



Case Study 3

Cooperation is the Key: Blue Ridge Forest Landowner Cooperative

Forest Cooperatives (co-ops) are an increasingly popular means for family forest owners to reap the benefits of pooling resources and experience. Co-ops are generally created to increase the financial return to producers of forest products by marketing products and/or reducing the cost of supplies. Co-ops can, however, serve other functions such as working toward common environmental, ecological, and social objectives. Some co-ops are created specifically to enable private landowners to engage in sustainable timber production. Co-ops can increase the value of landowners' raw materials, helping forest stewardship activities pay for themselves. Although forest landowner cooperatives are more prevalent in the upper Midwest and Northeast, they are beginning to appear in the South.



Photo by: Harry Groot

Forest cooperatives can help members effectively market their forest products and reduce production and management costs while achieving other objectives, such as sustainability.

In southwestern Virginia, the Blue Ridge Forest Landowner Cooperative (BRFC) is working to provide similar benefits for its members. The BRFC's mission is to, help forest landowners practice profitable, sustainable forestry. The co-op provides forest management assistance and other services to its members and pools

resources to enable the production of value-added products such as molding and flooring. Members of the co-op help determine what assistance and services the co-op needs to provide. The BRFC also works to protect ecosystems on a regional scale while improving the public's access to sustainable forestry products. The group has adopted the standards of the Forest Stewardship Council (FSC), an organization that analyzes and provides guidelines concerning the economic, social, and environmental aspects of forestry. The BRFC's goal is to assist all of its members in becoming certified by the council. "We see our forests as a major asset of our personal wealth, but not only as an economic asset. We desire to manage our forests for multiple purposes including aesthetics, wildlife habitat, peaceful refuge, big old trees, wealth creation, a legacy for our children and grandchildren, or just an attractive place to live," say the founders of the cooperative.

The idea for the BRFC started in 2003 at a meeting about sustainable forestry in Mountain Lake, Virginia. In October of 2004 the co-op became officially incorporated. Five board members and a chief executive officer were appointed and the group began soliciting members. The co-op has approximately 900 acres but expects to grow to approximately 10,000 acres. Membership in the cooperative requires the purchase of one share of common stock. Currently, a share costs about \$500. To be eligible for membership, landowners must also be Virginia residents who own at least 20 acres of woodland, and they must agree to abide by the guiding documents of the co-op.



Photo by: Harry Groot

The Blue Ridge Forest Co-op is using newsletters, informational meetings, and word-of-mouth to raise awareness and recruit new members.

To gather support and enlist new members, the BRFC produces a newsletter providing information about the benefits of forest cooperatives and mails it to interested families and members. Other marketing and recruitment activities have included word-of-mouth, sponsorship of workshops on sustainable forest management practices, and informational meetings. Meetings generally attract middle to upper-middle class forest landowners; however, the board is working to increase accessibility for lower income families by adopting the most affordable certification process possible.

To get started, the cooperatives need technical, educational, and financial resources. Foresters, Incorporated, a local forestry company specializing in sustainable forestry, and Next Generation Woods, Incorporated, a local wood products distributor, provided much of the technical assistance for the co-op. The co-op's founders also attended workshops hosted by the Community Forestry Resource Center, Cooperative Development Services, and Rapid Improvement Associates, LLC. The Southern States Co-op Foundation, the Community Forestry Resource Center, and the Appalachian Forest Resource Center have provided grants to help the co-op get started.

The BRFC's biggest challenge has been a lack of capital. Start-up costs for a forest landowner cooperative that is FSC certified and produces value-added products are high. It costs money

to become legally incorporated, to purchase harvesting and processing equipment, to certify land, and to hire staff. The BRFC is dedicated to taking things slowly and seeking grants to assist its start-up and for special projects.



Photo by: Jim Berkenmeter

Co-ops can make it financially and technically feasible for members to produce value-added products, such as wood flooring.

In the wildland-urban interface, where small-acreage, family forest landowners are becoming more common, forest landowner cooperatives, like the BRFC, are especially relevant. Well-operated cooperatives can help reduce many interface issues in several ways. Co-ops enable participating landowners to manage their forests effectively for multiple objectives and help keep land in forestry by making it profitable, and in this case, sustainable.

Cooperatives can also provide an opportunity for natural resource professionals to work with landowners to promote forest health. Resource professionals can be a valuable resource for landowners interested in starting a cooperative, by providing information about co-op formation, technical assistance, and by helping network interested landowners. One challenge is that cooperatives must be initiated by a group of very motivated landowners and resource professionals cannot force the concept on landowners, no matter how advantageous they consider them to be. Cooperatives will not meet the needs of every landowner in rural areas or the interface, but they are a growing phenomenon. Resource professionals must be prepared to provide information about co-ops and

should take advantage of opportunities to provide landowner assistance.

Written by Sarah Ashton, Virginia Polytechnic Institute and State University.

Sources

Graham, J. W. "Finding Hope for Local Forests." The Roanoke Times, April 13, 2005.

Next Generation Woods, Inc. Undated. *Blue Ridge Forest Landowner Co-op*. Hiwassee VA: Next Generation Woods, Inc., http://nextgenwoods.com/blue_ridge_forest_landowner_coop.htm (accessed October 10, 2005).