

The Allegheny Society of American Foresters Annual Meeting

The Challenge of Maintaining Working Forests in 21st Century America

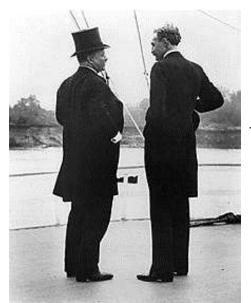
Presented by: Amos Eno February 17, 2012

1. Thank you. The precipitating event to my presence here today occurred early last summer when we received a copy of Robert Williams' superb educational video: A Working Forest. Everyone in our office (a dedicated staff of just five people) viewed the video and we were uniformly impressed, and unanimously agreed to add it to our national and state websites. So, I called Bob Williams to compliment him, and heard his saga of sending out several thousand copies with little response and market acceptance, although I gather over 30 forestry colleges and tech schools are now showing the video. I pondered that scenario for a week, and concluded that the video is excellent in stating a contemporary issue warranting attention, policy reformation, and for jaw boning public attitude adjustment on a broad scale. The problem with the video is that it did not conclude with an actionable agenda of implementable policy and investment options, nor the necessary propellants to change public attitudes and behavior.

So, today I want to take a look at that, and give you – without presuming to bring coal to Newcastle – a positive frame of reference for forestry at the beginning of the 21st century in the U.S.

As my resume attests, I have worked in conservation for over 40 years. I thought about this speech while lighting a fire at home over Christmas, and it occurred to me that during the entire history of my working life, the forestry profession has been much stigmatized and beaten up by the environmental movement; it has received a consistent tumble of derogatory characterizations for the past 40 years. How did this come to be?

After all, forestry was in the forefront of conservation, the solid ground floor edifice of the Roosevelt-Pinchot conservation skyscraper built at the turn of the 20th century. I know you are all foresters, but surely you recollect the Beatle's "Magical Mystery Tour?" Today, I want to go back to our conservation forefathers of Pinchot and Roosevelt and chart a "Magical Forestry Tour" for America in the 21st century – and, I'll conclude with specific recommendations, including further encouraging dissemination of Bob Williams' film.



Let me share with you some thoughts that have been smoldering for 40 years. Put on your apostasy flak jackets...Looking at <u>today's</u> forestry world in the United States Uncle Gifford (yes, he is actually a

great uncle, his younger brother was Amos Eno Pinchot) would be turning over in his grave or beating the cloud ceiling with his cane in protestation. The USFS has gone from the spearhead of the environmental movement before WW1 under Pinchot and Roosevelt, to the shaft under Clinton and Obama, (recent administrations?) and it has been the whipping boy of the environmental movement for the past 40 years. What accounts for this status quo and persistent environmental flogging?

I started work at the Interior Department in January 1973, less than a year after President Nixon's 1972 environmental message, which proclaimed: "at the dawn of the twentieth century, almost as a voice in the wilderness, President Theodore Roosevelt proclaimed an environmental ethic for America. He said "I recognize the right and duty of this generation to develop and use our natural resources; but I do not recognize the right to waste them, or to rob, by wastefulness, the generations that come after us." This quote comes from Roosevelt's famous 1907 Governors' conference – the only documentally effective White House conference on conservation, wherein he concluded: "let us conserve the <u>foundations</u> of our prosperity." His clear inference

Let me point out that now, a century later, it is working forests, <u>not</u> wilderness areas and parks, that are the prospective foundations of our prosperity in the 21st century. Pinchot, in his book The Fight for Conservation

here: foundations of prosperity come from forestry.

Resources First Foundation

laid out his "principles of Conservation: the first great fact about conservation is that it

stands for development" (his old- fashioned lexicology is not referring to housing developments courtesy of 20th century icons Freddie and Fannie) but he is referring to utilizable forest. "In the second place, conservation stands for the prevention of waste…".

