

THE ABC'S OF SPECIALTY FOREST PRODUCTS BEYOND SAWTIMBER AND PULPWOOD

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ABSTRACT

Special Forest Products (SFPs) are commonly found resource in Minnesota's Northwoods, including birch bark, spruce and ash roots, cones, tree boughs and tops, sap, and ferns. Citizens gather and harvest these "specialty forest products" (SFPs), and rely on them as the raw material of the "cottage industries" they depend on to supplement and underscore their typically limited incomes, relying on these cottage industries to supplement their incomes. Additionally, local harvesters of "traditional timber resources" (e.g., pulpwood and sawlogs) have opportunity to supplement and underscore their typically limited and marginal incomes by harvesting and marketing, or allowing SFP harvest of these typically "wasted" resources that occur on traditional timber sales.

Unfortunately, many challenges exist to getting this increased value from the forest. There is limited, if any, coordination between SFP harvest/logging between the solid-wood industry and SFP industry. Also, SFP harvest is diffused, volumes are not dependable, and market information is left for the individual harvesters to track; no system is established to allow for centralization of information related to SFP/logging activities and opportunities.

The Northern Community Forest Network (NCFN) is being developed to address these concerns. Funded from a variety of public and private sources, the NCFN project is addressing the coordination of traditional and SFP harvest, the relevant and necessary communications and education campaigns that accompany a differing harvest regime, and developing partnerships with public and private forest land management agencies.

The project is in its second year of development. Preliminary results indicate interest from traditional harvesters in coordinating harvest activities, and interest by federal and state forest management organizations to facilitate coordinated and sustainable harvest.

Keywords: NCFN: Northern Community Forest Network, SFPs: Specialty Forest Products

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Many communities in Minnesota, particularly in the central and northern regions of the state, have depended on the forests in their back yards for their economic, cultural, and environmental well being. However, these typically rural, isolated, and marginal communities are faced with daunting challenges in the 21st century, including degradation of their natural resources, declining community capacity, limited opportunities to access public lands, and unemployment.

Northern Minnesota has been forced to deal with the closing of iron ore mines, purchase of its traditional pulp and paper mills by European countries, and resultant massive layoff of employees.

Wood chips, birch bark and assorted pieces of wood that fall below the forest products industry standards bear testament to inspiring, and potentially substantial opportunities for the citizens of these marginal communities. Commonly collected SFPs in the region include birch bark, spruce and ash roots, cones, tree boughs and tops, sap, and ferns.

Citizens gather and harvest these SFPs, and rely on them as the raw material of the cottage industries they depend on to supplement and underscore their typically limited incomes. The material collected from the forest is frequently sold to individuals or businesses to produce an end product. There are also individuals with artistic talents, steeped in traditions, that create beautiful products in small quantities using these 'other products' from the forest.

Additionally, local harvesters of traditional timber resources (e.g., pulpwood and sawlogs) have opportunity to supplement and underscore their typically limited and marginal incomes by harvesting and marketing, or allowing SFP harvest of these typically wasted resources that occur on traditional timber sales.

However, there are challenges to making full use of the forest:

- SFPs have not previously received the attention that has been given to solid wood products due to the fragmented nature of the industry and the smaller dollar returns compared with timber and wood products. Yet, as more demands are made on the timber resource, the SFP bounty from Minnesota forests assumes increased importance. Despite the substantial economic value of SFPs (e.g., Minnesota's balsam bough industry has grown from \$10 million in generated sales in the early 1990s, to over \$20 million in sales in 2003), historically, forestland managers have not included them as significant factors in either their forest management activities or their harvest plans. Yet, the SFP industry continues to grow rapidly and annually contributes millions of dollars to the Midwest region.

When foraged and processed with sensitivity to the environment, SFPs have the potential to enhance ecological forest management and the economic viability of rural communities, and provide increased value from Minnesota's woodlands.

- There is limited, if any, coordination between SFP harvest/logging between the solid wood industry and SFP industry. As is true in most states throughout the US, Minnesota does not have a policy practice that results in the coordination of the activities of the solid-wood industry with other forest product activities. Consequently, policies and practices of traditional forest management and harvesters do not take into account the variety of other solid-wood and specialty forest products that may be unintentionally destroyed or damaged during traditional harvesting activities.

If such coordination existed, it would facilitate environmentally sound, coordinated foraging practices that would allow for the harvesting of a full range of marketable products from Minnesota's forests.

