VERMONT FOREST FUTURE STRATEGIC ROADMAP

PROJECT UPDATE REPORT

RECOMMENDED STRATEGIC PILLARS & THEMES

JULY 2023

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VERMONT

FORESTS, PARKS & RECREATION
VERMONT
AGENCY OF NATURAL RESOURCES

VERMONT FOREST FUTURE STRATEGIC ROADMAP

PROJECT UPDATE REPORT

RECOMMENDED STRATEGIC PILLARS & THEMES

JULY 2023

This report provides a mid-point update on the Vermont Forest Future Strategic Roadmap Project. This report has been prepared by the project consultant, Future iQ. It includes a summary of the work to date and presents the draft strategic framework, which includes the Strategic Pillars and the initial draft versions of the high-level strategic themes.

Details about the Vermont Forest Future Strategic Roadmap Project and the associated data analysis are available on the project portal:
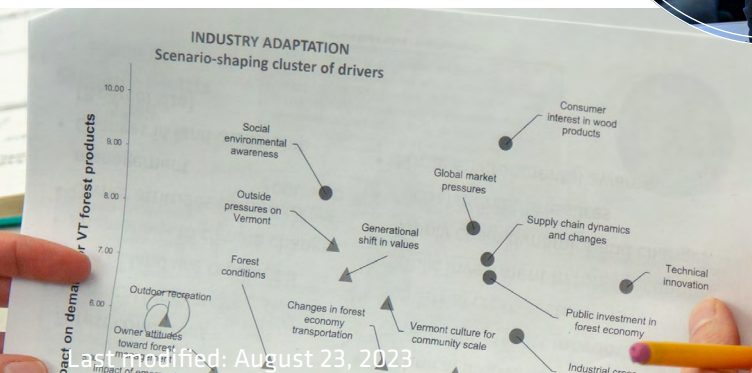
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REPORT PREPARED BY:

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Last modified: August 23, 2023

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STRONG INDUSTRY AND STAKEHOLDER ENGAGEMENT

The Strategic Roadmap planning process has a strong focus on maximizing industry and stakeholder engagement. To date, nearly 1,000 people have participated in surveys and workshops.

PREFERRED FUTURE IDENTIFIED

The scenario-based planning work has enabled stakeholders to explore their views regarding the least desired, expected, and preferred futures for the Vermont Forest Economy 10 years from now. The preferred future has been identified, where intentional forest management is coupled with proactive industry adaptation – helping drive innovation and vibrancy in the forest economy.

STRATEGIC PILLAR FRAMEWORK ESTABLISHED

The Strategic Pillar framework is an organizing structure for action. This has been developed with the Advisory Panel and further expanded with stakeholder input. The Strategic Pillars and the associated strategic themes are a 'package' of recommended actions that work together to deliver the preferred future, as identified by the engagement process.

DRAFT STRATEGIC THEMES IDENTIFIED

Under each pillar, initial strategic themes have been identified, and these are presented in draft form in this update report. These will be developed further over the coming months.

This report provides a mid-point update on the Vermont Forest Future Strategic Roadmap Project. This report has been prepared by the project consultant, Future iQ. It includes a summary of the work to date and presents the draft strategic framework, which includes the Strategic Pillars and the initial draft versions of the high-level strategic themes.
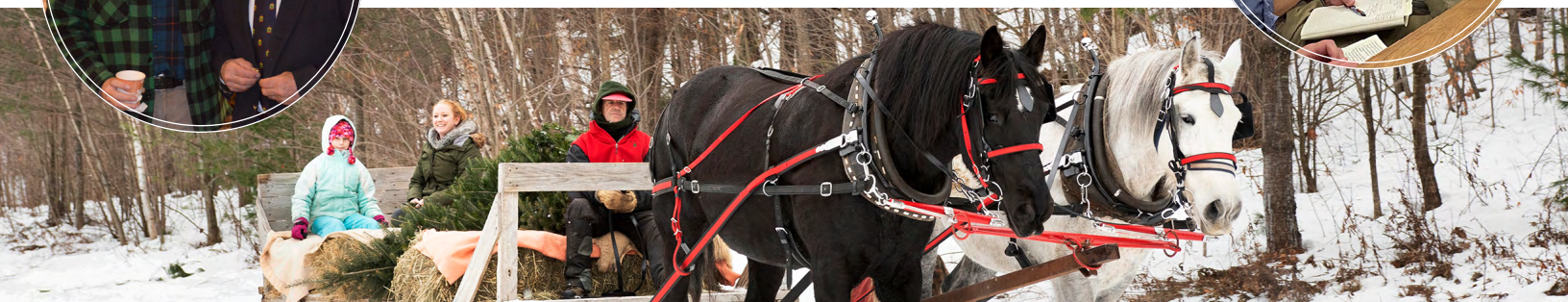
The goal of the Vermont Forest Future Strategic Roadmap project is to evaluate the current state of Vermont's forest economy and to identify the opportunities to strengthen, modernize, promote, and protect the forest products sector into the future. This process is engaging the parties representing all users of Vermont's forests in a robust public engagement process and will develop a 10-year plan of recommended actionable strategies to protect the long-term viability of forest-based businesses, via the Vermont Forest Future Strategic Roadmap.

THE INTENDED OUTCOMES OF THE VERMONT FOREST FUTURE STRATEGIC ROADMAP PROJECT ARE TO:

- Increase sustainable economic development and jobs in the Vermont forest economy.

- Promote ways to expand the workforce and strengthen forest product enterprises.

- Promote the importance of healthy, resilient, and sustainably managed working forests.

- Identify actionable strategies to strengthen, modernize, promote, and protect Vermont's forest products sector.

As the Vermont Forest Future Strategic Roadmap Project is midway through the process, this report presents an update on the extensive engagement work carried out to date. This update also includes the preferred future for the Vermont forest economy, generated through the robust engagement process with stakeholders and industry. Finally, it presents the five Strategic Pillars, high-level themes, and the next steps.