Let's have a little fun here with the environmental juggernaut and take a few whacks at the piñata, and call a spade a spade. Most of our western forests today are a gross waste. They suffer from a century of fire protection (the adoption of Smokey Bear, well-intentioned but a form of ecological seppuku in the real world, an overburden of regulation and wilderness designations that has turned once glorious forests into tinder kegs of off-limits timber.

Back to Pinchot: "The third principle is this; the natural resources must be developed and preserved for the benefit of the many, and not merely the profit of a few."

Obviously times have changed and we no longer need to protect our forest resources from the clear-cutting timber barons of yore. And since, listening to me, you have all fastened on your environmental apostasy flak jackets, let me point out that I think forestry today suffers from the tyranny of metropolitan America, an urbanized society that can hardly tell a tree from a cactus. And although these metropolitan folk may not be "few" in their 100 millions, their viewpoint and adhesion to unreality of forest management makes them intellectually puerile and cretinous from a rural, cultural and economic perspective. Let me give you an example: an article in Conservation

Magazine (11/01/2011) entitled How Fragmented are forests in the Eastern United

<u>States</u> begins with the statement: "The once unbroken forests that once stretched across vast swaths of North America are mostly gone, broken into pieces by cities, roads and farms." Well, guess what? Anyone here read <u>Charles C. Mann's 1491</u> and his excellent sequel <u>1493</u>? Mann has compiled voluminous research showing that Pre-Columbian forests were not "vast unbroken forest," but in fact heavily patched forests, interspersed with prairies and openings. Our AmerIndian predecessors managed forests with fire on a vast scale unheard of until documented by recent research. If we had not decimated 95-plus percent of the Amerindian populations with European diseases, these patchy forests would have survived, and we might have learned something from the vast role of Amerindian fire management.

Another book to which I commend your attention is <u>Tending the Wild</u> by M. Kat Anderson_on native American management of California's natural resources. She writes: "I hope that greater understanding of the stewardship legacy left us by California Indians will foster a paradigm shift in our thinking about the state's past and the necessity of prescribed burning today." The Autumn 2011 issue of National Woodlands features top ten family forest issues which highlights "Keeping Forests as Forests: eight out of ten Americans now live in urban metropolitan areas, and all of them benefit from forests whether they know it or not. Working forests are those that are managed to (1) increase water yield, (2) provide sustainable harvests of wood for large and small companies, and (3) and protect a biodiversity, wildlife habitat and beauty."

Pinchot concluded his principles with two sweeping statements that I have always liked. First, "conservation is the application of common sense to common problems for the common good." Simple, direct, and a lot of leaving leeway for on-the-ground application, as opposed to academic or Sierra Club proselytizing. And, second "the success of the conservation movement in the United States depends in the end on the understanding the women have of it." I have always believed that. When I ran NFWF, 65% of my staff was comprised of women. The number one market audience that industrial and non-industrial foresters need to target and reach out to, and move to more understanding with, is the women of the United States. If you are to build a marketing program such as American Farm Bureau and National Cattlemen's Beef Association in their new Farmers and Ranchers Alliance Farm to Market initiative, I would do the same thing to promote working forests awareness in the United States.

Federal Land Holdings



But, enough history – let's go from the "Way Back Machine" to some of the marvelous examples of successful conservation and working forests that are occurring now and in the last decade.

However, to understand the potential role of forestry in the 21st Century you need to understand the underlying facts that will determine market and policy development.

