

BRANDING AND MARKETING TRIBAL FOREST PRODUCTS

“Your Story Is Your Brand” ...



Volume III. The Way Forward

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Douglas fir cone, BLM

BRANDING AND MARKETING STUDY TRIBAL FOREST PRODUCTS (TFP) *“Your Story Is Your Brand”*

The Way Forward Volume III

Results of the ITC Branding and Marketing Study for tribal forest products (TFPs) are reported in three volumes. Volume I is a synthesis of findings in the form of an executive summary and highlights areas requiring decisions by tribal leadership. Volume II contains topic overviews and detailed information on each Study area. Volume III summarizes key messages from a workshop convened in Seattle on March 1-2, 2011 to discuss the Study, provides an analysis of a participant survey designed to obtain guidance for future branding and marketing initiatives, and presents the Study Team’s recommendations for a path forward. Only Volume I is available in printed form. All three volumes can be downloaded in electronic form upon request. Contact the Intertribal Timber Council office 1112 NE 21st Avenue, Suite 4, Portland, OR 97232-2114, ph: (503)282-4296, E-mail: itc1@teleport.com to obtain access to electronic copies of “Your Story Is Your Brand” and streaming videos of workshop presentations.

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INTRODUCTION

A focused and strategic approach to branding and marketing of tribal forest products could play a key role in increasing the presence and influence of tribal natural resource management across the economic, ecological, and political landscape. Today's depressed timber markets present both challenges and opportunities for tribes. Thoughtful deliberation, decisions and sustained commitments will be needed to create a more hopeful future.

The ability to utilize branding and marketing to advance broad tribal objectives will require new paths to be blazed and new ground to be explored. Potential benefits attainable through increased cooperation and collaboration within the tribal community are substantial and apparent, but not without risk. It will be important to proceed with open eyes as tribes contend with the difficult decisions that lie ahead. Volume III of the Branding and Marketing Report is intended to assist Native leaders in the choosing a path forward. The Branding and Marketing Team has conducted a thorough investigation the findings of which have been published in volumes I and II of *"You Story is Your Brand."* Tribal leadership will need to determine if, when, and how to take to next steps.

In some respects, the concepts and ideas contained in the ITC Branding and Marketing Study can be likened to the seeds in the frozen Douglas fir cones depicted on the cover of this report. Although appearance can be modest at the beginning, seeds can grow into something spectacular if given the chance to germinate and be blessed with nourishment and encouragement.

The findings and recommendations of the ITC Team formed to explore the potential for Branding and Marketing to differentiate Tribal Forest Products (TFPs) from others in the marketplace were discussed at a workshop convened at the Seattle Airport Hilton Hotel and Conference Center on March 1-2, 2011. The workshop had four major objectives:

1. Present findings & recommendations
2. Inform & learn from each other through dialogue
3. Get connected - establish networks
4. See the Vision & Chart the Course

An agenda comprised of presentations by Team members of their findings and recommendations with opportunities for question and answers, was supplemented by two "open-mic" forums (Appendix A). The workshop was video taped and will be available for viewing via the ITC internet site by May 2011.

Participants included a mix of elected officials, resource management staffs, and enterprise managers from tribal communities, representatives from academia, Native American students from the University of Washington and Salish Kootenai College, government agencies (BIA, USFS, and USDOC), and private industry. Participants were asked to complete an Opinion Survey to provide information to guide future Branding and Marketing initiatives by the ITC. An evaluation form was provided for participants to provide comments and suggestions (Appendix B).

This report:

- (a) Condenses key messages from workshop presentations;
- (b) Summarizes the feedback received from the evaluation form and Opinion Survey; and
- (c) Presents recommendations for a "Way Forward" for consideration by tribal leadership.

Volume III will be presented at the ITC Membership meeting as part of the 2011 ITC Symposium in Carlton, MN. At that time, it is anticipated that definitive indications as to which tribes are both interested and prepared to participate in future TFP branding and marketing initiatives will be received.

WORKSHOP PARTICIPANTS

Not including the ITC Project Team, a total of 67 individuals registered for the Branding and Marketing Workshop. The composition of the registrants is depicted in Figure 1. Some individuals who attended the workshop did not register.

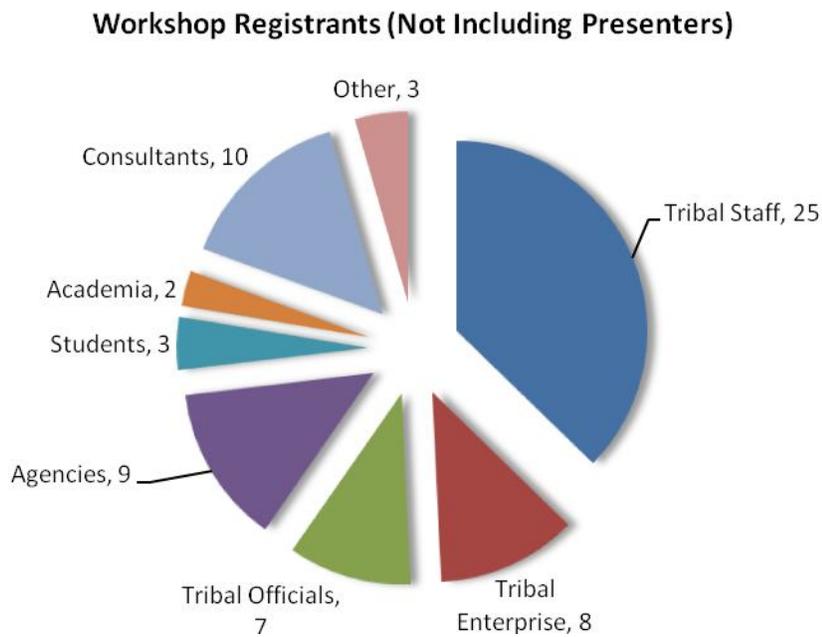


Figure 1. Composition of Workshop Registrants.

