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Value-Added Wood Products Marketing Guide for Manufacturers and Entrepreneurs

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Chapter 1, page 6: “Tornado” CD holder—Olde Saratoga Millwork

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THE WOOD EDUCATION AND RESOURCE CENTER (WERC) is administered by the Northeastern Area State and Private Forestry of the Forest Service, U.S. Department of Agriculture. WERC's mission is to facilitate networking and information exchange with the forest products industry, in order to enhance opportunities that sustain forest products

production. WERC's programs support managerial and technical innovation that keep businesses competitive, and provide state-of-the-art training, technology transfer, and applied research. The center consists of offices, training facilities, and a rough mill in Princeton, WV, and serves the 35 States in the eastern hardwood region of the United States.

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Adirondack North
Country Association

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Bob Smith of the [Center for Forest Products Marketing and Management](#) at Virginia Polytechnic Institute and State University (Virginia Tech) shared insights gained from years of experience on both the industrial and academic side of wood products. Tom Hammett with the Center for Forest Products Marketing and Management at Virginia Tech provided the forest products chain-of-custody illustration used in this guide and offered lessons learned from his hands-on experience with wood products marketing. Kate Fernholz of [Dovetail Partners, Inc.](#), provided insight and direction on certification and certification systems. Larry Osborn, [Appalachian Hardwood Center](#), West Virginia University, provided valuable technical and editorial reviews.

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Abstract

The premise for this national marketing guide for value-added wood products came from [A Marketing Guide for Manufacturers & Entrepreneurs of Secondary-Processed Wood Products in the Northeastern United States](#)—a regional guide written by Ed Cesa and published by the Northeastern Area State and Private Forestry, Forest Service, U.S. Department of Agriculture, in 1992. As with the regional publication, the focus of this latest guide is on providing “how to” advice to small wood products businesses throughout the United States for the necessary activity of marketing. Manufacturers and entrepreneurs can refer to this guide when the need arises. Nine chapters cover general marketing concepts and promotional techniques, as well as the more specialized topics of online marketing and sales, regional branding of wood products, forest product certification, and exporting. Seven appendixes list resources and agencies that provide assistance to wood products companies. Contact information is included for Federal and State agencies, wood products trade associations, wood products manufacturing directories, and for numerous not-for-profit organizations that can provide support to wood products companies. Most of the contact listings also include Web site links. The appendixes also include a list of marketing and regional branding Web sites that represent best practices in terms of using the Internet to promote wood products.

About the Organizations

[Adirondack North Country Association](#) (ANCA). Incorporated in 1954, ANCA is a 501(c)3 economic development association serving 14 counties in Upstate New York. ANCA has directed a number of research projects on the region's wood products industry and has offered one-on-one technical assistance services to forest products companies throughout the region.

[Wood Education and Resource Center](#) (WERC), Forest Service, U.S. Department of Agriculture. WERC is administered by the Forest Service's Northeastern Area State and Private Forestry. The center's mission is to facilitate interaction and information exchange with the forest products industry in order to enhance opportunities for sustained forest products production. WERC provides state-of-the-art training, technology transfer, networking opportunities, applied research, and information at its facility in Princeton, WV.

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Terry Martino served as executive director of ANCA for 18 years prior to becoming executive director of the Adirondack Park Agency in 2009. She oversaw a number of wood products development efforts during her tenure at ANCA, as well as providing program, fiscal, and personnel management for ANCA's many initiatives.

Ed Cesa is deputy director of [WERC](#). He has worked for the Forest Service in Morgantown, WV, since 1989 first as a forest products specialist, then as program manager of the National Wood in Transportation Program, and now with WERC. His private business experience includes work in a hardwood secondary processing business, hardwood sawmill, paper mill, and veneer mill.

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Introduction

There is a degree of mystery as to why a customer prefers one product over another. Each customer has different needs and preferences that influence their purchasing decisions.

What does not have to be a mystery are the tools and techniques proven to be effective in communicating a product's advantages to the interested customer. The purpose of this marketing guide is to help value-added wood products companies raise the visibility and attractiveness of their products for the discriminating consumer.



Nothing compares with the warmth and beauty of wood.

This Value-Added Wood Products Marketing Guide for Manufacturers and Entrepreneurs is a practical manual that can be used as a resource anytime a wood products marketing effort is being developed or improved. The ideas in this marketing guide apply to most value-added wood products, ranging from the simple surfacing of rough-sawn, dried lumber to the manufacture of high-quality furniture.

At the beginning of the 21st century, consumers are better educated about the items they are considering for purchase. Thanks in large part to the Internet, consumers have the ability to quickly compare products offered by a variety of companies. Customers are more in charge of the sales transaction as well: they can place an order for a product made across the country as easily as for one made down the street. The growing power of the consumer has raised the importance of marketing from something a company *should* do to a business activity that all successful companies *must* do.

This marketing guide features an overview of how the Internet and e-commerce can be used most effectively for the marketing and sale of wood products. The Internet is now widely accepted as a major marketing medium as well as a significant source of direct sales for a broad range of products.

Another timely topic in this guide is the marketing of wood products derived from certified sustainable forests. Regional branding also is described, and a number of regional, state, and multistate branding initiatives highlight how producers and organizations are working together to promote locally made wood products.



Wood processing is at the core of all wood products.

This marketing guide offers “how to” advice for addressing the necessity of marketing. It describes many common techniques companies can use to promote their products in an increasingly competitive marketplace. This guide also encourages each company to develop its own distinctive approach to generating sales of its products.

Chapter 1. Marketing Begins with Developing a Market Orientation

*A company has a **market orientation** when all of its employees are sensitive to customers' needs, are aware of competitors' moves, and work together toward a timely market-based customer solution.*

(Adapted from Best 2005, p. 3)

Marketing is the activity that links a company with the needs and wants of customers in order to get the right product to the right place at the right time. Having a marketing orientation means focusing all company activities on meeting the wants and needs of the customer. This orientation recognizes the integrated nature of product design, development, quality control efforts, sales, after-sale service, and marketing (Howe and Bratkovich 2005, p. 23). Central to marketing is the process of identifying likely customers, then developing and delivering a promotional message that can communicate the advantages and value of a product.

Marketing starts with finding out what the customer wants, followed by an assessment of whether or not a product to meet that need can be made and sold at a profit. If so, the communication aspect of marketing begins in the form of advertisements and other promotions that help convey the product's value and advantages. When the customer is convinced of the product's value proposition, a sale occurs. Following the sale, an important element of marketing includes the additional step of customer service. The company's dependability, their reliable products, and their knowledgeable and courteous employees are customer service features that encourage product and company loyalty among customers.

A marketing plan is the company's overall assessment of how they can best attract and retain customers. Each product or product line needs its own marketing strategy that identifies specific groups of customers having greatest interest in the product, as well as their main needs and uses related to the product. That information helps in developing the product's marketing message and in determining the most effective forms of marketing communication (e.g., radio ad, trade show booth, Web site).

Two publications on market orientation are of value to any owner or manager of a wood products manufacturing company. The first is [A Planning Guide for Small and Medium Size Wood Products Companies](#), by Jeff Howe and Steve Bratkovich (2005). It is a concise guide that explains how the various aspects of business planning fit together and identifies the role of the marketing plan. The second is *Market-Based Management: Strategies for Growing Customer Value and Profitability*, by Roger J. Best (2005). It uses an accessible, practical approach to illuminate the links between product development, marketing strategy, and profitability.

*A **product's value proposition** is a description or promotional piece that includes all of the product's main characteristics and all of the key benefits sought by the target customer.*

(Adapted from Best 2005, p. 147)

Marketing itself does not always attract new customers to the company's products, just as the process of selling does not always make the sale. Marketing and sales are distinct processes; both are necessary for a company to be profitable. Marketing is an evolving process that a company uses to attract customers to products so that a sale has a chance to occur.

Adopting a Market Orientation

In business, nothing happens without a sale. A company's annual sales need to pay all of the manufacturing, operating, and marketing expenses, as well as provide a profit. While cost savings can help contribute to profitability in any given year, only product sales can sustain the company over the long term.

To generate sales, an effective marketing plan should point the company towards a "market orientation." A market orientation consists of the following three building blocks that any wood products manufacturer can develop:

- A **customer orientation** keeps the customers' interests and satisfaction at the center of all company activities.
- A **competitor orientation** involves staying well aware of the activities of main competitors (Best 2005, p. 24).
- An **employee orientation** involves employees in all of the company's marketing activities, including identifying customer needs and assessing competitor products.

Competitive markets provide consumers with many choices. The three components of a market orientation help to keep the company focused on differentiating their products from those of the competition. The ultimate purpose of a market orientation is to focus the company's efforts on customer satisfaction. Customer satisfaction involves more than completing a sale; it means putting customer service at the forefront of all company activities and continually seeking ways to better serve customers. Customer satisfaction leads to customer retention, and that is a cost-effective marketing activity because it costs less to retain a customer than it does to acquire a new one.

Market and Competitor Research

If nothing ever changed about a company—its products, customers, sales outlets, or services—then there would be very little need for market research. Obviously that is not the case. The only "constant" is change, and companies are wise to use change to their advantage. Successful companies stay in tune with their customers' changing needs and remain aware of their competitors' changing strategies.

Since the marketplace is always changing, a marketing plan can be a useful road map to effectively and efficiently promote a company's products. A plan that incorporates

*The **companies that survive and grow** will be the ones that understand change and are out in front leading, often creating change.*

(Best 2005, p. 5)

an evaluation of changing customer preferences is more likely to lead to proactive strategies for product promotion. In addition, a plan that incorporates an evaluation of the competition—including size, market share, product quality, market strategy, and distribution methods—is more likely to anticipate the competition’s next move and develop counter-measures. Company managers who recognize that change is the only constant will build innovation, flexibility, and adaptability into their marketing plans.