The participation, guidance and commitment of the **Vermont Forest Future Advisory Panel** have been invaluable to this project.
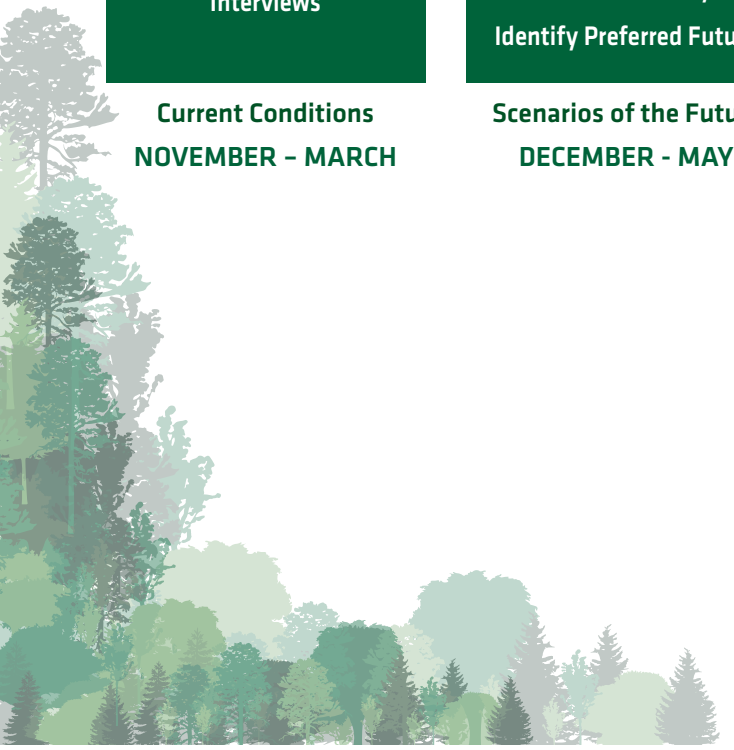
2.0 | STRATEGIC ROADMAP DEVELOPMENT TIMELINE

The Vermont Forest Future Strategic Roadmap Project started in November 2022 and is on track to conclude in December 2023. The process has been designed to follow a series of key steps. To date we have focused on exploring stakeholder perceptions, building future scenarios, and developing a strategic framework. This work has included extensive stakeholder engagement. This report covers the work up to, and including, the development of the Strategic Pillars and high-level themes.

The project timeline highlights the focus on stakeholder and industry engagement. This has been a key feature of this work, with numerous opportunities for meaningful input.

Vermont Forest Future
Strategic Roadmap Development

STEP 1	STEP 2	STEP 3	STEP 4
Explore Perceptions	**Future Scenarios & Implications**	**Develop Draft Strategic Roadmap**	**Forest Future Strategic Roadmap**
Review Research	Future Think-Tanks	Build Strategic Framework	
Industry Roundtables	Agency Roundtables	Identify Key Themes	Future Summits
Stakeholder Survey #1	Engagement Sessions	Strategic Pillar Day	
Interviews	Stakeholder Survey #2	Detailed Recommendations	
	Identify Preferred Future		
Current Conditions	**Scenarios of the Future**	**Detailed Recommendations**	**Final Strategic Roadmap**
NOVEMBER – MARCH	**DECEMBER - MAY**	**APRIL - AUGUST**	**SEPTEMBER - DECEMBER**

3.0 | BUILDING ON PREVIOUS RESEARCH

The Vermont forests and the forest products sector has been the subject of numerous studies. This has built a significant body of research and understanding about the forest economy.

The Vermont Forest Future Strategic Roadmap aims to build on previous research and studies. Throughout the process, previous research work has been reviewed and included to understand what has changed, and where there has been success. An in-depth analysis of previous work been conducted to explore recommendations, and the current relevance to the Strategic Roadmap development. In addition to this industry specific research review, the Strategic Roadmap project has explored macro trends associated with changing societal values, mass urbanization and its impacts, and industrial innovation. These trends helped inform the scenario development in the Think-Tank sessions.

This research scan has included over 30 reports, including the following examples:

- Forest & Wood Products Industries' Economic Contributions: Vermont (Public Sector Consultants, 2020)

- Drivers of Change in U.S. Forests and Forestry Over the Next 20 Years (Dockry et al., 2020)

- Economic Importance of Vermont's Forest-Based Economy 2013 (North East State Foresters Association, 2013)

- Creating and Maintaining Resilient Forests in Vermont: Adapting Forests to Climate Change (Department of Forests, Parks and Recreation, 2015)

- Assessment of Local Wood, Local Good, Certification Systems and Vermont Sourced Wood (Yellow Wood Associates, Inc., 2015a)

- Market Sector Analysis Summary and Recommendations (Yellow Wood Associates, Inc., 2014)

- Assessment of Timber Harvesting and Forest Resource Management in Vermont: 2012 (Department of Forests, Parks and Recreation, 2014)

- Forests of Vermont and New Hampshire 2012 (Morin et al., 2015)

- Focus Group Summary (Yellow Wood Associates, Inc., 2015)

- Vermont Forests 2017 (Morin et al., 2020)

- Vermont's Return on Investment in Land Conservation. (Trust for Public Land, 2018)

DataInsight

- The Strategic Roadmap Project aims to identify key actions that need to be taken to build a robust forest products sector and prosperous forest economy. Lessons from previous work are being incorporated to create a targeted and achievable roadmap.

