Red Stag

This month the Forestry Corporation of New Zealand is launching a new brand mark for its lumber products - The Red Stag.

It is a break away from all the conventions that have previously ruled marketing thinking in this country.

‘Powerful Symbol’

According to Geoff Hipkins of The Corporation, “Red Stag is a powerful symbol and an effective piece of communication; it ranks with the likes of the Shell logo in its ability to achieve widespread recognition.

“The fact that the brand symbol and name are one and the same gives that extra reinforcement - when you see the brand, you say the name.

“Traditionally, the symbols and brand names used in the forestry industry have been tree or log related. We’ve deliberately gone away from that and chosen a symbol designed to add value and personality to our products, to ensure our products stand out and are distinguished from the competition.

“The RED STAG symbol has powerful and positive connotations around the world, particularly in our key Asian markets. The way we have used it in our brand is full of energy and movement, lifting it above the static images that have been used in the past.”

Travel bags for trees

New Zealand’s largest tree producer, Puha Nursery, is using Multiwall bags to ship millions of young trees throughout the country in comfort and style.

The idea of “travel bags for trees” began when Puha Nursery decided to use reject bags for shipping young trees. Although cost-effective, this method had its drawbacks, and the company decided to approach Multiwall Packaging to produce a custom-made bag.

According to Graeme Falloon, Director of Puha Nursery, the new bags offer the company some real advantages.

“We specialise in bare-rooted, open-grown trees predominantly for commercial use as shelter-belts on farms, or for forestry and local government purposes, and it is important that the trees arrive in pristine condition,” he said.

“The new bags not only protect the trees in transit but retain their integrity until replanting takes place – sometimes several days after shipment in rugged terrain and wet conditions,” said Graeme Falloon.

Each bag is designed to contain young trees up to three metres high, and holds as many as 200 pine trees. User instructions and Puha Nursery’s name and address are printed on the bags in bold green lettering.

Graeme Falloon said that the company was very pleased with the new Multiwall travel bags.

“We are delighted with the bag, its appearance, performance and pricing, and believe that our decision to invest in a custom-made bag was the correct one.”

Puha Nursery is based in Gisborne and handles approximately ten million trees per annum.

Swastika shape in forest

German officials recently said they had discovered a forest in the shape of a huge Nazi swastika probably planted 60 years ago by the Hitler Youth. The forest near the east German town of Zernikow measures more than 100 m from tip to tip and can be seen only from the air. It is especially vivid when its larch trees turn bright green in spring and yellow in autumn. Guenter Reschke, a regional government official, said he discovered the forest while looking through aerial photographs taken in 1988. Research showed that the larches were apparently planted in the shape of the swastika in the mid-1930s, during the Nazi Third Reich, by village children in the Hitler Youth.

Cork Oak trees

Sir,

Our local group is embarking on a project to locate and study all Cork Oak trees within New Zealand in order to obtain information on their growth rates, seeding habits and site preferences.

If possible, we intend to collect seed, grow on selected samples for further study and comparison with imported clones with a long-term objective of perhaps establishing a cork industry to meet local needs.

Could we use your columns to invite interested persons and agencies to write to the address below with information on any Cork Oak trees of any age that they may know about?

The likely species will be Quercus suber (the most common); Quercus variabilis (Chinese Cork Oak); Quercus occidentalis (West Europe); a hybrid named Quercus hispanica and Q. luscombeana.

We would like as much information as possible on each tree, including age, height, diameter, specific location and owner, soil type, aspect, exposure and general health, etc.

All data will be made available to the public through your columns in due course.

Ross Macarthur,
Convenor,
Marlborough Tree Growers Association
Hardwood Action Committee,
Cork Oak Project,
The Grove, RD 1, Picton.
Phone (03) 574-2265
Fax 0064 3 57699

Institute direction and public image

Sir,

In NZ Forestry, May 1992, John Purey-Cust asked the question: “What of the future and the next million hectares? Will it all have to be the same, corporately owned, all marching in step, singing the company song, or is there another more interesting way?”

We in farm forestry have been thinking along these lines for many years but unfortunately have not planted more than about 15% of the present exotic resource.

