

The Forestry Source

News for forest resource professionals published by the Society of American Foresters

January 2012 • Vol. 17, No. 1



IN THIS ISSUE

HSD award recognizes outstanding SAF projects.

The House of Society Delegates (HSD) honored the Chattahoochee Chapter of the Southeastern SAF's Georgia Division and the New England SAF with its annual HSD Success Story Award at the 2011 SAF National Convention in Honolulu, Hawaii. **Page 8.**

SAF revises and renews forest inventory and analysis program position statement.

SAF recently revised its position statement on "The Forest Inventory and Analysis (FIA) Program." The new statement refines the scope of the prior position and expands its explanation of the importance of the FIA program and the uses of FIA data. **Page 9.**

GIS for foresters: A checklist for creating more effective maps.

A map is meant to reveal something meaningful, interesting, or useful by manipulating and displaying the results of data processed to expose essential characteristics about the geographic features, attributes, and phenomena represented. Asking the right questions will help you make sure that the graphic display of your results tells the story you want to convey. **Page 10.**

Field Tech: DeLorme's inReach, EarthMate GPS team up for in-field communications.

You may recall reading about GeoPro Messenger in the December 2010 Field Tech column. It turns out that GeoPro Messenger's maker, GeoPro LBS Inc., was a key partner in developing another such communications system: DeLorme's inReach satellite communicator. **Page 12.**

Okfenokee fire measured in acres and cubic yards.

The Honey Prairie Fire didn't set a record for the largest fire of 2011, but it is at the top of the list for longevity. **Page 16.**

DEPARTMENTS

- 2 Editor's Notebook
- 2 Letters
- 6 Industry News
- 8 Society Affairs
- 12 Field Tech
- 14 Continuing Ed. Calendar
- 15 Classifieds

Forest Sector Reeling during Economic Downturn

By W. Brad Smith and Richard W. Guldin

Forest products industries in the United States have reacted to changing market situations as economic conditions have changed since 2007. Mill closures and job losses throughout the forest products sector have swept the nation, often with significant local impacts. We have consolidated and analyzed data collected by the US Forest Service's Forest Inventory and Analysis (FIA) program and Forest Products Laboratory (FPL), the US Department of Commerce, and other sources to provide an overview of the recent trends and the current state of the forestry and wood-processing sectors of the US economy. Looking forward to an economic recovery, the future will be different for the forest industry sector and for forest management than it was prior to 2007.

Since the economic downturn began in 2007, there have been two major driving economic forces affecting the US forest sector. The paper side of the forest sector has been most heavily influenced by global economic trends and shifts in global markets for pulp-based products. The solid-wood side of the forest sector has been influenced primarily by domestic driving forces—the principal components being the drop in new residential construction from 1.7 million units annually to 450,000—and a decline in home