- The volume of previous work highlights the importance of the forest economy to Vermont and the significant contributions it makes to the State, both in terms of economic impact and recreational, cultural, and environmental benefits.
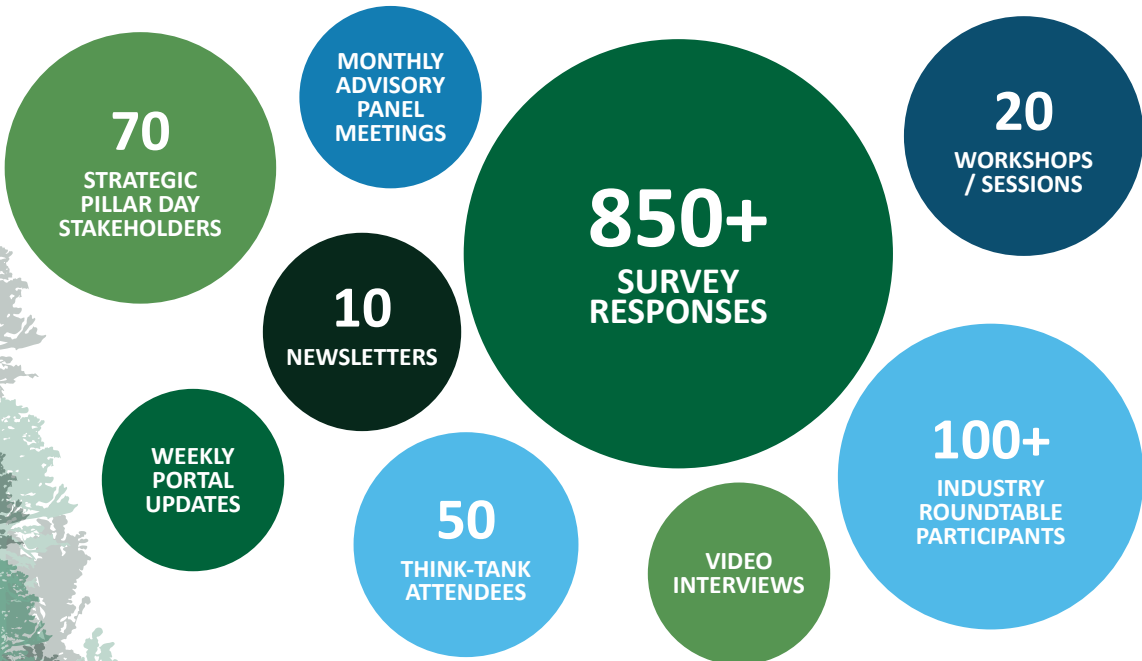
4.0 | STAKEHOLDER AND INDUSTRY ENGAGEMENT

The key to the Vermont Forest Future Strategic Roadmap planning future-oriented planning process is that it has been robust with extensive engagement across the state from November 2022 through June 2023. The intention has been to maintain a balance of in-person and virtual events to ensure maximum participation. Highlights of the engagement work to date include:

- Over 850 survey responses from **Survey #1** and **Survey #2**
- Over 50 people participated in the two-part **Think-Tank** workshops
- Nearly 20 virtual and in-person workshops and update sessions
- Five **industry roundtables** across the State
- **Strategic Pillar Day** with approximately 70 stakeholders
- **Project portal** with weekly updates and 10 newsletters
- Monthly **Advisory Panel** meetings, including quarterly in-person sessions
- Video interviews with the **Advisory Panel** and **stakeholders** on the portal

The Strategic Roadmap planning process has a strong focus on maximizing industry and stakeholder engagement. To date, nearly 1,000 people have participated in surveys and workshops.

70 STRATEGIC PILLAR DAY STAKEHOLDERS

MONTHLY ADVISORY PANEL MEETINGS

20 WORKSHOPS / SESSIONS

10 NEWSLETTERS

850+ SURVEY RESPONSES

WEEKLY PORTAL UPDATES

50 THINK-TANK ATTENDEES

VIDEO INTERVIEWS

100+ INDUSTRY ROUNDTABLE PARTICIPANTS

DataInsight

- The engagement levels have been a key highlight of the planning process. This intentional stakeholder engagement helps build a robust strategic plan, that reflects the industry's and stakeholders' aspirations.
- The next phases of the planning process aim to achieve similarly high levels of engagement and input from across the industry.

A key part of the Vermont Forest Future Strategic Roadmap Project to date has been the exploration of future options and scenarios. The scenario planning methodology allows stakeholders to speculate about different futures and explore the implications and consequences. Through the scenario-planning carried out at the Think-Tank, four broad plausible future scenarios were generated for the future of the Vermont forest economy looking out to 2035. The scenario matrix was defined by the two major axes generated through the cluster development of the key drivers relating to the Vermont forest economy.

Brief descriptions were attached to the end points of each axis, to create a continuum along each axis. The Think-Tank developed a narrative for each scenario and described the characteristics of the Vermont forest economy in 2035 under the conditions of each scenario quadrant. This scenario planning process provided a way to tease out plausible future scenarios and examine them from a speculative standpoint.

VERMONT FUTURE FOREST SCENARIO MATRIX MAY 2023

Proactively invest public and private resources, to build strong cross industry linkages, and spur new ideas and innovation. Build regional supply chains and promote the environmental credentials of new wood products. Boost brand awareness of VT forest products.