Putting the Pieces Together to Increase Market Share

There are five main factors that influence a product’s competitiveness in the marketplace: **attractiveness, awareness, price, availability, and service.** Those five **market share factors** are customer-oriented terms that correspond to the main elements of a **marketing mix strategy**: product, promotion, price, place (the four Ps), and service (box 1-1). Most important is **attractiveness**, which represents the **product** itself. Is it appealing and does it convey quality, durability, and

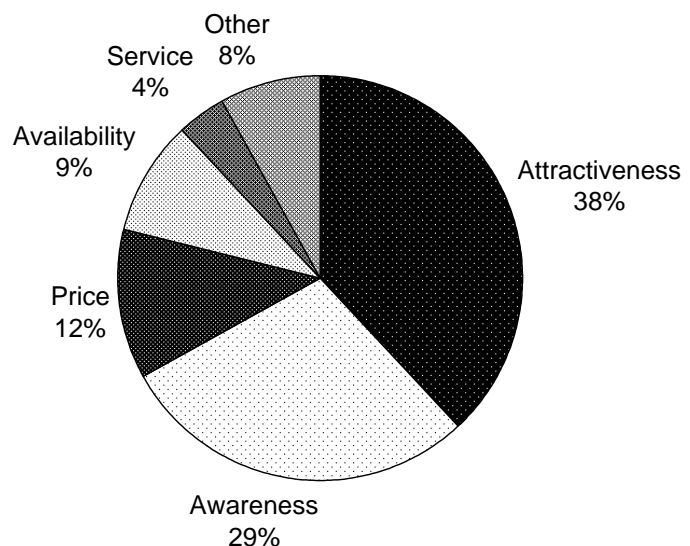
other characteristics the customer is looking for? Next in importance is **awareness**. Is the target customer aware that the product exists, and does the **promotion** convey a compelling message and call to action? The level of promotion also must be adequate and targeted correctly. Surprisingly, **price** is generally third on the list of market share factors. Fourth is **availability**. Can the customer find the product and is it distributed through the appropriate channels or **places** (i.e., retail, wholesale, with a sales force, online)? While those first four market share factors have the largest impact on bringing a customer to the point of purchase, a bad service experience can negate the entire marketing effort (Best 2005, p. 86), so customer service plays a crucial role in both gaining and retaining customers.

As suggested by Best (2005), the relative importance of each market share factor is shown in figure 1-1; however, relative importance will vary, for example, by type of product and time of year. For instance, **price** generally weighs in most heavily for consumers

Box 1-1. Marketing Mix Strategy

Marketing Mix Elements		Market Share Factors
Product	➔	Attractiveness
Promotion	➔	Awareness
Price	➔	Price
Place	➔	Availability
Service	➔	Customer Service

Figure 1-1. Relative Importance of Main Factors Influencing a Product’s Market Share



*To **gain and manage market share**, a business must develop a successful strategy for each of the five elements of the marketing mix: **product, promotion, price, place, and service.***
(Adapted from Best 2005, p. 85)

of commodity wood products, whereas consumers of seasonal products might be more concerned about **availability**, such as in needing to acquire new outdoor furniture in time for the family reunion. Regardless of the relative importance of the five market share factors, they all play a role in the customer's decisionmaking. Marketing is the way to address each one to the greatest extent possible.

The company's marketing mix strategy for a particular product is determined by assessing how well the company is addressing the market share factors. An assessment identifies the company's strengths and weaknesses for each factor, then a strategy is developed to build on strengths and to address weaknesses. At least once a year the company should reassess the marketing mix strategy for each product or product line and make necessary adjustments in response to changing customer preferences, competitor advantages, and other market conditions.

Product Attractiveness

The product itself—how it is presented in the marketplace and its attractiveness in the eyes of the customer—is possibly the most important element of the marketing mix strategy. Attractiveness is the first feature that many customers use to distinguish one product from another. Attractiveness is in part related to how well the product appears to meet the needs of customers who are looking for particular features, such as quality and durability.

Given the importance of customer needs, a market orientation includes product marketing that actually starts on the design table and the production floor. Successful manufacturers design products with the features that customers want. The Internet has elevated the importance of product images as a key component of marketing a product, and great product photos are now a necessity in conveying attractiveness, quality, and function to the customer.



Product design is one of the most effective marketing tools.

Product Promotion and Customer Awareness

Promotion is communication intended to raise awareness and inform customers about product features and value, in an effort to stimulate demand. Advertising, direct sales, packaging, and public relations are just some of the many promotion techniques outlined in Chapter 3. All types of promotion should be thoroughly investigated to determine the ones most suitable and most effective in reaching the target customer.

Because of its high visibility, product packaging can promote and inform as well as protect the product. Another promotional piece that plays an important marketing function is product literature. It answers questions such as these: What is the product? How is it used? How do you care for it? How do you assemble, install, or finish it? How do you repair it? Product literature can be comprised of directions printed on the package, a brochure, or a piece of plain white paper with typewritten instructions. The company's Web site should be clearly promoted on all product literature so that the customer can visit it for more information. Product literature is designed to educate customers; the more they know, the more likely they will be satisfied.

Price

Price is a key aspect of marketing and starts with determining whether a product can be made and sold at a profit. Assessment of price includes the following considerations:

- Fixed costs, such as building and equipment expenses, are costs that require payment whether a product is produced or not.
- Operating expenses, such as raw materials, labor, and energy costs, are expenses incurred in manufacturing a product and can vary based on production levels.
- Marketing and sales expenses include time spent on sales calls, as well as promotional costs related to photography, printing, mailing, and a Web site. The total cost of product marketing is often underestimated by small manufacturers.

Many companies use one or both of the two most common pricing strategies:

- **Profit-oriented pricing**—based on the product's variable and fixed costs, plus a set percentage or dollar amount (profit).
- **Competitive pricing**—based not only on cost, but also on the selling price of similar products.

Profit is the amount of monetary return desired as the reward for producing and marketing a product. For example, if the cost of producing and marketing a birdhouse is \$30 and a company decides it wants to earn a \$4 profit per birdhouse, the selling price becomes \$34 (using profit-oriented pricing). However, if a competitor is manufacturing similar birdhouses but selling them for \$32, the selling price may need to be readjusted (using competitive pricing).

An alternative to profit-oriented and competitive pricing is market-based pricing. The market-based approach to pricing incorporates something that is missing from the other pricing methods: it simultaneously evaluates what the customer most desires, what they would be willing to pay for a product that has those particular features, and if that product can be produced and sold for a profit. The goal is to produce a competitive product that meets but does not necessarily exceed customer needs, so that it can be sold at a reasonable price.

A company first would research the marketplace to better understand the choices customers already have, such as product features, materials, and prices. Next is the need to engage retailers, wholesalers, and customers in discussion of which features

customers most desire and which features most could get along without. Factors such as quality, unique features, and reliable service may actually enable a company to charge a premium and simultaneously increase market share. The next step is to design and price a product that responds more effectively to market need. Having determined a market-based price, the company would then decide if a given price will cover the manufacturing, operating, and marketing costs to be incurred, as well as generate the desired profit margin. If the product cannot be made profitably, then the design has to be reevaluated or the product is dropped from consideration.

Place (Distribution) and Availability

Place corresponds to the availability of the product and encompasses the distribution channels for the product (e.g., wholesale, retail, online). Consideration must be given to determining specific locations where the target customers most likely will be looking for the product.

The most appropriate method of distribution will depend on who the customer is and which method best meets their needs. Examples of distribution methods include these:

- Retailing products directly
- Distributing products through retailers and wholesalers
- Selling products to other manufacturers

Manufacturers of dimension and furniture components distribute their products directly to other manufacturers, while secondary wood product producers typically will sell their products at wholesale to retailers such as furniture stores, gift shops, and catalog stores. With the growth of Internet-based sales, manufacturers now have the online sales channel for selling their products directly to customers—both retail and wholesale.

Customer Service

Providing prompt service is vital to achieving and maintaining customer satisfaction. Important aspects of customer service include the following:

- Knowledge of the product by the sales force
- Knowledge of the product by the wholesalers and retailers representing the company
- Prompt delivery
- Instructions or educational materials for the product, increasingly accessed online
- Responsive customer assistance, especially in response to phone and e-mail inquiries
- Reasonable return and refund policies

An unsatisfactory experience with any aspect of customer service could send a customer directly to the competition.

Focusing on Customers and Products

The preceding discussion on market orientation, market share, and marketing mix stresses two issues that many manufacturers need to continually address. The first is that customer satisfaction needs to be a primary orientation of the company, encompassing all aspects of manufacturing, operations, and marketing. Customer satisfaction does not start when a sale is made but begins with the product's design and manufacture, and continues to be met through packaging, pricing, promotion, purchase, and use.

The second issue that needs to be reinforced is a mindset of marketing the products rather than marketing the company. There is a common tendency among small firms to market the company while neglecting specific product features that convey specific value to the customer. The 21st-century customer is feature oriented. The growing use of the Internet as a shopping medium is reinforcing that feature orientation because numerous choices can quickly be viewed and compared. The identity of particular manufacturers and retailers is often irrelevant to the process of comparing online products, resulting in much less brand and company loyalty than in the past.

In summary, Chapter 1 has identified the primary elements that need to be considered and addressed in the marketing mix strategy for each product or product line that a company offers: product attractiveness, product awareness, price, availability, and customer service. Chapter 2, Customer-Based Marketing, will provide suggestions on how to put those elements together in a market-based strategy for product promotion and sale.

Chapter 2. Customer-Based Marketing

An ongoing commitment to understanding customers' needs and interests is vital to developing marketing programs that respond to customer preferences while raising their awareness of the company's products. There are four main steps a wood products company can take to put their customer-based marketing strategy on a firm footing, as outlined in the following sections:

1. Research Customer Needs and Preferences
2. Segment the Market
3. Develop Product Value Propositions
4. Communicate Product Advantages to the Target Market

Research Customer Needs and Preferences

Consumer tastes and preferences come and go. For example, in the 1950s hardwood flooring was the primary flooring material; however, with the development of synthetic carpets the use of hardwood flooring declined. Then in the 1990s trends changed, and hardwood flooring once again became desirable. Consumer tastes and preferences also vary by locale or region. The more a company is aware of these preferences, the easier it will be to design or alter a product line to meet consumer demand. Visiting real estate open houses and home shows, and talking with professional contractors and remodelers provide insight into the products, styles, and colors that are in demand locally.

The following list provides a variety of other approaches a wood products producer can take to research customer preferences as well as to learn how the competition is responding to those preferences.

1. Visit local home centers, department stores, lumberyards, and other retailers. Notice the types of wood products being merchandised and how they are being promoted.
2. Subscribe to trade journals and magazines, or look for them in bookstores and libraries.
3. Attend and consider exhibiting at trade shows. Beyond developing new sales leads, a company can obtain knowledge and advice pertaining to all aspects of business operations at these shows. Pay special attention to the competition's products and how they are promoted.
4. Attend real estate open houses to determine current trends for wood products and to determine whether these markets can be tapped.