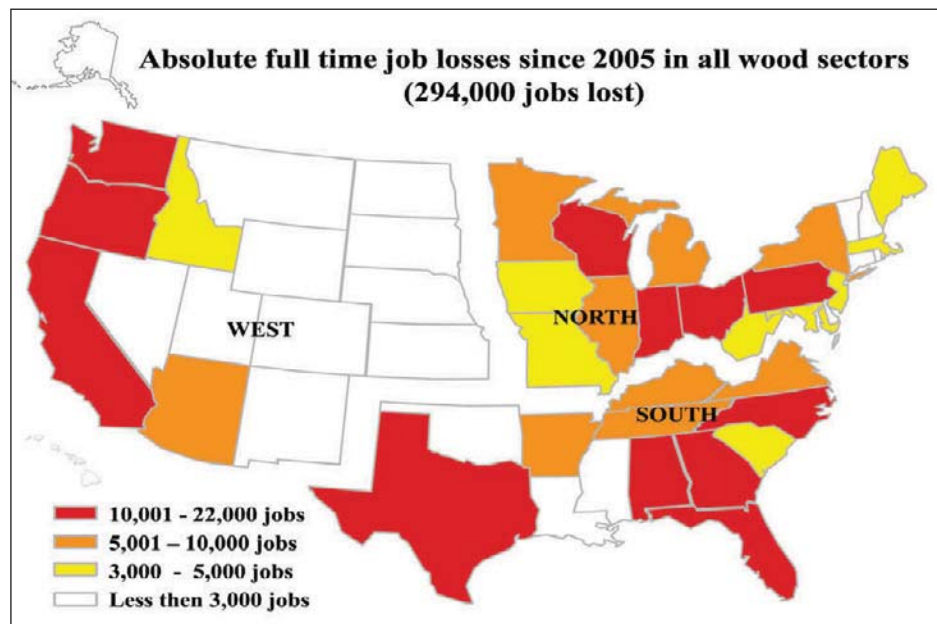


Figure 1. Forest industry jobs lost since 2005: about 113,000 in the South, 110,000 in the North, and 71,000 in the West.

remodeling as residential mortgages tightened and home sales dropped.

Mills and Jobs

FIA statistics show that since 2005, 1,009 sawmills, 15 pulp mills, and 148 other mills closed; together, 19 percent of all mills in the forest sector. These closures of primary mills were accompanied by slowdowns or closures in hundreds

more secondary wood-manufacturing facilities, resulting in an overall loss of 294,000 full-time jobs over the past five years (see Figure 1). Thousands more part-time and self-employed jobs were lost as well.

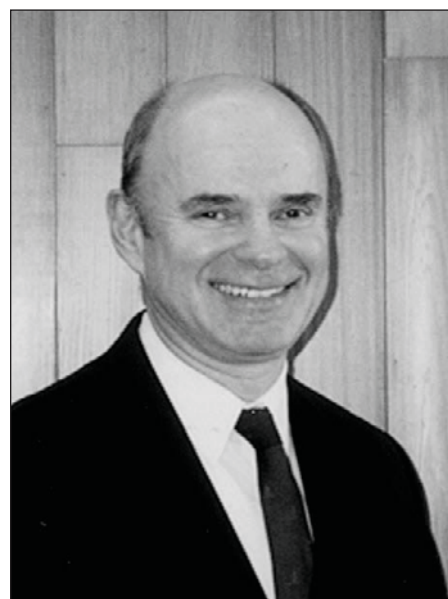
While greatest absolute loss of full-time jobs in the wood sector was in the

(See "Sector" page 3)

Recession: Sewall Co. Adapts to Changing Economic Times

By Steve Wilent

The current economic doldrums have affected most forestry businesses, some more than others—see "Consulting Foresters Enduring Hard Times," November, for example. For the James W. Sewall Co. (www.sewall.com), the recession has required that the company take a



"During the course of the recession, we've had to look very hard at what we do," said David T. Edson, president of the James W. Sewall Co.

hard look at the services it offers and whether continuing to provide them makes economic sense.

Sewall, founded in 1880, initially provided forest inventory, surveying, and mapping services to the lumber industry in northern Maine and Canada. Since then, it has broadened its offerings to include engineering and geospatial services. The company currently has nine offices nationwide and a staff of more than 140, including a forestry staff of about 30, most with advanced degrees in the field.

Sewall president, David T. Edson, an SAF member, has been with the firm since 1974. I recently spoke with him about how the recession has affected his company.

How has this downturn affected the business of consulting?

The recession, unfortunately, was inevitable, as we've seen in hindsight. It's been bad for many obvious reasons, but it's been good in at least one way: the recession has proven the underlying value of forests, beyond any question. People in the investment world now look at forestry and say, wow, it held its value. Of course, that does nothing for the loggers and contractors who have not been able to cut as much wood. But the value of forestry and

(See "Sewall" page 4)

Rockwell Assumes SAF Presidency Cox Elected SAF Vice-President

William H. Rockwell, CF/FCA, of St. Johns, Michigan, became President of the Society of American Foresters on January 1. He succeeds Roger A. Dziengeleski, CF, of Gansevoort, New York, who will now serve SAF as immediate past-president.