The forest landscape and land use patterns are allowed to freely follow prevailing market and economic demands, with little to reduced public policy intervention. The forest resource and landscape is allowed to evolve, driven by landholder priorities and attitudes, and is shaped by the long-term impacts of climate change.
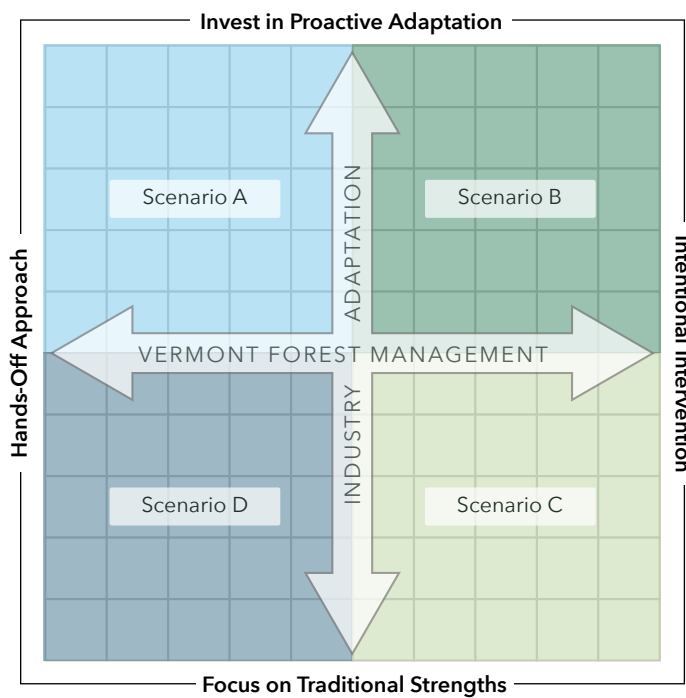
There is intentional policy intervention, and public investment, to optimize conditions for healthy forests and products. The overarching forest management approach focuses on maintaining forests that are resilient to climate change and support a viable and diverse forest economy.

Invest in Proactive Adaptation

Hands-Off Approach

ADAPTATION

Scenario A

Scenario B

VERMONT FOREST MANAGEMENT

INDUSTRY

Scenario D

Scenario C

Intentional Intervention

Focus on Traditional Strengths

Focus is on existing industry strengths and proven approaches. Allow market forces and existing forestry programs to shape the industry trajectory and investments. Publicly promote the economic value and contribution of the forest industry. Focus on the traditional forest products and workforce.

DataInsight

- The scenario matrix was defined by two major themes: 'Vermont Forest Management' and 'Industry Adaptation.'
- Brief descriptions were also attached to the end points of each axis, to create a continuum along the axis. Think-Tank participants developed a narrative for each scenario, which described the characteristics of the Vermont forest economy in 2035 under each scenario.

The **Think-Tank** enabled stakeholders to explore their views regarding the least desired, expected and preferred futures for the Vermont Forest Economy 10 years from now. The data showed scenario B as the preferred future. This scenario forecasts a future where intentional forest management is coupled with proactive industry adaptation – helping drive innovation and vibrancy in the forest economy. The validity of Scenario B as the preferred scenario was tested in **Stakeholder Survey #2** and in the 15 subsequent community and industry events that followed the Think-Tank.

SCENARIO SNAPSHOT – FUTURE IMPLICATIONS

- **Investment in innovation increases**, and public and private capital is deployed in innovation, technology, and marketing.
- **Forest management and health increase**, as greater policy intervention works to protect 'forests as forests' and help climate mitigation.
- **Skilled workforce demand rises**, as forest management and production become more technologically advanced.
- **The industry changes rapidly**, with a greater focus on regional supply chains, innovation networks, and new products.
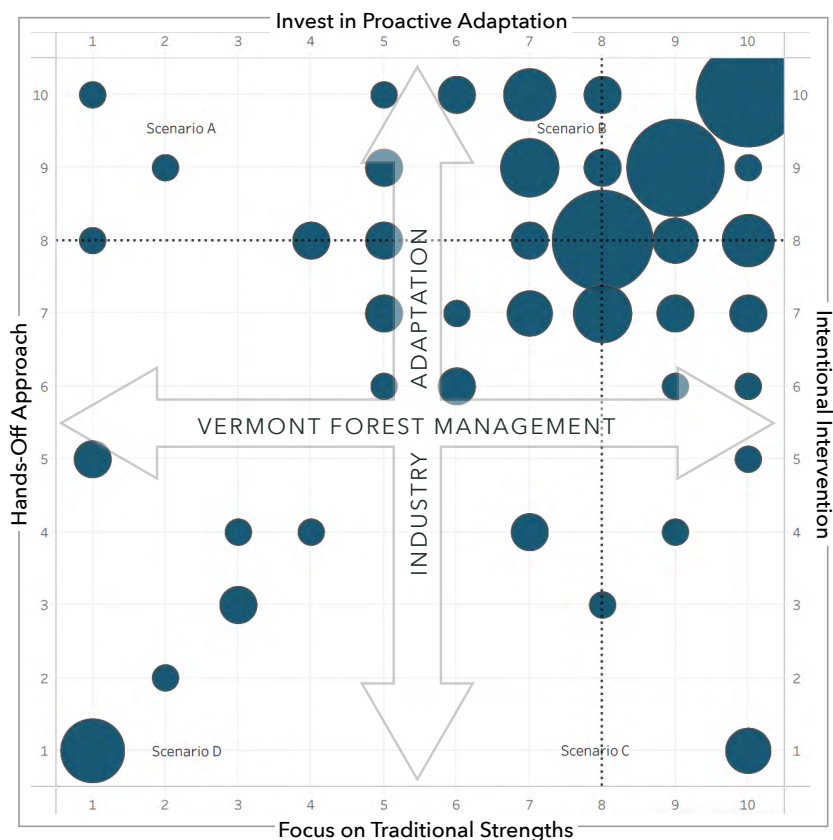
PREFERRED FUTURE

