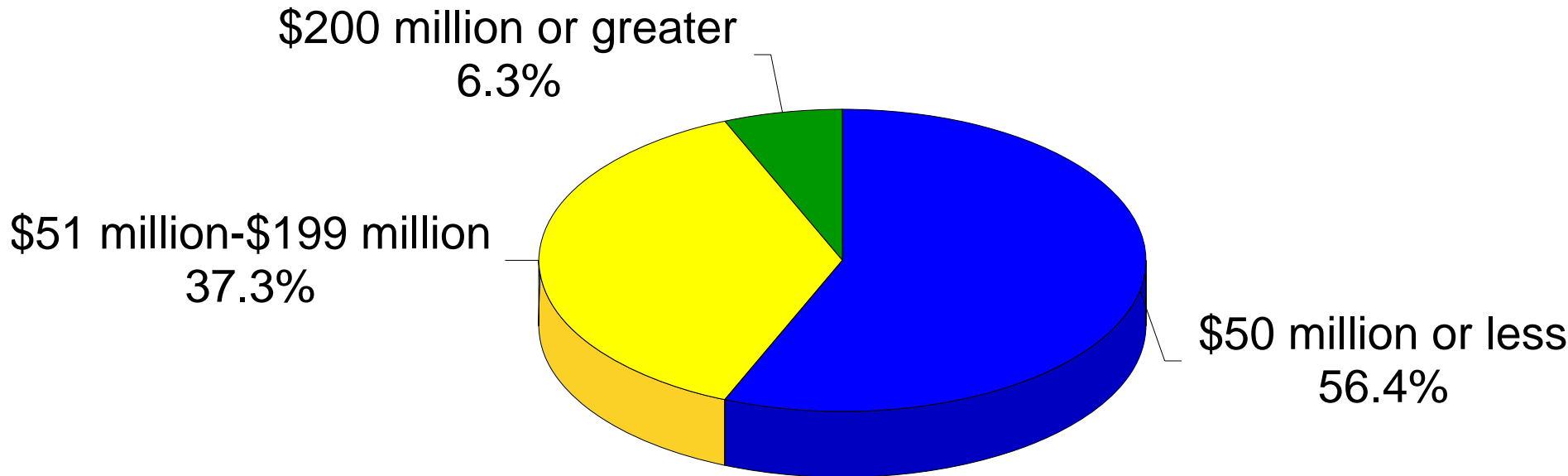
* The year for which study data were collected

Results – Home Center Retailers

Sales in 2004

Percent of Respondents

(n=126)