In recent months there have been
enthusiastic meetings in various parts of New Zealand discussing joint ventures, investment, the place of special purpose species and good tending and marketing, but it seems that not enough farmers are prepared to make land available to really capitalise on the current interest.

John Purey-Cust ends his article by saying that the Institute is well placed to lead the way in making these changes. I have sadly to say that I do not agree. The Institute in the recent years of upheaval has been strangely quiet in the public arena. Only those reading NZ Forestry or members of Council have been aware of many members' concerns in the rush to sell State assets, or in the way the NZ Forestry Corporation turned the old NZFS into profit by reducing planting, tending and publicly desirable tasks such as interesting forest margin planting or rural fire fighting, to name but two. Also, one suspects selling immature logs was a help.

Like Priestley Thomson in the same issue, I too was not impressed with the style of the last Institute AGM.

Conferences were a time of fellowship as well as human interest, as well as technical paper presentation, of good gussey field trips, as Neil Barr would say, and convivial sharing of ale.

To achieve John Purey-Cust's vision of the next million hectares planted on farms, and to add the species range and landscape values farm foresters have long spoken of needs a completely different approach by professional foresters.

One has to ask: "Where are these people?" Institute members who work for large companies must account for most of the membership. Are these people going to advocate the changes of which we are speaking?

Consultant numbers are getting larger, and perhaps they can be seen to be independent, though much of their work comes from the same large companies. University staff can also have an important role, both in public statements and in the way they influence their students. Research members too should be in this independent group.

I would like to see a more professional Farm Forestry Association - a sort of amalgam of the present Association with its widespread branches and large membership, and the professional foresters of the Institute.

The first moves along these lines are under way, with the Association looking to set up its own extension service, perhaps working in with the new CRI.

Would the Institute Council look at supporting such moves? Perhaps discuss it at the next pure Institute AGM at Napier? I hold my breath for your contribution.

J.J. Hosking
RD 9 Whangarei

Praise for journal

Sir,

I am away overseas in a couple of weeks and I write before I go to congratulate you on the latest number of NZ Forestry, and indeed on the latest few numbers. I particularly liked Vol. 37 No. 1, mainly I suppose because of at least two excellent articles but also because of the amount of information given and the general interest of it. Chris Brown's Market Report was very good indeed and to the likes of me (and no doubt others) was very useful; I hope that it is the first of a continuing series. And Peter McKelvey's article was superb. I know how difficult it is to get articles of this standard for the journal and if you can manage to get even one per issue the journal will continue to be in good shape.

This is a matter of no little importance. I repeat what I have said at the last two AGMs which I have attended, that the continuing production at the present time of a professionally good forestry journal is about the most important thing that the Institute can do. So keep up the good work; you have my full support. And don't let the need to make the journal interesting and informative and readable override the importance of producing articles of a high professional standard; but don't let the reverses happen either.

Priestley Thomson
Wellington

Open letter to PM

Sir,

I am this year starting a Masters Degree in Environmental Science at Auckland University studying puriri (Vitex lucens) to assess and develop its potential as a timber tree. Puriri has many of the qualities that teak has and, if it were available, could probably fetch a similar price on the world's markets.

I will be carrying out a survey of where and how well puriri grows within its range and attempt to link this with climatic and environmental factors to obtain some idea as to its preferred conditions. I will also be looking into wood colour and hardness, growth rates, susceptibility to attack by the puriri moth, and will look for correlation of these factors with its genetic makeup.

In order to reduce the survey area somewhat I would dearly like to hear from any of your readers who have puriri growing nearby and any observations that you might have on this remarkable tree. I have become somewhat of a puriri fanatic (they have labelled me a "puririologist" at work) and am also interested in any history, myths or legends that you might have on the puriri.

My article on the puriri will be published in the March issue of the New Zealand Geographic, barring any major mishaps.

Please write to:

Astrid Dykgraaf
c/o Environmental Science,
University of Auckland,
Private Bag 92019,
Auckland.
Ph. 09-373-7999 ex 8539.