3. First 70% of the lower 48 states is still in private ownership. There are an estimated 11 million private forest owners who collectively control 56% of the forest land (423 million acres) in the U.S. (B. J. Butler, Family Forest Owners of the United States 2008). Family forest owners account for 92% of private forest owners and 62% of private forest land (35% of all forest land) in the U.S. Most of these private forest lands

are concentrated in the Eastern U.S. This is your 21st century market and it is heavily concentrated in Southeastern and Mid-Atlantic States. The issues rated as major concerns by family forest owners are



"keeping land intact for heirs, and property taxes." This brings me to the second critical market/policy factor – the demographics of forest owners: they are old, on average almost 70 years of age. This is a superannuated constituency. In the next decade we



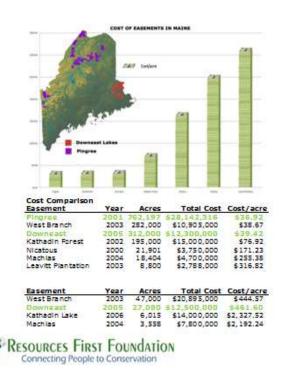
are going to witness the largest transfer of land and wealth in United States history, and nobody is paying any attention to this dramatic, landscape changing demographic.

4. Now let us consider Forest Conservation
Success stories; because I live in Maine and

have bragging rights to investments in two projects there, I'm going to start in the Pine

Tree state. In the late '90s the major environmental donors noticed that most of the major integrated lumber companies were leaving Maine and with the help of significant piles of federal dollars they underwrote a number of forest protection projects. Great

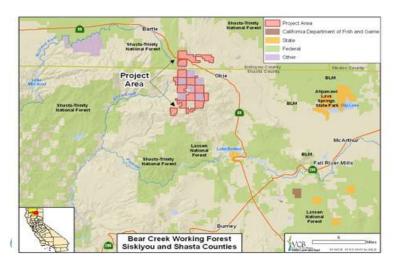
on. Did you know that one-third of
Maine's protected landscape was put
into the conservation column between
2001 and 2005? 1.1 million acres in
just two projects: The Pingree
Conservation Easement, 762,000
acres, and the Downeast Lakes
Conservation Easement, 342,000



acres. These were both working forest easements wherein the development rights were purchased for respectively \$37 and \$39.42/acre, roughly one half to one quarter of the going rate of most of the other forest conservation projects which typically relied on 50% or more federal funding. Pingree and Downeast were 90% privately funded and these forest lands today pay taxes, support working forest jobs and send wood to mills in rural Maine. To me, these two projects, which were anathema to many in environmental circles because the land stays in private ownership and is still a working forest, represent the future of forest conservation in the US. We need jobs in rural America. We do not need environmental management prescriptions on every square

mile of forest. Much recent research and management also demonstrates that forest harvest, including clearcuts, enhances wildlife habitat. For example, in Maine clearcuts provided habitat for snowshoe hares which enabled lynx to repopulate Maine forests.

These two projects are still the largest two conservation easements in the U.S. Uncle Gifford would approve, and Teddy Roosevelt would exclaim "Bully!"



4(B) Let's go cross country to

Northern California where just last
month a major West Coast private
timber company, Roseberg, just
concluded a 8,230 acre conservation
easement on the Bear Creek tract on

the slopes of Mt. Shasta in the southern end of the Cascades in the California counties of Shasta and Siskiyou.

Family-owned Roseburg
Forest Products,
headquartered in Dillard,
Oregon, owns 175,000 acres
of FSC certified in northern
California. The Bear Creek
project keeps the land as a

Rear Creek Working Forest Conservation Enament

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Bear Creek Working Forest Siskiyou and Shasta Counties



Bear Creek Working Forest Siskiyou and Shasta Counties

working forest and

"prevents conversion of the
forest to residential and
other uses, keeping the tract
from being broken up into
many smaller parcels.



Looking Northwest at Mt. Shasta (PFT Photo)