DataInsight

- The stakeholder data shows a strong desire for the preferred future in the upper right of the scenario matrix. This future combines strong investment in proactive adaptation and intentional intervention at both an investment and policy level.
- There are some outliers to this cluster, including several responses in the lower left. However, the 'point of consensus' is in the Scenario B space, and there is a relatively tight concentration of responses. The three largest response locations are in the center and very upper right of the scenario B space, which reflects a significant appetite for change.
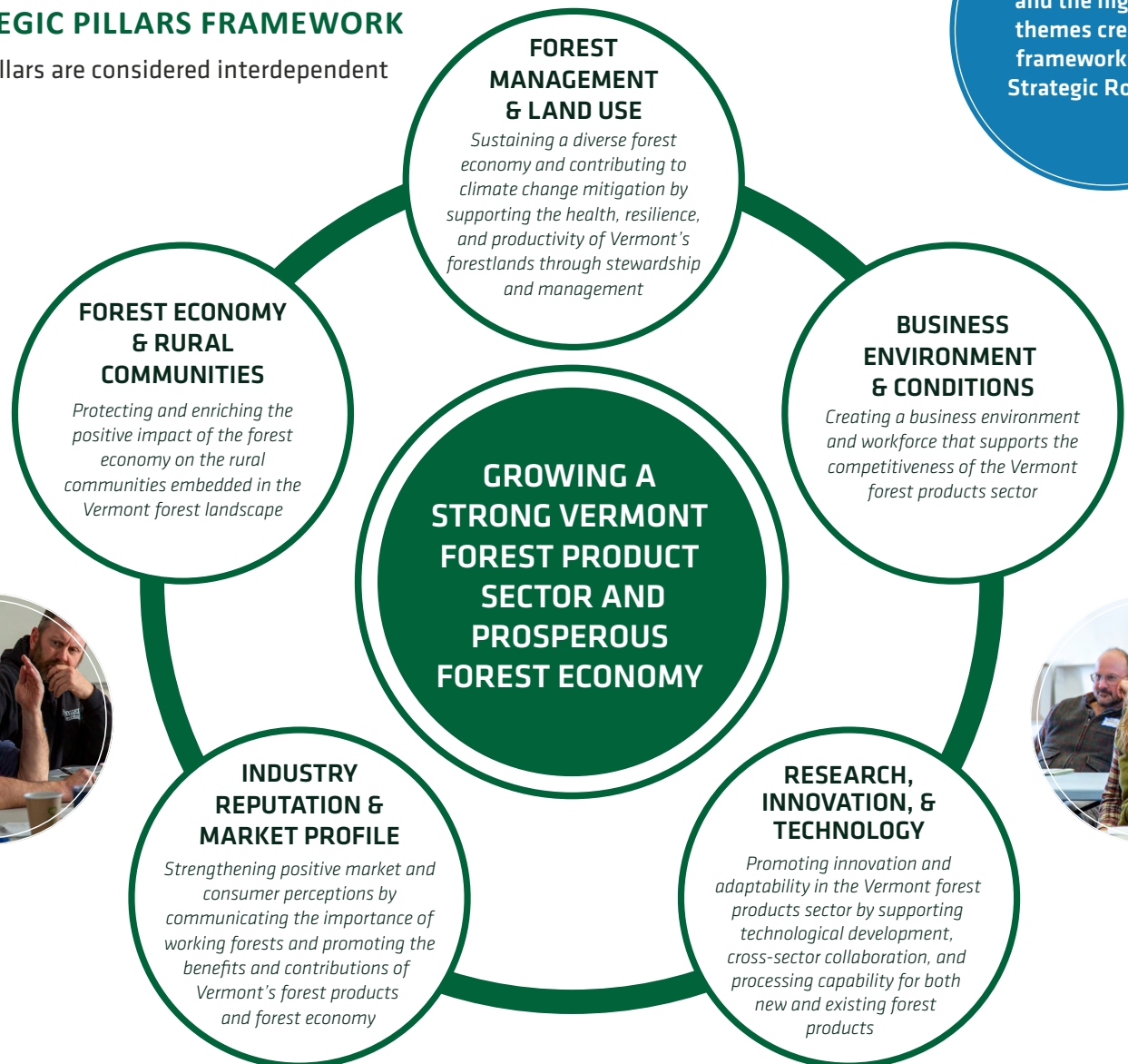
The Strategic Pillar framework is an organizing structure for actions. These have been developed with the Advisory Panel and further expanded at the Strategic Pillar Day, which drew together over 50 industry stakeholders to further expand the ideas and themes. The Advisory Panel has devoted significant time to refining and developing the Pillars and the supporting strategic themes. The Strategic Pillars and the associated strategic themes are seen as interdependent. The pillars and the high-level themes are a 'package' of recommended actions that work together to deliver the preferred future, as identified by the engagement process. Under each pillar, initial Strategic Themes have been identified, and these are presented in draft form in the following sections.

The Strategic Pillars and the high-level themes create the framework for the Strategic Roadmap.

STRATEGIC PILLARS FRAMEWORK

NOTE: Pillars are considered interdependent

FOREST MANAGEMENT & LAND USE
Sustaining a diverse forest economy and contributing to climate change mitigation by supporting the health, resilience, and productivity of Vermont's forestlands through stewardship and management

FOREST ECONOMY & RURAL COMMUNITIES
Protecting and enriching the positive impact of the forest economy on the rural communities embedded in the Vermont forest landscape

BUSINESS ENVIRONMENT & CONDITIONS
Creating a business environment and workforce that supports the competitiveness of the Vermont forest products sector

GROWING A STRONG VERMONT FOREST PRODUCT SECTOR AND PROSPEROUS FOREST ECONOMY

INDUSTRY REPUTATION & MARKET PROFILE
Strengthening positive market and consumer perceptions by communicating the importance of working forests and promoting the benefits and contributions of Vermont's forest products and forest economy

RESEARCH, INNOVATION, & TECHNOLOGY
Promoting innovation and adaptability in the Vermont forest products sector by supporting technological development, cross-sector collaboration, and processing capability for both new and existing forest products

DataInsight

- The Strategic Pillars are designed to work together to create the preferred future, which is 'Growing a strong Vermont forest products sector and prosperous forest economy'.
- The Strategic Pillars include a combination of ideas about reducing impediments and exploring future opportunities. The overall framework is intended to be forward-looking and help position the forest products sector for a vibrant future.

