



The Forest Goes on Forever
The Connor Timber

Defining Sustainability for Over 100 Years

INTRODUCTION TO SUSTAINABILITY AND THE FUTURE

The History of Sustainability

- Phase One to Phase Five

The Greatest Threat to Sustainability

- Unintended Consequences
- Managing Timber by Computer
- How Do We Solve These Problems

Becoming Sustainable by Changing our Perspective

- Changing the Perspective
- Industry and Environmentalists
Have the Same Goals
- protectthewilderness.com



THE HISTORY OF SUSTAINABILITY

*Knowing our history,
we can define our future.*

Phase One—How it Began
Phase Two—Adaptation
Phase Three—Practice
Phase Four—Recognition
Phase Five—The Future



Phase One—How it Began

An Unsustainable Past: 1872-1898

Auburndale, WI and **Stratford, WI** were company towns. The business plan was fairly basic and it was also short-sighted.

Laona, WI is where W.D. Connor decided to make a real difference.

Purchased timber in 1898

Completed mill in 1902

Since then, 105 years later, we've sawn over 1 billion board feet of lumber and the site has produced more than 800 million square feet of hardwood flooring. Yet today, there is more standing timber than there was in the original cruise data from 1898.

Phase Two—Adaptation

The Early Years: 1904-1934

Why early logging methods weren't conducive to sustainable timber management:

1. Logging camps
2. Transportation

Some of the early attempts meant cutting 70% of the basic area. Still, it was these attempts and the willingness to invest in the future that was unique.

Phase Three–Practice

The Early Years: The Depression, then 1940s-1970s

Major factors that led to success:

1. Talent was available because of the depression
2. Logging by truck changed it all

Phase Four–Recognition

The Decimation of the Rainforest: 1995-1998

Creation of Forest Stewardship Council–**FSC™**

Then:

Sigurd Olsen Institute

Fighting over the management of the Federal Forest

Now:

Today have embraced and promote it

Creation of the Sustainable Forestry Initiative–**SFI™**

Then:

Embraced because it was sensible

Does the best job training and educating contractors

Now:

Too much “Green Washing”



Phase Five—The Future

Consumers Decide: Today, Tomorrow

It's important to recognize the few of us that are practicing and promoting sustainable timber management and be compensated for our efforts in the marketplace.

Two of our three operating companies are FSC™ Certified.

We received the **SOLEC** Award for our contribution to the eco-system of the Great Lakes.



THE GREATEST THREAT TO SUSTAINABILITY

Unintended Consequences
Managing Timber by Computer
How Do We Solve These Problems



Unintended Consequence

By myopically focusing on shutting down our national forests to timber management, the environmental movement created environmental disaster.

The resource that is most threatened today is private wilderness.

What is private wilderness?

Industrial forest land: 25,000-500,000 acres

Large private landowners: 10,000-100,000 acres

Small to mid-size landowners: 1,000-5,000 acres

Within that, what are the different ownership types?

