Certification:

Perspectives of Industrial Forest Landowners in Louisiana

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Introduction

This study identifies industrial private forest landowner attitudes and beliefs toward environmental certification. Respondents also identified alternative strategies to third-party certification. Results can help timberland owners understand the implications of certification as well as help develop planning and marketing tools for those that desire involvement in certifying their forest resources. Beyond individual corporate timberland owners, this information may be useful in ultimately developing an industry-wide certification strategy.

Previous studies of certification perceptions and attitudes have been done for various stakeholder segments in the United States such as consumers, homebuilders, architects and home center retailers, federal and state public forest landowners and non-industrial private forestland owners (Ozanne and Vlosky 1997; Vlosky and Ozanne 1997, Vlosky In Press, Vlosky In Review). To date however, little research has been done to understand the perspective of the industrial private forestland owner. Accordingly, to better understand wood products environmental certification and its implications for this stakeholder group, this research study had the objectives of better understanding industrial forestland owner perceptions about certification in general and their opinions on potential alternatives to third-party certification.

The objectives of this research were to: Identify industrial private forestland owner beliefs and attitudes regarding certification and gauge potential for their participation in certification.

Research Methodology & Design

Sampling survey procedures and follow-up efforts followed the widely used and accepted Total Design Method (TDM) developed by Donald Dillman (1978). Data analysis was conducted using established and verified statistical analytical methods. The sample frame for this study is 6,661 Industrial Private Timberland Owners in Louisiana. This sample was extracted from a list of over 40,000 timberland owners in the state of Louisiana. The list was provided by the Louisiana Cooperative Extension Service, Louisiana State University Agricultural Center. In addition, directories of forest landowners and state association membership lists were used. Mailing lists, key informants and selected demographic and industry data were compiled using these sources.

Pre-testing of draft survey instruments and telephone administered questionnaires were conducted using 25 randomly selected individuals from the sample population. In addition, input was solicited from the State of Louisiana Department of Agriculture Forestry, the Louisiana Forestry Association and faculty at Louisiana State University. Pre-testing included follow-up interviews. Based on pre-testing, the survey instrument was refined before final distribution.

Mailed surveys were administered to gather information from the sample frame of industrial forestland owners. Question structure was varied including 5-point Likert scaled questions anchored on scales of importance or agreement. In addition, ordinal, fixed and interval data were posed in dichotomous or multiple-choice formats and open-ended questions. Measures well documented in the marketing literature were modified to fit the study sample frames. In accordance with TDM procedures, the survey process included pre-notification, one mailing and a reminder. It was clearly communicated to respondents that questionnaires will be completely anonymous and confidential, an approach that has been attributable to increased response rates. Study respondents were promised, and received, a copy of summary study results for participating in the study.

Results

Response Rate

6,661 names were randomly selected from a database of 41,000 forestland owners in Louisiana. 1,176 of the surveys were either undeliverable or inappropriate due to the respondent being deceased or not owning forestland. 1,089 surveys were returned as useable, an adjusted response rate of 20 percent. Industrial timberland owners comprised 16 percent of the respondents (171 respondents) while the balance (981 respondents) was industrial private forestland owners. The results conveyed in this report pertain only to the 171 industrial respondents.

Respondent Demographics

Respondents represented industrial forest landowners in Louisiana. The vast majority are male (93%), Louisiana residents (77%), 45 years or older (79%), married (87%), earn over $60,000 annually (84%) and have a college degree (77%) (**Table 1**)