PART I. KEY WORKSHOP MESSAGES
Presented in Agenda Order (See Appendix A)

Gary Morishima – Introductory Remarks

- Tribes are uniquely positioned

ATTRIBUTE (Unique in Bold)	COMMENTS
CULTURAL IMPERATIVE FOR STEWARDSHIP	Interconnectedness of natural resources, tribal cultures and economies Multi-generational, place-based traditional knowledge & wisdom “Seven Generations” focus on Sustainability & Permanence Environmental Responsibility
Small Business	8(a) set asides
Minority Business	Minority Business Enterprises Government procurement requirements Corporate social diversity goals
TRUST RELATIONSHIP	Tax Treatment (land base, income, depreciation), Fiduciary responsibilities Tribal Forest Protection Act Federally reserved rights to hunt, fish, trap, & gather Federally reserved water rights
POLITICAL SOVEREIGNS	Uniqueness & Diversity Sovereign immunity Indian Reorganization Act Sec 17 corporations Tribal preference - Promote use of tribal goods and services in Indian Country through federal (e.g., “Buy Indian Act” 25 USC 47) and tribal laws and regulations Environmental regulation (e.g., resource management practices, authority to establish standards for clean air & water, cultural resource protection)

- Branding & marketing should be considered as part of a larger tribal strategy to increase tribal presence and influence
- Branding, marketing, and sales are separable functions
- Poor markets and economy may be depressing, but provide the opportunity for reflection and the chance to adjust course, both for tribes and the industry
- Hope the workshop will open eyes and minds to challenges and opportunities

Ivan Eastin – Market Trends

- FP markets are global and influenced by trade restrictions, currency exchange rates, and economic policies
- Need to be able to participate in diverse markets
 - Poor outlook for domestic market
 - Bright spot is export markets

Ivan Eastin – Tribal Interest in Participating in Branding & Marketing Programs

- Tribes are interested in participating in branding, certification, & marketing, in that order
- Tribal manufacturing facilities are almost completely dependent on timber supplied by their own reservations
- The vast majority of Indian timber is sold in domestic markets, only a small percentage is exported
- About 30% is processed by tribal manufacturing facilities
- Exporting doubled in 2009 compared to 2008, interest is high, but tribal expertise is lacking. The Opinion Surveys expressed support for an initiative to develop tribal expertise for export markets; the ITC and University of Washington submitted a proposal to initiate such a program to the Economic Development Administration of the US Department of Commerce this past winter (notification has not yet been received)

Jim Petersen, Julia Rickard, Rick Palmiter – Market Perceptions of Tribal Forest Products

- There is a mismatch between the attributes of TFPs that tribal producers believe are important and those valued by buyers. Tribes emphasize stewardship and cultural values while buyers mainly want lumber that is "cheap, straight & pretty"
- Tribes need to tell their stories in a way that connects with customers
- Need to integrate manufacturing operations – route log supply to facilities capable of most efficiently handling production
- Integrating operations from the woods to the market is extremely important

Vincent Corrao - Certification

- Two types of certification: Chain of Custody, and Forest Management Sustainability
- Several certification systems are employed domestically and internationally
- Economic benefits from forest management certification have not widely been realized, but certification may be important to maintain market access
- A tribal certification system could be developed

Vincent Corrao – Opportunities to Improve the Bottom Line

- Timber sales procedures employed by Timber Investment Management Organizations and Real Estate Investment Trusts are much more streamlined and efficient than those available to tribes
- Improvements in tribal timber sales administration procedures are needed to enable tribes to participate in rapidly changing markets
- Forest management should be better integrated with tribal enterprise operations

Larry Mason & Scott Baldwin – Branding & Marketing

- **Brand** creates an image to differentiate a product in the marketplace
- A **brand image** creates a **brand experience** over and above product utility
- A brand that becomes known acquires **brand recognition**
- **Brand recognition** accumulates to become **brand equity**
- **Brand management** is the application of marketing techniques to increase customer perception of value
- **Brand marketing** is directed toward “**penetration and pull**”
- Costs of trademarking are modest, compared to marketing
- There are many different types of brands and trademarks (unusual, certification, and collective)
- Trademarks have lifespans, starting from development, to screening and clearance, and country-by-country protection. It is important to protect trademarks by ensuring current registration
- The US Patent and Trademark Office within the Department of Commerce can provide advice and assistance in working through the process

Wade Zammit – Log Export Opportunities

- Asian log export markets are strong, China, India, Japan, and South Korea in order of magnitude
- Export markets are inter-dependent, competition for supply, currency exchange rates, trade policies, and terms of sale
- Ability to efficiently meet commitments is critical to success
- Tribes need to evaluate alternative uses of logs in light of their management objectives
- Tribes wishing to participate in export markets should secure the assistance of experienced log trading companies that are prepared to help secure customers, handle logistics, and administer financial transactions in an open and transparent manner

Jim Haas – Alternatives for Cooperative Marketing of TFPs

- Evaluate alternatives for selling TFPs and understand the pros and cons of individual versus collective marketing systems (sales agents, cooperative marketing associations, outside sales/marketing firms that provide aggregator services)
- Identify competitive advantages and strive to be the best

- Establish clear goals and objectives
- Develop a Structured Marketing Plan, understand limitations (don't over commit and underperform), identify capital requirements for market/supply chains, seek incremental improvement
- Focus on achieving and maintaining profitability

Jim Petersen & Gary Morishima – Opportunity to Work with Lowe's

- Market awareness of TFPs and the values they reflect is generally poor
- It can be extraordinarily difficult to locate contacts within corporate America who can evaluate opportunities in working with Tribes
- Lowe's has expressed a genuine interest in establishing relationships with tribes
- Lowe's operates under a consignment procurement model and has internal procedures for vetting potential suppliers and minimizing administrative costs
- There are opportunities for distributing a wide variety of products through Lowe's, for increasing public awareness of Indian stories, and providing services (such as product installation).
- Tribes will need to develop the means for collective, cooperative action to work with Lowe's

Jim Freed – Non-Timber Forest Products

- Non-Timber Forest Products encompass a wide variety of commodity groups. Information on different types of markets is detailed in Volume II of the BM Report
- The market for NTFPs is substantial (~\$622 million in 2007)
- NTFP suppliers are currently dominated by non-Indians
- The current NTFPs provide opportunities for development of tribal and individual member enterprises
- Tribes could command a very unique and profitable market presence with NTFPs
- NTFPs involve a host of social values and issues. Individual tribes will need to determine for themselves whether and how they wish to participate. A structured process is described in Volume II of the BM Report to help tribes work through decision-making processes

Larry Mason – Ecotourism

- *Ecotourism* is the fastest growing segment of the \$700 billion/yr tourism industry, growing at a rate of 10%-15% annually
- Tribes and Native corporations have unique ecotourism products to offer. Benefits could include new sources of revenue and employment, augments to resort and casino attractions, and opportunities for historical and cultural education. Public information providers, such as state tourism offices, offer low cost opportunity to elevate Native enterprise and cultural visibility through internet web sites