STRATEGIC OBJECTIVE: Sustaining a diverse forest economy and contributing to climate change mitigation by supporting the health, resilience, and productivity of Vermont's forestlands through stewardship and management.

Throughout the survey work and industry stakeholder engagement, there has been an expressed interest in exploring more intentional policy intervention, and public investment, to optimize conditions for healthy forests and forest landscapes. There is a widely held view that the overarching forest management approach should focus on maintaining healthy forests that are resilient to climate change and able to support a viable and diverse forest economy. Previous research suggests that forest management practices over the past three decades have improved the general stocking condition across Vermont (Morin, et al. 2020). However, forest landscapes in Vermont face new and emerging challenges including adapting to more extreme weather events, shifting priorities for land use, and changing ownership of forest land. For example, extreme rain events have been most pronounced in the Northeast, where the frequency of extreme rain events has increased by 74%(Dockry, Bengston, & Westphal, 2020). Key recommended strategic themes include:

MANAGE FOR INCREASED FOREST HEALTH

There is strong support for efforts that increase overall forest health and manage and steward forest resources to produce long-term environmental and economic benefits. It is recognized that forest resources provide important ecological and societal benefits, which are cherished by the stakeholders across Vermont.

### PROMOTE LAND USE POLICIES TO MAINTAIN WORKING FOREST LANDS

Vermont forests are unique due to the high number of private forest landowners and the large cumulative effect of decisions by individual landowners on the overall land use and integrity of forests. While a lot of forest acreage is still represented in large parcels, forest areas are being broken up into smaller and smaller parcels. There is a recognition that to maintain and encourage sound forest management and land use, there needs to be the right balance of policies and public and private investment in maintaining forests.

EMPOWER AND INCENTIVIZE LANDOWNERS TO MAINTAIN WORKING FORESTS

A key theme for the future of the Vermont forest economy, is the ability and willingness of landowners to engage with the forest product sector and through their responsible forest management provide a reliable supply of forest products. Vermont's Use Value Appraisal Program (UVA), commonly referred to as Current Use, has been well regarded as a tool for incentivizing good forest management.

NOTE: An agreed definition of forest health and healthy forests is still being developed by the Advisory Panel. The working concept is expansive, covering the broad issues of ecological resilience and adaptability, and supporting a productive forest economy.
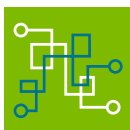
FastFacts

- As of January 2023, there were more than 19,000 parcels enrolled in the Use Value Appraisal Program, including more than 2 million acres of forestland (Division of Property Valuation and Review, 2023).
- The net growth to removals ratio is nearly 3:1 – meaning that Vermont's forests are growing almost three times as much standing timber than is harvested or removed from production due to land use change each year (U.S. Department of Agriculture, Forest Service, Northern Research Station, 2023).

STRATEGIC OBJECTIVE: Creating a business environment and workforce that supports the competitiveness of the Vermont forest products sector.

The stakeholder engagement process has highlighted the local business challenges faced by parts of the Vermont forest products sector. Global competition and supply chain challenges have added to these competitive pressures. The stakeholder survey work has highlighted the concern that timber processing is increasingly challenging in Vermont. This covers the spectrum of processing from loggers to sawmills, to carpenters. The shrinking size of woodland parcels and changing patterns in land ownership adds additional complexity to the management of forests for wood supply. In addition, automation is occurring at an accelerating pace in many industries, which places additional pressures on smaller operations that may lack the financial capacity for major upgrade investments. The forest economy, like most resource economy sectors, is also facing immediate and future workforce constraints. Proposed strategic themes to support this pillar include:

ENHANCE CAPACITY FOR INDUSTRY ADAPTATION AND VALUE-ADDING

The stakeholder engagement work has revealed the need for accelerated adaptation, as the forest products sector faces increasing pressure from competition. There is an identified opportunity to build local and regional supply chains, that could enable more value-adding to occur within the region and State. The decade ahead will see a period of pronounced change in social and environmental conditions, which will require further industry and sector adjustment and adaptation.

BUILD STRONG CONNECTIONS TO THE NEXT GENERATION OF WORKFORCE

The issue of workforce shortage is prevalent across all industrial sectors, including the Vermont forest products sector and forest economy. This is a current and future workforce challenge. Industry discussions have highlighted the challenge of an aging workforce and ownership, and a lack of connection with the next generation of workers, business owners, and investors. However, there is a rapid growth in people who are connected to working forests through areas such as outdoor recreation, non-timber forest products (such as maple sap), and environmental services (such as soil conservation and water quality).

CREATE A "PROBLEM-BUSTING" APPROACH FOCUSED ON THE FOREST ECONOMY

Stakeholders have identified some institutional and policy barriers to business growth and competitiveness in the forest products sector. Regulatory barriers are often seen by stakeholders as an impediment to investments in value-adding and processing capabilities in Vermont. Solid progress has been made on numerous policy issues; however, the concern is that new policy initiatives often have the potential to create new barriers and impediments.
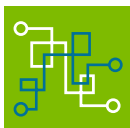
FastFacts

- Overall economic impact of the forest products industry (2020) included 9,107 direct jobs with 13,816 total jobs. These jobs result in $291.5 million and $521.9 million in labor income, respectively (Public Sector Consultants & Frederick, 2020).

- In 2020, Vermont's forest products sector produced a total economic contribution of $2.1 billion with $770.8 million being value-added (Public Sector Consultants & Frederick, 2020).

- In 2013, 58% of the owners of logging businesses in Vermont were over 50 years old. Of those, 23% are older than 60 (North East State Foresters Association, 2013). This issue is likely to be even more pronounced today.

STRATEGIC OBJECTIVE: Promoting innovation and adaptability in the Vermont forest products sector by supporting technological development, cross-sector collaboration, and processing capability for both new and existing forest products.