Rockwell is president of Strategic Resources Systems, St. Johns, Michigan; an associate in Metropolitan Forestry Consultants, Inc., Lansing, Michigan; and a partner with The Plum Line, St. Johns, Michigan, and Antrim, New Hampshire. His previous work experience includes positions as forest planning leader, Michigan Division of Nat-

(See "SAF Elections" page 7)



Rockwell (left) is SAF president for 2012. Cox (right) is vice-president.

Sewall

(continued from page 1)

of timberland in the overall equation has proven itself beyond any doubt.

Many of the conventional aspects of timberland ownership have changed. Some of that has to do with the recession, and a lot of it has to do with an increase in the sophistication with which assets are assessed and managed, and that is where we have found the majority of the work that we do for the forestry sector.

What have these changes meant for Sewall?

During the course of the recession, we've had to look very hard at what we do. It's made us examine a lot of the legacy services that we used to provide to our clients and ask tough questions: Number one, is this something the client really, really needs? And number two, are we offering it at a price that enables us to continue to provide that service?

The "correction," to borrow a term from the stock market, that has occurred generally has forced service-oriented companies to look very hard at what they're doing. Until there's a bump in the road, businesses go merrily along, thinking that, well, gee, we don't make a lot of money from this service, but it helps. It's a loss leader, and you can come up with all kinds of rationales. Well, after you've gone through a recession, if you're any good at your business, you've eliminated all of those rationale-supported services. It's simply not tenable to continue to be the nice guy—you have to be a good businessperson, or you aren't going to be there to provide services in the future.

What are some of the services in the legacy category?

We used to do a lot of simple mapping functions, to pick one example, such as taking an analog product and turning it into a digital product. Ten years ago we found that with fiber-optic networks installed worldwide, it was possible to take the very simplest functions and export them to China, to India, to any number of Second and Third World countries, where the cost of labor is a tiny fraction of what we are required to pay our employees here.

And then along came the recession, and we had to look at that same list once again to see what else we had to shed because it wasn't really making money. The first ones to go were office-bound and largely technically oriented services that could be done without advanced degrees and without requiring a lot of analysis.

Fewer technically oriented services, but a greater reliance on advanced technologies?

One of my too-often repeated analogies is that the Google guys have torn up the book on statistics. I'm exaggerating the point to make the case, but they have said that you don't have to settle for just a sample of something—you can count the universe. Well, in the spirit of handling data well, handling it in a professional, accountable, transparent way, it is now possible to carry many, many more facts—vastly more facts—about property than one ever presumed that you could absorb and use.

Giving up some of those technical services has forced us to look harder at technology, and in some cases to speed the uptake in the technology transfer that's associated with handling that data, simply to make those services economical so that we can provide them to the client. We've

now automated various data sets that would not have been available to a land manager or landowner previously, without having some person who had familiarity with their land and knew where all the records were.

We've found that, because of the real expectation of being able to gather more data, you now are better armed to do the kind of planning, budgeting, and management of land that previously would have been more of a flip of the coin. So we're moving from a qualitative basis—qualitative is still important, make no mistake about that—to a basis where you can be vastly more quanti-

The recession has proven the underlying value of forests, beyond any question.

tative. You get to move the science bar much further, you advance it to the point where now you are relying much more on science that is repeatable, provable, and measurable, and all of that is, of course, generally good for the land. Also, this is the kind of thing that gives the financial types courage, because they can see their risk diminished with this flow of information.

How has your staff evolved along with the needs of your clients?