- Because ecotourism can be intrusive, individual tribes will need to decide for themselves if they wish to avail themselves of the opportunities that arise

Larry Mason – Environmental Markets

- Ecosystem services include *provisioning services such as food, water, timber, and fiber*; *regulating services* that affect climate, floods, disease, wastes, and water quality; *cultural services that* provide recreational, aesthetic, and spiritual benefits; and *supporting services such as soil formation, photosynthesis, and nutrient cycling*
- Most payments for environmental services are provided by Government and non-governmental organization (NGO) programs. Tribes and Native Corporations currently receive little benefit
- Voluntary Carbon Markets and values are very small. Current opportunities are limited and fraught with uncertainties as rules and guidelines are established through domestic and international political processes
- Tribal management provides many ecosystem services, but are unrewarded
- There may be an opportunity to seek support for tribal reacquisition of forest lands to reduce costs of conservation, ensure long-term stewardship, reward ecosystem services delivery, and support anchor forest infrastructure

Larry Mason – Forest-Based Renewable Energy

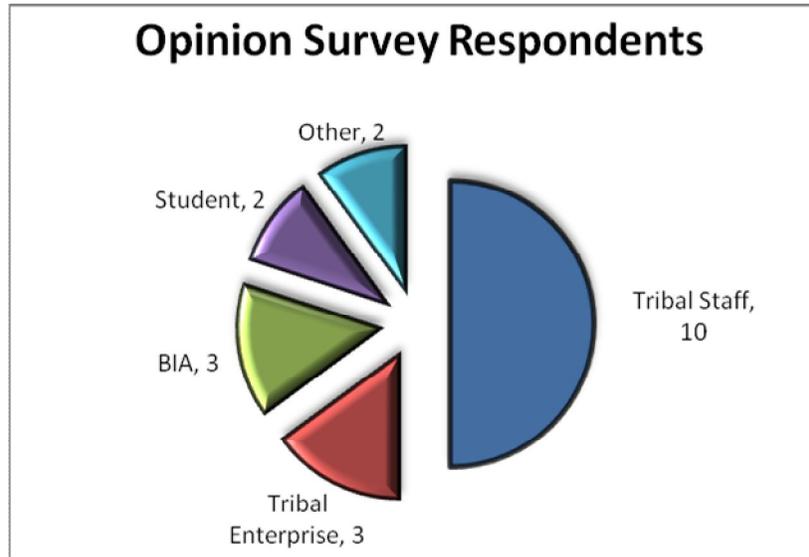
- Significant obstacles have limited the ability of Tribes to benefit from wood-to-energy development
- Energy Policies remain uncertain for investment
- Every potential tribal project is unique (there are no models)
- Small projects that provide lost cost alternatives to serve reservation energy needs, such as institutional heating or pellet manufacture, may hold the most promise

Gary Morishima – Wrap Up

- All things are connected; natural resources, tribal cultures, and economies are closely intertwined
- Tribal communities are an integral part of a global system
- It is important for tribes to be aware of changes and remain flexible to adapt; as some opportunities wane, others strengthen
- The workshop presented information and identified opportunities; we hope it has helped you understand the challenges confronting branding and marketing of TFPs, and opened your minds to enable you to imagine the possibilities
- The future is in your hands, it's time to decide on the path forward

PART II. OPINION SURVEYS

A total of 20 Opinion Surveys were returned after the conclusion of the workshop. The composition of the respondents is depicted in Figure 2. The number of surveys was insufficient to provide meaningful statistical comparisons of differences among respondent groups.



OPINION SURVEY RESULTS

Results of workshop Opinion Surveys are tabulated in the following tables. Color codes are employed to indicate (1) at least 50% agreement (dark green); (2) likely agreement (light green); (3) Neutral (yellow); (4) likely disagreement (pink); and (5) at least 50% disagreement (red). Blank cells indicate no ratings for that question/response combination.

GENERAL STRATEGY

	Please rate your degree of agreement with the following statements.	% Responses					
		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	No Response
GS1	A low risk, proactive yet cautious, proactive approach should be taken for promoting TFPs			20	40	40	
GS2	The ITC should play a primary role in facilitating dialogue, information sharing, and cooperative, collective action			15	35	50	
GS3	The ITC should convene workshops to promote continued deliberation on branding and marketing strategies for tribal forest products		5	5	55	35	
GS4	The ITC should convene workshops for information sharing and critical discussion of policy implications of promoting TFPs			5	55	40	

Respondents expressed strong agreement with the Study Team's recommendation that a low risk, proactive yet cautious, incremental approach be taken with TFP branding and marketing and for continued efforts in facilitating dialogue and convening workshops.

BRANDING

	Please rate your degree of agreement with the following statements.	% Responses					No Response
		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	
BR1	Tribes should uniquely brand and trademark TFPs		5	20	50	25	
BR2	A single national brand for TFPs should be developed and shared by cooperating tribes	5		35	45	15	
BR3	Regional brands for TFPs should be developed	5	20	40	20	15	
BR4	Enterprise-Specific brands for TFPs should be developed	5	15	35	25	20	
BR5	Product-Specific brands for TFPs should be developed		20	30	40	5	5
BR6	A new TFP brand should be developed for only lumber and logs	5	15	30	40	10	
BR7	A new generic TFP brand should be developed which could be used for a broad variety of non-timber forest products products (NTFPs, e.g., crafts, natural foods, ointments, ecotourism, etc.)		20	50	25	5	
BR8	Instead of developing a new TFP brand, an existing brand such as the "Made by American Indians®" for food and crafts program offered through the Intertribal Agriculture Council should be used		60	35	5		
BR9	The ITC should appoint a tribal work team to develop a TFP brand and quality standards		5	15	65	15	
BR10	A trade association or council should be established to develop a TFP brand and quality standards		5	35	40	20	
BR11	The assistance of a firm with branding and marketing expertise should be sought to develop a TFP brand and quality standards	5		25	45	20	5
BR12	Your Tribe would be interested in participating in a TFP branding program	40 Yes	No	55 Uncertain	5 NA		

Respondents expressed strong support for appointment of an ITC work team charged with development of a new brand designed to uniquely identify tribal forest products. Forty percent (40%) of respondents indicated that they thought the tribes they represent would be interested in participating in a tribal branding program, but a majority of respondents were uncertain, principally because tribal officials had not made a determination.

