

Preparing Now for the Future – Practical Issues and Opportunities

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BCCFA 2006 Conference

Burns Lake, BC

June 3, 2006

A stylized silhouette of a mountain range in shades of teal, located at the bottom right of the slide.

Outline

- ◆ Key Messages
- ◆ Introduction/Context
- ◆ Rural/Global economy
- ◆ Priority Issues
- ◆ Discussion

Key Messages

- ◆ 'The quick and the dead'
- ◆ Scale up!
- ◆ Bold not conservative
- ◆ The global economy is a 'knowledge' economy

Change in BC's forest industry: The Past

- ◆ "We don't do it like that"
- ◆ Summer 1960 Meeting
- ◆ Called by major companies in BC's forest industry
- ◆ Summoned was Hon Ray Williston, BC Minister of Forests

The Past

- ◆ “Do I have to point out the idiocy in all this? ... As his ability to appreciate forestry problems grows ... he’ll wonder ... how he could have been such a fool.”

Timber (April 1960) editorial

The Past

“We don’t do it like that”

- ◆ Cannot re-plant, reforest
- ◆ Not going to close utilization
- ◆ Sustainable yield not practical
- ◆ No one is going to build a pulp mill in the interior of BC
- ◆ Re-forestation now a huge industry
- ◆ Industry standards & opportunities
- ◆ Operate on sustained yield basis
- ◆ +10 pulp mills

Microsoft

◆ Nintendo/Sony

◆ X-Box

◆ Google

◆ Explorer

◆ IBM business software

◆ “People ready” Office

Philip Morris

◆ Health debate affecting N/A market shares

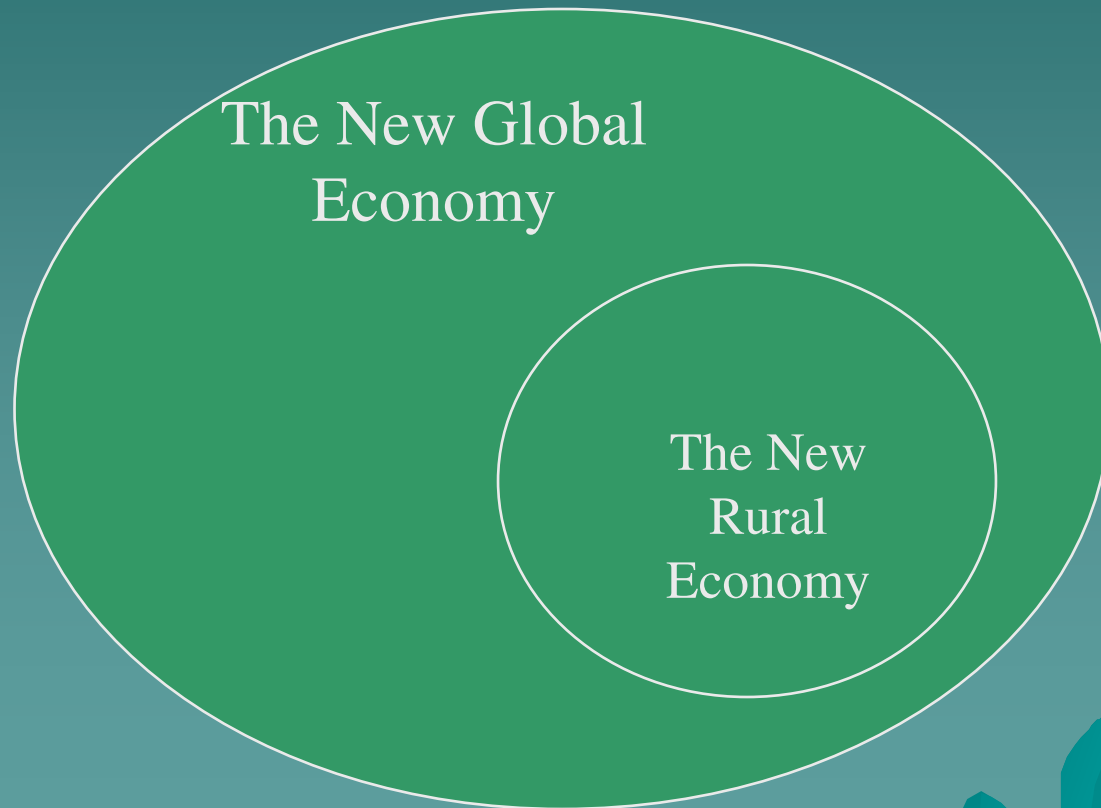
- ◆ Kraft
- ◆ Toblerone
- ◆ Mr Christie (Oreo)
- ◆ Planters Peanuts
- ◆ The Kenyan Coffee Co
- ◆ Terry's Chocolate Orange Co
- ◆ Philadelphia Cream Cheese
- ◆ Shredded Wheat Co
- ◆ Post Cereals Co
- ◆ Baker's Chocolate Co
- ◆ Maxwell House Coffee
- ◆ Oscar Mayer & Co.
- ◆ Del Monte
- ◆ Tetley
- ◆ Businesses in 70 countries

Context


- ◆ “Place” in the “Global” economy
 - As space becomes less important...
 - Place becomes more important
- ◆ Question
 - How to equip community forests to exercise place-based advantages and meet opportunities/challenges on own terms

New 'Rural' Economy


is part of the global economy



What is New About the “Rural” in a Global Economy?