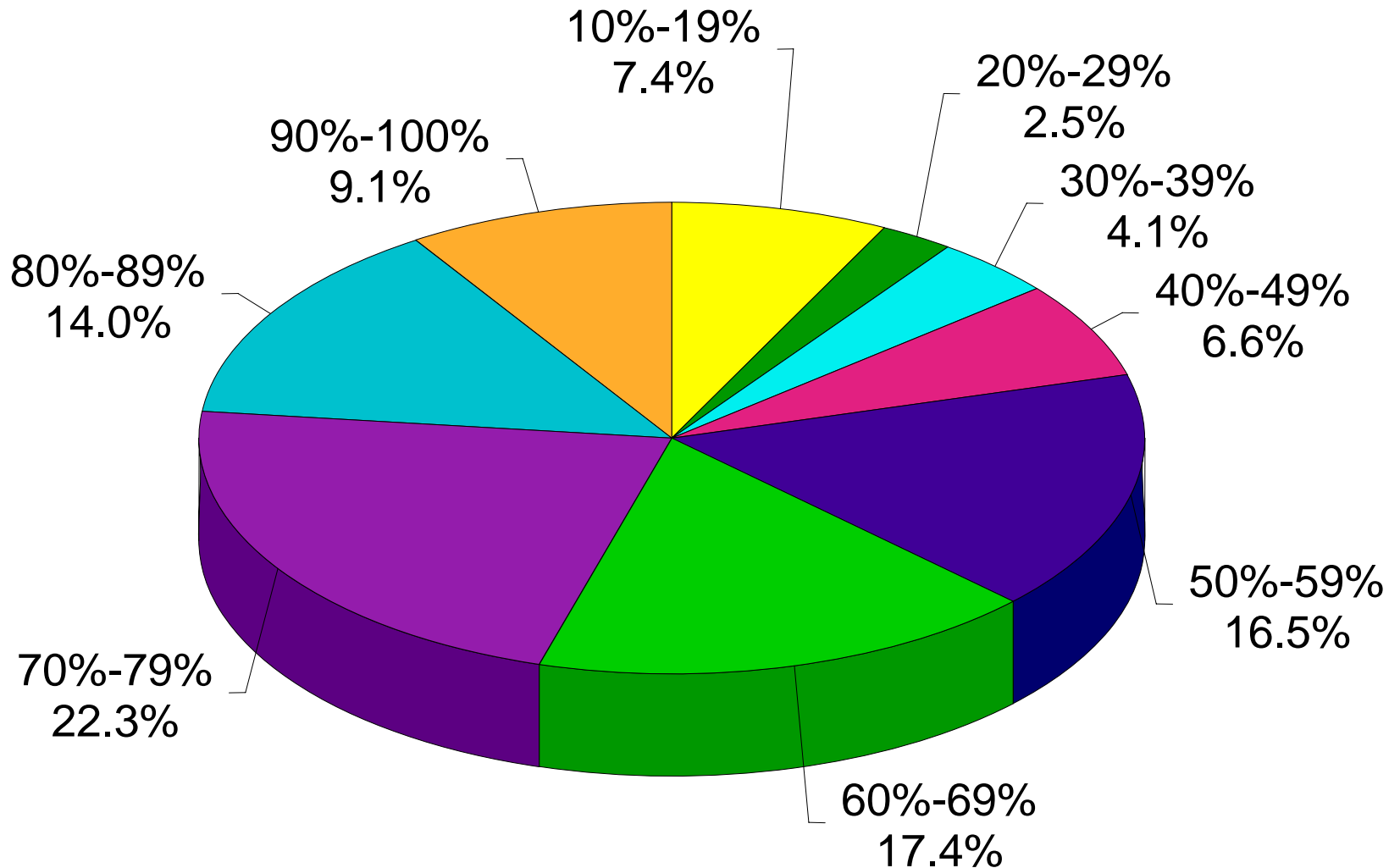


Results – Home Center Retailers

Percent of Sales Attributed to Wood Products in 2004

Percent of Respondents

(n=121)



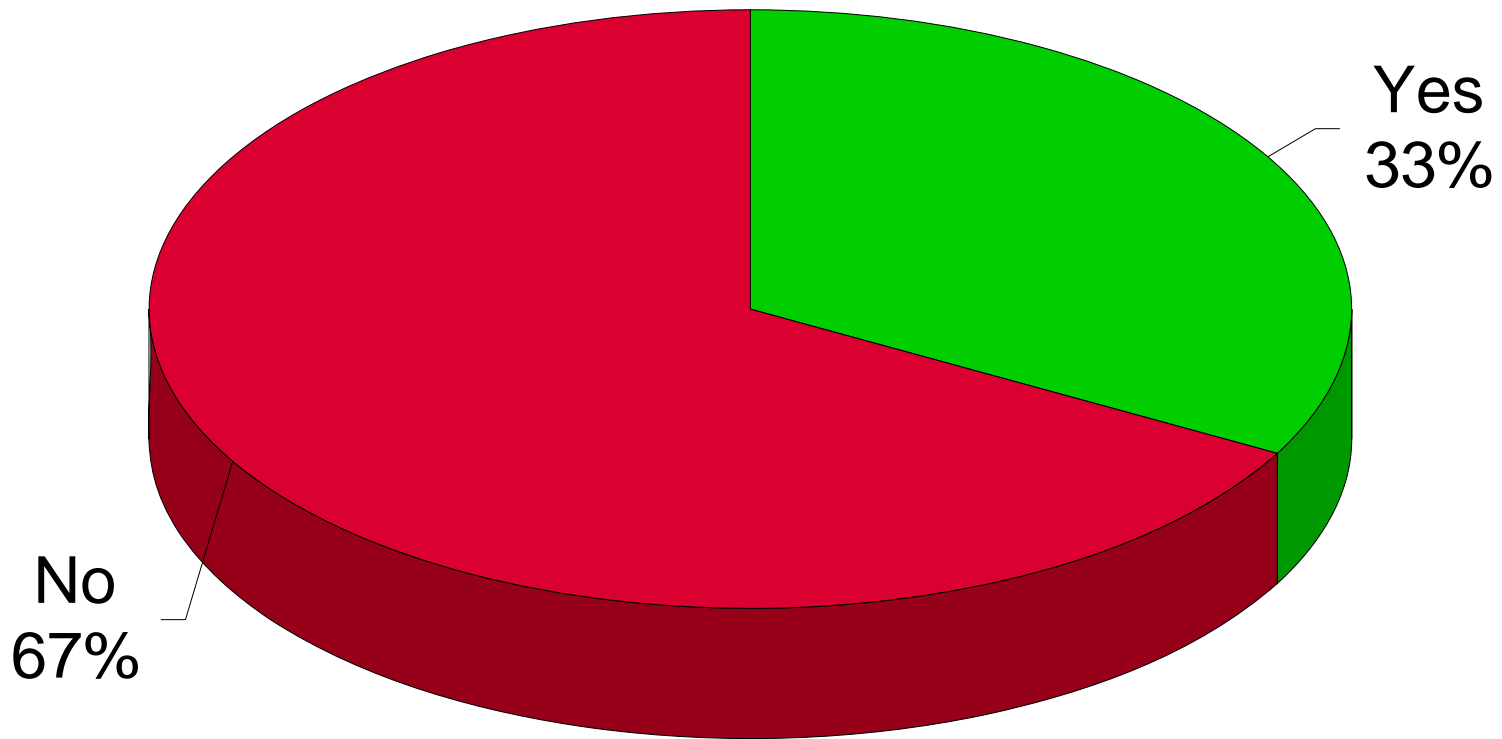
Results-Certification
US Home Center Retailers

Results – Home Center Retailers

Does Your Company Sell Certified Wood Products?