MARKETING TFPs

	Please rate your degree of agreement with the following statements.	% Responses					
		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	No Response
MK1	The sample vignette prepared by the Study Team reflects the values and messages that should be conveyed in a TFP marketing program			30	40	20	10
MK2	Individual TFP enterprises should be responsible for their own marketing	10		45	35	10	
MK3	A structure for coordinated, collective market promotion of TFPs should be established	10	5	10	65	10	
MK4	Technical assistance should be provided to help tell Indian "stories" in compelling ways and to develop a program of public information			15	60	25	
MK5	Professional expertise should be secured to develop a message that would appeal to the general public or target niche markets that are generally unfamiliar with the superior qualities of TFPs			10	85	5	
MK6	A long-term program aimed at gaining access to international markets should be developed to provide a measure of protection against economic downturns in domestic markets			30	40	30	
MK7	A TFP association or council should be created to promote TFPs		5	35	35	20	5
MK8	Marketing networks should be developed for NTFP's to increase access to expertise in product preparation and packaging			25	50	25	
MK9	A TFP branding and marketing program should be maintained through on-going financial support from outside entities		5	30	55	10	
MK10	A TFP branding and marketing program should be supported through outside sources for a start-up period and then transition to self-sustaining programs through licensing and distribution fees paid by members.		5	35	40	15	
MK11	Your Tribe would be interested in participating in a cooperative TFP marketing program	30 Yes	10 No	50 Uncertain	10 NA		

Respondents expressed strong support for cooperative marketing of tribal forest products. Thirty percent (30%) of respondents indicated that they thought the tribes they represent would be interested in participating in a tribal marketing program while, unlike branding, 10% of respondents indicated that they did not believe the tribes they represent would participate in a cooperative marketing program. Half the respondents were uncertain, principally because tribal officials had not made a determination.

SELLING TFPs

	Please rate your degree of agreement with the following statements.	% Responses					
		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	No Response
SL1	Each individual enterprise should be responsible for selling its own TFPs rather than pursuing sales opportunities through development of a cooperative marketing program.	5	20	35	25	15	
SL2	TFPs should be sold under contractual arrangements with sales agencies that have existing expertise	10	5	60	25		
SL3	An internet-based clearing house should be established to help match producers, buyers, and sellers of TFPs	5		30	60	5	
SL4	A tribal association or council should be created to negotiate and arrange sales of TFPs	10	5	40	40	5	
SL5	A national cooperatives should be developed for NTFP's to expand TFP sales opportunities	5	20	40	30	5	
SL6	Regional cooperatives should be developed for NTFP's to expand TFP sales opportunities	5	5	25	60	5	
SL7	An investigation should be launched to pursue funding support to develop the details of organizational structures for cooperatively selling TFPs		15	15	55	15	
SL8	A sales cooperative should be guided by rules and procedures to ensure that members have equitable access to market opportunities		5	35	45	15	
SL9	Efforts of a sales cooperative should be focused on securing markets suited to the capabilities of each of its members			45	50	5	
SL10	A sales cooperative should provide TFPs from its members to meet customer requirements at the lowest cost		10	45	45		
SL11	ITC should develop a framework and process to enable tribes to obtain the information needed to evaluate costs and benefits of alternative uses of logs (e.g., operating their own processing facilities, use of brokers rather than in-house marketing expertise, etc.).		5	30	55	10	
SL12	ITC should convene workshops to determine the reasons for the differences in stumpage revenues between tribes and neighboring public and private timberlands		10	15	50	25	
SL13	A cooperative TFP sales program should be maintained by on-going financial support from outside entities?		10	60	25	5	
SL14	A cooperative TFP sales program should be supported during a start-up period and then transition to self-sustaining programs through licensing and distribution fees paid by its members.			35	50	15	
SL15	Your Tribe would be interested in participating in a cooperative TFP sales program	20 Yes	25 No	40 Uncertain	15 NA		

Respondents expressed mixed degrees of support for cooperatively selling tribal forest products. A majority of respondents were neutral about utilizing firms with existing expertise and national sales cooperatives (questions SL2 and SL5, respectively). A majority of respondents felt that a cooperative sales program should be initially supported with outside assistance and then maintained by membership fees. Twenty percent (20%) of respondents indicated that they thought the tribes they represent would be interested in participating in a cooperative tribal sales program while, twenty-five percent (25%) indicated that they did not believe the tribes they represent would participate in a cooperative sales program. Forty percent (40%) of the respondents (47% of respondents, excluding NAs) were uncertain, again principally because tribal officials had not made a determination.

CERTIFICATION

	Please rate your degree of agreement with the following statements.	% Responses					
		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	No Response
CT1	A new tribal certification system should be developed to verify TFP chain of custody and sustainable management practices	10	15	20	45	10	
CT2	An existing certification system, such as SFI, or FSC should be used to provide third-party verification for TFP chain of custody and sustainable management practices	15	50	15	20		
CT3	Approval of a tribal certification system should be pursued as a special program under an existing certification program such as SFI or FSC.	10	30	30	20	10	
CT4	A stand alone tribal certification system should be pursued under an international certification program that has acknowledged indigenous stewardship (e.g., PEFC)		15	55	15	15	
CT5	ITC should sponsor workshops or develop an outreach program to provide information about requirements, costs, and benefits of chain of custody and forest sustainability certification.			30	50	20	
CT6	A formalized system should be established to guide government-issued certificates of sustainable forest management		20	10	65	5	
CT7	ITC should organize and oversee the development of a tribal certification program		10	20	40	30	
CT8	ITC should seek resources to develop a new tribal certification system as described by the Study Team		5	40	35	20	
CT9	Tribal certification auditing should be performed by independent tribal entities (second party).		15	35	40	10	
CT10	Tribal certification audits should be performed by independent, non-tribal entities (third party)		20	50	30		
CT11	Your Tribe would be interested in participating in a tribal certification program	25 Yes	5 No	50 Uncertain	15 NA		5

Respondents expressed strong support for development of a tribal system of certification for chain of custody and forest management sustainability. Sixty-five percent (65%) indicated opposition to the use of existing certification systems such as those offered by SFI or FSC. Respondents favored 2nd party (tribal) audits over 3rd party (non-tribal) audits for certification. Twenty-five percent (25%) of respondents indicated that they thought the tribes they represent would be interested in participating in a tribal certification program while only five percent (5%) indicated that they did not believe the tribes they represent would participate in tribal certification program. Fifty percent (50%) of the respondents (63% of respondents, excluding NAs) were uncertain, principally because of the high degree of uncertainty as to whether the benefits justified the costs involved with certification.