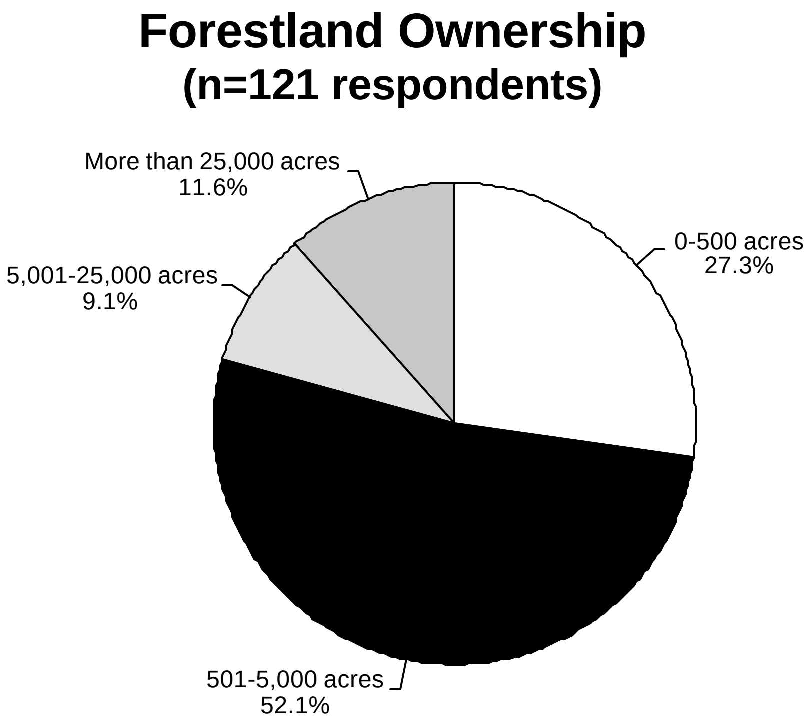
Table 1. Demographics

Gender	***Frequency***	***Percent***
Female	8	7%
Male	107	93%
Residency	***Frequency***	***Percent***
Louisiana resident	94	77.0%
Absentee landowner	28	23.0%
Age Class	***Frequency***	***Percent***
Under 25	0	0.0%
25-34	5	4.2%
35-44	19	16.1%
45-54	28	23.7%
55-64	29	24.6%
65 and older	37	31.4%
Income Class	***Frequency***	***Percent***
LESS THAN $10,000	0	0.0%
$10,000 TO $19,999	1	1.0%
$20,000 TO $29,999	0	0.0%
$30,000 TO $39,999	2	2.1%
$40,000 TO $49,999	2	2.1%
$50,000 TO $59,999	9	9.4%
$60,000 TO $74,999	13	13.5%
$75,000 TO $99,999	8	8.3%
OVER $100,000	61	63.5%
Marital Status Class	***Frequency***	***Percent***
Never married	5	4.3%
Divorced or separated	3	2.6%
Widowed	7	6.0%
Married or living with partner	101	87.1%
Education Class	***Frequency***	***Percent***
Some high school or less	1	0.9%
High school graduate	6	5.1%
Some college	19	16.2%
College graduate (B.A./B.S.)	63	53.9%
Graduate degree (M.S./Ph.D.)	28	23.9%
Membership in an Environmental Organizaton	***Frequency***	***Percent***
Yes	22	18.5%
No	97	81.5%

Forestland Ownership

Average ownership for all respondents is 18,508 acres. As seen in **Figure 1**, 75 percent of respondents own 5,000 or fewer acres while nearly 12 percent own 25,000 acres or more.

Figure 1.



On average, respondents acquired 502 acres over the past 10 years and sold an average of 933 acres over the same time period. This equals a total acquisition of 64,758 acres and 120,357 acres sold. Sixty percent of respondents (75 respondents) said they had a written forestry management plan for their forestland and of this group, 72.9 percent said that the plan was prepared by consulting foresters or other forestry professionals beside themselves. Of the total 126 respondents, three-fourths said that they have sought forestry management advice or assistance from outside the company in the past. The primary products sold by respondents are sawlogs (101 respondents), pulpwood (94 respondents) and posts and poles (30 respondents).

General Environmental Motivations

A set of questions on general environmental awareness and inclination were posed to respondents (**Table 2**). Nearly a third of respondents strongly agreed that they seek out environmentally safe products but only twelve percent strongly agree that they would pay more for environmentally friendly products. Thirty percent strongly agree that there is much corporations can do to improve the environment while this figure was 41.7 percent with regard to the ability for individuals to improve the environment.