*Identifying **customer needs** is a key factor for a successful business. In today's society, the most successful companies are the ones with the closest ties to their customers. They listen to what their customers say, and react accordingly.*

(Cesa 1992, p. 2)

5. Discuss ideas with individuals who are knowledgeable about markets and consumer preferences. Carpenters, remodelers, and lumberyard and home center retailers are good sources of information.
6. Visit local homebuilder associations, chambers of commerce, and small business associations. Individuals in these organizations may provide information about overall business operations, and about consumer needs and preferences for wood products.
7. Communicate with manufacturers of finished wood products, particularly if you are considering supplying them with dimension or component parts. Appendix A lists State wood products manufacturer directories.
8. Take the time to talk with past customers. Try to engage potential customers in conversation at every opportunity.
9. Visit the competition—both online and in person—to get a better sense of where they are headed.
10. Most State forestry agencies employ staff who have expertise in wood product development. Appendix B lists contact information for many of those agencies.
11. Many land grant universities employ wood products extension specialists as part of their forestry and wood technology programs.
12. Forest products and marketing consulting firms are available for hire. Services they provide include market analyses, identification of marketing strategies, development of marketing plans, and development of promotional strategies.

Segment the Market

A product cannot be effectively marketed to all people and for all uses. Decisions have to be made in terms of who would be most interested in the product, what aspects would be most attractive to them, and how the product could be promoted to them most effectively. Without some type of segmentation, the limited funds available for marketing cannot be disbursed effectively.

Most business managers are aware of demographic differences and how they might affect customer preferences and purchasing behaviors. Age, income, marital status, education, and occupation are some of the characteristics of the target market that have to be considered when designing and deploying a marketing campaign. Within a given demographic segment, values, attitudes, and lifestyles can be used to further segment that group of customers.

In addition to segmentation on the basis of demographic and lifestyle characteristics, customers can be segmented by usage behavior. How a customer uses a product is valuable information for designing an effective marketing campaign. Producers who sell primarily to other manufacturers generally recognize the value of understanding product

***Market segmentation** involves identifying specific groups of customers with unique customer needs and purchase behaviors and identifying the relevant demographic characteristics associated with each segment.*

(Best 2005, p. 135)

usage. For example, a salesperson for a door manufacturer is trained how to engage retailers and contractors in discussing how they are using the doors, what specific features end users are looking for, and what types of problems arise during installation of the doors. Knowledge of that type provides a competitive advantage in the design and deployment of marketing messages.

A step-by-step process for segmenting the wood products market is outlined in box 2-1. One of the most difficult steps is Step 5: Segment Positioning. At that step, all of the product's main values need to be illuminated in the "value proposition," which clearly identifies how the product responds to specific customer needs and uses. Suggested approaches are presented in the next section—Develop Product Value Propositions.

Box 2-1. Seven Steps for Segmenting the Wood Products Market

1. **Needs-Based Segmentation:** Group wood products customers into segments based on similar product needs and benefits being sought.
2. **Identification:** Determine which demographics, lifestyles, and usage behaviors make each segment distinct and identifiable.
3. **Attractiveness:** Determine the overall attractiveness of each needs-based segment (e.g., market size, growth rate, profitability, ease of entry, competitiveness).
4. **Profitability:** Determine the profitability of each segment (net marketing contribution).
5. **Positioning:** Select the specific market segments the company should focus on. Create a customer value proposition for each segment, based on the unique needs and characteristics of that group of customers.
6. **Marketing Test:** Create promotional messages to test the attractiveness of the product's customer value on a sample of customers representing the target segment.
7. **Marketing Mix Strategy:** Expand the marketing strategy to include all aspects of the wood product's marketing mix: product, promotion, price, place, and customer service.

(Adapted from Best 2005, p. 141)

Develop Product Value Propositions

Since it is the customer's perception of product value that drives purchase behavior, it is the company's challenge to describe, display, and promote their products in a way that maximizes the customer's perception of value. While product price is a major component of the value customers are searching for, it is neither the only value customers appreciate nor is it always the most influential factor in a customer's decision to purchase. In addition to reasonable price, there are a number of benefits that a desirable product can provide, including durability, attractiveness, ease of acquisition, and options such as color, size, and other features.

*The **value proposition** includes all the key elements of a product as well as the benefits the target customer is looking for in this purchase. A single product might have different value propositions for different groups of customers, depending on the needs, benefits, and purchase behaviors of those customers.*

(Adapted from Best 2005, p. 147)

The most efficient way to accurately and effectively convey customer value and cost savings is to thoroughly understand the product's target market and especially the customer's product usage behaviors and patterns. Armed with that knowledge, a company can begin to develop a **product differentiation advantage** that strikes a chord with customers because they have directly experienced the advantage—or disappointment—in their use of similar products from the competition.

The process of identifying product advantages and differentiating a company's product from that of the competition is also referred to as "product positioning." Many companies strive to position their products based solely on price; however, that is not always possible because of the cost of raw materials, distribution costs, and other costs beyond the control of the company. There are two other product positioning factors that any company can have full control over—product quality and service quality.

In the process of carefully addressing product and service quality, the company can make significant strides in identifying the competitive advantage of a particular product. If specific product benefits that the customer is looking for are incorporated into the product description as well, the company will achieve an effective product value proposition. The next sections outline the main characteristics of product and service quality that should be considered.

Product Quality

Product quality encompasses a number of dimensions over which a company has direct control to improve and promote the product (box 2-2). There are two "quality killers" or major detriments to a product's reputation in terms of quality: lack of reliability and lack of conformance. Two main drivers of quality are performance and durability. Two other quality enhancers that appeal to customers are the number and type of options that can be added, and serviceability of the product. Finally, in terms of quality, the appearance of

Box 2-2. Product Quality Dimensions

Killers:

- | | |
|--------------|---|
| Reliability: | Time-to-failure or malfunction for a given product. |
| Conformance: | Incidence of defects that should not have occurred. |

Drivers:

- | | |
|--------------|---|
| Performance: | Operational characteristics that distinguish product performance. |
| Durability: | Product life and ability to endure demanding use conditions. |

Enhancers:

- | | |
|-----------------|--|
| Features: | Number and type of options that can be added. |
| Serviceability: | Ease, speed, and cost of maintenance and repair. |

Esthetics:

- | | |
|-------------|---|
| Appearance: | The fit, finish, and appearance of a product. |
| Reputation: | The image created by the brand name or company. |

(Best 2005, p. 208)

the product is an esthetic issue that has value for the customer, as does the reputation of the product or the company. The dimensions of product quality are listed in order of importance in box 2-2. For example, “esthetics” as a source of product differentiation is of value only when all other aspects of quality are met (Best 2005, p. 208).

Service Quality

There also are a number of service quality dimensions that the small manufacturing firm can control, improve, and promote, as outlined in box 2-3. The two main dimensions of service that will undermine marketing and sales efforts are a lack of reliability and a lack of assurance. If the company cannot deliver the promised service dependably and accurately, the company will lose the confidence of customers. Similarly, if employees do not appear competent or courteous, the company’s reputation will suffer.

Box 2-3. Service Quality Dimensions

Killers:

- Reliability: Ability to deliver the promised service dependably and accurately.
Assurance: Employee competency with respect to knowledge and courtesy.

Drivers:

- Performance: Able to outperform competitors and customer service expectations.
Responsiveness: A service obsession to get it right when things go wrong.

Enhancers:

- Extended Services: Extra customer services that enhance the ease of purchase
Customer Empathy: Individualized attention to customer needs.

Esthetics:

- Appearance: The appearance of employees and facilities.
Reputation: The reputation built as a service-oriented company.

(Best 2005, p. 208)

Two of the main drivers of service quality, in terms of meeting or exceeding customer expectations, are performance and responsiveness. The goal is to outperform the competition in terms of customer service and to be committed to satisfying the customer in regard to any problem with purchasing, using, repairing, or returning the product. Service quality esthetics can add to the appearance and reputation of the company, but appearance and reputation as a source of product differentiation are of value only when the other aspects of service quality have been met. Integrating customer support and service into all levels of the company is important to creating a culture of customer service.

*The **positioning of your product** is a critical part of the marketing strategy process and specifically involves those activities by which you create the image of both your company and your product in the eyes of the customer.*

(Howe and Bratkovich 2005, p. 29)

Excellent customer service as a major product differentiator is not promoted as often as it could be, in part because companies lack information and knowledge on specific types of service and assistance that customers especially appreciate. An effective marketing effort requires that the company make the effort to understand customer service concerns, either by following up directly with past customers or by attending trade shows and other meetings where they can interact with retailers, wholesalers, and end users.

Communicate Product Advantages to the Target Market

The reason a company works to identify product differentiation and customer value is to gain a competitive advantage in the marketplace. Even with this research it is difficult to leverage product advantages into product sales if the customer is not aware of the company or has no knowledge of a product's superior value. To capitalize on product advantages in terms of price, customer value, and product differentiation, the company needs to communicate those advantages to the target group of customers who are most likely to purchase the product.

One way to think about product positioning is to replace the italicized terms in the following value proposition with words that describe advantages of your product:

As a result of *our offerings*, customers *profile* who are facing *needs* will *experience* for *cost* and will enjoy *benefits* within or by *time*. Compared with *alternatives*, the advantages of using our offerings are: *advantages*. To improve the experience, these customers will also benefit from *customer service*.

For example, a completed value proposition might read like this:

Families that enjoy entertaining outdoors will be confident that our durable solid cherry furniture will provide attractive and comfortable seating for their guests, year after year. Not only will our solid wood furniture add warmth and comfort to any seating area, hardwood will last five to ten times longer than plastic or aluminum furniture available for the deck or patio. We guarantee the quality of all of our products, as we have for the past 25 years, and will repair any deficiencies that might occur or will replace the piece.

In the process of promoting their product's advantages, the company hopes to gain a marketing advantage over the competition. The three main sources of marketing advantage are distribution, sales force, and marketing communications (Best 2005, p. 193). An efficient distribution system increases sales and customer satisfaction by enhancing the "availability" of a product. An effective sales force increases sales while enhancing both customer service and customer satisfaction. An effective and cost-efficient marketing communications program can provide an advantage by attracting new customers while sustaining the awareness and preference of existing customers.