Percent of Respondents

(n=123)

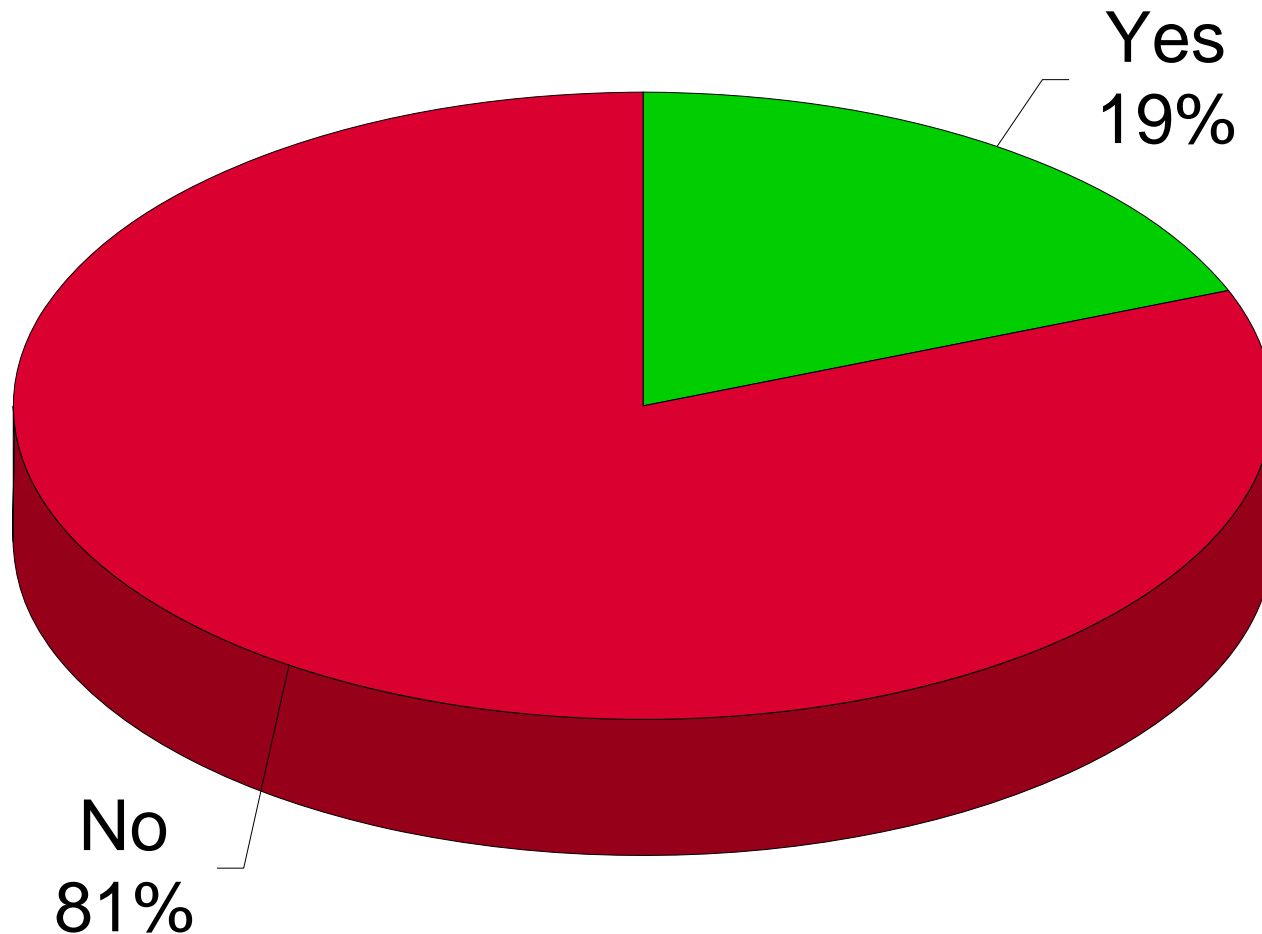


Results - Home Center Retailers

If Your Company Does Not Sell Certified Wood Products, Do You Plan to Do So in the Future?