Allyn Ford, President of



Roseburg, commented "We believe the future of our company and our industry is in managing our forests for all the public benefits they provide, including sustainable wood supplies, renewable energy, and clean drinking water, habitat for fish and wildlife and increased carbon storage. Conservation easements provide us with compensation for this stewardship, making our business more robust." Roseburg is owner of one of the two remaining sawmills in Siskiyou County. Keith Ross, who worked with Roseburg staff to design this forest easement specifically for Roseburg to underpin the sustainable methods they use to grow the products they need for their manufacturing process, explains: "They clear cut blocks of 20 acres, retaining trees in two acres within the block to protect seeps, unique habitats, and large trees. The remaining slash in each block is then chipped and four native species replanted; they may use herbicide twice, PCT once and then at 20 years old, the trees are free-to-grow to age 65; then the process is repeated. Roughly 30% of the entire 8,200 acres will not be harvested to preserve old growth, riparian zones, and the Pacific Coast Trail corridor."It is no

coincidence that the designer of this forest easement was Keith Ross of LandVest (MA) who was also the architect of both the Pingree and Downeast projects in Maine. You cannot find anyone better to design a working forest easement than Ross.

4(C) For a year and a half now I have been writing with colleague Gregg Elliott, a weekly blog called "Keep Working Lands Working" where we highlight conservation success stories in agriculture, ranching and forestry (see <a href="https://www.eps.com/www.eps

privatelandownetnetwork.org) on the PLN homepage. One of my favorite projects is featured in three successive blogs in December. The project is in Montana, in the heart of our bark beetle infested forests of the Rocky Mountains. The project is called



"Wood for Haiti" and it is the brainchild of
Gary Funk, a music professor at the
University of Montana. When I was at
NFWF, I was always looking for projects
where I could kill two or three birds with one
shot of cash, and Gary's project is

emblematic of working forest conservation tied to rebuilding the most destitute nation in the western hemisphere which is, for all practical purposes, deforested and treeless. "Driving through Helena National Forest last year Gary noticed all the trees that had been decimated by the pine beetle epidemic – up to 70% of lodge pole and ponderosa has been decimated in some areas. It hit him: We've got enough dead standing wood to rebuild the entire country of Haiti." In September 2010 Gary had an epiphany; design

a program that (i) provides relief for the homeless of
Haiti (1.2 million people post-earthquake and
hurricanes), (ii) encourage the Forest Service to begin
restoration of seven million acres of national forest in
Idaho and Montana by removing beetle-killed trees

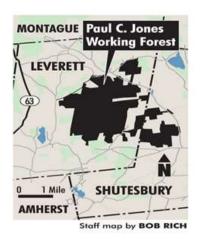


RESOURCES FIRST FOUNDATION

and reforesting; and (iii) beat back the economic recession by creating timber and mill jobs, in addition to the harvest and planting jobs. By God, this is right out of Uncle Gifford's playbook: "apply common sense to common problems for the common good." In Montana alone there are 5 million acres of beetle killed trees and British Columbia has 45 million acres affected! Let's put that wood to use!

(D) On 23 December 2011 an historic conservation project was approved in Massachusetts. W. D. Cowls, Inc., a forest company successfully placed a conservation easement on 3,486 acres of working forest in the towns of Leverett and Shutesbury. The 5.4 square mile area encompasses almost all of Brushy Mountain. W. D. Cowls is Massachusetts' largest landowner. The Brushy Mountain project received \$5 million in Forest Legacy funds. Cinda Jones, who worked for me at NFWF, and is the 9th, generation co-owner and president of W D Cowls, announced "We're obviously in it for the long run and this conservation achievement demonstrates how commercial forest management can complement open space conservation and recreation. My Dad, who died in the past year, was really proud that we were making this happen and I'm

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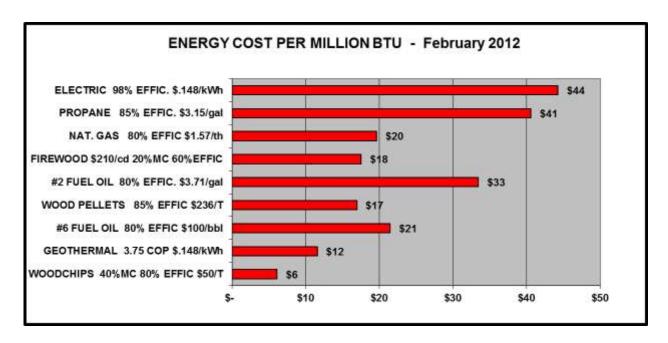




proud that we are naming the conserved forest after him." Like Roseberg in California, W. D. Cowls sold the development rights, but kept a working forest in business. This is the Pinchot standard for protecting 5.4 square miles of forested lands in two towns in one of our most populous states.

