

Meeting Notes

Subject: Oregon Forest Cluster Core Team

Date: November 18, 2008

Attendees:

Mike Cloughesy, OFRI
Chris Knowles, OSU
Scott Leavengood OSU
Chris Claffin, OECDD
Gary Lettman, ODF
David Morman, ODF

1. Review of the Forest Cluster Executive Summary and expanded write-ups for Federal Forest Restoration, Forest Cluster Vitality, and Forestry Workforce
 - “Immediate Actions Needed” section for Forest Cluster Vitality is still weak, but few alternatives exist at this point other than increasing prices
 - Increasing federal harvests now won’t help prices but still essential over the long term
 - Russia has announced it is postponing its planned tax on wood exports
 - How will the new Congress and Administration affect carbon markets? Potential for replacement of coal stocks with wood pellets?
 - Need further input from industry leaders on exactly what they need. December 10 forum will provide an opportunity
 - Need to add a bullet to Forest Cluster Vitality “Immediate Actions Needed” addressing state government regulations and policies that may make Oregon’s forest cluster less competitive with other states and regions
 - Less focus in the text on adding new state government positions and more on providing needed capacity
 - Add a footnote reference for the *Ten-Year Plan for the Forest Products Cluster and Wood Products Industry* developed by the Oregon Consortium and Oregon Workforce Alliance
 - OSU to add text for the Forestry Workforce paper regarding higher education

2. Appendices for the forest cluster strategy
 - “One stop shop” needed for state government involvement with the forest cluster. Strong perception that is not the case. More work needed to recommend new structure and organization
 - Appendix needed to summarize organization changes, agency responsibilities, points of contact in state government for the cluster. Then develop work plans, progress reports on implementation of the

- strategy and the agreed to organizational changes.
 - Four agencies will need to continue meeting at least quarterly on this topic. ODOE increasingly has a role with the forest cluster and may need to be added.
 - Organization changes need to integrate OECDD's work with international markets.
 - Appendix will not be ready for distribution until further work is completed in 2009. Recommendations for organization changes can then be used in the 2011-2013 budget process that will begin in 2010.
3. Oregon forest cluster resource guide update
- Last chance for comments and edits. Document will be finalized this week with the Oregon Business Council.
4. December 11, 2008 Oregon Leadership Summit
- Anticipating the forest cluster economic development strategy will be highlighted during the morning session of the Summit, with Steve Zika (overview and forestry workforce), Allyn Ford (federal forest restoration), and Matt Donegan (Oregon Innovation Council proposal)
5. December 10 forest cluster strategy briefing
- Steve Zika and David Morman to provide overview
 - Allyn Ford and Steve Hobbs to cover Federal Forest Restoration
 - Matt Donegan and Scott Leavengood to cover Forest Cluster Vitality
 - Jim Giesinger and Chris Claflin to cover Forestry Workforce
 - Need to have ODF webpage updated and ready ASAP for upcoming December events
 - Four agencies should coordinate on December 10 talking points before the end of November.
6. OFRI article on forest cluster strategy development
- Will be published by OFRI this week,
 - Will also be referenced by OSU and ODF public information
 - Initial mailing with article and December 10 briefing information will go to Legislators, OFIC members, OSWA members, Tree Farm members. Consider expanding to OECDD Business Development Officers, PSU and UO contacts, county governments, local governments, and the secondary wood products consortium
 - All four agencies will promote attendance at the December 10 and 11 Portland meetings
7. Oregon Innovation Council *2009 Innovation Plan*
- Still on track; next step is the release of the Governor's recommended

budget in December

- Factsheet being developed to respond to questions about industry contributions in the proposal

8. Metrics for forest industry competitiveness and vitality

- Interagency agreement between ODF and OSU finalized to supply information on the viability of Oregon mills and future projections on timber supply, mill capacity, and linkages to carbon, biomass, wildlife habitat
- University of Montana research proposal being finalized
 - Forest products industry metrics and data
 - Oregon Forest Industry Leaders survey
 - Secondary wood products production values and employment
 - Improved production and efficiency indicator development
- Broad indicator categories
 - Regional and national demand for Oregon wood products
 - Production
 - Revenues, costs, profits
 - Investment and innovation

9. Next steps

- March project update to the Board of Forestry
- OFRI Board and OECDD executives being kept informed
- Consider packaging the December 10 briefing information into a smaller presentation that could be presented in other forums around the state, particularly in the short-term reaching out to Douglas Timber Operators, Southern Oregon Timber Industries Association, Society of American Foresters, American Forest Resource Alliance, green building groups, secondary wood products manufacturers
- Keep developing “one stop shop” concept

January meeting: Tuesday, January 27, 9 a.m. to noon, at ODF headquarters