Percent of Respondents

(n=72)



Results – Home Center Retailers

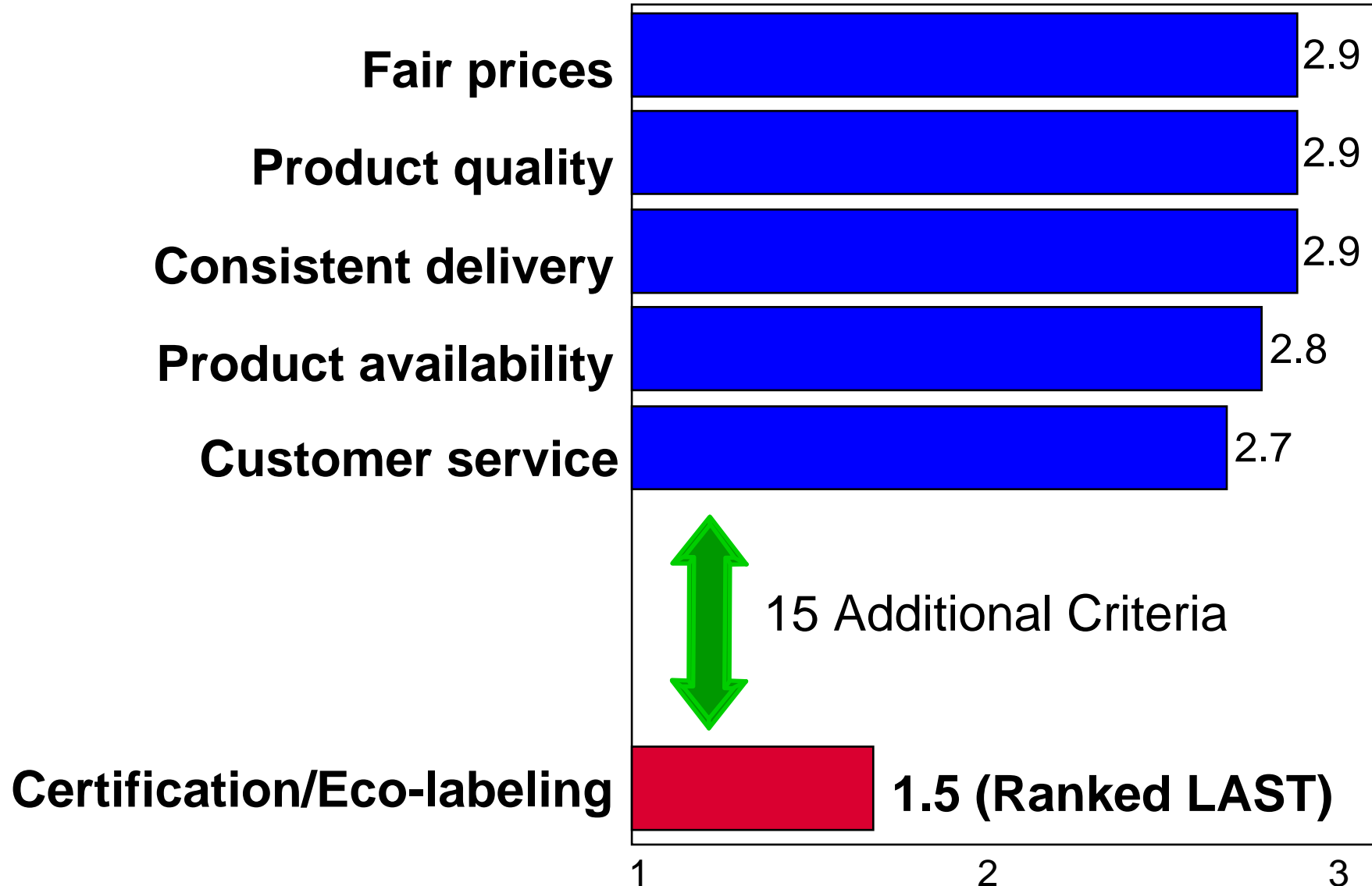
Why did your company enter into the certified wood product market?

Percent of Respondents-Multiple Responses Possible
(n=41)



