

The Timberline

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*What's new in Forest Owner Cooperation?*¹

By E.G. Nadeau and Paul Pingrey*

During the past three and a half years, a number of forest owner cooperatives, associations and land trusts have been formed in Wisconsin. What are they? Who's involved? Will they be useful tools for improving woodland management? What role, if any, should state DNR foresters play in helping these organizations and their members?

The following ten questions and answers may help you understand the new organizations and give you a sense of how you can work with them to improve management of Wisconsin's privately owned woodlands.

Q1. What is forest owner cooperation?

Simply put, forest owner cooperation refers to owners of non-industrial private forestland who work together to improve management practices on their land. A range of organizational models is possible, depending on the goals of the group. Some may focus on information sharing. Others may want to cooperate on management planning or joint marketing of raw timber or stumpage. Some may be concerned about resource protection or controlling the spread of development. Others still may have interest in economic activities like value-added processing and marketing of wood and other forest products.

A common element in all these models, however, is that each focuses on local communities of landowners who are interested in working together rather than on large regional or statewide assemblies. The basic premise is that *local communities* are where sustainable management is implemented ... where the action is.

Q2. What's the difference between a cooperative, an association and a land trust?

A forest owner cooperative is a business owned and democratically controlled by its members. A forest owner association is a non-profit, service organization. For example, a co-op, such as Sustainable Woods Cooperative, can carry out or contract wood processing on behalf of its members and return a net profit to landowners based on their share of the wood processed. An association, such as one of Wisconsin Family Forest's chapters, can provide educational programs, equipment sharing and other services to its members, but cannot directly generate profits for forest owners.

Land trusts are another type of forest owner group that is gaining popularity. Trusts are formed to accept some of the rights a landowner may wish to donate or sell. The rights that transfer may include development rights or control over how timber is managed or harvested. Income may or may not be shared with trust members. There may be property tax or income tax benefits for trust participants. Co-ops and associations can work with land trusts to assist landowners interested in this option.

The entire range of organizations can help landowners improve their forest management.

Q3. What is the difference between Wisconsin Woodland Owners Association (WWOA) and Wisconsin Family Forests (WFF)?

WWOA serves woodland owners in Wisconsin primarily on a statewide basis through educational events, publication of *Woodland Management* magazine and by representing the interests of landowners in state and federal policy. WWOA chapters also offer field tours, workshops and fellowship opportunities on a multi-county basis.

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The primary purpose of WFF at the state level is to foster and support local woodland owner chapters (alliances). Examples include the Deerfield Alliance in Waushara County and the Washington Island Alliance in Door County. The WFF chapters organize along township or other local boundaries to bring together people who are likely to have a personal stake in local land management activities. They emphasize educational programs, mutual assistance, sharing experiences, hiring professional services (like timber stand improvement or herbicide application), and joint equipment purchases among other common interests.

WFF is not unique. Other local organizations such as the Green County Forestry Education Center in Clarno Township in Green County and many school and community forest groups serve similar functions. WFF seeks to offer organizational tools that will help local communities' forest owner initiatives take shape and succeed.

WFOA and WFF (and similar local efforts), thus, have complementary functions. It makes sense for woodland owners to be members of both WFOA and locally based WFF chapters or similar groups.

Q4. Why are forest owner organizations being formed?

An increasing number of landowners want their woods to be well managed, and they recognize that they need help. Based on survey data, woodland improvement is the primary motivation of most co-op and association members. Generating an economic return from their woodlands is a secondary goal. They see locally based landowner organizations as a means to learn more about forest management and to get trustworthy advice and professional assistance in taking care of their woods. Some see landowner organization as a way to accomplish work that might not be feasible on their own (economies of scale). They may also be concerned about larger ecosystems and landscape scale considerations that extend beyond their own property boundaries. Many also like the social aspects of being part of a local forestry organization.

Q5. What examples of new forest owner organizations do we have in Wisconsin?

