

Trout Mountain Forestry

- Pioneer in FSC Certification (1997)
- 20,000 Acres Managed
- Family Forest Ownerships



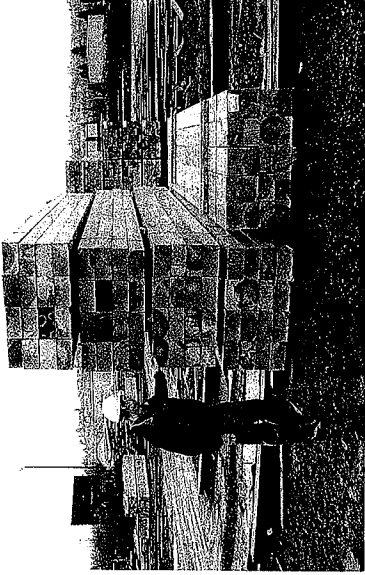
Green Certification

- Promotes conservation values
- Recognized in marketplace
- Potential for market premium

Our marketing experience

- 1st sale of FSC certified lumber (1997)
- Small quantity sales
- Millions of board feet available, less than 5% of logs reach FSC market
- No participating mills
- Custom mill runs

Custom Mill Runs



Opportunities

- Growing Demand
- More acceptance of “green” initiatives
- FSC Forest Management fits well with ecosystem services approach (diversity, longer rotations, greater resource protection)

Barriers

- Problem of Scale
- New Relationships Needed
 - Grouping Landowners
 - Supplying Mills
 - Diverse and Disorganized Market

Building Relationships

- Grouping Landowners
 - Resource Manager Group
 - Forest Owner Cooperatives
 - Need “Cornerstone Ownerships”

Building Relationships

- Mills
 - Sufficient Volumes
 - Consistent Supply
- Diverse and Disorganized Market
 - Working with “green lumber” brokers that have existing relationships in industry
 - Maintaining product availability

Building Relationships

- Diverse and Disorganized Market
 - Working with “green lumber” brokers that have existing relationships in industry
 - Maintaining product availability

Problem of Scale

- Work on two scales:
 - 1) Small, Specialized, High Quality or Value Added
 - 2) Medium, Efficient, “Green Commodity”

Working with Family Forestowners

- Keep it Simple
- Group Owners
- Voluntary Participation
- Get Market Premiums