Wood Product Supplier Selection Criteria

Scale: 1=not important at all; 2=somewhat important; 3=very important

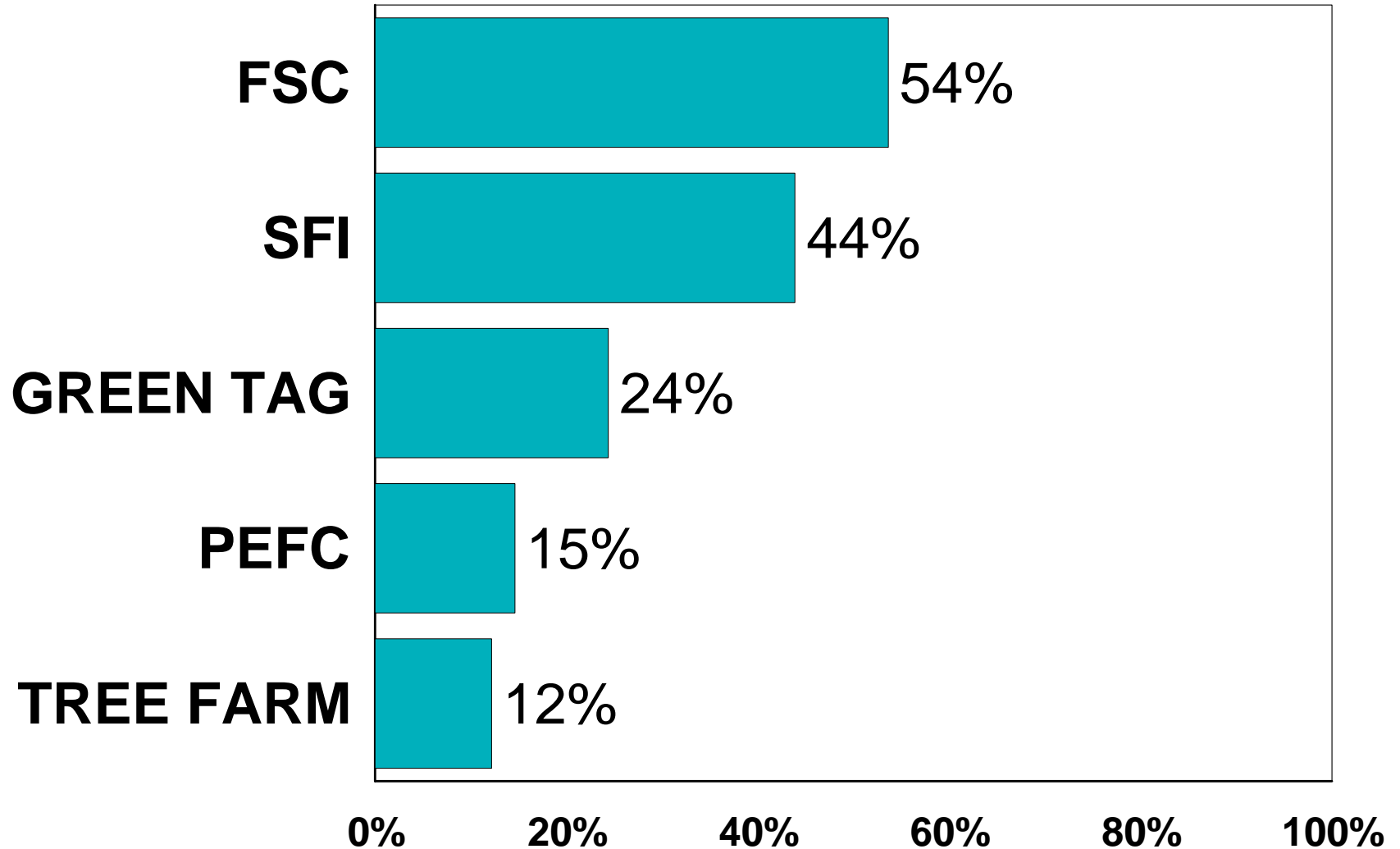


Results – Home Center Retailers

Which Certification Schemes Does Your Company Accept?

Percent of Respondents-Multiple Responses Possible

(n=41)