Table 2. General Environmental Motivations

5-Point Scale Key
1=Strongly Disagree; 3=Neither Disagree Nor Agree; 5= Strongly Agree

	Percent of Responses					
Question	**1**	**2**	**3**	**4**	**5**	**Mean**
Whenever possible, I buy products which I consider environmentally safe. (n=127)	4.8%	6.3%	29.9%	27.6%	31.5%	3.7
I would pay more for environmentally friendly products. (n=127)	5.5%	14.1%	37.8%	30.7%	11.8%	3.3
I believe that environmental information on packaging is important. (n=125)	7.9%	13.4%	28.4%	21.2%	29.1%	3.5
I generally believe environmental information on packaging. (n=126)	7.2%	13.6%	41.6%	28.8%	8.8%	3.2
I believe there is much corporations can do to improve the environment. (n=127)	1.6%	11.0%	24.4%	35.4%	27.6%	3.8
I believe there is much individuals can do to improve the environment. (n=127)	1.6%	7.1%	22.8%	26.8%	41.7%	4.0

Certification Issues

Certification of Public and Private Forestland

Beyond general environmental attitudes and activities, it is important to gauge respondent perceptions of environmental certification with regard to different forestland ownerships. As seen in **Table 3**, respondents expressed the lowest level of agreement with regard to certification on private forestland relative to federal, state and tropical forests. In addition, respondents were asked to evaluate whether certification can help sustaining the health of forests on of these different ownerships (**Table 3**). The pattern of responses is similar to the responses on the need for certification. Again, the lowest level of agreement is with regard to certification and sustainability of forest health on private forestland relative to state and federal timber ownerships.

Table 3. Rating of the Need for Certification of Timber Harvesting & Management for Different Ownerships

5-Point Scale Key
1=Strongly Disagree; 3=Neither Disagree Nor Agree; 5= Strongly Agree

	Percent of Responses					
Ownership Type	**1**	**2**	**3**	**4**	**5**	**Mean**
U.S. public forests (National Forests, BLM) (n=127)	18.1%	8.7%	27.6%	19.7%	26.0%	3.3
State forests (n=127)	18.1%	8.7%	26.8%	23.6%	22.8%	3.2
U.S. private forests (n=127)	29.1%	10.2%	36.2%	14.1%	10.2%	2.7
Tropical forests (n=126)	15.9%	7.9%	27.8%	19.8%	28.7%	3.4

Rating of the Perception that Certification Can Sustain the Health of Different Ownerships

5-Point Scale Key
1=Strongly Disagree; 3=Neither Disagree Nor Agree; 5= Strongly Agree

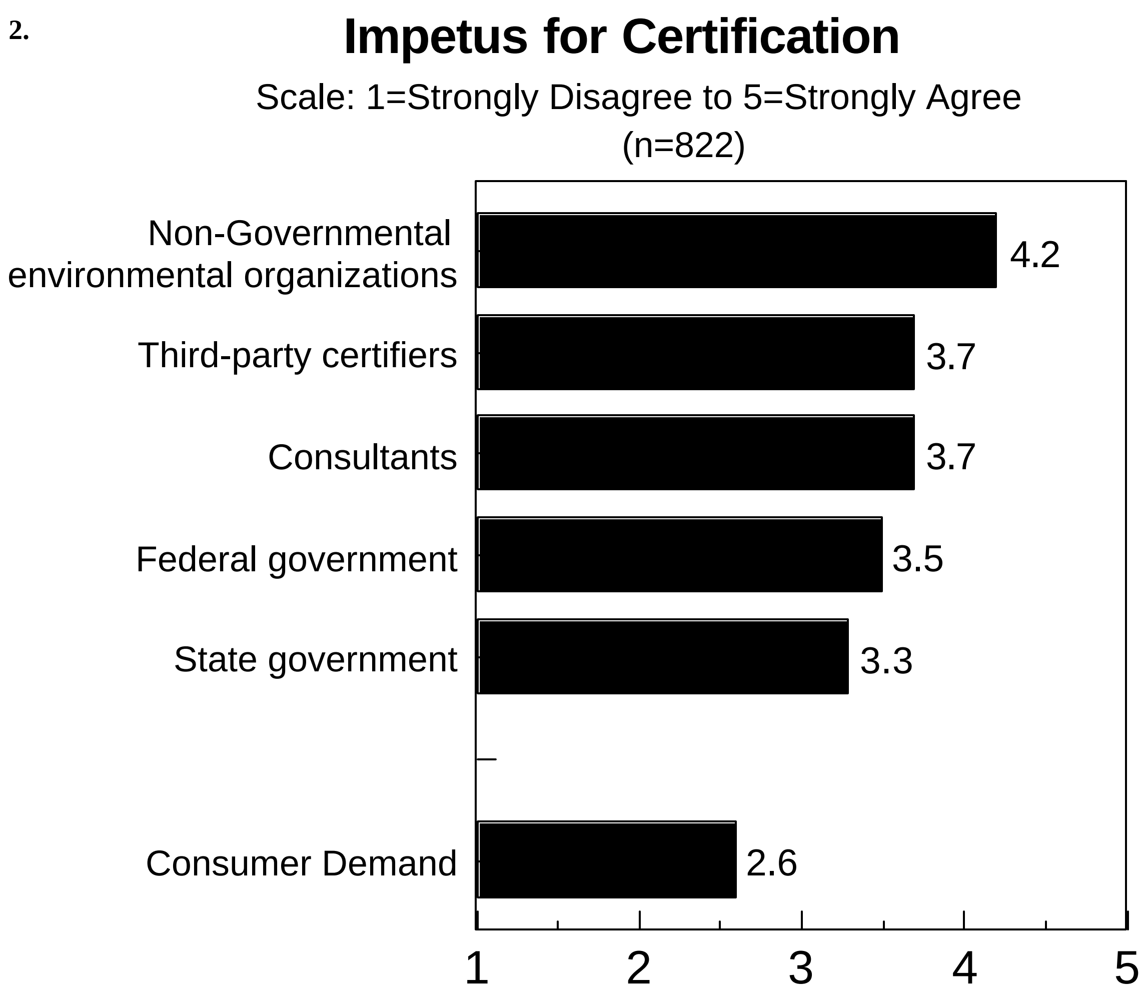
	Percent of Responses					
Ownership Type	**1**	**2**	**3**	**4**	**5**	**Mean**
U.S. public forests (National Forests, BLM) (n=127)	17.3%	8.7%	33.1%	18.1%	22.8%	3.2
State forests (n=128)	17.1%	8.6%	32.8%	19.5%	21.9%	3.2
U.S. private forests (n=128)	24.2%	10.2%	33.6%	18.8%	13.3%	2.9