Puriri

Sir,

Dear Mr Bolger,

'AND THEY COVENANTED WITH HIM FOR 30 PIECES OF SILVER'

If, as we hear, you are dissatisfied with the performance of Electricorp then there are many reasons why you should be much more dissatisfied with the results of the sale of State forests.

Examination of the combined field of New Zealand forestry and wood-based industries by a broad-based body (a Select Committee of the House) has become a matter of pressing importance. Recent unresearched, uncoordinated and radical changes have been made. Some of these are already leading to undesirable results, particularly the loss of sustainable yields of wood and the export of increasingly large volumes of logs.

Without sustainability forestry is meaningless and efficient wood-based industries cannot exist.

Between one-quarter and one-third of New Zealand's land has been cleared of timber-rich rainforest. The activity started in earnest towards the beginning of European settlement and continued until there was little of the resource remaining except for that retained in reserves or held in private tenures. A small area remained in State forest. The drive towards clearing arose from the clamour to convert the land to European-type agriculture. No Government allowed any deviation from this purpose except for the setting aside of reserves.

Access to such forest had an incidental, but important effect. It was the use of high-grade timbers for house-building and many other essential, pioneering purposes. People became used to handling wood and timber in various forms. Some timber was also exported, especially kauri, in the early days of the
Forestry Corporation has a new brand. Red Stag.
In future all Forestry Corporation products, both logs and lumber, will carry it.
But Red Stag is more than just a change of name, it represents the beginning of a bold new initiative. One aimed at improved product quality and achieving excellence in every aspect of the Corporation’s business.
Red Stag, our new brand name.
colony. Thus scarce overseas exchange was both saved, by not having to import timber, and earned from exports.

Winning the timber also brought about the growth of a strong logging and sawmilling industry, which during pioneering days employed a relatively large and skilled workforce.

During this forest-clearing period, which lasted more than a century, Governments were forced to recognise the need for a forest authority. From time to time moves were made to establish them; first to attempt to regulate the timber being cut and prevent wasteful destruction which was rife; then to examine the possibilities of sustainable timber production in at least some of the natural forest; and, lastly, to control the demarcation between forest safe to clear for agriculture and forest essential for water and soil protection. Problems of flooding and erosion hampered clearing from the beginning.

Early forays into forest legislation and felling control were short-lived and unsuccessful. By the beginning of this century, however, forest clearing had proceeded so far that an end to native timber supplies could be forecast. The country then had to decide whether or not to use foreign exchange to import timber as a replacement for native timber, or look for alternative materials, either non-wood or plantation-grown wood. The management of any timber-bearing rainforest for sustainable production was never possible in spite of a considerable amount of promising investigation. The rapidity of clearing, or changes of policy, always negated the application of investigation results.

These questions and related ones, such as the protection of mountain forest, became so imperative that a State Forest Service was formed in 1919 and a Forests Act passed in 1921/22. The Service administered native forest timber sales until, for all intents and purposes, the end of State supplies. This coincided with the virtual termination of rainforest clearance. By that time the strident cries of conservationists had replaced those of sawmillers demanding to be allowed to cut "the inexhaustible timber supplies lying ahead of them". No Government ever attempted to introduce a long-term sustainable policy; quite the reverse.

At present plans to fell timber in native forest of any type or tenure, no matter what the legal issues are, become embroiled in altercation between conservationists and land owners, Crown or private. Decisions end up in meaningless accords.

The Service was the major organisation in safeguarding mountainland protection forest from fire and wild animals. Its most important operations, however, were the establishment of State plantation forests and the administration of schemes to encourage the planting of non-state plantation forests. Success was remarkable. By the 1970s the combined area of these was sufficient to supply virtually all the country's wood-based needs plus a substantial and increasing amount for a range of exports.

These achievements rested on an essential and close integration of long-term government policies expressed in forest and related Acts, Forest Service administration of them, trial and error of complex planting extending over a very long period, training of staff and close cooperation with a burgeoning forest products industry.

As time went on this combination gained in effectiveness. It became increasingly clear to Governments that the country's wood needs were being provided for in perpetuity, provided forest management remained adequate. Productions of a range of forest products were increasing as plantations matured and wood production and trade were leading to harbour and road developments.