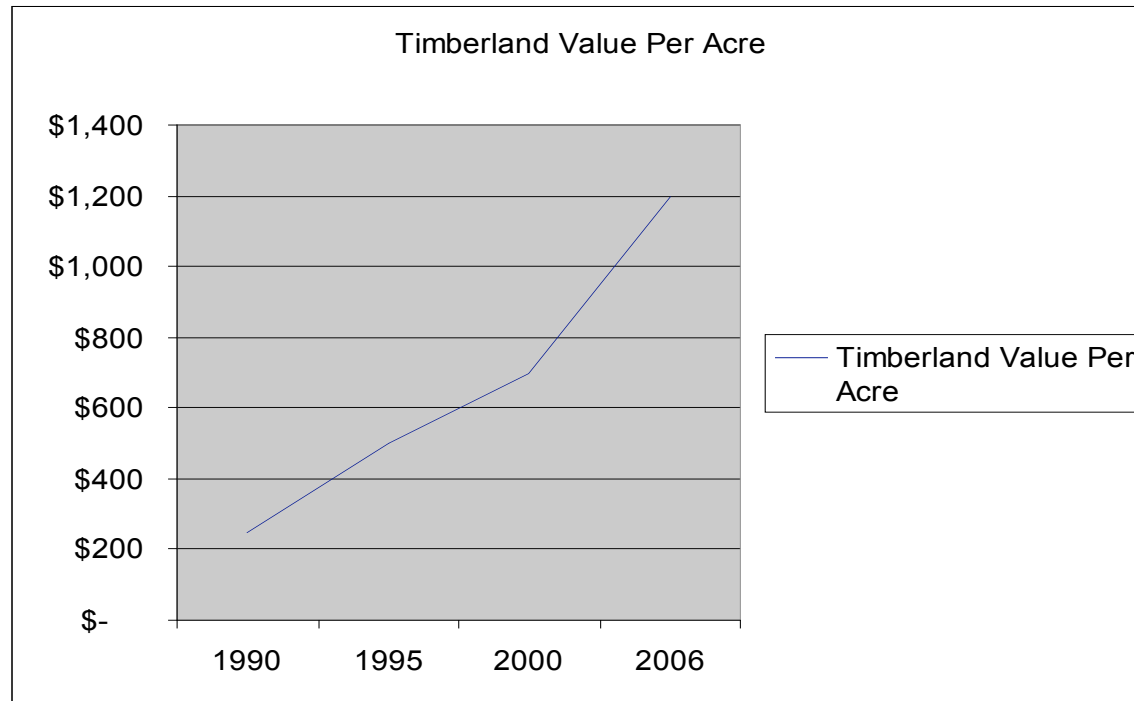
REITs

TIMOs

Last of the independents: Wisconsin Timber Associates, Ltd.
(AKA Connor Timber)

What has caused this threat?