*Products will come and go; assets will be purchased and consumed, but **the customer is the only enduring asset** a business has.*

(Best 2005, p. 470)

Purposes of Marketing Communications

Marketing communication has five main responsibilities:

1. Create **exposure** of the product to the extent necessary so that customers know it exists.
2. Build further customer **awareness** of the product's features and advantages.
3. Increase the customer's **comprehension** of the product's value proposition—that benefits exceed costs.
4. Improve the customer's **intention** to purchase by addressing their preference for attractiveness, price, availability, and service.
5. Convince the customer to take **action** and purchase the product.

Exposure and Awareness

The first two purposes of marketing communications—exposure and awareness—are the most important because without awareness, the customer will not have the opportunity to learn more about the product, or to take the desired action by making a purchase. The challenge is to maximize exposure to the target audience while minimizing the marketing cost.

The company has to balance and fine-tune the following four aspects of market communication in an effort to maximize the impact of the product's exposure:

1. Ad or promotional copy
2. Communications mix
3. Media selection
4. Message frequency

Ad copy is based on the market segment being targeted, the value proposition, and the product advantages, as discussed above. There could be multiple marketing messages developed for different types of media. For example, a direct mail promotion can contain considerable detail and describe a wide variety of product advantages, while the ad copy for a radio advertisement would likely offer a condensed marketing message. Once the ad copy is developed, selecting the communications mix is the next step.

It is necessary to identify a geographic, demographic, or user market, in order to select which communications channels are most likely to reach that audience. The primary advertising media are magazines, newspapers, radio, and television. Online advertising is another option, as are outdoor billboards and signs. Other forms of advertising include a Yellow Pages listing, a sponsorship ad at sports venues, a listing in a manufacturing directory, an ad in an event program, and giveaway items, such as pens and calendars. A public relations announcement can result in free advertising if the company can create

Customers have tremendous influence over which products succeed and which fail. Marketing-oriented companies will seek to recognize their target markets and the distinct interests of those markets.

(Shupe and Vlosky 2005, p. 2)

a product promotional piece that the press finds newsworthy. Those and many other options for communicating with customers are described in the next chapter (Chapter 3).

Often a combination of all of the primary advertising media (i.e., magazines, newspapers, radio, and television) will be used for a major advertising campaign, with the goal of achieving the most effective communication mix. The company will have to weigh the breadth of the exposure, in terms of the total number of people who see the ad, against the quality of the exposure in terms of how well it reaches the target market. The cost per exposure will also have to be factored in, and the ad budget should account for the repeated exposures that are necessary for building product awareness.

Comprehension, Intention, and Action

Once advertising has raised the awareness of the customer and reinforced the positive message about the product so that the customer starts to comprehend its benefit and value, the promotion then has to motivate the customer to purchase the product. The overall goal is to trigger a customer response, and relatively soon.

Reasons for Poor Customer Response

The items in box 2-4 are some of the reasons for a poor customer response to an ad campaign. A poor customer response to an ad campaign is often due to a deficiency in one or more of the following: media selection, ad frequency, ad content, value proposition, and the call to action. There is no easy answer for determining which factor is causing a poor response, although the evidence indicates that at each stage along the continuum of exposure, awareness, comprehension, intention, and action, specific issues can be addressed.

Box 2-4. Reasons for Poor Customer Response to Advertising

Low Levels of **Exposure**:

Problem: **Poor media selection, limited media exposure, or both.**

Low Levels of **Awareness**:

Problem: **Insufficient ad frequency, ineffective ad content, or both.**

Low Levels of **Comprehension**:

Problem: **Insufficient ad frequency, ineffective ad content, or both.**

Low Levels of **Intention** to Take Desired **Action**:

Problem: **Insufficient ad frequency, weak value proposition, or both.**

Low Levels of Desired **Action**:

Problem: **Insufficient ad frequency, action not clearly specified, or both.**

(Best 2005, p. 302)

As outlined in Chapter 1 and so far in this chapter, an effective ad campaign has to be supported by a product that has the attributes the target market is looking for in terms of quality, price, availability, and service. Promotional success also will be enhanced when the target market is accurately identified, customer needs are thoroughly understood, and the product's competitive advantages are clearly illuminated.

Once the right product, target market, and value proposition all are in place, the next step is media selection. Chapter 3 outlines over 30 of the promotional techniques commonly used by value-added wood products companies to inform, persuade, and remind customers about products they manufacture.

Martin & MacArthur Furniture

A Case Study in Customer Value

Established in 1961, Martin & MacArthur has earned a reputation as one of the leading producers of Hawaiian furniture. In addition to their Web site, they have four retail stores that offer furniture, home accents, and accessories.

They manufacture fine furniture primarily from koa wood, distribute supplies for picture framers, and market hardwood lumber. One craftsman does all the building on a piece of furniture, while specialized craftsmen do the finishing. Almost half of their furniture sales are for products custom made to order.

The company employs over 50 people with varied skills such as wood processing, fine woodworking, and finishing. Furniture production is housed in a 24,000-square-foot building located between Honolulu International Airport and downtown Honolulu. The U.S. Small Business Administration recognized the managers as Hawaii Small Businessmen of the Year in 1999.

Marketing Techniques of Interest:

- **Product Photos**—Excellent product photos on their Web site convey quality and attention to detail. Black-and-white photos of production activities provide a nice contrast on the product search pages.
- **Brochures and Product Catalogs**—The home page on their Web site includes an offer for a free brochure or a 36-page catalog for a small fee. Both can be ordered online or by phone.
- **Showrooms**—Four showrooms provide an opportunity for customers to see items in person, an attractive option for those living in Hawaii or planning a visit. The physical stores add legitimacy to the online store.
- **Product Categories**—Six main categories of furniture on their Web site, with four to six subcategories under each, provide customers a systematic approach for finding products of interest.
- **Convenience**—The [Contact Us](#) page has an e-mail form that includes boxes for the customer to enter their phone number and the best time for a salesperson to call them directly. That thoughtful customer service feature provides convenience and added value to the customer.

Lessons Learned: An attractive and flexible Web site design can serve a company well for many years. There are standard areas set aside on each of the product category pages to insert product pictures as they become available. Black and white photos of employees at work provide a nice touch that conveys craftsmanship, as well as providing some recognition for employees.

Martin & MacArthur Furniture, Honolulu, HI
www.martinandmacarthur.com/

Phil Etienne's Timber Harvest and Bear Hollow

A Case Study in Creating Customer Value

Phil Etienne's Timber Harvest, located in Saint Croix, IN, started as a modest logging business. In 1999, Phil attended a conference on "Sawmilling in the New Millennium" and was fascinated by a presentation that encouraged diversification. He was inspired to expand his sawmilling operation to include pre-cut pallet stock and custom furniture parts. He also expanded his manufacturing operation by adding value to his normal sawmill products. In 2001, he added Bear Hollow Mulch, a colored mulch product that was quickly picked up by over 50 dealers.

Marketing Techniques of Interest:

- **Attend Seminars and Workshops**—The owner attended a seminar, then used education and research to create a new value-added product, Bear Hollow Mulch.
- **Diversify Product Offerings and Add Value**—Expanding product offerings and adding value to existing products attracted new customers to the company.
- **Brochures**—Three new brochures go the extra step in providing customer value: one explains best management practices regarding the harvesting of hardwood timber, another explains sustainable forestry practices and buying standing timber, and the third provides detailed information about mulch and explains the merits of Bear Hollow Mulch.
- **Web Site**—A new Web site was created to further explain products and services.

Lessons Learned: Based on education and ideas learned at seminars, and confirmed through customer and competitor research, the company took a chance on putting the ideas learned into a new production system. The effort has been a success and new jobs have been created.

By observing customer needs and market trends, the owner has been able to grow his business significantly. The complete integration of a diverse product line provides marketing flexibility, allowing the company to change emphasis depending upon which markets are hot or cold.

Important components of his success include:

- A dedicated shipping location on site and streamlined shipping procedures;
- Use of the complete log, including the residue and offal, to produce various products;
- Keeping abreast of market trends for improved products and competitiveness;
- Acquiring new machinery and equipment;
- Launching a new, more informative Web site.

Phil Etienne's Timber and Bear Hollow, Saint Croix, IN
www.bearhollowindiana.com/index.html

Chapter 3. Promoting Wood Products and Communicating with Customers

*The key objectives of promotion are to **inform, persuade, and remind.***

(Shupe and Vlosky 2005, p. 5)

Promotion is the process of raising awareness of a product in the marketplace. Awareness is one of the five building blocks for successfully marketing wood products, with the others being attractiveness, price, availability, and customer service. Promotion informs the market through sales promotion, personal selling, advertising, and publicity (Shupe and Vlosky 2005, p. 2). Many of the most common techniques used to attract the attention of customers are discussed in this chapter, and are grouped into five broad categories: Advertising Media, Product Information, Marketing Techniques, Face-to-Face Marketing and Networking Opportunities, and Directories and Lists.

Advertising Media

Paid advertising is often thought of first when a company considers how it might communicate with customers. The most widely recognized forms of paid advertising utilize advertising media such as magazines, newspapers, billboards and signs, radio, television, and trade journals.

Since it may be the most expensive aspect of a marketing effort, a paid advertising campaign deserves careful consideration. Research can help you to avoid costly mistakes (box 3-1). Customer and competitor research need to confirm that the product directly addresses customer needs at a competitive price. Product quality and attractiveness have to be apparent, and a complete customer service program has to be in place. In short, the value proposition must be readily apparent.

When weighing the pros and cons of the various advertising media, financial considerations include the cost of committing to a series of ads, not just one or two. At least one-third of viewers will not recall seeing an ad the first time (i.e., zero exposure value) and another third will recall seeing it but will not remember what it said (i.e., zero awareness value). Since raising awareness requires repeated exposures, a media advertising effort is really an “ad campaign” that continues through a number of exposures in order to make an impact on the target market.

Each of the main advertising media has its own inherent advantages and disadvantages. The business owner should carefully consider the potential for each medium to convey a particular value proposition to the target market.