By the 1980s long-term planning was approaching a time when greatly increased, sustainable wood yields were about to become available and would, therefore, attract substantial industries.

The 1984 Labour Government and succeeding Governments then decided to sell the State plantation resource as it was. The reason: an illusory, economic conception. The conception was the thing, so the decision was based on the most perfunctory analysis and convoluted reasoning, and ignored basic forestry needs, particularly wood supply needs of certain industries. Any analyses of what the results were likely to be were totally inadequate. Nor has provision been made for an audit of the consequences. No costs and benefits were estimated.

From the point of view of plantation forestry potential and, therefore, of the industries likely to be based on them, the decision and the timing could scarcely have been worse. They destroyed long-term sustainability planning.

The method of selling immediately brought to light the defects of the proposition. Current sales commitments, some of them very long-term, precluded the selling of the best forest other than by breaking contracts. Other wood supply commitments, ranging from long to short term, were interrupted. There was no guarantee of any future wood supplies to industries based on them. The position of much wood-based industry throughout the country became chaotic. Some industries had to resort to costly legal proceedings to establish their rights or otherwise. Maori claims precluded the sale of any land on which State plantations grew. Other complications arose. Eventually cutting rights only were sold in a manner quite alien to the efficient selling of wood from plantation forests.

Cutting right sales were made to a number of buyers. The disposition of forests they have bought has had two main effects.

The first concerned long-term State planting plans - which were incomplete by 1984 - to form groups of forests in regions which would eventually produce sustained yields large enough to attract substantial industries. This development was halted. Many of the cutting rights sold, therefore, have little chance of being involved in sustained yields. The new planners, in fact, complained about small, remote forests of little value! Had these been used as planned, they would eventually have fitted into group patterns. The selling of cutting rights in the East Coast forests, planted mainly for erosion control - some of the most severe in the world - was a crime against the nation.

Regions where planting to produce substantial, sustainable wood supplies suddenly ceased are Northland, East Coast (planting in association with soil control), Hawkes Bay, Southern North Island, Nelson, Otago and Southland.

The second effect has been a great increase in the sale of logs overseas instead of their use in local industries. Purchasers of cutting rights have to make initial payments. The most satisfactory way of recouping their money, or of paying interest on it, is to sell logs to overseas buyers for cash as stands of trees mature. Management of the total forest to give a sustained yield, which could be directed to permanent industry, is then not possible. The following was written at the end of last year (1991): "Since June 1986, New Zealand's log exports have increased by 732 per cent . . . . The tempo is increasing.

While the above are important economic issues, over-riding matters, infinitely more important, are biological ones which inevitably must affect any long-term crop such as trees. Changes in soils, dangers from infestations, dangers from fires and storms were all downgraded, and given the minimum attention in sales documents. Sales concepts were those of selling inert, not living, commodities.

The Forest Industries Council has made its own studies of the situation described above; (New Zealand Forest Industries Strategy Studies, Dec. 1991, copy of which the Minister of Forestry has). These studies soon revealed the defects outlined above. They went much further, because they examined industry
potential, investment, especially by overseas interests, etc., etc.,
The conclusions arrived at were of the same tenor as those already described.
The following quote illustrates this, "The State Forest sales process was viewed negatively overall because of licence conditions, general uncertainties, inappropriate timing re industry cycle, Maori land issues, and small parcel sizes." 
The following makes reference to interruption of planting to build well-designed resources. "Investment by Government in new plantings is the single industry-specific act Government might contemplate which has a high immediate return in job creation while laying a base for longer-term trade and investment expansion. The success of this approach by the New Zealand Government in the 1930s and in Chile in the 1970s is self-evident." Or: "However, in planning and implementing policies (including for short-term employment creation) the Government should work in a partnership with industry to ensure a strategically sound approach that yields a sustainable economic and social advantage for the nation, not just short-term social results." Exactly what the Forest Service was doing. And further: "The need for Government to maintain an effective Ministry of Forestry is critical and would demonstrate to investors a commitment to successful development of the sector" is, perhaps, the most important statement in the study. To have changed suddenly from strong government long-term policies and plans executed through a strong department just at a time when favourable results could be envisaged indicates a lack of in-depth examination of the situation.