Tropical forests	(n=126)	14.3%	8.7%	31.0%	22.2%	23.8%	3.3

Perceived Impetus for Certification

As is the case with non-industrial private forestland owners (Vlosky, in review) industrial forestland owners in this study believe that the impetus for certification is from non-governmental environmental organizations (NGOs) (**Figure 2**). This group is followed by the third-party certifiers themselves and consultants that work in the certification area. Consumer demand ranked last (2.6 on a 5-point scale of agreement).

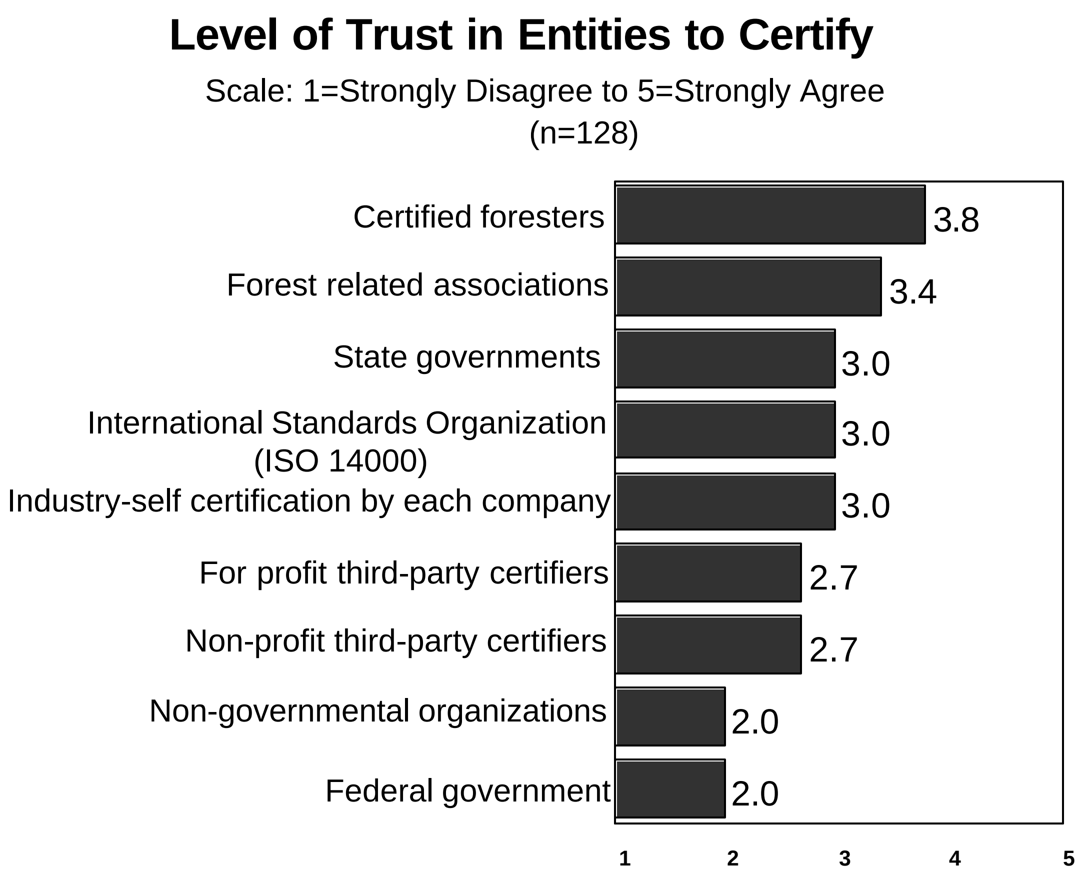
Figure 2.