- SFP harvest is diffused, volumes are not dependable, and market information is left for the individual harvesters to track; no system is established to allow for centralization of information related to SFP/logging activities and opportunities. For example, a landowner/logger conducting a traditional harvest is typically not aware of markets for the birch tops leftover from a traditional harvest. These tops are sought by outstate markets (e.g., the birch top resource is often as—if not more valuable than, the more traditional product [i.e., pulpwood] being harvested, yet is often considered a waste product). Currently, the harvesting of tree tops in Minnesota is diffused, volumes are not dependable, market information is left for the individual harvesters to track, and no system is established to facilitate a centralized marketing system to track potential market opportunities.

Yet, SFPs are a renewable resource whose economic value can typically be more quickly realized than with timber. SFP's provide full- or part-time employment opportunities for people living in or near the forest. Many nontimber forest products can be processed as a cottage industry setting, meaning more local jobs and relatively low capital investments. Also, development of a wider array of products from the forest helps communities support forest management practices that seek to balance wood production with sustainability of other ecosystem goods and services.

In February 1993, the Minnesota Department of Natural Resources - Division of Forestry, contracted with Mater Engineering, Oregon, to evaluate the market potential of the special non-timber based forest products in the state. The study provided details on foraging, processing, and marketing opportunities of SFPs. Domestic and international market potentials were explored for six major categories of SFPs.

The Mater Study revealed clearly that Minnesota's forests offer "excellent SFP market opportunities." It defined "immediate and unmet demand" for many of the nontraditional products native to Minnesota's forest lands. The Mater Study highlighted an "immediate opportunity for traditional and non-traditional forest products interests of the state to work together to develop resource management policies among private and public lands that foster coordinated, environmentally-sound foraging practices" allowing for the harvesting and marketing of products garnered from Minnesota's forests.

Policy recommendations of the Mater Study included, among others:

- Improve foraging/logging coordination between the solid wood industry and SFP industry to prevent inadvertent damage to the SFP during logging operations
- Foster the creation of product network that will serve to combine the energy and creativity of individual entrepreneurs to accomplish sustainable harvest, and successful product development and marketing.

In 1996, the Giziibii Resource and Conservation Development partnered with Kathleen Preece, a private natural resource consultant with experience in forest management and traditional forest industry, to explore opportunities inherent in Minnesota's SFP resources, based on the findings and recommendations of the Mater Study, and the possible solutions to the challenges facing their use and sustainable management.

A grant of \$16,000 was approved for Giziibii RC&D in November 2001 for the project "Midwest Special Forest Products Web Site." It was one of 28 grants approved from 47 requests received of the Weyerhaeuser Family Forest Foundation during the grant cycle. The web site is one of the first of its kind developed in the Midwest, dedicated to gathering information on the products, markets, biology, research, and enjoyment of SFPs.

The site was created for buyers and sellers of SFPs, whether the resource is in its natural state or as a finished product. Users may log on to the site and list their respective wanted and for sale as they relate to SFP resources and/or products. The site includes a Bulletin Board for posting ideas and discussion related to the world of SFPs; a calendar of workshops/events related to SFPs; an opportunity to log in for receipt of a newsletter dedicated to issues pertinent to SFPs, and a listing of links to sites pertinent to SFPs.

Giziibii RC&D and Preece, in a separate request for funding, obtained support from the Minnesota Department of Natural Resources to develop a special forest products handbook. The 4-color piece depicts the careful harvest of birch bark, balsam boughs, and lycopodium. It has been distributed extensively among traditional and SFP harvesters and private forest landowners. A sequel to this first handbook is being written in 2005.

The challenges facing SFPs have gained recent attention, outside of the projects facilitated through Giziibii.. In December 2003, the Grand Rapids-based Blandin Foundation included SFPs in its public policy initiative: "Vital Forests/Vital Communities." The Initiative endorsed new perspectives and alliances for sustaining Minnesota's forests and renewing local economies. A "Goods From the Woods" project was launched which included a successful education program and marketplace of SFP artisans and entrepreneurs. The project was endorsed by city and county governments, local economic development agencies, and private citizens. Foundation funding for "Goods from the Woods" has continued to 2005, with a 2-day marketplace, related educational activities, and a harvest policy coordination component listed as part of the grant deliverables. Giziibii RC&D served as fiscal agent for the project in its initial start-up phase, and Preece served as a part-time coordinator for the project.

In September 2003, the Minnesota Department of Natural Resources initiated development of a balsam bough and spruce top inventory, recognizing the difficulty of sustaining the resource and coordinating its harvest among public and private landowners without current data on the resources' abundance and health.

In March and August 2004, the Minnesota Balsam Bough Partnership (BBP) met to address the harvest challenges facing the balsam bough and tree top resource industries. The BBP, a 10-year old, 30-member organization composed of public and private forest land managers, bough buyers and gatherers, and bough industry representatives went on record to note the need for—and its

endorsement of centralizing information about the sustainable, coordinated, careful harvest, and marketing of SFPs.