Escalating Timber Values

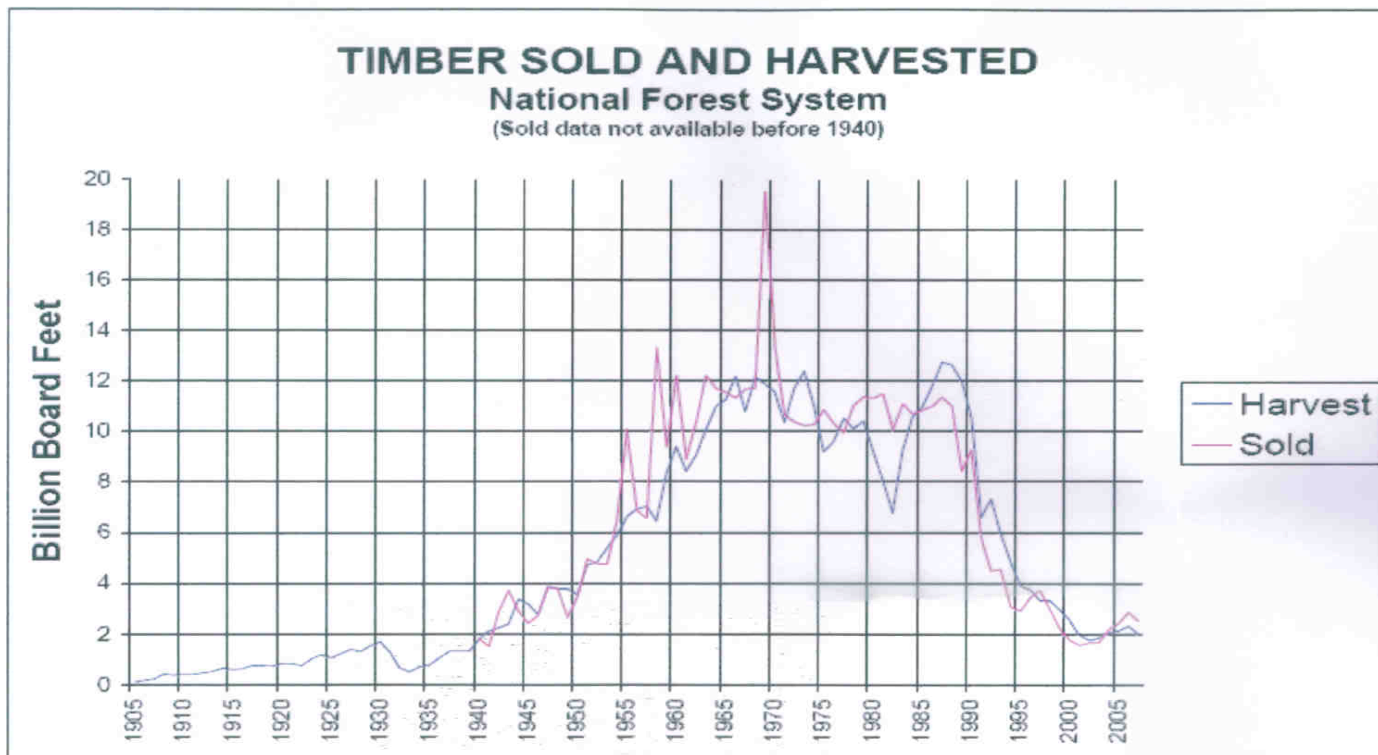


Escalating timber values created a fat margin whereby profiteers could cut and run—to disastrous effect. The reality is timber cannot be bought on margin and must be purchased with cash because you cannot cut the timber fast enough to pay the interest—i.e. holding cost.

What has caused this escalation?

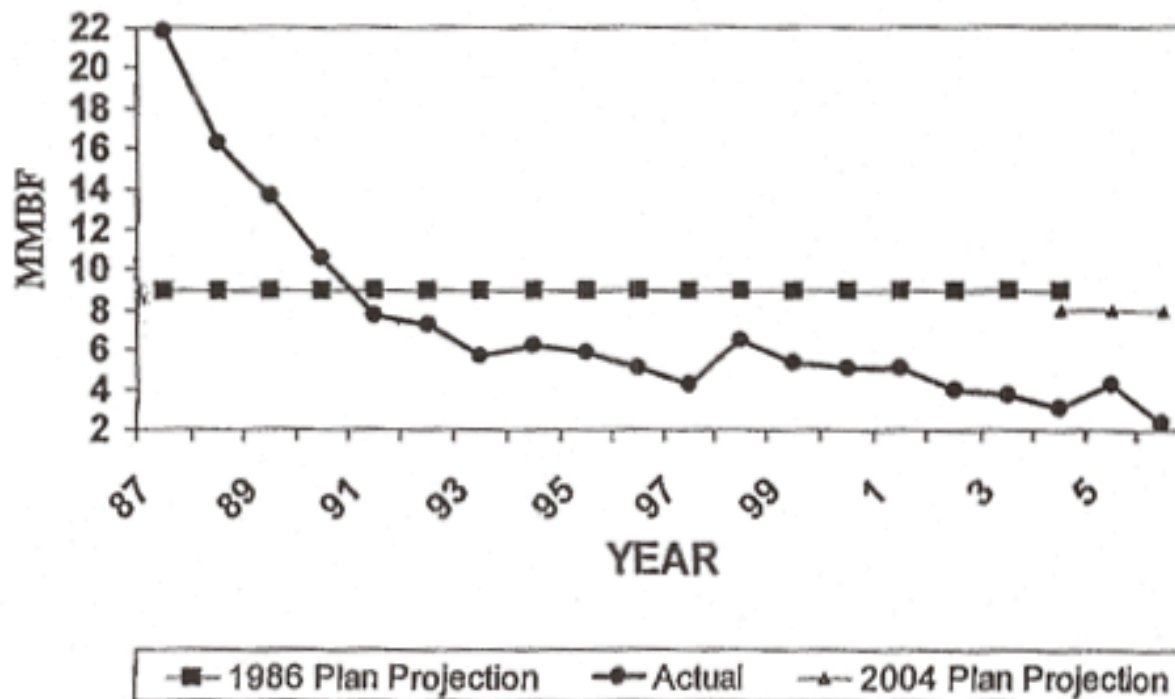
Reduction in the timber harvesting on our public lands