Box 3-1. Advertising Mistakes to Avoid

Trying to reach more people than the budget will allow: For a media mix to be effective, each element in the mix must have enough repetition to establish retention in the mind of the prospect. Too often, however, the result of a media mix is too much reach and not enough frequency. Will you reach 100 percent of the people and persuade them 10 percent of the way? Or will you reach 10 percent of the people and persuade them 100 percent of the way? The cost is the same.

Assuming the business owner knows best: The business owner is uniquely unqualified to see his company or product objectively. Too much product knowledge leads him to answer questions no one is asking. He's on the inside looking out, trying to describe himself to a person on the outside looking in. It's hard to read the label when you're inside the bottle.

Unsubstantiated claims: Advertisers often claim to have what the customer wants, such as "highest quality at the lowest price," but fail to offer any evidence. An unsubstantiated claim is nothing more than a cliché the customer is tired of hearing. You must prove what you say in every ad. Do your ads give the customer new information? Do they provide a new perspective? If not, prepare to be disappointed with the results.

Improper use of passive media: Nonintrusive media, such as newspapers and yellow pages, tend to reach only buyers who are looking for the product. They are poor at reaching customers before their need arises, so they're not much use for creating a predisposition toward your company. The patient, consistent use of intrusive media, such as radio and television, will win the hearts of customers long before they're in the market for your product.

See all 12 Advertising Mistakes at:

http://smallbusiness.aol.com/grow/marketing/article/_a/top-advertisingblunders/20051213183909990023

Billboards and Signs

Outdoor advertising can be effective in building awareness. If a company is planning a marketing effort to promote a new product, a billboard ad can help build on the awareness achieved with other media, such as newspapers and radio. The billboard ad might be initiated first. Then when the other advertisements begin to appear, exposure to the company and the product has already occurred.

A business sign is another form of outdoor advertising. Almost every company needs a business sign, and given the long-term nature of the investment, a high-quality sign requires careful consideration. An attractive sign can continually make a good impression, and its design as well as its placement can help to convey the company's image to drivers and pedestrians passing by. It also will draw the interest of people who will see it time and time again, and finally will stop in to see what the company has to offer.

Ryan's Rustic Railings

A Case Study in Outdoor Signage

Ryan's Rustic Railings is a provider of custom indoor and outdoor log railings, furnishings, and finishing products.

Their custom log products include the following log furnishings: dressers, beds, tables, and chairs; custom posts and railings; mantles; gazebos; custom log corners for log siding; and channel logs to hide metal supports. Ryan's Rustic Railings offers all their raw materials for sale, or will produce and install to customer specifications.

Marketing Techniques of Interest:

- **Outdoor Signage**—The company installed a large, attractive sign outside their production building along one of the busy highway routes in the area.
- **Web Site**—The company completely revised their Web site, making it much more product oriented. The result is a much more effective marketing tool and an increase in sales.

Lessons Learned: The company was surprised by the number of new customers who stopped in to see their products after the new sign went up. Many remarked, "We did not know the business was here until we saw the sign."

Ryan's Rustic Railings, Orr, MN
www.rusticrailings.com/

Business Cards

The business card remains a necessary, reliable, and cost-efficient marketing tool. Business cards convey the basic contact information for the company, and their portability makes them a convenient promotional piece that any of the company's employees can use to help raise customer awareness.

Company Brochures

As in the use of all marketing tools, the audience for the brochure needs to be clearly identified before it is developed. While small firms tend to make general company brochures, money might be better spent on a relatively technical brochure that outlines all the specifications of a particular product. With color brochure layout and printing being relatively easy and inexpensive through use of an office computer and printer, different brochures could be developed for different target markets. The company could then evaluate the effectiveness of each brochure before moving on to a commercial print run.

A company brochure is an effective marketing tool, but the designing and printing of the brochure is only half of the job. The true marketing begins when the brochure makes it into the hands of the target customer. Brochures are especially useful if the company regularly displays at trade shows or if the company's products are sold through a retailer that allows brochures to be displayed.

Giveaway Items

The range of items on which a company can place its name, address, telephone number, and other pertinent information is overwhelming. Useful items, such as pens, pencils, calendars, notepads, water bottles, and coffee cups, have valuable marketing implications for many manufacturers and provide immediate customer value.

Internet

The same marketing principles apply to Internet advertising in terms of identifying the target market and then developing a marketing strategy based on the demographics, interests, and needs of that target market. The search engine companies, such as Google, Yahoo!, and Bing, have developed techniques for displaying sponsor links based on the search terms being used. For instance, if a user types “outdoor furniture” in a search box, the sponsor links that appear at the top or along the side of the screen are generally companies that make or sell that item.

The search engine companies make it relatively easy to develop an Internet advertising campaign. There are interactive forms online where the business name, Web site, and ad copy are typed in and refined so that all the information fits in the allotted space for the ad. The company also picks the key words and terms that accompany their ad. A producer of outdoor furniture might pick “deck furniture” and “folding chair,” in addition to “outdoor furniture,” as search terms that would trigger display of their ad. Usually, the company is charged a few cents to a few dollars each time their ad is clicked and the Internet user is taken to the company’s Web site. Some key words are more popular than others and priced accordingly. The company selects a monthly budget for the amount they want to spend, which in turn dictates how often the company’s ad is displayed during the month.

Another approach to Internet advertising is to find Web sites that target customers are known to use and then purchase an ad on those sites. For example, when a company that manufactures a wooden sewing box purchased an online display ad on a popular sewing Web site, sales of the product increased considerably.

Magazines and Trade Journals

A magazine-based advertising campaign can be a good investment if the readership corresponds to the company’s target market. Most magazines have a marketing department that will provide detailed information on their subscribers’ demographics and geographic range—crucial data for evaluating whether a promotion will be a good investment. Once a magazine is selected for advertising, their graphics department will assist in the development of ad copy and ad layout.

A trade journal ad is similar to a magazine ad and can be effective in raising product awareness within the target market. A good working relationship with the trade journal staff is crucial to an effective advertising campaign. Most trade journals have experienced staff willing to provide support and advice on ad design and placement. Always inquire about upcoming special issues or special sections that might pertain specifically to your company’s products and services.

Other marketing opportunities offered by some journals and magazines include these:

- **Subscriber mailing lists:** Lists are normally sold on a per-1,000 basis. Lists can be purchased for a particular segment of subscribers (e.g., by industry segment, by state, by region).
- **Telemarketing programs:** For example, if planning a business trip to the West Coast, certain publishers will contact specific companies in that area and set up appointments.
- **Reader services:** For example, publishers will include a postcard in their journal that lists advertisers. The reader, if interested in a particular product, circles the reference number on the postcard and mails it to the publisher. The publisher then prints mailing labels of interested readers and sends them to the manufacturer.
- **Postcard packs:** Some publishers periodically send their subscribers a deck of postcards. Each postcard is an advertisement for a product or service. One side carries the advertiser's message, and the other side serves as a reply card with the company's contact information.
- **Special sections, press releases, and editorial opportunities:** Certain issues focus on a particular topic, market, or industry segment. Opportunities may exist to promote a product line through an article, press release, or letter to the editor in these issues.

Newspapers

Newspaper ads include display ads, sponsorship ads, and classified ads, with each type having its own particular usefulness. A major event or new product offering can be announced with a display ad. A sponsorship ad (for example, around the local high school's sport schedule) can build goodwill and provide customer satisfaction to existing customers. A classified ad is especially useful to commodity wood products producers, and can help to build and maintain awareness among customers.

Radio and Television

A **radio** ad is a good communication vehicle for raising product awareness, as long as the target market can be identified as listening to the station or as listening at a specific time of day. Radio is more effective if the company has well-developed value propositions and can make effective use of the flexibility radio offers in terms of how the message is delivered. For example, a radio ad can include humorous situations, music and singing, a more specific call to action, and testimonials delivered by satisfied customers. A radio advertising campaign can include a variety of messages that can be rotated during the campaign. There are many types of radio to choose from, including local programming and regional programming, as well as public radio, satellite radio, and Internet radio.

Television advertising, like radio, is for companies that have well-developed value propositions. Television marketing is further along the continuum of marketing communications, and it should include a very compelling message designed to move the customer to "intention" and "action" to purchase a product. Most broadcast affiliates have advertising spots allocated for local advertisers, often at effective time slots such as during news programming.

Testimonials and References

Often, friendships develop with a company's most loyal customers and they may be willing to offer a testimonial on the quality of the company's products and services. Testimonials from satisfied customers can be quoted in promotional pieces and on the company's Web site. If the company does not have many testimonials or does not have them for a specific product or service, it is appropriate to ask a satisfied customer for their impression or experience with one or more of the company's products. There is nothing wrong with a solicited testimonial, as long as it truthfully conveys the customer's experience.

Word-of-Mouth

One of the best ways to acquire new customers is through recommendations from satisfied customers to their family, friends, neighbors, and colleagues. It is critical to provide first-time customers with quality products and reliable service and to continue that strategy with existing customers.

Yellow Pages

One of the most useful publications available for locating customers, and for having them locate you, is the yellow pages. For example, when compiling a list of all lumberyards or home centers in an area, consulting the yellow pages in telephone directories can be an effective way to start. Libraries often maintain a collection of telephone books covering a large geographic area. Phone books for a given area also can be purchased from that locale's telephone company. There are also online yellow pages that would be worth reviewing, although they may not include all companies if a listing fee is required.

For more information on advertising, see [Vicki Hudson's \(1999\) article on advertising and public relations](#) on the Small Business Administration's Web site.

Product Information

Certification, Compliance Standards, and Quality Assurances

Certification is written assurance (i.e., the certificate) by an independent organization that has audited a company's production system and verified that it conforms to specified requirements. The certification mark that can be placed on a product's label or packaging distinguishes it from other, uncertified products. In that respect, certification is a marketing technique that targets customers whose purchasing decisions are based in part on specific performance standards or on their interest in issues such as health, the environment, and safety.

In terms of sustainable or "green" certification, many wood product companies are already a step ahead of the competition because they are marketing products that typically are natural substances having low chemical emissions. Certified sustainable wood building materials, though a small segment of the total market, appear to have growth potential, with some companies experiencing increased demand for certified products. See Chapter 7 for more information and case studies on product certification.

Companies can identify their products as complying with safety regulations or as conforming to specific standards of an industry or a consumer group. The widespread adoption of international standards means that producers who adhere to those specifications will find wide acceptance of their products among those target customers. For this reason, companies that are manufacturing to international standards will have the ability to compete in many more markets around the world. The [International Organization for Standardization](#) (ISO) develops and promotes the international product standards that are now recognized in 157 countries.