Level of Trust to Certify Forest Management and Harvesting

An understanding of who industrial forestland owners would trust to certify forest management and harvesting could have implications for third-party certifiers and other potential certifier entities. Respondents were asked to evaluate their level of trust in the federal government, self-regulation by the forest products industry, non-government environmental organizations (NGOs), third-party certifiers and other. As seen in **Figure 3**, the only entities that respondents trust are certified foresters and forest-related associations, rated 3.4 and 3.8, respectively, on a 5-point scale of trust. Tied for last are the federal government and non-governmental environmental organizations (NGOs).

Figure 3.



Certification Questions

Table 4 shows the results of questions relating to general certification questions. The first set looks at desired and actual levels of involvement of the forestry community in the certification process. The figure indicates that there is a wide perception gap between the need to be involved and actual involvement. For example, 64 percent of respondents somewhat agree or strongly agree that such involvement should take place. However, only 12 percent agree or strongly agree that the forestry community has been adequately involved in the certification discussion.

The second section of the figure poses the question of whether certification is a potentially viable mechanism to aid in promoting sustainable forestry in the US. Thirty-two percent of respondents somewhat agree or strongly agree that this is the case. However, 24 percent of respondents somewhat agree or strongly agree that certification can reduce the need for additional forest management regulation.

The third section of **Figure 4** looks at certification and the general public. The first question asks whether certification programs can provide a vehicle for the forest community to communicate positive accomplishments to the public. Just over 40 percent of respondents agreed with this statement and only 19 percent disagreeing. Once again, the flip side of this question, the public's willingness to support certification is called into question. Fifty-five percent of respondents question the willingness of the public to support certification.