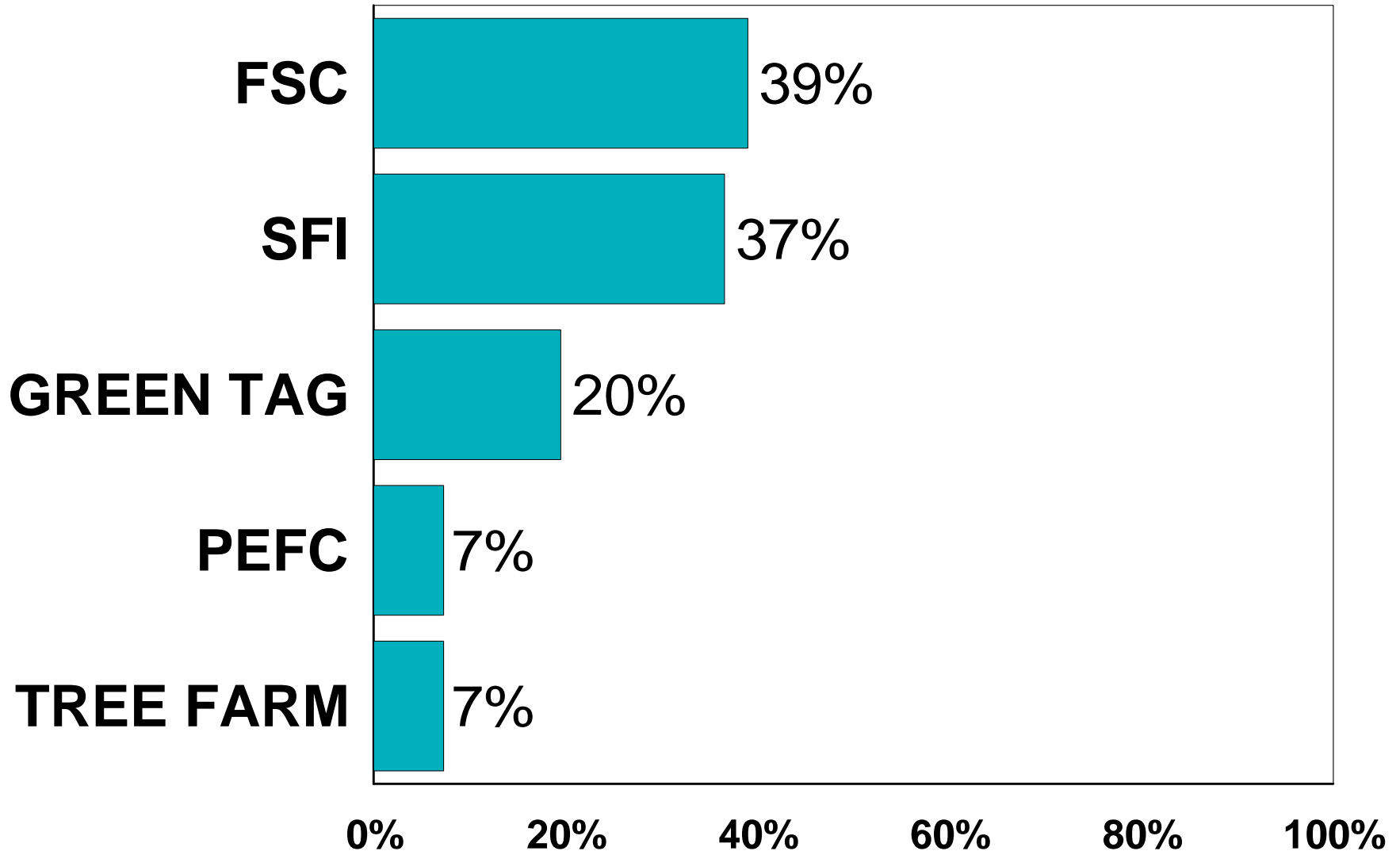


Results – Home Center Retailers

Which Certification Schemes Does Your Company Prefer?

Percent of Respondents-Multiple Responses Possible

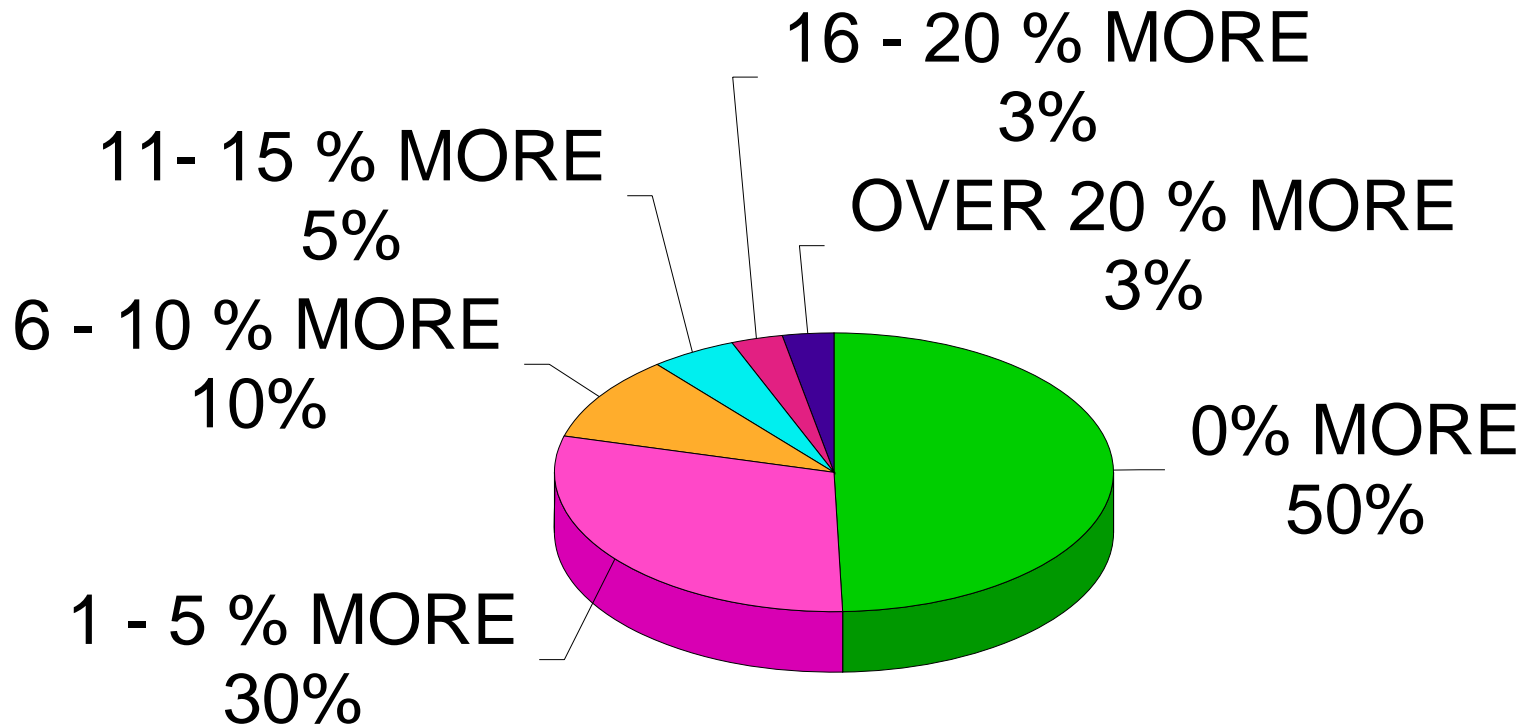
(n=41)



Results – Home Center Retailers

On average, how much more does your company pay for certified wood products relative to comparable non-certified wood products?