In 2005, Giziibii RC&D and Preece explored opportunities for support and cooperation, both financial and professional, to continue to address the challenges facing the SFP industry. They became successful recipients of another Weyerhaeuser grant. The stated deliverable of this support is the formation of a Northern Forest Community Network (NFCN).

GOAL OF NCFN

Facilitate the development and promulgation of advance notification harvest protocols between primary forest products and specialty forest products industries to increase utilization of the forest, thus minimizing waste and protecting the SFP resource.

The stated objectives of the 2005 Weyerhaeuser grant are:

1. Develop a model that provides for notification of intent to log, giving SFP gatherers opportunity to precede traditional logging activities. The process will allow for access to harvest sites prior to, or immediately after the occurrence of traditional logging to gather marketable SFPs that may be destroyed during logging operations or left as waste material.
2. Develop and conduct an education campaign to inform harvesters and private landowners about sustainable harvest practices, and increased marketing niches and opportunities.

It is anticipated that the NCFN will ultimately serve as a central clearinghouse of SFP resources. A list of bough harvest and tree tops opportunity areas, from both public and private lands in areas where traditional sales are scheduled, will be published, as will a toll free telephone number (1-888-414-0374) to obtain information on opportunity areas and SFP markets.

The Network will communicate the opportunity areas and encourage participation through established venues, including:

- Midwest Specialty Forest Products Web Site (www.specialforestproducts.com)
- Goods from the Woods Web Site (www.goodsfromthewoods.org)
- Minnesota Department of Natural Resource Web Site (www.dnr.state.mn.us)
- *BetterFORESTS Magazine* (published quarterly)
- *Minnesota Timber Producers Bulletin* (published quarterly)
- Direct mailing to bough/spruce to buyers on record at county and state forest offices
- Posting information on opportunity areas and the Network at state and federal forestry offices.
- Posting of the 800-toll free information number.

An education program has been implemented, targeted at the training of traditional loggers to enhance their knowledge of SFPs to increase value extracted from the forest during traditional logging operations, and to update them on the potential markets of SFPs on their traditional logging sites. This program will be implemented through the already-established Minnesota

Logger Education Program, directed by David Chura, and facilitated in cooperation with the educational program of the successful Goods from the Woods Project.

By June 2005, the NCFN spoke with 500 traditional timber harvesters about the opportunities of SFPs and solicited their input and guidance on developing harvest protocols. Through the summer and autumn of 2005, the NCFN will serve as part of a panel discussing marketing and utilization of SFP and traditional forest resources. The audiences will include traditional harvesters and public land managers.

Additionally, the NCFN project is working with a group of forestry professionals and managers, facilitated by the Minnesota Department of Natural Resources, to develop product specifications, units of measure and harvest specifications of a number of SFP resources. The lists includes: birch and basswood bark, balsam and cedar boughs, burls, conks, cones, ferns and mosses stems (diamond willow, alder, sumac, aspen, red osier dogwood and pussy willow), tree tops (spruce and birch). The list also includes edibles (berries and nuts, mushrooms, syrups; seed; and specialty woods (tree stumps, teepee poles, and weaving materials).

It is anticipated that increasing support for the Network will enable it to serve as a coordinating and direct marketing entity for those with intent to harvest; and as a research source, tracking potential markets and eventually serving as an effective buyers-sellers network in Minnesota. The network has engaged the technical assistance of the Cooperative Development Services, St. Paul, to assist it in establishing the feasibility, creation, and implementation of a business plan of a user-owned cooperative/network of SFP gatherers and marketers.

Ultimately, it is intended the network will serve as an educational/technical center for landowners, crafters, and gatherers, to identify new techniques and tools that can be used in sustainable harvest and value-added projects.

The NCFN is also working with the USDA Forest Service and, as of June 2005, is working with the Superior National Forest to set up a model birch bark harvest in northeast Minnesota. The harvest will be part of a planned, traditional sale in northeast Minnesota on national forest lands.

The NCFN has partnered with, and is seeking financial support with the USDA Forest Service and the communities neighboring and within the Chippewa National Forest, including Marcell, Bigfork, Grand Rapids, and Bemidji, as well as the greater public who visit and do business with them. Efforts are focusing on advancing the existing and potential opportunities of SFPs as viable cultural and economic activities.

The key component of this component of the project is an advisory board of community leaders, forest-based entrepreneurs, natural resource professionals, and area businesses who are committed to guiding the development of local economic opportunities aligned with local values, using local resources for the benefit of local people.

The long-term goal of the NCFN is to *encourage, educate, and support the specialty forest product cottage industries thus providing the citizens of rural communities leverage in determining the economic, cultural, and political futures of their home grounds.*