4E. In nearby Vermont, the second least populated state where the vast majority of land is forest, largely privately owned and sustaining a vibrant timber industry, a recent PERC (Property and Environmental Research Center) report (24/12/11) by Steven Bick finds: "Vermont has taken the lead in using residual material created during forest management (woody biomass) to heat schools and commercial buildings. Vermont is now home to nearly half of the facilities in the United States using woody biomass for heat. National Life Group Insurance Company in Montpelier has the largest commercial building in the state. It switched to woody biomass heating in 2010, hoping to meet 90 percent of its heating needs with wood. Today, National Life Group is exceeding this goal—at times meeting 98 percent of its heating needs. In its first season, the company reportedly saved \$400,000 in fuel costs. Vermont schools paid an average price of \$56.42 per ton for wood chips in 2011. Comparing this price on a BTU basis to

the going rates in 2011 for fuel oil, electricity and propane reveals that wood chips cost 62, 76, and 80% less."

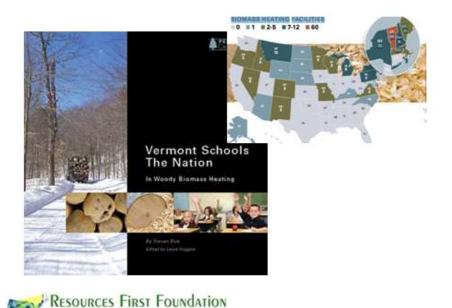


Lathrop Forest Products in Middlebury, VT is one of the companies meeting the supply challenge and is currently supplying ten schools with woody biomass....Bennington College added a new wood boiler system in 2008. This goes to the heart of Pinchot's second principle of conservation: "conservation stands for the preservation of waste." Waste not, want not. I'll take biomass over our oil fuel any day in New England winters.

4 (F) GreenTrees

In the Mississippi Alluvial Valley, the nation's leading reforestation program on private lands has quietly been building an amazingly successful program designed to promote

forestry, wildlife habitat, carbon sequestration, biofuel harvest and landowner incomes.



GreenTrees (at www.green-trees.com) does this through their unique, science-based method of densely interplanting fast-growing cottonwoods and slower growing hardwoods at 604 trees/acre. Their

specially selected form of cottonwood serves as a shade nursery for the slower growing but longer-lived climax species, such as oak and cypress. At intervals after year 10, landowners can harvest the cottonwoods for biofuels, and most of the oaks and native hardwoods that have established in the understory will be left to sequester carbon, though some may eventually be harvested. Credits generated by the project are registered with the American Carbon Registry, which requires a commitment to sustainable management for at least 40 years.

In 2011, Norfolk Southern entered into a contractual relationship with GreenTrees, to fund GreenTrees' planting an average of 10,000 acres over five years - a program that fits with the corporation's focus on the triple bottom line. Sponsors such as Norfolk Southern and Duke Energy retain the carbon credits. To date, GreenTrees has planted

more than 4 million trees and has over 2 million tons of carbon offsets under contract for Duke Energy, Norfolk Southern and others.

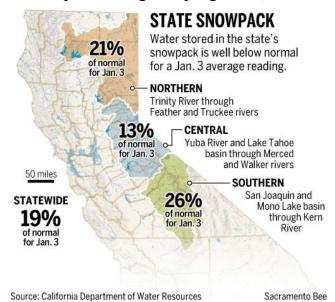
5. Going forward: One of President Roosevelt's most famous sayings pertaining to diplomacy was "speak softly but carry a big stick." I think the forestry community should abandon quietude and brandish their big stick tree size - literally, figuratively, and loudly!