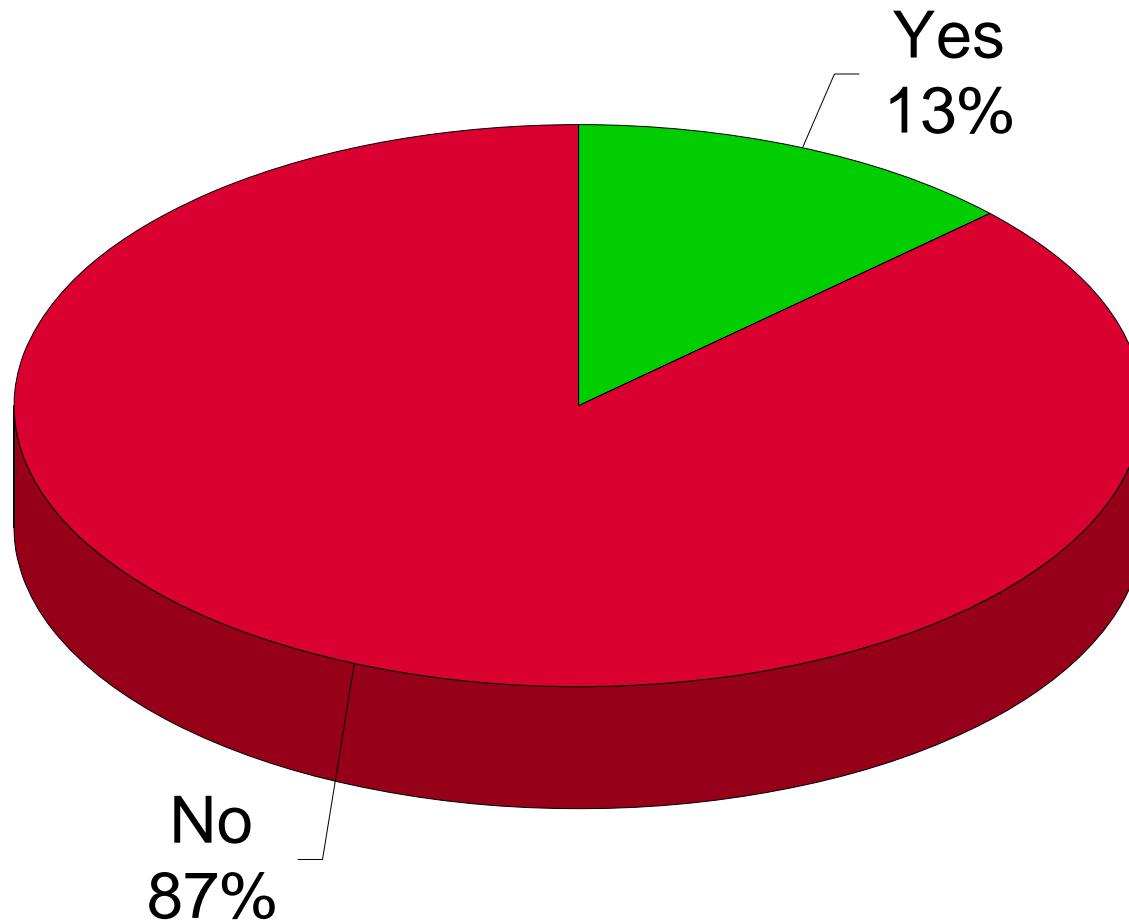
Percent of Respondents
(n=40)



Results – Home Center Retailers

Has your company ever requested that your non-certified wood suppliers become certified?

Percent of Respondents
(n=39)