IMPROVING THE BOTTOM LINE

	Please rate your degree of agreement with the following statements.	% Responses					
		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	No Response
BL1	A task force of tribal and BIA representatives should be formed to identify opportunities and develop recommendations for reducing costs, improving efficiencies in timber sales administration procedures, and increasing benefits from TFPs		5	15	50	30	
BL2	A task force of tribal and BIA representatives should be formed to identify opportunities and develop recommendations for improving the integration of forest management objectives with forest products enterprise operations		5	20	50	25	

Respondents expressed strong support for investigations to identify measures to improve efficiency in timber sales administration and integration of forest management planning with enterprise operations.

NTFPS & ECOTOURISM:

	Please rate your degree of agreement with the following statements.	% Responses					
		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	No Response
NT1	ITC should become engaged in efforts to promote NTFP-based enterprises		15	35	45	5	
NT2	ITC should become engaged in efforts to develop NTFP-based enterprises		15	30	45	10	
NT3	ITC should become engaged in efforts to promote tribal ecotourism		15	35	35	15	
NT4	ITC should become engaged in efforts to develop tribal ecotourism		15	30	40	15	
NT5	Opportunities, costs and benefits to offices to promote exposure for Indian history, culture, forest products and enterprises should be explored with state tourism offices.		15	20	50	15	
NT6	NTFP and ecotourism should be an integral part of a branding and marketing program for TFPs		15	40	30	15	

Respondents expressed strong support for ITC's involvement in developing Non-Timber Forest Products and Ecotourism enterprises, but less support for direct involvement in branding and promotion.

ECOSYSTEM SERVICES

	Please rate your degree of agreement with the following statements.	% Responses					
		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	No Response
ES1	Opportunities to benefit from markets for ecosystem services (e.g., carbon sequestration, conservation easements) should be accorded a higher priority for ITC than promoting branding and marketing of lumber and logs.	5	45	40	10		
ES2	ITC should request a briefing from the USDA Office of Environmental Markets on the process and progress of the guidelines development for environmental services		5	45	50		
ES3	ITC should be involved in guiding the research priorities of the USDA Office of Environmental Markets (e.g., current direction assumes disaggregation of discrete ecosystem services).		10	55	30		
ES4	ITC should be involved in developing regional guidelines for participation in environmental services markets.		15	60	25		
ES5	ITC should be involved in developing national guidelines for participation in environmental services markets.	5	15	40	40		
ES6	ITC should be involved in developing international guidelines for participation in environmental services markets.	5	20	50	25		
ES7	ITC should engage government agencies and non-governmental organizations in discussion of protection of ecosystem services through underwriting costs of Indian land re-acquisitions and expansion of long-term stewardship contracts on National Forests? (Under current assumptions of market potential for discrete services rather than system-wide valuation based upon stewardship performance, the environmental contributions of Indian management are discounted relative to other private and public landowners)		10	25	55	10	

Respondents expressed support for ITC continuing to place a higher priority on branding and marketing of lumber and logs than pursuit of payments for ecosystem services. A majority of respondents were uncertain as to the value of ITC's involvement in establishing research priorities or developing regional and international guidelines for environmental services. Interestingly, respondents indicated much stronger support for ITC involvement in national policies pertaining to environmental services. Very strong interest expressed in pursuing efforts to increase tribal management influence over ancestral forests suggests that the need to expressly integrate TFP branding and marketing within a broader strategy to advance other tribal objectives.

BIOENERGY

	Please rate your degree of agreement with the following statements.	% Responses					
		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	No Response
BF1	Opportunities to benefit from the development of biomass/biofuels opportunities should be accorded a higher priority for ITC than promoting branding and marketing of lumber and logs.	15	50	15	20		
BF2	ITC should request a briefing from the US Energy Department's Office of Indian Energy Policy and Programs on efforts to develop forest-based renewable energy		5	20	65	10	
BF3	ITC should prioritize legislative and policy development to promote forest-based energy from Indian forestlands		15	30	45	10	
BF4	ITC should be involved in establishing research priorities for the development of renewable energy from Indian forests.		10	20	55	15	

Respondents expressed support for ITC continuing to place a higher priority on branding and marketing of lumber and logs than development biofuels/bioenergy projects. Strong support was expressed for ITC involvement in providing information on, and promotion of, forest-based energy and establishing research priorities.

PART III. RECOMMENDATIONS FOR A WAY FORWARD

Branding and marketing promotion holds substantial promise as a means of differentiating Tribal Forest Products (TFPs) in the marketplace. Branding and marketing can bring heightened visibility and opportunity, but does not come without risk. If tribes are unable to match the levels of production, quality, and service of their peers in the market, live up to product commitments, or successfully coordinate their efforts under a cohesive strategy, enterprises will collectively suffer adverse consequences.

Ethics of stewardship and culturally-based holistic management will undoubtedly resonate to some extent, and should be a component of a branding and marketing strategy. However, the determining factor for success lies ultimately in the ability to perform and produce such that consistent and respectable market presence is maintained through both good times and bad. Tribes will be required to adapt to the rigors of changing, highly competitive global markets and make difficult decisions regarding the future operation of their enterprises.

TRIBAL CAPACITY TO DELIVER

COMMERCIAL-ACADEMIC CAPACITY BUILDING

The idea of establishing a commercial-academic team to improve TFP enterprise operations and train the next generation of managers was raised at the workshop. A brief description how such a team might function follows.

An elite project team consisting of individuals with both industry and academic/training skills expertise would be selected and contracted for a 5 year period. Upon-request, the team would provide guidance and expertise to evaluate TFP enterprises on an individual or regional basis. Expertise on all aspects of supply and operations, particularly critical to improve the capacity to secure financing for multi-million dollar upgrades that will be needed to increase the competitiveness of tribal forest products manufacturing facilities, would be included. The Team would identify and evaluate costs and benefits of alternatives, develop specific, actionable recommendations for improvement, help select and train future generation of tribal forest enterprise managers from field forestry operations through to sales and marketing as needed, and monitor implementation actions.

Involvement of academic institutions would provide invaluable training and increase access to funding, research, and knowledge of technological developments. Regional evaluations would provide the opportunity to explore potential synergies between TFP enterprises and the potential strengths in jointly developing skills, new leaders, joint projects in timber, products, marketing and capitalization.