First, I think the Forestry community should do what I'm trying to do here today, and what we do in our blog "Keep Working Lands Working" on a weekly basis, and through postings on our national and state conservation center web sites; tell Forestry success stories. The environmental movement sustains itself by projecting crises. It has been doing formulaic marketing of apocalyptic crisis fabrications for 40 years and it is running out of gas according to most current polling. It is time for your industry to aggressively project forest success stories on your contributions to land management, manufacturing, fuel alternatives, carbon sequestration, safeguarding clean water for metropolitan America, providing critical wildlife habitats and outdoor recreation, landscape-scale recreation venues and urban shade.

 $(See\ http://www.privatelandownernetwork.org/pdfs/WildlifeForestry2011.pdf\)$

Second, from an advertising, marketing perspective, you need to focus on educating the women of America on forestry and you need to target America's urban metroplexes on the benefits of tree planting and forestry. This fall I was astounded to learn that the Senate Interior Appropriations included funding (\$5M) for the "Community Forest and Open Space Conservation Program" (which was authorized by the 2008 Farm Bill – section 8003 of the Forest, Conservation and Energy Act of 2008: Public Law 110-234). The Forest Service is finalizing rules for implementing this program, (see

community forest wfs.fed.us.) Look at this slide of California, the west's most metropolitan state. They face looming ecological disaster. If I was Governor Brown instead of passing new tax bonds, I would be planting trees. I worked on developing legislation with

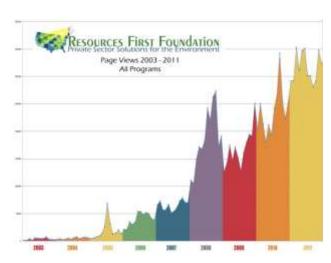


Senator Susan Collins (R-ME) in order to provide a mechanism to preserve open space around metropolitan areas where sprawling development is fragmenting both farm and forest lands. I am convinced that forests hold central importance to our metropolitan areas by preserving aquifers as with the Pinelands National Reserve in New Jersey, providing short distance recreation open space — as with the Sterling Forest in northern New Jersey, and in terms of providing shade and carbon sequestration for every urban metroplex in America. But, for the love of trees, here we are in the neighborhood of

the Hudson River School of painting which concocted the vision and mythos of endenic American wilderness as forest landscapes. This vision is, as Roosevelt and Pinchot knew, poppycock and needs to be put back in the can!

Third, we are living in an era when federal and state funding is going to seriously contract. The current administration has made public land acquisition a priority and that is coming up against the stark realities of our budget shortfalls and national deficit. However, the President's "America's Great Outdoors" initiative did mention the importance of private land conservation, and to my mind one of the most important programs in the federal government is Forest Stewardship, which Jim Hubbard oversees. The heart of the Forest Service is our National Forests, some 192 million acres, the vast majority of which Pinchot and Roosevelt designated between 1901 and 1909. Similarly in Interior, the heart of the U.S. Fish and Wildlife Service is our National Wildlife Refuge System. These land conservation systems are cherished public legacies, but they do not address the market needs of the 21st century, where 70% of the continental landscape is in private ownership. Forest Stewardship provides the tools and services for this target audience, and similarly FWS' Partners for Wildlife program plays a comparable role for the Interior Department. You need to focus your energies on sustaining funding for the Forest Services' Stewardship program. It is a page straight out of every conservative's policy Bible.