The stakeholder engagement process has revealed a desire for a more proactive investment of public and private resources to help spur innovation and build strong cross-sector collaboration and linkages. The forest products industry has a long-standing and important role in the economy of Vermont. There is a prevailing sentiment that additional support for innovation in new products and uses, (i.e., mass timber) could help solve some long-term economic challenges and bring new economic vitality to the industry. However, the process of change and innovation can take time and often results in failures as well as successes. This requires a robust culture of risk tolerance, access to 'patient capital', and an ability to absorb setbacks. New England is an epicenter of industrial innovation, however there is a need to build better connections between Vermont and this regional innovation ecosystem. Proposed strategic themes to support this pillar include:

BOOST INVESTMENT TO DEVELOP NEW AND INNOVATIVE USES OF VERMONT FOREST PRODUCTS

A key theme from the industry stakeholder engagement is the need to find ways to utilize lower-economic value wood and extract premiums where possible. In addition, there is emerging interest in the uses of products such as composite and laminated wood offer new and interesting opportunities for Vermont forest businesses. However, to take maximum advantage of new potential uses, the industry and State need to help drive innovation and adaptation.

ACCELERATE THE ADOPTION OF TECHNICAL INNOVATION

The Vermont forest products sector has a history of innovation, especially at a local scale. There is a desire to help accelerate the adoption of new technical innovations that are being created in the surrounding region.

EXAMINE THE OPTIMAL MULTI-USE FUTURE FOREST ECONOMY

A consistent theme in stakeholder discussions is the more diverse use of the forest landscape. Survey results indicate people feel generally optimistic about the increased economic impact of new and emerging forest uses, such as recreation and non-timber forest products. This brings the potential for an increase in the overall contribution of the forest economy. To better understand the optimal future configuration of the forest economy, it is proposed to develop an educational tool to help find synergistic forest uses to help inform landowner options.

FastFacts
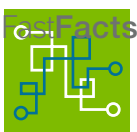
- In 2020, total contributions of wood furniture manufacturing in Vermont were $280.4 million in output, 2,084 jobs, $94.3 million in labor income, and $115.2 million in value-adding (Public Sector Consultants and Frederick, 2020).

- A 2021 study concluded that Vermont had 35 potential industrial sites available for new forest products manufacturing (Northeast Wood Markets Retention and New Market Recruitment Initiative, 2021).

STRATEGIC OBJECTIVE: Strengthening positive market and consumer perceptions by communicating the importance of working forests and promoting the benefits and contributions of Vermont's forest products and forest economy.

Stakeholder discussions have highlighted the need to better promote the sustainability of Vermont wood products and the forest products sector. The broader population is becoming more aware of sustainability issues, including climate change and other stressors of forest health. To maintain support, the Vermont forest products sector will need to better communicate its long-standing approach to sustainability and sound forest management. The industry is well placed to do this, due to key role that the forest sector plays in ecosystem management. There is also a desire and opportunity to boost brand awareness of Vermont forest products and find ways to extract a premium for unique and specialty wood products. Proposed strategic themes to support this pillar include:

ELEVATE THE SOCIAL LICENSE OF THE FOREST PRODUCTS SECTOR IN VERMONT

Resource-based industries are increasingly subject to public scrutiny about the sustainability of their operations and practices. Overall, there is a desire to elevate and maintain the social license for the forest industry to operate in Vermont. For the forest products sector, this means ensuring it maintains the support of the public, which includes promoting its sound harvesting practices and proactively addressing environmental impacts. This will also require clearly demonstrating the connection between positive environmental benefits and Vermont wood products.

EXPLORE THE POTENTIAL FOR BRANDING OF VERMONT WOOD PRODUCTS AT A LOCAL AND REGIONAL LEVEL

Buy Local and Buy Vermont initiatives have been tried previously, with limited success. However, it might be time to revisit and reboot these initiatives, with a broader regional context of consumer education and building societal support. Lessons can be learned from the Farm to Plate initiative, which was developed in part to make local food easier to access by consumers and Vermont residents. There is emerging interest in the 'northern forest' region and concept, which could provide critical scale.
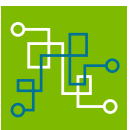
FastFacts

- In 2022, the Vermont Comprehensive Energy Plan adopted a goal of meeting at least 35% of Vermont's thermal demand with wood heat by 2030 and concluded that providing transparent and comprehensive information regarding advanced wood heat is essential to supporting informed consumer choices (Vermont Department of Public Service, 2022).

- In 2015, less than a third of forest products businesses surveyed were interested in participating in a state or regional branding initiative but a significant portion of furniture and wood products manufacturers experienced consumer demand for products that could be traced back to timber harvested in Vermont (Yellow Wood Associates, Inc., 2015a).

7.5 | FOREST ECONOMY AND RURAL COMMUNITIES

STRATEGIC OBJECTIVE: Protecting and enriching the positive impact of the forest economy on the rural communities embedded in the Vermont forest landscape.

The stakeholder engagement process highlighted the importance of the working forest landscape to the Vermont rural character. Stakeholders see this as becoming much more important over the coming decade, in terms of working forests and their products. The relationship between the forest economy and many rural communities is very deep, historic, and potent. Proposed strategic themes to support this pillar include:

BUILD STRONGER LINKAGES BETWEEN THE RECREATIONAL USES AND FOREST PRODUCTS ECONOMY

As the forest economy in Vermont evolves, it is very likely that trail-based recreation such as biking and hiking will become even more significant economic drivers. This is already obvious in some regions, like the Northeast Kingdom, where recreation is providing renewed economic vitality and operates in a complementary manner with the forest products sector. In fact, these economic drivers are now beginning to overlap in innovative and successful ways. Outdoor recreation opportunities can help enrich and elevate Vermont communities as exemplary places to live, work, and play.