- ◆ It is more connected
 - ◆ It is more complex
 - ◆ Interactions & effects more quickly felt
 - ◆ Its functions have changed
- 

How has rural Canada changed?

- ◆ Natural resource economies to service economies
 - ◆ Corporate sector concentrating and international
 - ◆ 'Rural voice' less visible
 - ◆ Rural policy is sectoral
- 
- A stylized silhouette of a mountain range in shades of teal, located at the bottom right of the slide.

Challenge

- ◆ Most underlying characteristics of the global economy remain the same (ie: profit driven)
- ◆ Some key changes:
 - faster pace (operates and shifts)
 - increasing number of low cost competitors
 - driven by developed world consumers

Opportunities

- ◆ Highlights several areas of priority for 'community based' economic activity
 - 'community engagement'
 - 'environmental certification'
 - 'scaling up of business planning and organization'
 - 'increasing the flexibility of production'
 - 'ensuring a steady renewal of our skills and workforce'

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'community engagement'

- ◆ Be ready to energize and renew community-based visions and priorities
 - Provides 'power' to get onto senior government agendas
- ◆ What happens in the future – the community side of community forestry
 - Your plan – not MoFs
- ◆ Need to address community conflicts over forest uses and values

“Northern Vision”

- ◆ Economic transition is about moving from northern strength to northern strength
 - From resource dependence to a diversified economy inclusive of other options
- ◆ Culture
- ◆ Community
- ◆ Economy
- ◆ Environment

“a vision that includes all peoples”

'community engagement'

- ◆ Local well-being rests on stewardship of our resources – retain:
 - Jobs
 - Profits/investment
 - Sector diversification
 - Environmental quality
- ◆ Be inclusive!
 - You never know where a good idea can come from

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'environmental certification'

- ◆ You know this
 - Beware the coffee industry trend
- ◆ Consumer driven marketplace is demanding 'green' products
 - branding
 - community based
 - ◆ Attach a price premium – marketing edge
- ◆ Much easier with coherent landbase
 - Small / fragmented create difficulties

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'scaling up'

- ◆ Establish strategic alliances and knowledge relationships
 - Technical (model forests)
 - Shipping/trading
 - Marketing/market research
 - Research (universities)
 - Role for Community Forest Association!

'scaling up'

- ◆ Cooperation
 - Large equipment/services/facilities
 - Need to coordinate to create synergies
- ◆ Wise investment in technologies
 - Balancing act
- ◆ Scaling up is imperative because our competitors have scaled up
 - China, India
 - European Union

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'flexibility of production'

- ◆ Must be able to react to changing as market preferences and local/global competitors
 - Emerging low cost competitors
 - Shifting consumer preferences
- ◆ Markets:
 - Get ahead of the curve!
 - Older households
 - Higher incomes
 - 'Cultural' as well as functional products
 - ◆ Beetle wood, horse logging, traditional uses

'flexibility of production'

- ◆ 'Flexible Production is all about:
 - Small batch production
 - Niche marketing with fast turnover

- ◆ Niche opportunities:
 - Non-lumber uses for wood
 - 'Weed' species
(Pulp industry)
 - Non-timber forest products
 - Food products
 - Tourism, recreation, educational use, wildlife, hunting
 - *multifunctionality

'flexibility of production'

- ◆ 1 product
 - ◆ 1 market
- = vulnerability!!

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'steady renewal of skills & workforce'

- ◆ Build upon an experienced workforce
- ◆ But !
- ◆ Now need a wide range of skills
 - Detail/understand your needs
 - Create basis of niche flexibility
- ◆ Youth and Elders
 - Can contribute / be involved
 - Make your population challenges work for you

'skills'

- ◆ Woods management
- ◆ Mill management
- ◆ Operations planning
- ◆ Equipment and technology replacement
- ◆ Business management
- ◆ Marketing & sales
- ◆ Exporting & global markets
- ◆ Transportation & shipping
- ◆ Human resource management
- ◆ Etc

'steady renewal of skills & workforce'

- ◆ Unskilled labour needs to become skilled
 - Competitive advantage in the new economy
 - Partner for 'tailor-made' training
 - Job shadowing
- ◆ Need to develop skills and knowledge to create competitive business advantage
 - Benefits all age groups
 - Specialize and share expertise
 - Support local quality of life

'steady renewal of skills & workforce'

- ◆ New skills are the foundation for new businesses
- ◆ How you train people CAN ALSO become a product you sell

Final Thoughts

- ◆ Change
 - It was, and is, the norm
- ◆ Scale up
 - Connected businesses/communities/regions
- ◆ Build Relationships
 - Long term, with multiple benefits
- ◆ Build Skills/HR Capacity
 - Get equipped & get ahead of curve
- ◆ Be flexible
 - 'the quick and the dead'
- ◆ Doing things matters!
 - Not doing things has consequences

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