Fourth, probably the most important policy issue pending before Congress today which will affect working forests across the breadth of the United States, is the Conservation Easement Incentive Act, which has the highest number of co-sponsors – 301 – of any pending legislation before Congress. Known as the Gerlach-Thompson bill (HR 1964, S.339) the legislation extends the capital gains deductions and tax incentives for conservation easements first passed in the Pension Act of 2006 and signed by President Bush. Nothing I can think of will do more to keep family owned forests or working forests intact than extending this piece of tax legislation. You need to get officials like Governor Christie to weigh in on this important legislation that expired on December 31 of 2011. Pinchot's ghost will come out of Gray Towers to stomp for passage of Gerlach-Thompson. Pinchot wrote: "The central thing for which conservation stands is to make this country the best possible place to live in, both for us and our <u>descendants</u>.The conservation movement is calling the attention of the American people to the fact that they are Trustees. The fact seems so plain as to require only a statement of it,



to carry conviction. Yes, we are Trustees, and we must ensure the safe passage of family forest lands to the next generation of forest stewards.

Fifth, and finally, use the internet. My foundation, Resources First Foundation,

builds conservation data centers, web-based on the internet. Our premier national site,

www.privatelandownernetwork.org, first went online in 2003. Traffic to the site doubled for seven consecutive years with no marketing or advertising. We put our tax site, www.conservationtaxcenter.org, on line right after President Bush signed the 2006 Pension Act. This year our tax site, CTC, is averaging 50,000 page views per month and between ten and thirty minutes online per viewer. We have now built state-wide conservation data centers for Maine, California, Mississippi and Arkansas and we have four states requesting sites. We host over 2,800 consulting foresters on our sites, and we function as a "B to B" driving business to foresters. We also serve as the back-end of the National Association of Consulting Foresters enabling them to serve their membership efficiently through PLN. All this costs money, although not a lot. The current administration cancelled our NRCS funding, so we are increasingly reliant on individuals and corporations for support. Environmental foundations do not flock to support us because we are pro-business, free market, and pro working forests. I was a little thunderstruck before Christmas when your own Bob Williams sent us a contribution. That is the first check we have had from anyone in the forest industry in a decade. Thank you Bob!

In terms of Bob's video on "A Working Forest," we are going to do a blog post, and I think Chuck Leavell should get this posted on The American Forestry Foundation'site, and Keith A. Argow on the National Woodland Owners Association site and it should also be posted on the Forest Service's Stewardship site, and be made available to all their offices and every state foresters' office.

For my final thought, I am going to borrow a few lines from General David H. Petraeus. He gave a marvelous speech at the Princeton University Medalist Alumni Day Lecture on February 20 of 2010. I'm going to quote him directly. He said: "In my view, a strategic leader of any organization or group has a solemn obligation to make sound and ethical decisions, and to do so based on a continuous cycle of learning." And, referring to the implementation of the surge of forces into Iraq in the spring of 2007, he said it "involved a surge of ideas, big ideas. The truth is that the surge of ideas was even more important than the surge of forces." Petraeus avers: "The first task of strategic leadership is to develop the right intellectual constructs to guide an organizational approach: senior leaders need to think creatively and critically about complex challenges, and embrace new concepts." I think the challenges facing the forest industry today are comparable to those of Iraq in 2007. Petraeus continues: "the biggest of the big ideas was that the Iraqi people were the decisive terrain – the human terrain and, with our partners, we had to focus on securing and serving them...." The forest industry must recognize that its human terrain is metro America and we need to convince this constituency that trees are a key ingredient to securing their future and their present needs.

Pinchot reminded us that the conservation movement compelled Americans to act like Trustees. For the 21st century I would add a corollary to Uncle Gifford's admonition: Trust Trees. They are the future and, if you cut them down, with stewardship, they grow back. Trust Trees.

To recap:

- 1. Aggressivvely promote Forest Success stories.
- 2. Market to women specifically to metro America generally
- 3. Support SSFS stewardship program in SPF
- 4. Support Gerlach-Thompson easement incentives
- 5. Use the internet, go viral. Come to RFF, and we'll post and host your success stories.
- 6. Forestry provides a bundle of values that provide security to metropolitan America.

After a century of comparative analysis, it is clear as day....Bottom line: Pinchot was right! John Muir was wrong! Forests need management, not saving.

As Jim Hubbard said earlier this morning: maybe we should go back to the original script of 100 years ago. Thank you.

Citations:

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