Product Brochures

As noted under Company Brochures in the section on Advertising Media, a product brochure might be a better investment because it is important to keep the focus on the products. When a customer asks a salesperson about obtaining a specific type of wood product, a brochure that describes and illustrates a similar product can be a very effective marketing tool. Customers like to be informed about the products they are purchasing, and a detailed product brochure can facilitate further discussion about possibilities for modification, customization, and quantity orders.

A complete and informative product description is one of the best marketing tools a company can have. It is also a multipurpose marketing tool that is useful on Web sites and in other advertising pieces, as well as in brochures, so great product descriptions along with good product photos are well worth the time and effort.

Product Catalog

A product catalog can be useful for companies that produce a variety of wood products. For example, a company that manufactures and installs kitchen cabinets could take a picture of each cabinet and kitchen they produce, then organize them into a descriptive catalog. The catalog could start as a portfolio, with the photos arranged in a three-ring binder or a photo album, with date, location, wood varieties, and approximate cost. In that format, the catalog is a low-cost yet effective tool for raising awareness and comprehension among customers.

If a firm manufactures products for the industrial market, a catalog showing products and production facilities is useful. Pictures of the machinery, production line, and packaging area are useful when communicating with wholesale and retail customers, especially when on a business trip or at a trade show.

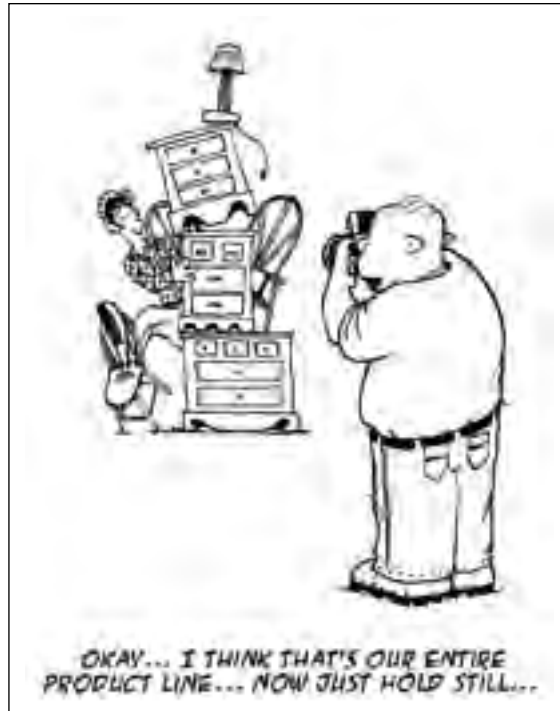
Product Photographs

Product images must look professional and portray at least two customer values: attractiveness and quality. While professional photography is expensive, it is money well spent. There is a planning aspect to a photo shoot that includes anticipating all possible uses of the product photos, including on a company Web site, in a brochure, as part of an advertisement, or in a product catalog. By anticipating different uses of the product photos and ensuring that all possible product variations (e.g., sizes, colors, wood types) are available during the photo shoot, the company will obtain valuable marketing material useful for many years and in many different types of promotions.

Product Packaging

Because a product's packaging is highly visible, it can play an important marketing function. In addition to protecting the product, packaging can promote the product's features, educate customers on its use, and reinforce the company's brand. Before deciding how best to package a product, investigate how similar products are packaged. For the consumer market, many examples of product packaging are found in building material outlets, department stores, and home improvement centers. Trade shows, journals, magazines, and packaging firms also can provide packaging ideas.

For the industrial market, a good example of packaging promotion is dimension lumber neatly stacked and shrink-wrapped on a pallet with the company's logo highly visible. On the other hand, if a shipment of oak door stiles and rails is packaged in a way that does not indicate care or quality, customer retention could be compromised, and a competitor may get the next order.



Trademarks

Obtaining a trademark can help to protect important aspects of a company's marketing program. A trademark protects words, names, symbols, sounds, or colors that distinguish goods and services from those manufactured or sold by others and serves to indicate the source of the goods. Trademarks, unlike patents, can be renewed forever as long as they are being used in commerce. More information on obtaining trademarks and patents can be found on the [U.S. Patent and Trademark Office](http://www.uspto.gov) Web site.

Marketing Techniques

Direct Mail

As with all forms of product marketing and communication, the direct mail message is tailored to the needs and interests of a particular group of customers. The product's value proposition must be clearly stated and the product's attractiveness and quality need to be apparent.

A single mailing often is not sufficient to build product awareness and move the customer towards comprehension, intention, and action. A marketing strategy based on direct mail should include repeat mailings, and other forms of advertising could help supplement the direct mail message.

Bowers & Sons Hardwood Lumber

A Case Study in Direct Mail

Bowers & Sons are producers and distributors of a full line of fine architectural millwork. The company wanted to add a new line of wrought iron railing and fence systems to complement a line of stairs and wood railing parts they already market. The product was a new style produced in China and shipped direct to Bowers & Sons for distribution.

Marketing Techniques of Interest:

- **Direct Mail**—They developed a customized direct mailing of the company's sales literature through a mail-service company. The mailing list was compiled for the usual sales region and consisted of the fencing dealers, lumberyards, pool dealers, and other outlets in the region. The mail company did a turnkey operation. Total cost was about \$2,500, a relatively low-cost way to market the new product.

Lessons Learned: Only one mailing was done, and the response from that mailing was less than one-half of one percent. Not only was the response poor, but no sales resulted. Much more market research must be done when a new product enters the marketplace. It appears that dealers in the region already had access to fence and rail systems and competition was considerable. It could be that additional mailings conveying greater customer value than the competition may have yielded some success. The product is doing extremely well in other parts of the country, so regional preferences may have played a role, with wood remaining more popular in the company's region.

Bowers & Sons Hardwood Lumber, Lee Center, NY

Fey Manufacturing

A Case Study in Collegiate Licensing

In operation since 1906, Fey Manufacturing produces fine solid wood furniture including made-to-order pieces, as well as a standard line of dining tables, occasional and side tables, stools, and benches. The operation boasts a small sawmill, dry kiln, and woodworking factory.

The Fey brothers were looking for a popular product that they could mass produce. They had finished several orders of an oak hardwood stool for the Syracuse University sports locker room and they decided to try to market the Syracuse Orange Dome Stool to the general public.

Marketing Techniques of Interest:

- **Attending Workshops and Seeking Business Assistance**—The Fey brothers had recently completed a local business planning program. They also met with local industrial development staff and a regional wood products development specialist to discuss their new product.
- **Licensed Use of a Brand or Logo**—During several trips to Syracuse University, they learned that use of the school's logo had to be licensed. All the necessary paperwork was completed and accepted, an agreement was reached to sell the stools at the university bookstore, and the company successfully applied the licensed logo to the hardwood stool.
- **Press Release**—The county Industrial Development Agency (IDA) designed a press release and a product unveiling that provided valuable publicity. Several newspapers and television stations, along with about 50 local people, attended the press conference. That exposure, coupled with ads in the university paper and in the college's daily e-mail, resulted in some early sales.

Lessons Learned: The use of any college logo on a product must be licensed by the Collegiate Licensing Association. There is a \$50 application fee, an annual \$100 licensing fee, advance college fee of \$250, and a royalty fee of 8 percent on each item sold (fees vary by college and type of product). All licensees also are required to obtain a minimum of \$1 million in product liability insurance. The licensing-related costs did lower profitability on the \$134 sturdy sports logo stools.

Local business assistance can be very beneficial. In this case, it helped in development of a press release and press conference, which were great tools for introducing the new product at minimal cost. Other colleges contacted the manufacturers to discuss having their logos produced on the hardwood stools.

Fey Manufacturing, West Leyden, NY

Licensing

A wood products company can gain a new marketing tool by purchasing a license, for example, to use the name or logo of another company, organization, or college. By adding a widely recognizable brand to its products, the company can benefit from improved customer recognition. Licensing is usually based on a contractual agreement between a wood products manufacturer and the owner or agent of the brand, known as the licensor. Formal permission to use the brand is subject to certain terms and conditions, such as a specific purpose, a defined geographic area, and a finite time period. In exchange for granting the rights, the licensor generally receives a percentage of the licensee's sales. In addition, a guaranteed minimum royalty is usually required.

Information on licensing can be found at licensing association Web sites such as the [Licensing Industry Merchandising Association \(LIMA\)](#) and on the Web site of the [Collegiate Licensing Company](#).



Collegiate licensing is a marketing tool.

Mail Order

Before the Internet, mail order was a common promotion and distribution tool. An ad would be placed in a magazine or trade journal, encouraging customers to mail their order and check to the company's address. While still used to some degree, mail order has largely been replaced by e-commerce and online orders, with customers being directed to the company's Web site (for more information on e-commerce, see the section on Web-Based Communications in this chapter, as well as Chapter 4).

A mail-order business could be developed around a product catalog because there are many customers who enjoy thumbing through a catalog and some are hesitant to enter a credit card number online. There are always customers who will prefer to mail a check or place an order over the phone.

National and Regional Catalogs

In addition to a company's own product catalog, products can be promoted through one of the large national catalog stores (e.g., L.L. Bean, the Company Store, Pottery Barn, Smith & Hawken) or to one or more of the many smaller, regional catalog stores. Those types of retailers are interested in attractiveness and quality, as well as price and production capabilities. Initiating a marketing campaign aimed at retailers would begin with excellent product photos along with detailed product specifications, accompanied by details on production facilities, employees, and production capacity.

Press Releases

A company can use a press release to announce anything with news value. Whenever a company develops a new product, reaches a new milestone, hires a new employee, or hosts an event is a good time to develop a press release. It is usually a one-page written communication about the company or its products. A newspaper article about the company is sometimes more effective than advertising. Favorable press can also complement an advertising campaign and help build product awareness.

Press releases have a structure and include six main elements: a headline to grab attention, the date and location of the release, an introductory paragraph that summarizes the release, the main body of the release that contains all the details, a short “about” section that provides background information on the company, and finally, who to contact for more information. The [Associated Press Stylebook](#) (Goldstein 2007) is used widely, and writing to this style can help the release get placed. It can be mailed, faxed, e-mailed, or hand-delivered to newspapers, magazines, radio stations, and television stations. Many small news outlets appreciate receiving a well-written press release. If they find something especially newsworthy, they may assign a reporter or photographer to the story.