While benefits, far less than the public have been led to believe by politicians, will still flow from truncated plans, based on planting to date, New Zealand, for the time being, has been robbed of a remarkable forestry and forest industries potential.

Vicissitudes of short-term, confrontation Governments have no place in forestry.

I would like to use this later as an open letter. I have yet to find any New Zealanders, other than foresters, who have any conception of what has happened to the State forest plantations that took a century to establish.

A.L. Poole
Former Director-General of the New Zealand Forest Service

Minister of Forestry’s reply

Dear Mr Poole,

Your letter of June 8 to the Prime Minister covered a number of forestry related matters. I am pleased to note that you have retained a keen interest in this sector since your days as Director-General of the New Zealand Forest Service in the 1960s and early 1970s.

It is Government philosophy to create the right conditions to allow businesses to flourish rather than directly investing in its own business ventures. This is one reason for the sale of the State’s plantation forestry assets. It is left to market forces to determine the amount of planting that takes place and where it is located. This policy has not led to the decline in planting you suggest.

We now have an environment where operating costs are stable, labour is more flexible, there is a competitive exchange rate, and lending rates are favourable. In addition, this Government has reformed the taxation rules to encourage more forestry development. These factors have made forestry a more attractive investment.

Not only are nearly all harvested forests being replanted, but new planting is now increasing dramatically. In 1991 only 13,000 hectares of new planting was undertaken nationally. This is expected to increase about threefold this year, and further increases are expected as seedling availability improves and as understanding of the potential of forestry investment gains momentum.

As you point out, in the case of the East Coast, soil protection is one of the major benefits of establishing forest. You will be pleased to note from the recent Budget that Government has recognised this by introducing a tendered grant system to encourage the establishment of 200,000 hectares of production/protection forest on moderately and severely eroding land on the East Coast.

I do not wish to criticise the New Zealand Forest Service’s impressive establishment achievements on the East Coast and elsewhere, but with the benefit of hindsight the cost of establishing a forest like Mangatu would be far less today. Doing the work on contract through a private enterprise system (rather than by wage workers with heavy reliance on PEP type employment schemes, with their expensive public service overheads) should provide substantial savings. The use of a tendered grant system is expected to be particularly efficient.

I share your concern over the current high level of log exports. Both industry and Government appreciate the potential for additional domestic processing and its benefits in terms of export earnings and employment.

The development of forestry processing activities is highly capital intensive. A study by an international forestry consultant estimates that $10-11 billion of capital is required over the next 20 years to develop processing activities to optimally utilise the expected increase in woodflow. Some of this capital will come from domestic sources, but much will have to come from offshore.

The sale of the State’s plantation forestry assets is an important element in attracting this investment capital because investors in wood processing generally prefer to have control over the forest resources which supply their plant.

My discussions with the new foreign owners of forests previously owned by the State have reinforced my confidence that with time they will make substantial investment into wood processing in New Zealand. Jukun Nissho have already built a new laminated veneer lumber plant at Masterton and have plans to build a plywood mill at Gisborne. The company is ultra-high pruning appropriate stands to supply these mills. I believe this is just a start.

As you say, the sale of the State’s planted forest assets was complicated by Maori land claims and existing contractual agreements to supply logs. However, time has shown that it was possible to work around these problems.

In view of your statement about the lack of a balanced policy on indigenous forestry, you will be interested in the recent introduction of the Forests Amendment Bill. The purpose of the Bill is the promotion of sustainable management of indigenous forests. This is an important element in Government’s indigenous forest policy.

I hope this letter clarifies the issues you raise.

John Falloon
Minister of Forestry

CORRIGENDUM
The heading on page 24 of the May 1992 issue of New Zealand Forestry stated: "Forestry in Shaanxi Province, People’s Republic of China – The part played by Yanan Zhengxian”

Instead it should have read: "Forestry in Shaanxi Province, People’s Republic of China – the part played by Yarman Arboretum”

The editor and publisher apologise for this error.