FS Sales 1905 to Present



Reduction in the timber harvesting on the Chequamegon-Nicolet National Forest

HARDWOOD SAWTIMBER CUT VOLUME IN MMBF
CHEQUAMEGON-NICOLET NATIONAL FOREST
(1986 and 2004 FOREST PLAN PROJECTIONS vs. ACTUAL)






What is the best hedge against the destruction of private wilderness in the future?

Opening up federal forests to timber harvesting.

Why is this so:

Decrease the price of timberland vis-à-vis stumpage pricing thereby making cut and run less tenable.

Decrease the price of timberland—make it possible for small to midsize landowners to pass down private wilderness to future generations.



Proper Timber Management– where we need to be and what we need to understand

- Forest ecosystems contain many communities that support diverse populations of organisms.
- These forest communities change over time through patterns of growth and succession.
- The type of forest community present on a site depends on soil and climate, but is also influenced by natural events such as weather, fire, disease, and also by past management practices.

Proper timber management– where we need to be and what we need to understand

In the hardwood timber business our goal is to sustain and improve high quality timber stands with the primary purpose of promoting the Lake State's climax hardwood specie, Sugar Maple.

1. Single Tree Selection is the preferred silvicultural system for the long-term production of shade-tolerant species such as Sugar Maple and Yellow Birch.
2. Single Tree Selection is an uneven-aged management system that produces greater board-foot volume production and yields longer, higher quality, clear logs than even-aged management, and provides a permanent cover of large trees. (Erdmann 1986)

Proper timber management—where we need to be

3. Some of the other advantages of Single Tree Selection are:
 - A. Continuous maintenance of a mature and structurally diverse forest.
 - B. Removes fewer and larger trees at each harvesting entry.
 - C. Produces the optimum balance of quantity and high quality logs in shade tolerant species such as Sugar Maple.
 - D. Provides increased forest structure favorable for some wildlife.

At Nicolet Hardwoods Corporation, we have been practicing single tree selection on our forest for nearly a hundred years. All the while we have maintained the same stocking profile as the original cruise data from 1898.

We are committed to continuing this high level of stewardship for generations to come. We believe our children's children should be able to experience the beauty and productivity of a diverse forest ecosystem.



Management techniques that threaten the future of our forests

You cannot manage timber from a computer:

Boundary Waters, Minnesota

Other “idiotic” theories:

Shelter Wood Cuts

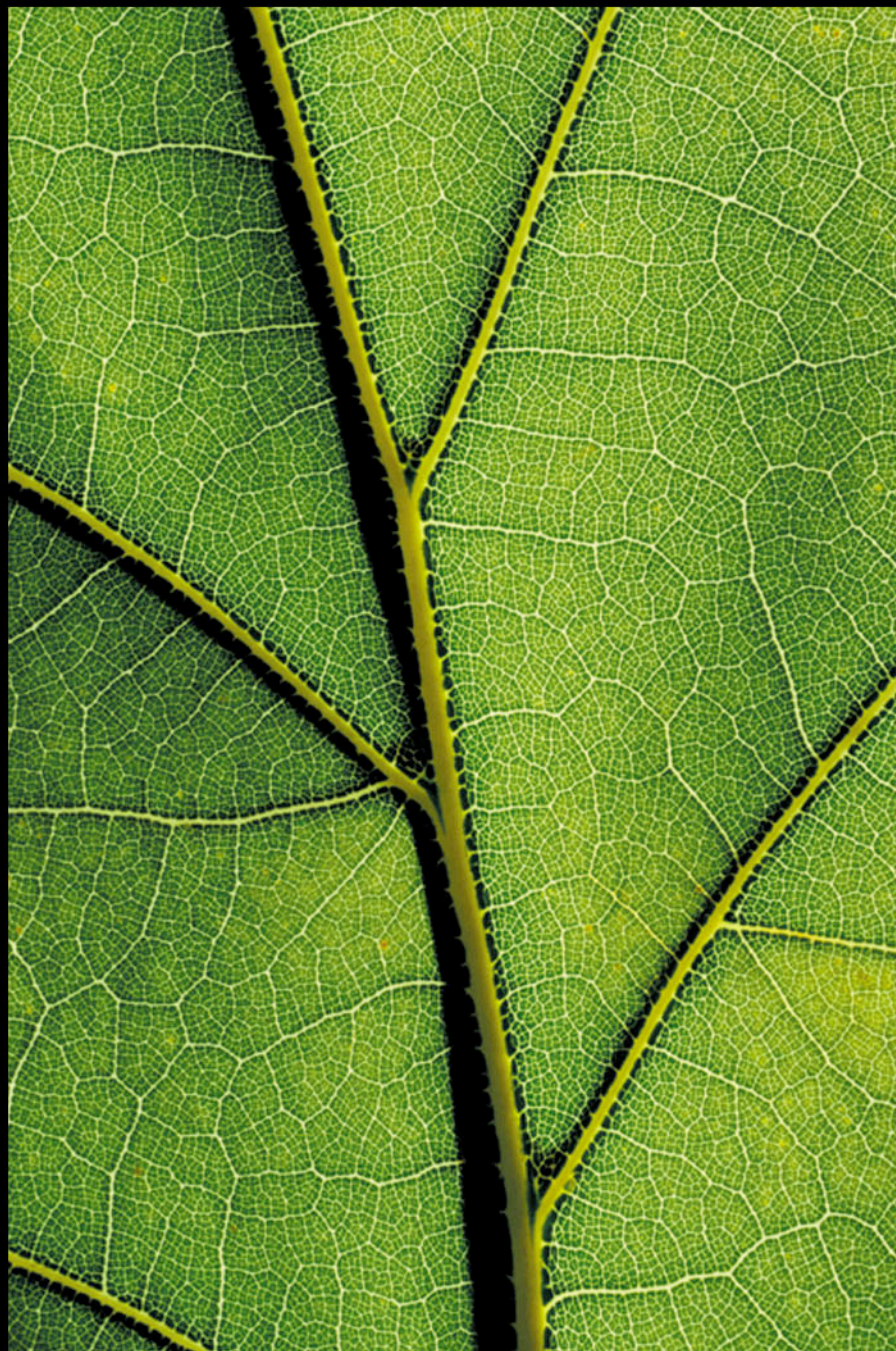
Clearing Out the Poll Trees


Promoting Small Diameter Harvesting



BECOMING SUSTAINABLE BY CHANGING OUR PERSPECTIVE

Changing the Perspective
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It is imperative that we change the discourse and conversation. In reality, our philosophy and attitude is in congress with groups like the Nature Conservancy. We want to hold and manage timberland for the “far distant horizon”—the next five generations.

Nevertheless we must realize the history which has become apart of our cultural understanding and lexicon as it relates to our relationship between our sustainable practice and our original pioneering days.

In a speech that I gave on Arbor Day, some 7-8 years ago I tried to articulate this. Still, I believe this sentiment as much today as I did then and believe it is the kind of conversation we, industry and environmentalist alike, must continue in order to meet common goals and objectives: we aren't that far apart.






These two stories have become a part
of our cultural lexicon:

“The Giving Tree” Shel Silverstien

&

“The Lorax” by Dr. Seuss

While they are great and fantastic
stories they do not tell the full story
of man’s interdependence with the
forest which has arisen beyond
manifest destiny to that of long-term
sustainability.





Lastly, our interests are aligned and that is why we are partnering with protectthewilderness.com