State Forest Products Associations and Related Groups

Most States have at least one association or interest group that represents and provides assistance to the forest products industry. Contact those groups to learn how they operate and to explore the benefits of membership.

State Forest Products Directories

Many State forestry offices maintain forest products directories that list manufacturers of various wood products. Customers use the directories to find products and companies. They are also useful to the manufacturer for identifying sources of raw materials and for finding business-to-business marketing opportunities. Appendix A lists many forest products directories by State.

Most directories are now online; when a customer searches online for a company or product, the search usually includes the content of those directories. Even for companies without a Web site, a listing in a forest products directory can help customers find company contact information with an online search.

State Marketing Bulletins

An advertisement placed in a State forest products marketing bulletin is another option that many companies find to be a successful marketing technique. State marketing bulletins are published by State forestry offices and are traditionally oriented towards primary-processed products, although advertisements for value-added products are normally accepted. See Appendix C for a list of State marketing bulletins.

Trade Associations

Trade associations are groups of manufacturers specializing in a particular segment of the industry. For example, the [National Oak Flooring Manufacturers Association](#) is comprised of members who primarily produce oak flooring. Trade associations generally market their members' products and services through various promotional and educational programs, including trade shows, newsletters, workshops, advertisements, and the association's Web site. They also represent their members on legal matters and environmental concerns, establish and maintain product standards and specifications, and collect and distribute economic trend and market information to their members. Appendix D lists some of the associations that represent wood products producers.

Web-Based Communications

E-Commerce

The Internet and e-commerce opened an entirely new sales channel for wood products companies. E-commerce provides the opportunity to sell products directly to consumers and to businesses, either on the company's Web site or on Web sites managed by others.

E-commerce starts with a marketing strategy, including product pictures and descriptions, along with a well-developed value proposition for the target market. Once the marketing strategy is in place, there is a range of options for e-commerce that vary considerably in terms of cost and difficulty to implement and manage. Chapter 4 provides details on those options. Company owners and managers are encouraged to carefully evaluate the various options and assess how e-commerce can best fit within their marketing plan and marketing strategies.

Some companies can be overly optimistic about e-commerce and other companies feel they have nothing to gain from e-commerce, while the reality is somewhere in between. It is likely that e-commerce could contribute from 5 to 15 percent of annual sales, although its actual contribution to the company's bottom line will vary considerably based on the type of products produced. Success with e-commerce hinges in large part on making effective use of the online marketing environment. It also requires raising the online customer's awareness and comprehension of the product's value proposition.

E-mail Promotions

Sending an e-mail to a customer is similar to sending a promotional piece by direct mail. Both forms of communication are susceptible to high rates of rejection in terms of being disposed of unread. While e-mail appeared to have great potential as a marketing tool in the 1990s, junk mail and spam had so clogged inboxes by 2009 that many Internet users were hitting the delete button on any message that was not from family, friends, or colleagues.

E-mail does appear to be an effective form of marketing communication when used to inform an existing customer about the company's new products or promotions. An existing customer is more likely to recognize the sender as a company they know, and more likely to open and read the e-mail.

There are a number of e-mail marketing protocols that companies are advised to follow when sending out promotional pieces by e-mail, including the following:

- Put the company name in the e-mail subject;
- Maintain consistency of design and color between the e-mail and the company's Web site;
- Minimize the frequency of e-mail promotions to no more than once a month;
- Use e-mail mainly to announce new products, a sale, or other company events;
- Offer customers an opportunity to opt out of receiving future e-mails.

There are exceptions to the frequency of e-mails if the company has a target market of regular customers that would welcome more frequent announcements on the latest products, sales, specials, and promotions (e.g., free shipping, longer payment periods). That is especially true with business-to-business communications with customers who buy in quantity and for whom a slight change in price has a strong influence on purchasing behavior.

Social Media Marketing

Social media marketing is the process of engaging with online communities to generate exposure and interest for products and services, which creates new opportunities and possibly new sales. It is also referred to as Social Network Marketing, or simply Social Marketing, a term that has been used to refer to community health promotion since the 1970s.

Common social media services include Facebook, Twitter, MySpace, LinkedIn, YouTube, and a number of others. Blogs, e-mail, and instant messaging are other social media tools that can be used to distribute information online. Many social media services are now interconnected; for example, if a message is posted to Facebook, that same message will show up instantly in Twitter or on a Blog, among other places. Many of the services include an option for creating a company profile. Customers, friends, and family can then become "fans" of the company, further increasing its online visibility.

Social media marketing uses online social media to provide company information, offer customer service information, and promote new or improved products. Using social media for blatant advertisement is discouraged. Most social media marketing campaigns strive to respect and engage users, creating more of a conversation than an advertisement.

The goal is to create a compelling online message—in the form of text, pictures, video, or all three—that offers something useful, unique, remarkable, or newsworthy. For example, a producer of outdoor wood furniture might create a Blog or a Facebook page that explains specifically how customers can refinish their furniture to protect it from the weather. It could also include a link to a YouTube video that walks the customer through that process step by step. The result is an effective customer service effort that makes efficient use of social networks while reducing phone call inquiries on the refinishing process.

Social media become a powerful marketing tool when messages are picked up and promoted by other users of social media. Through the process of Internet sharing, that single online communication can gain widespread visibility and popularity. At the least, search engines will record that new segment of online information, thereby improving company and product visibility within online searches.

Web Sites

A Web site is necessary for all but a few wood products manufacturers, because a Web site can be a company's business card, brochure, and product catalog all rolled into one. Fortunately, a Web site does not have to be expensive or complex. The first goal is to make customers aware of the company and its products, and for many companies a single Web page or two is sufficient.

A basic Web page or small Web site must convey quality, attractiveness, value, and customer service (box 3-2). The company's products are the main focus, with the product images and descriptions clearly conveying quality and value to the customer. Product descriptions should be very specific with respect to how customers perceive and use a product. If a product has a number of applications or uses, list or describe each one. If product images are displayed, they need to be high quality. It would be better not to show product images at all than to show pictures that are overexposed or out of focus.

Box 3-2. Online Marketing and Sales: Putting the Pieces in Place

1. Compelling product descriptions
2. Great product photos
3. High product findability online
4. High Web site usability
5. Effective product value proposition
6. An e-commerce outlet
7. Customer service

When planning a new or revised Web site, follow the leaders. Start with an online search of products the company makes and take a close look at the Web sites that appear near the top of the search results. Notice the design features that seem most effective, and consider how you can apply them to your site. Also, look over the Web sites of leading retailers and manufacturers to identify some of the basic design features of Web sites that receive thousands of visitors every day. Keep in mind that many Web sites are copyrighted.

The bottom line with Web site design is that simpler is better. A white background, standard text, lists of product features rather than long paragraphs, nice photos, and complete contact information are the main—and often sufficient—components of an effective Web site. Chapter 4 provides more information on Web site design and development.

Face-to-Face Marketing and Networking Opportunities

Conferences, seminars, trade shows, craft shows, and any occasion of travel provide an opportunity to meet customers who are not aware of the company's products. Take advantage of any networking opportunities to learn about customer needs and interests. Company owners, managers, and employees should all be prepared to use any interaction as a marketing opportunity.

Craft Shows

Customer needs and interests are at the center of any marketing effort. If a product is conducive to sale at a craft show, participation could provide an excellent opportunity for one-on-one discussion with customers on what they think of a product, how it would be used, and how it could be enhanced. Craft shows also offer an opportunity to meet and discuss marketing issues with other producers and manufacturers. That type of networking can be especially valuable to business owners and managers who have few opportunities to meet face-to-face with customers or with other producers.

Direct Sales

Approaching customers face to face can be an effective marketing strategy. For example, a small company that manufactures hardwood flooring, paneling, and molding could make up samples of their products. A company representative with samples in hand can visit construction sites, lumber yards, and home improvement centers to develop sales leads. The visits also can be used in customer and competitor research such as finding out what products are competitive and which features are desirable.

The direct sales approach often may not lead to an immediate sale, but it provides immediate awareness of a company as well as one of the best opportunities for conveying the advantages of a product over that of the competitor (i.e., product differentiation). In addition, the direct sales approach allows the company to demonstrate the high value they place on customer service, a value that is hard to convey to a new customer other than face to face.

Recognizing that a sale is unlikely during the first contact with a new customer, one goal during the first sales call is to make an appointment to meet again with the customer at their convenience. That subsequent meeting will provide a better opportunity to lay out the value proposition for the customer, as well as to meet directly with those who can make purchasing decisions.

One way to make a positive impression during a sales call is to provide the customer with new information or a new resource that helps them with some aspect of their job or business. The idea of putting the customer first can start with helping them with something that would make their work easier, more efficient, or more successful. Providing value to the customer before the sale demonstrates the company's interest in customer service and customer satisfaction.

If the company sales department is not meeting or exceeding its sales goals, then a review of direct sales techniques might be useful. One way to fire up the sales force

is the [Little Red Book of Selling](#) (Gitomer 2004)—a somewhat irreverent although inspirational take on the process of selling—as well as other books by Jeffrey Gitomer. Other books on selling can be found in libraries and bookstores.

Seminars and Workshops

Forest products associations, industry groups, government agencies, and universities periodically conduct seminars and workshops on various aspects of the forest products industry. Many of the seminars and workshops are marketing oriented and provide information on effective ways of reaching customers. Attendance at a workshop is usually time well spent. Knowledge acquired on changing technologies and customer preferences is the main benefit, followed closely by networking opportunities.

Trade, Home, and Other Shows

Obtaining booth space at a trade show or gift show enables a company to promote their products to a select audience that is interested in their products. Some shows cater to the general public while others cater to trade and industrial business professionals. Local home shows are a potential option for companies manufacturing products such as flooring, panelling, molding, doors, furniture, cabinets, and other household items. To find locations and dates of home shows, contact your local homebuilders association, which can be found on the [National Home Builders Association](#) Web site at: www.nahb.org/local_association_search_form.aspx.