REIMAGINING THE 'MILL TOWN' OF THE FUTURE

There has been concern about the gradual loss of the local economy associated with value-added businesses, such as local sawmills and processing facilities. The move to larger processing facilities which are located outside the state is seen as an outcome of the scale of modern industrialization. Still, it creates concern about the future economic vitality of traditional Vermont forest towns or 'Mill Towns.' There is interest in helping redefine and reimagine forest communities that may include a greater diversity of people, who could bring new business ideas and models.
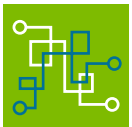
FastFacts

- Vermont forests are heavily used by residents for a variety of recreational pursuits. 72% of Vermont residents participate in outdoor recreation each year. Overall, 33.7% of visitors hiked or backpacked, 27% viewed wildlife, and 16.3% canoed or kayaked (Trust for Public Land, 2018).

- A 2013 survey found that 60% of Vermont logging businesses were owner operated with no employees. Less than 10% of Vermont logging businesses had more than 5 employees (North East State Foresters Association, 2013).

- In 2021, 57% of Vermont's sawlog harvest was exported out of the state for value-added processing. Forty-nine percent of the export volume went to Quebec followed by New Hampshire and Maine at 29% and 16% respectively. Nearly 4% was shipped overseas, mostly to China (Department of Forests, Parks and Recreation, 2022).
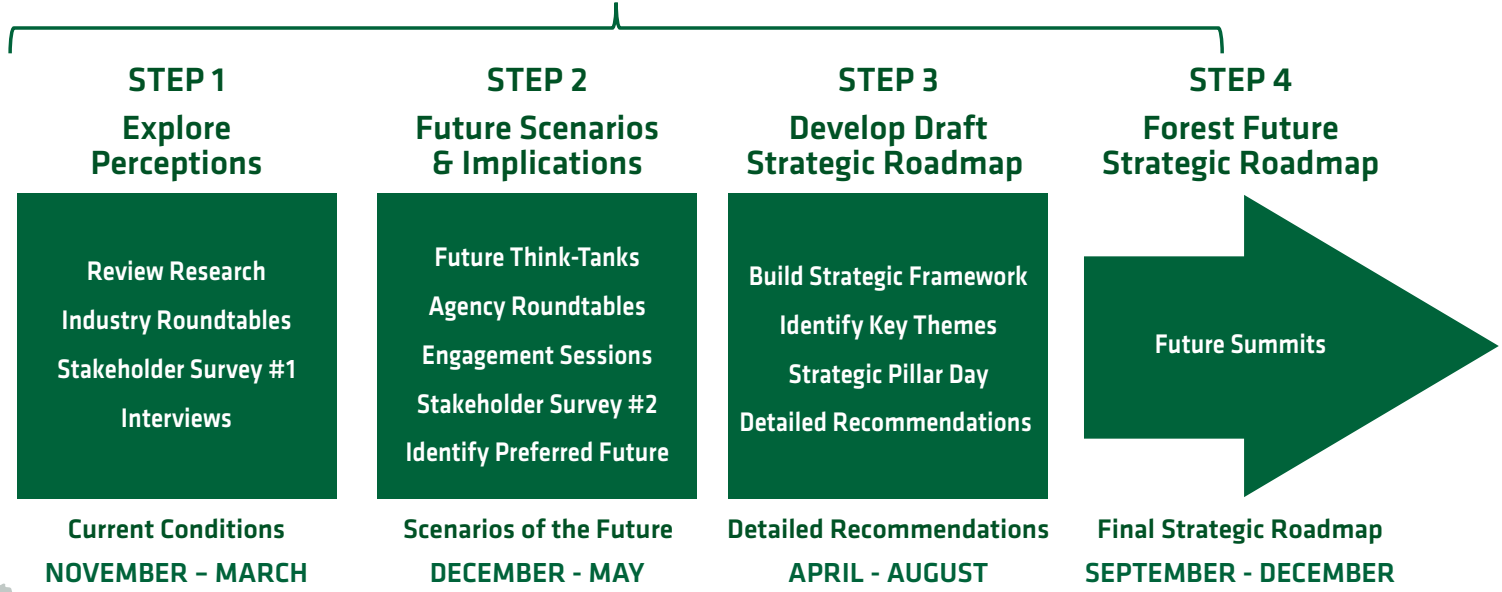
8.0 | NEXT STEPS

The next major step in the process is completing Step 3 - the development of detailed recommendations for the Draft Strategic Roadmap. This will validate and build on the Strategic Pillars framework, and craft a series of detailed recommended actions under each pillar.

The period between August and December is devoted to expanding the recommendations and validating these with industry and expert groups.

Vermont Forest Future
Strategic Roadmap Development

STEP 1	STEP 2	STEP 3	STEP 4
Explore Perceptions	**Future Scenarios & Implications**	**Develop Draft Strategic Roadmap**	**Forest Future Strategic Roadmap**
Review Research Industry Roundtables Stakeholder Survey #1 Interviews	Future Think-Tanks Agency Roundtables Engagement Sessions Stakeholder Survey #2 Identify Preferred Future	Build Strategic Framework Identify Key Themes Strategic Pillar Day Detailed Recommendations	Future Summits
Current Conditions **NOVEMBER – MARCH**	**Scenarios of the Future** **DECEMBER - MAY**	**Detailed Recommendations** **APRIL - AUGUST**	**Final Strategic Roadmap** **SEPTEMBER - DECEMBER**

NEXT STEP - DETAILED RECOMMENDATIONS

9.0 | MORE INFORMATION

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Additional information about the Vermont Forest Future Strategic Roadmap Project and the associated data analysis are available on the project portal:

lab2.future-iq.com/vermont-forest-future

Photos courtesy of Erica Houskeeper | VSJF and Future iQ

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VERMONT FOREST FUTURE STRATEGIC ROADMAP

PROJECT UPDATE REPORT

RECOMMENDED STRATEGIC PILLARS & THEMES

JULY 2023

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