Project Deliverables:

1. A vision and mission for the TFP enterprise incorporating the values of the Tribes
2. A comprehensive analysis of the current state of the business for individual TFP enterprises
3. Identification and analysis of strategy options to provide direction for all areas of the business operations.
4. Domestic and international sales/marketing strategies matched to the best fit between resource, TFP operations and customers

5. Curriculum, training, and a succession plan to move a selected group of interns and management trainees into leadership roles within TFP enterprises.
6. Periodic reports which describe "lessons learned" while maintaining confidentiality to protect sensitive or proprietary information.

Next Steps:

- Evaluate level of interest by ITC Executive Board and Membership
- Identify specific TFP enterprises as candidates for a pilot project
- Identify Team cadre
- Prepare estimates of pilot project funding needs and define deliverables
- Evaluate and prepare funding request options for the initial 5 year project

LOWE'S PILOT PROJECT.

At the workshop, a description of an opportunity to develop a pilot project with Lowe's was met with great tribal interest. A preliminary outline for how a pilot project with Lowe's might be structured is provided below:

- ITC would convene a working group to develop the specifics of a pilot project. Emphasis for the initiative would be placed on long-term, sustainable, Minority Business Enterprise (MBE) supply. Tribal members of the workgroup would be asked to:
 - (a) Identify products by species, grade, and volume that they are prepared to commit to provide a consistent and reliable source of supply;
 - (b) Identify their objectives for participating in the Pilot Project; and
 - (c) Describe the role they would like to play in establishing and conducting a Pilot Project
- Marketing/financing partners would be identified to:
 - (a) Keep things as simple as possible for Lowe's by providing a convenient central point of contact with assurances of the capacity to serve as a reliable source of supply;
 - (b) Provide a flexible mechanism to incorporate additional sources of supply for TFPs as they develop. The program would be capable of involving tribes with diverse manufacturing capabilities and unique needs and wants, but cooperative operation is a must;
 - (c) Address cash-flow concerns for tribal enterprises resulting from Lowe's corporate consignment model and minimize potential for concerns for market priority among participating tribes. Partners would finance the Vendor Managed Inventory (VMI; e.g., 70% of Random Lengths value upon deliver to distribution centers, and as inventory was shipped out of the VMI, reconcile payment allowing for agreed interest and commission).
 - (d) Qualify as a Minority Business Enterprise
 - (e) Provide marketing services outside of Lowe's (e.g., log export)
 - (f) Provide transparency and training in operations
- A tribal brand with mill-specific tag lines for lumber/panels will be used to preserve enterprise identity along side of promotional materials that convey Indian Stories of stewardship and product quality.

- Initial focus would be on lumber products that tribal manufacturing facilities are uniquely positioned to provide. Participating tribal enterprises would determine the species/product mix so that a framework for supply timelines, product types, and price guidelines can be established. For example, if near-term tribal log-bases are heavy to Ponderosa Pine, a 4-square appearance grade board program could be established. If the near term supply is predominantly hem-fir, then a kiln-dried dimension program (2x4 – 2x12) could be featured.
- Access to expertise in mill operation and management would be provided based upon the integrated commercial-academic training program described above.
- Participation by tribes that wish to market NTFPs such as bark, mulch, native plants, etc. could be pursued and incorporated into a broadened market relationship with Lowe's as opportunities arise.
- Depending on interest, partnerships could be formed with Veterans For Green Jobs to train crews with a substantial contingent of tribal veterans to meet Lowe's needs for qualified support services such as product installation.
- Depending on interest by Lowe's and participating tribes, promotional events could be held where local tribes could share their cultures and promote their products in partnership with Lowe's.

Recommendations pertaining to the areas of project investigation are summarized below.

BRANDING

A new brand that encompasses a variety of TFPs should be developed. The branding effort should consist of a logo (trademarked) and applied with tag lines to distinguish regional or tribe specific variations.

ITC should:

- (a) Call for volunteers to work on the development of a TFP brand and logo along with standards/guidelines governing its use;
- (b) Search for financial resources to secure the assistance of a professional marketing firm to develop the brand and logo, including securing associated internet domains; and
- (c) Seek the assistance of the US Patent and Trademark Office within the Department of Commerce when registering brands and trademarks. The Native American Intellectual Property Enterprise Council (NAIPEC) is an additional resource for tribes wishing to pursue trademarks involving protection of intellectual property. NAIPEC supports invention and innovation in the Native American community by providing quantitative patenting, copyright, and trademark assistance. <http://nativeamericaninventors.org/index.html>

MARKETING

ITC should:

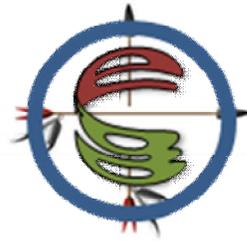
- (a) call for volunteers to work on the development of a marketing strategy for TFPs and to explore the costs and benefits of cooperative marketing and/or the creation of a trade association;
- (b) search for financial resources to secure professional expertise to develop a central marketing theme and strategy;
- (c) seek financial resources to provide technical assistance to tribes/enterprises to effectively tell their stories and inform the public of the availability and values of TFPs; and
- (d) support the developing of tribal expertise to pursue opportunities for marketing and selling TFPs in international markets.

SELLING

Tribal enterprises should be primarily responsible for selling their own TFPs. ITC should:

- (a) Call for volunteers to explore the costs and benefits of cooperative sales of TFPs;
- (b) Search for financial resources to enable tribes to participate in trade shows to promote their products and the tribal TFP brand; and
- (c) Provide links on the ITC web site to aid interested purchasers in contacting suppliers of tribal TFPs.

An internet site could serve a number of purposes important to branding, marketing, and selling TFPs. For example, an internet portal such as that depicted below could feature a brand logo and tribal symbols to convey information about the special qualities of TFPs.

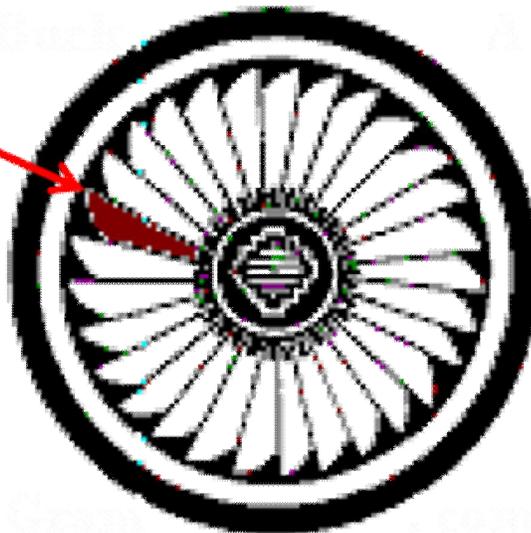


Earth's Gifts ←

Example of logo and tribal brand. Hovering could reveal an encapsulated description of the brand and what it represents. Could include philosophy of sharing and giving, indicating that purchase of products directly benefit tribal communities.