There are currently two forestry co-ops in operation in Wisconsin – Sustainable Woods

Cooperative headquartered in Lone Rock and Hiawatha Sustainable Woods Cooperative north of Sparta. SWC has about 125 members who own about 20,000 wooded acres. HSWC has about 70 members with about 7,000 wooded acres.

Four additional co-ops are in various stages of development – Living Forest Cooperative in Bayfield and Ashland counties; Kickapoo Wood Cooperative in Vernon and neighboring counties; Prairie Ridge Forest Stewardship Cooperative in Barron and neighboring counties; and the recently formed Washington Island Cooperative in Door County.

As mentioned above, WFF has two chapters. The Deerfield chapter in Waushara County has been in operation for two years. It has about 230 members who own close to three-quarters of the wooded acreage in the Township. The Washington Island chapter was just established this spring and has about 30 members.

A Baraboo Area Forest Improvement Project is in an early planning stage. Its goal is to benefit forest owners in the Baraboo Range. The specific activities and structure of the organization will be determined this summer.

According to Gathering Waters, Wisconsin is home to over forty land trusts that protect and manage about 80,000 acres. Gathering Waters is a coordinating organization for land trusts that plays a role similar to WFF for local forestry associations.

Q6. What strategies are these organizations using to benefit forest owners?

Strategies vary widely among these organizations.

- All of the co-ops provide member education services and help members identify forestry professionals to do management plans and provide other services.
- SWC and HSWC are also processing and marketing wood on behalf of their members.
- Several of the emerging co-ops are planning to contract out sawing, drying and milling to established local businesses in order to reduce the co-ops' start-up costs.
- One or two are looking at aggregating timber for sale rather than getting

involved in processing. They see this as a way to minimize investment costs and still provide a return to members.

- As mentioned above, WFF and its chapters are focussing on educational and other landowner services that aren't directly involved in processing and marketing wood.
- Many of the new groups advocate participation in forest certification programs (like SmartWood and Tree Farm) to offer assurance that sustainable management techniques are being employed.
- Land trusts emphasize long-term or perpetual oversight that extends beyond the current landowners' lifetimes.

Q7. What are the goals for these organizations over the next few years?

By the end of 2004, the goal is to have 10 or more cooperatives in operation with 1,000 or more members and 100,000 or more acres with Forest Stewardship Plans. Wisconsin Family Forests would like to have 10 chapters in operation by the end of 2002 with a total of 2,000 members.

Q8. How can DNR help these organizations?

DNR forestry staff around the state can communicate with local landowners about co-ops, associations and trusts. If local landowners are interested, DNR staff can help coordinate informational meetings. If forest owners decide to form steering committees, DNR personnel can help staff these committees and provide forestry expertise to them. Foresters can help identify landowners that may have an interest in providing leadership to forest landowner organizations.

Q9. How can these organizations help DNR?

These organizations can help DNR meet its goal to advance sustainable resource management on private lands and, particularly, increase the number of landowners with Forest Stewardship Plans. Local organizations have the potential to reach woodland owners who have not previously had management plans. Landowners tend to have more confidence about forest management if they can talk to peers and neighbors first. Bringing local landowners together makes it easier to conduct educational programs and communicate information about tax and cost share programs. Local organizations can also play a major role in helping landowners

implement Forest Stewardship plans by providing needed services.

Q10. How do I get more information about forest owner cooperation?

Please contact:

- E.G. Nadeau or Isaac Nadeau at Cooperative Development Services – 608-258-4396;
- Phil Guillery or Katie Fernholtz at the Community Forestry Resource Center – 612-870-3456;
- Jody Padgham at the University of Wisconsin Center for Cooperatives – 608-262-0705;
- Alan Haney at Wisconsin Family Forests – 715-346-3298;
- Vickie Elkin at Gathering Waters Conservancy – 608-251-9131; or
- Paul Pingrey at DNR Forestry – 608-267-7595.

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