How We Got To

‘Not Where We Were Going’

Paul Harlan, VP – Collins Pine
Collins History

- Started in 1855 with TD Collins in NW Pennsylvania
- 2nd Generation looked west - California, SW Washington, Oregon
- 3rd Generation wanted to do something different
  Truman Collins w the CAF
  ‘Jobs in perpetuity’
- Today 310,000 acres, 625 employees, four sawmills, two panel plants, one retail store and some other
Collins and FSC

- Looking for something to reward Collins for their conservative forestry

- FSC taking shape in 1993. Actually Green Cross certified with SCS before FSC existed

- Collins first industrial FSC operation certified in North America
First FSC products were 1x12 pine boards into Home Depot

*More, More, More!!*

- Hardwoods and specialty brands were next

- Then plywood, particleboard, exterior siding, dimensional lumber, chips

- Changing FSC Standards with FSC Mix Labeling made the supply side workable
What we found

- HD and others wanting distribution and volume
- Some high end hardwood had an initial market
- Dimension lumber and panels were marginal at best
- Our forestry informational systems had to update, but not necessarily materially change our forestry
- It consumes large quantities of time and resources (but every certification program now does)
Reality

- Financial incentive is minimal except in certain narrow markets
- Today everyone has to work towards some level of certification
- It is now driven by *corporate responsibility* (originally it was consumer driven)
- It no doubt has brought about changes in the forest products industry
What it means in relation to healthy forests

- We are going to have to reduce carbon standing in the forest in some cases.

- Managed Forests can mimic the ‘Burn It’ craze that we are going through AND be productive.

- The winners are those who can pay the highest price.
  - You cannot ignore the economics.
  - Somehow you must leverage the economics.
  - Value back to landowner is a tough proposition.
Where did we get to?

Solidified the Collins philosophy

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