We have fewer technician-level people than we had 10 years ago. We have more

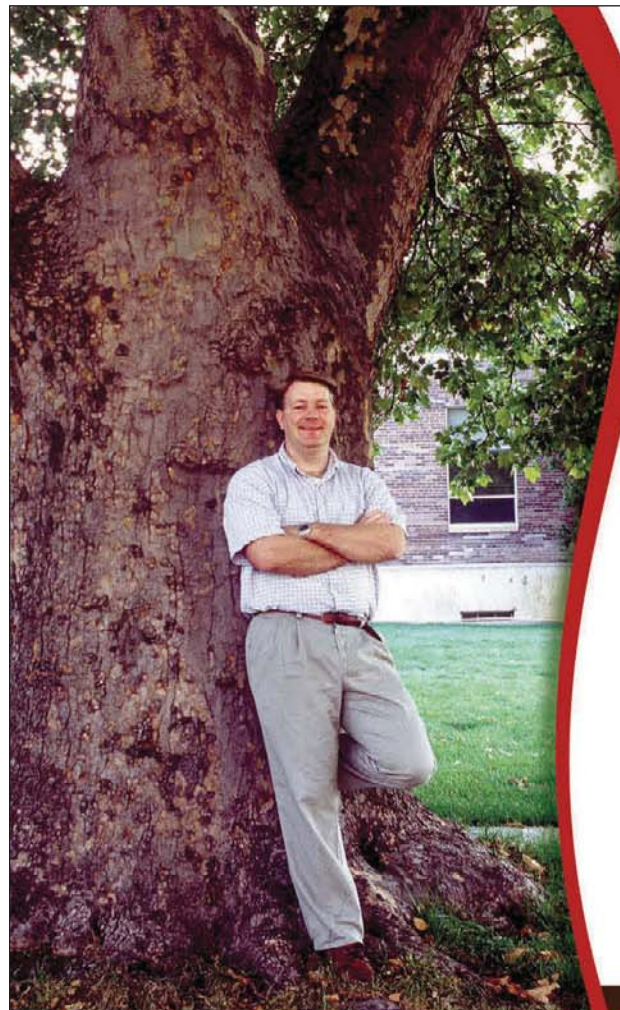
analysts with advanced degrees who are specializing in the disciplines within forestry that our clients need. So we're getting more specialized, we're needing to hire people who have advanced training and experience, if that's possible, and we are expecting these people to adapt and grow as changes occur in the marketplace.

And Sewall itself will continue to adapt and grow?

Going back to the fact that the company is more than 100 years old, we've certainly made mistakes, and, unfortunately, we'll continue to make mistakes as we adapt to a rapidly changing world, a world that has gone during my career from a regional kind of micro-world to a global macro-world. We have projects underway now on four different continents, and while there are clearly differences in terms of species, the manner in which silviculture is practiced, and, to some extent, the markets, it is equity, ultimately, that is being reviewed, analyzed, and managed. Timberland investment is attracting investment dollars, globally.

Reviewed, analyzed, and managed not only by forest managers, but by financial managers...

Part of every human being's psyche says, "I don't want to have someone looking over my shoulder." But rest assured that when substantial amounts of money are involved, somebody is going to be looking over your shoulder—and you should welcome that. At the very least, in an audit you have to be prepared—and here we come back to the word transparency—to be very forthcoming with the information that you have in front of you and the manner in which you've analyzed it to draw the conclusions that you've drawn.



ISA: The Roots of Your Growing Network

As most foresters do, I wear many different hats. The two most important hats I wear are those of a utility forester for our local municipal power company and a municipal forester within my community. Earning my ISA Certified Arborist®, Municipal Specialist™, and Utility Specialist™ credentials validates my credibility as I represent my city and company when meeting with citizens and utility customers on a daily basis, discussing the care and needs of their trees.

Being a member of ISA has given me the opportunity to interact with arborists, foresters, and researchers worldwide, providing me opportunities to network with leaders in the industry and learn from them as I continue to build and develop my own programs.

Scott Bunker
RM-0459AUM
Forester, City of Provo Utah & Provo City Power

Learn more at www.isa-arbor.com/UrbanForestry



International Society of Arboriculture
www.isa-arbor.com • p. 217.355.9411 • isa@isa-arbor.com