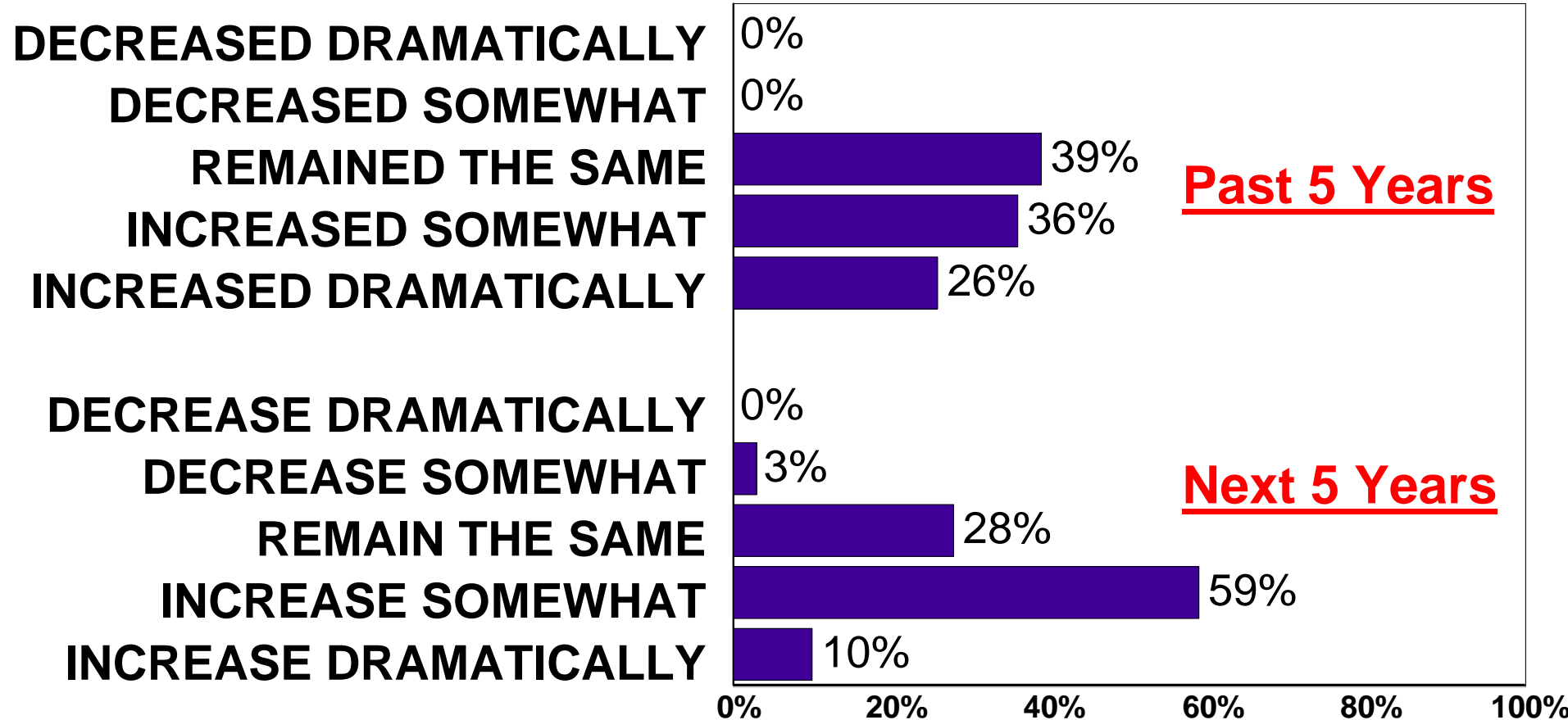


Results – Home Center Retailers

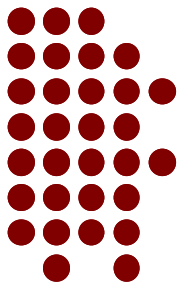
How did the percent of sales of certified wood products sold by your company change in the past 5 years and how do you perceive the percent of sales of certified wood products sold by your company to change in the next 5 years?

Percent of Respondents

(n=39)

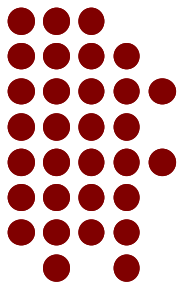


Where are we now?



- 6 workshop were conducted; 3 in Louisiana and 3 in Mississippi. General format:
 - Overview of forest certification
 - Landowner and home retail center perceptions
 - Comparison of certification systems
 - A landowners perspective
 - A forester's perspective
 - Next steps for landowners interested in becoming certified

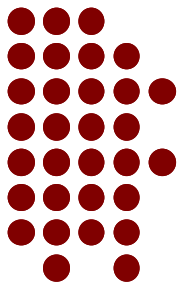




Where are we now (cont'd.)

- Landowner's Guide to Forest Certification in the South—Drafted, in review
- Publications in various formats
 - Home retail center survey—in print
 - Landowner survey—in print
 - Landowner magazines—in print and draft
 - News releases, other outlets
- Joint LSU/MSU web site on forest certification—Drafted, in review

Who uses certified wood?



- Companies
 - Home Depot, Lowes, Time, Inc., Bank of America, Toyota, Starbucks, Nike, McDonalds, Office Depot
 - Corporate customer are increasingly demanding certified wood from companies that no longer own and manage forestland
- Green Building Council (LEED)
- Governments and Municipalities
- Harry Potter (8.3 MM copies sold in U.S. in first 24 hours)

Summary

•Landowners

- Opinions unclear on many certification issues
- Trust landowner organizations to oversee certification most, environmental NGOs least
- Certification costs are a major concern

•Home Retail Centers

- Two-thirds do not sell certified products
- Price, quality and consistency are key reasons for selecting forest products
- FSC and SFI are most recognized systems
- No strong premium paid for certified wood
- Retailers selling certified wood anticipate increase in sales of certified wood in the future

Questions?



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