Each feather could represent a product category, e.g., lumber, foods, lotions, teas, etc. and link to a page containing branded products, the stories behind them, and ordering.

Feathers are symbols of prayers, sources of ideas or marks of honor. Taken from birds with attributes related to use. Goose feathers are used to fledge arrows because the bird is known for long flights; feathers from eagles represent honor & connection with the Creator.



Feather Arrangements (Circular). Found on pottery, on masks, prayerfans, costumes for dance and on Plains "war bonnets". Also used on decorated buffalo hides telling a story in paint remembering war honors, important historic events and other periods of time. Placed in a circular arrangement, they are related to the sun, and therefore, the Creator.

Links for each product category could provide information on specific products. For instance, category for huckleberries would include cultural stories about the importance of huckleberries or seasonal production as part of the cycle of life, information on tribal management practices designed to produce berries; show pictures of families harvesting the berries by hand; and information on how berries are preserved and used in traditional foods or ceremonies.

Similar to internet search engines, the portal could track the number of "hits" or orders to provide a convenient means to collect fees to support tribal branding and marketing efforts.

CERTIFICATION

ITC should:

- (a) Sponsor regional workshops or develop an outreach program to provide information about requirements, costs, and benefits of chain of custody and forest sustainability certification;
- (b) Establish a sub-committee of its Operations Committee with membership that includes the BIA to develop a formalized system to guide the issuance of government certificates of chain of custody and sustainable forest management; and
- (c) Seek financial resources to support the development of a new tribal certification system for TFP chain of custody and sustainability.

IMPROVING THE BOTTOM LINE

The responsibilities of IFMAT III should be expanded to include:

- (a) Developing recommendations for reducing costs, improving efficiencies in timber sales administration procedures, and increasing benefits from TFPs;
- (b) Developing recommendations for improving the integration of forest management objectives with forest products enterprise operations; and
- (c) Investigating the reasons for differences in stumpage revenues between tribes and neighboring public and private timberlands.

The ITC should call for volunteers to serve on a task force to (a) identify opportunities to reduce costs and improve efficiencies in timber sales administration procedures to maximize market returns from sales of TFPs; and (b) improve the integration of forest management with sustainable provision of raw material required by TFP enterprise operations.

NON-TIMBER FOREST PRODUCTS

The TFP Brand should be designed to enable its use in with NTFPs. The ITC should provide information about opportunities for development of NTFP enterprises and identify sources of potential expertise, but, since highly sensitive issues are involved, development of NTFPs should be pursued at the discretion of individual tribes and enterprises.

ECOTOURISM

The TFP Brand should be designed to enable its use in with conjunction with Ecotourism. As with NTFPs, ecotourism will involve highly sensitive issues and must be pursued by individual tribes at their own volition. The ITC should provide information about opportunities for development of ecotourism-based enterprises and identify sources of potential expertise. Although ecotourism holds great promise as a valuable component of a larger strategy for branding and marketing of TFPs, ITC is not well-positioned to support its membership in this area. Instead of developing new capabilities within ITC, it is recommended that interested members rely on existing entities, such as the American Indian Alaska Native Tourism Association (<http://www.aianta.org/>) for expertise. AINATA was organized in 1999 to promote Indian Country tourism and serve as the voice and resource for it's constituents in marketing tourism, providing training and educational resources to Tribal members. In a recent press release, Tina

Osceola, president of AIANTA's board of directors and an executive officer for the Seminole Tribe of Florida said, *"Tribal tourism provides a cultural platform for international visitors to see, hear and engage with Indian people in an authentic way that only we can offer."* Eagle Elk, another representative of AIANTA, recently stated that *"One of our goals is to educate mainstream society about Native cultures as a means to overcome barriers, build bridges and share our traditions. It gives us an opportunity to work with diverse groups and share the uniqueness of hundreds of tribes in the United States."* ITC should share results of its investigations on opportunities, costs and benefits of using state tourism offices to promote exposure for Indian history, culture, forest products and enterprises with AIANTA.

ECOSYSTEM SERVICES

Economic markets for ecosystem services are not sufficiently mature to warrant substantial investment in development of initiatives directed at promoting TFP at this time, with the possible exception indicated below. Consequently, ITC's efforts should be principally centered on information sharing. Toward this end, ITC should request a briefing from the USDA Office of Environmental Markets on the process and progress of the guidelines development for environmental services. To help pave the way for deliberations regarding payments for ecosystem services, the ITC should develop a "Red Paper" that discusses inherent cultural, environmental, social justice, and economic conflicts. Current ecosystem payment schemes are based upon an arbitrary disaggregation of ecological and social systems into artificial and unquantifiable discrete "products and services." This construct reflects cultural differences between tribal and western world views; tribal traditional knowledge considers all things as being inseparable from the whole while western science seeks to break down systems into component parts. Social justice issues involve the distribution of costs and benefits of payment systems. Market mechanisms like those under development for carbon credits may provide income for sellers while forcing the constituencies of purchasers to bear the costs of continued environmental deterioration; for example, carbon credits for reforesting land may force local residents affected by continued emissions of green house gases by a coal-fueled electrical power plant. Rules and regulations, such as the "additionality" criteria established under the Kyoto Protocol's Clean Development Mechanism place environmentally friendly tribal forest management practices at a disadvantage.

The Red Paper could also lay the groundwork for exploring approaches to encourage better management on the landscape, such as support for investment in restoring tribal management on ancestral forests. The ITC should pursue the promotion of environmental benefits that tribal stewardship can provide as part a tribal story and strategy to increase tribal influence on the landscape. In this regard, ITC should engage government agencies and non-governmental organizations in discussion of protection of ecosystem services through underwriting costs of Indian land re-acquisitions and expansion of long-term stewardship contracts on National Forests, perhaps pursuing the "Anchor Forests" concept. With dramatic changes in the forest products industry, separation of manufacturing from timber growing operations and closure of manufacturing facilities, there is an opportunity for tribes to play a major role in maintaining the harvesting, transportation, processing and infrastructure needed to keep working forests on the landscape and provide ecosystem services.