Table 4. General Certification Questions

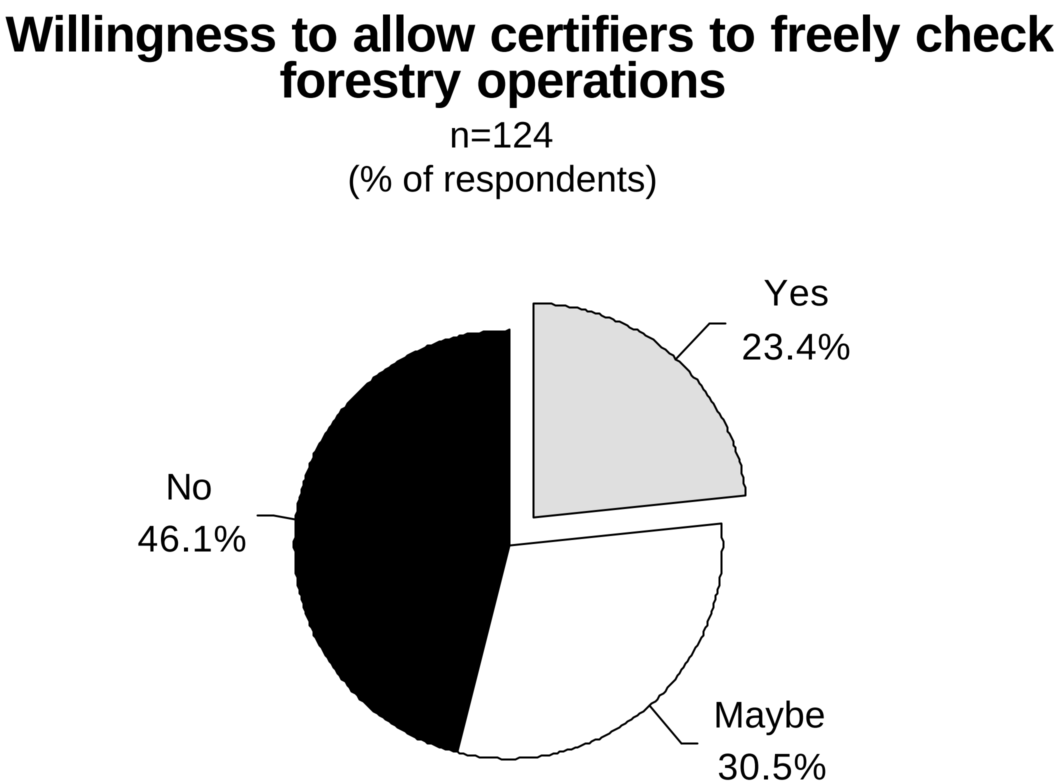
5-Point Scale Key
1=Strongly Disagree; 3=Neither Disagree Nor Agree; 5= Strongly Agree

	Percent of Responses					
	1	**2**	**3**	**4**	**5**	**Mean**
The professional forestry community has been adequately involved in The certification discussion.	8.1%	10.5%	69.4%	8.9%	3.2%	2.9
Certification programs can provide a vehicle for the forest industry to communicate positive accomplishments to the public.	8.8%	10.4%	40.0%	32.0%	8.8%	3.2
The number of certification organizations that exist causes consumers to be confused.	0.8%	1.6%	52.8%	25.6%	19.2%	3.6
Certification is a potentially viable mechanism to aid in promoting sustainable forestry in the U.S.	12.0%	12.8%	43.2%	27.2%	4.8%	3.0
Certification could reduce the need for additional forest management regulation.	20.8%	8.0%	47.2%	19.2%	4.8%	2.7
The U.S. forestry community should be involved in the certification issue.	7.1%	4.0%	24.6%	34.9%	29.4%	3.8
I question the willingness of the public to support certification.	2.4%	7.3%	35.5%	27.4%	27.4%	3.7
I believe U.S. forestry laws make certification unnecessary.	8.0%	9.6%	55.2%	11.2%	16.0%	3.2
I believe forestry laws in my state make certification unnecessary.	6.4%	8.8%	52.0%	16.0%	16.8%	3.3
Certification adds an additional, unnecessary level of regulation.	3.2%	8.7%	24.6%	22.2%	41.2%	3.9

Willingness to Pay for Certification

Figure 4 indicates that about a quarter of the respondents are not averse to having certifiers check their forestry operations with another 30 percent saying they would consider it. Less than 1 percent of respondents said they would pay for the cost to certify their forestland although 28.9 percent said they would consider bearing such costs (**Figure 5**). An important motivation for timber suppliers to certify their forestland is the willingness of their customers to pay a premium to offset implementation costs. Similarly, the ability to receive an upcharge from downstream customers, primarily consumers, is another driver of corporate certification involvement. In this study, respondents were asked if they believed consumers would, in fact, pay a premium for certified forest products. Only 8 percent strongly agreed that this would be the case with 15 percent somewhat agreeing. Fifty-two percent somewhat or strongly disagreed that consumers would pay such a premium.

Figure 4.



Summary

Industrial forest land owners are being increasingly pressured by some groups to certify their lands in some fashion. Some have taken the approach of being "certified" by the American Forest and Paper Association under their Sustainable Forestry Initiative (SFI). Far fewer yet have adopted third-party certification under the guise of SmartWood or Scientific Certification Systems, the two Forest Stewardship Council (FSC) certifiers in the United States. However it develops, certification is a phenomenon that does not seem to be abating.

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