BIOFUELS/BIOMASS

The political and administrative structure for biofuels/biomass/biorefinery enterprises remains unsettled at regional, national, and international scales. While these types of TFP enterprises could hold promise, the ever-shifting challenges of financing and securing reliable supplies of raw materials to defray costs of investment remain formidable. Consequently, substantial investment in development of initiatives directed at promoting these opportunities is not warranted at this time. ITC 's efforts should be centered on:

- (1) Information sharing; and
- (2) Participating in efforts to establish a sound foundation upon which future enterprises can be built.

ITC should:

- (a) Request a briefing from the US Energy Department's Office of Indian Energy Policy and Programs on efforts to develop forest-based renewable energy (The ITC should produce a "Red Paper" to inform tribes on costs, benefits, and requirements to help evaluate opportunities to develop forest-based renewable energy projects. Assessment of requirements capital and availability of biomass supplies could tie in nicely with the "Anchor Forests" concept);
- (b) Continue to express its views regarding US and international legislative and policy development to promote forest-based energy from Indian forestlands; and
- (c) Be involved in establishing research priorities for the development of renewable energy from Indian forests.

APPENDIX A



ITC Workshop: Branding & Marketing of Tribal Forest Products

March 1-2, 2011, Seattle Washington

AGENDA

MARCH 1

9:00	Tribal invocation	Delvis Heath, Confederated Tribes of the Warm Springs Reservation
9:10	Tribal Welcome	David Martin, Quinault Indian Nation
9:15	Introduction and Purpose	Gary Morishima, ITC Team Leader
9:30	Status and Trends in the Forest Products Industry	Ivan Eastin, University of Washington
10:00	Tribal interest in participating in a branding and marketing program for tribal forest products	Ivan Eastin & Indroneil Ganguly, University of Washington
11:00	Market perceptions of tribal forest products	Jim Petersen, Evergreen Foundation; Rick Palmiter, Account Manager, Idaho Forest Group; Julia Rickard, Marketing Director, Wesley Rickard, Inc.
Lunch		
1:00	Certification & Opportunities to increase stumpage by improving timber sales administration procedures	Vincent Corrao, Northwest Management Inc.
3:30	Branding & Marketing	Larry Mason, University of Washington & Scott Baldwin, US Patent & Trademark Office, US Department of Commerce
4:30	Open forum	Participant comments
5:00	Adjourn	

MARCH 2

8:30	Log export opportunities	Wade Zammit, Sealaska Timber Corporation
9:30	Alternative approaches for Cooperative Marketing	Jim Haas, International Forest Products
10:30	Opportunity to work with Lowe's	Jim Petersen & Gary Morishima
Lunch		
1:00	Non-Timber Forest Products	Jim Freed, Washington State University
2:00	Environmental Markets and Eco-tourism	Larry Mason
3:00	Key Issues and Decisions	Group Deliberation
4:30	Summary and Action Plan	Gary Morishima
5:00	Adjourn	

APPENDIX B

RESULTS of Evaluation/Feedback

ORGANIZATION REPRESENTATIVE TYPES TOTALS
--

4 Tribal Enterprises _4_ Tribal Government _2_ BIA _0_ Other Federal Agency _1_ Other

Very good meeting.

- Topics
- Space
- Speakers
- Food

Thank you.

Hilton Seattle Airport Hotel:

- Too Expensive!
 - Accommodations
 - Food/Snackbar
 - Bar; e.g. 1 bottle beer = \$6.50
 - No mini-fridge.
 - TV Channels didn't include more numerous selections – sports/movies.
 - Chairs too hard at workshop.
-

Good presenters, topics, sometimes more questions than answers! Excellent time to interact with others. Export speakers were very timely! Good session!

This workshop really helped me realize more, how important and necessary marketing our forest (and non-forest) products are. The NFP presentation was very informative and relevant for our new Nursery.

The entire workshop was VERY INFORMATIVE and well orchestrated. Gary and crew did a magnificent job and I look forward to being involved in whatever way I (WMAT) can.

LOWE'S project should have a follow-up meeting in near future... maybe next board meeting, as a stand-alone special session.

Laura and Don, great facility choices and food/snack options. WELL DONE.

Now, what I didn't like. U.S. Patent and Trade Office presentation was not as relevant as we had all hoped, and feedback I received was that the presentation was a "snoozer."

There were many questions posed as to how to move forward and what tribes would be willing to participate, but it was a little unclear in the end as to what is the immediate “next step”... (i.e. is it as simple as just saying “yes; we want to participate”).

The information provided in the presentation was very detailed and informative.

Overall, I was very impressed with the workshop and the effort that went in to the research.

“Telling our story.” Regardless of where we go with branding, certification, etc. we need to start telling our story. We cannot sit back and expect ITC to do everything for us. We as tribes need to start our own movement to tell our story in our communities, counties, states, and regions. It can become a new Native American movement from coast to coast. Globally as well.

After a few years our image will be better than it is now and a collective effort for branding should be easier. Set our own stage.

This workshop was well planned, organized, and enjoyable. The presenters all had excellent, informative topics directly related to the subject matter. This B&M workshop has uncovered a well spring of opportunities for tribes to market their products.

The objectives were listed and the ITC team has certainly labored to the extent that pay dirt was hit.

Obviously the presenters were professionals who excelled in their subject matter.

In regard to the “fishing a big river analogy,” we have hooked a whopper. It will take skill, finesse and time to land him. I stand ready and willing to assist.

Thank you Mr. Morishima for providing exceptional leadership for ITC. You are a paradigm of how to blend science and tribal traditions that provides long lasting benefits for Native American communities.

If certification is expanded to products from all natural resources, “green” golf courses could be marketed and since some Tribal casinos have golf courses, they could also receive benefits.

Has anyone considered marketing certified, “green” bottled water from Tribal lands?

Could Native American certification be applied to resources supplied by non-Native sources utilized by Tribal enterprises e.g. timber from ceded lands where supplier and owner manages under plan agreed upon by N.A. certification organization.

Everything seems fine. Every speaker had knowledge in their field and explained how things could be.

Enjoy the breakfast, lunch, and break refreshments.

Excellent! And diversified and full coverage of subject matter!

Recommend that such events should include a list of participants and their contact information to expand on network possibilities.