When considering a show, you must understand what it really is—a combination of sales, promotion, personal selling, public relations, and advertising all done in a personal manner. One of the main keys to success at a show is the planning that must be done before you attend the show, including the following:

- Pick the right show: Does it fit your target market? Does it have good attendance?
- Analyze the total cost of the show—exhibit fees, shipping, travel, hotel, food, labor, etc.
- Is the booth well designed? Considerations include colorful display, full use of allotted space, brochures, samples, good focus on products, accessibility, and ease of product demonstration.
- How many people will work the booth? Considerations include product knowledge, friendliness, personality, and fatigue.
- How do you measure success? Possibilities include the number of contacts, leads, new orders, and personal contacts with old customers, as well as market information on competitors, and promotion of company image and products.

Other important activities for enhancing the return on investment from attending a show include these:

- Direct mail promotion to the list of attendees, encouraging them to visit your booth.
- Invitation letters to the company's customers.

- Acquiring or preparing displays, handouts, giveaways, business cards, brochures, etc.
- Deciding on show discounts and other incentives to encourage orders during the show.

A booth needs trained people to work it properly. They need to be friendly, enthusiastic, observant, and have an excellent understanding of the products being presented. It is important to have at least two people so that they can take turns leaving the booth periodically and observing what the competition is doing.

Products should fill the booth and be tastefully displayed. It is important to use booth sidewalls and a backdrop with decorative eye-catching material. If finances permit, double- or triple-width booths and floor-to-ceiling wrap-around displays are especially eye-catching. Booth location is extremely important to visibility. Show attendees tend to move to the right upon entering a building, so having a booth to the right can be an advantage. Familiarity with prime booth locations is important if the same show is used year after year, or if shows are a major component of the company's marketing plan.

Carl Golas carried out an informal assessment of people passing by a booth at a large gift show and found that two-thirds did not even look or glance at the booth. Only one out of 100 would stop and pick up a basic trifold brochure with product information. Those who seemed interested took only 5 to 7 seconds to make up their mind to stop and look, or to continue on. Quickly engaging interested attendees in friendly and informative conversation is important for moving them from exposure and awareness on to comprehension of the product's value proposition. Allow them to touch, sit on, or use the products, and point out special show prices, delivery specials, and payment terms.

Follow-up contact with potential customers after the show is important. Many interested attendees may need to confer with superiors or partners in order to purchase goods. A good policy would be to follow up with a letter or fax within a week after the close of the show.

An online factsheet by [Gurney and Romig \(n.d.\)](#) provides advice on how to maximize the benefit of trade shows, and a list of export-related trade shows is available from the U.S. Department of Agriculture (www.fas.usda.gov/ffpd/tradeshows.html).

Directories and Lists

Commercial Forest Products Directories

Various directories of commercial forest products exist, each one varying in style, content, and organization. All have valuable information about the forest products industry and can be used as a resource for identifying customers. Following are two relevant commercial directories:

- [Green Book's Hardwood Lumber Marketing Directory](#)
- [Wood & Wood Products Red Book](#)

Customer Contact Lists

A customer contact list can be extremely valuable, but developing and securing such a list can be frustrating. For some target markets, specific directories of potential customers exist. For example, a listing of New England home centers, the types of products they merchandise, and the customer types they cater to is available from [Chain Store Guide Information Services](#). A company that wants to target do-it-yourself customers who patronize home centers located in the New England States could contact this source.

There also are mailing list services that allow a user to zero in on specific geographic areas, even down to the county or zip code. For example, [ZapData.com](#), associated with [Dun & Bradstreet](#), has online tools for finding business listings by industry, location (i.e., State, county, metro area, city, and zip code), and by company demographics (i.e., number of employees, annual sales, legal status). Cost per listing can vary from 20 cents to \$1 or more.

For targeting households, there are numerous household or consumer mailing list services online (e.g., [InfoUSA.com](#)) that allow the user to select households based on location, demographics, purchasing patterns, and other attributes. Cost per listing starts at about 5 cents.

Newspapers and chambers of commerce will often rent mailing lists for a reasonable cost. Local printing companies will sometimes maintain mailing lists for their area and provide direct mail service that includes mailing list, printing, and postage. A company's own list of current and past customers is a valuable mailing list, important information that should be maintained on an ongoing basis.

Industrial Directories

Industrial directories can help to identify customers. Most directories are organized by major industry groups as classified by the North American Industry Classification System (NAICS), formerly referred to as the Standard Industrial Classification (SIC). NAICS codes are used by the Federal government and others to classify businesses and to compile statistical data by industry.

Wood products companies should be familiar with the industrial classifications that apply to their products. There are three main NAICS categories of greatest interest to wood products companies: Wood Product Manufacturing (NAICS code 321), Furniture and Related Product Manufacturing (NAICS code 337), and Other Miscellaneous Manufacturing (NAICS code 339), which includes wooden sporting goods, toys, signs, musical instruments, and decorative items. Each has a number of subcategories for which examples are provided in Appendix E. The complete [NAICS](#) classification tables are available online.

There are a wide variety of industrial directories online, including the following:

- [MacRae's Industrial Directories](#)
- [Thomas Register of American Manufacturers](#)
- [Harris Industrial Directory](#) (a division of Dun & Bradstreet Corp.)

Summary and Conclusions

A wide variety of tools and techniques are available for communicating a product's advantages to the interested customer. Nevertheless, there is no guarantee that a particular advertising campaign will directly result in higher sales, and there will always be some level of uncertainty as to which promotional technique will be the most effective. As an early 20th century retailer supposedly observed, "I know that one-half of my advertising expenditures are wasted, I just wish I knew which half." Considering how limited advertising options were in 1909 as compared with 2009, it is conceivable that the "waste" of promotional expenditures is relatively greater today.

At the beginning of the 21st century, consumers are better educated about the products they are considering for purchase and have more product information readily available than ever before. The Internet allows consumers to compare product features and prices around the country and even around the globe, all in a matter of minutes. The challenge for the wood products manufacturer is to recognize the growing power of the consumer, accept it as a positive development, and use that knowledge in developing more effective promotional efforts.

The title of this chapter conveys an important concept: ***Communicating with Customers***. Today's consumers appreciate a more active role in the marketing and sales process. In other words, they prefer communication rather than being a passive recipient of promotions that lack some of the specific information they are used to finding on the Internet. In some ways, the traditional concepts of "promotion" and "advertising" are outdated, with consumers now having a preference for companies that work to "inform" and "educate" them about the products they would like to purchase.

Since the publication of Ed Cesa's (1992) marketing guide, the Internet, the World Wide Web (Web), and e-commerce have all come into common use. The Web continues to develop into one of the most important marketing and sales channels available. The next chapter addresses how a wood products producer can make more effective use of online marketing and sales.

Chapter 4. Online Marketing and Sale of Wood Products

By 2009, 3.5 percent of total retail sales in the United States occurred online, and the online share of retail sales had been steadily climbing (figure 4-1). Total e-commerce sales for the housewares and home furnishings retail category amounted to \$3.9 billion in 2007. That sales figure comprised over 3 percent (3.3%) of all retail sales in the housewares and home furnishings category in 2007 ([Internet Retailer 2008](#)). The furniture and home furnishings category is one of the largest online retail categories, after autos, computers, clothes, and office supplies. The home, garden, and furniture retail category also showed one of the largest increases in year-over-year online sales growth among 14 retail categories, with a 25 percent increase from 2007 to 2008 ([Vollman 2009](#)).

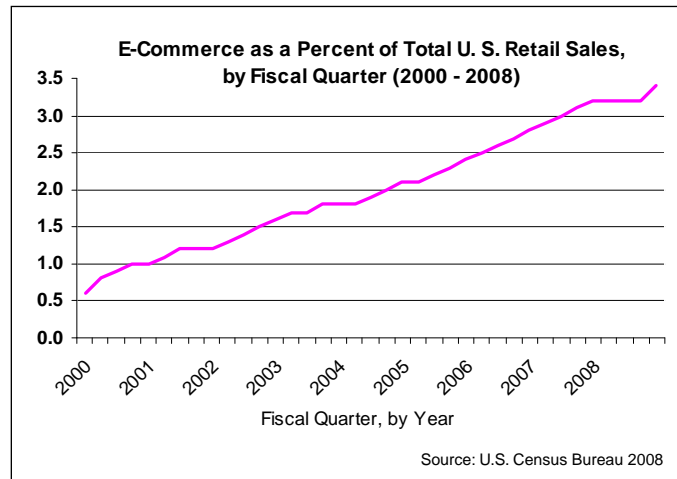


Figure 4-1. E-commerce as a percentage of total U.S. retail sales from 2000 to 2008.

Whether a wood products company should have an online presence is no longer an issue. Rather, how to develop a Web presence into a more effective marketing and sales tool is now the relevant topic in terms of business growth for wood products companies. The question for the small producer of wood products is how to most efficiently and cost effectively initiate e-commerce, or for those that currently use e-commerce, how to increase their online sales. The time has passed for questioning the viability of e-commerce or continuing to take a wait-and-see attitude. The Internet has become the first place many customers look for product information and it is where increasing numbers are making a purchase.

This chapter includes discussions about Creating an Effective Web Presence; How to Conduct Online Marketing; How to Conduct Online Sales; Cost, Timeframe, and Difficulty associated with e-commerce; and which companies are Most Likely to Benefit.

Creating an Effective Web Presence

Understanding how to create an effective Web presence requires some background on how Internet-based marketing differs from other types of marketing. The first question that might come to mind is why the Internet needs to be considered differently than other marketing outlets. The answer can be summarized as **pushed** versus **pulled**. Most marketing activities are based on the concept of pushing products and services out to the public. If a company has an advertisement in a magazine or newspaper, on television

*As the pendulum swings from push to pull, the effectiveness of advertising diminishes relative to the importance of product design, quality, and price. No longer forced to trust the promotional spin of television advertisements and salespeople, we now have the ability to find the best products and best deals on our own. **We now can make informed decisions**, thanks to the use of simple keywords.*
(Morville 2005, p. 4).

or radio, or if it uses an online advertising program, it is “pushing” products or services out to readers or viewers of those marketing media.

The marketing approach on the Internet has been evolving in its brief existence from that standard “push” model, such as flashing banners and pop-up ads, to a marketing medium based on “pulling” online customers to Web sites and products that match their key word search. The Internet has evolved into a “pulling” marketing medium because of the recent confluence of the following three major developments:

- Powerful and more accurate search engines.
- High-speed Internet connections that allow relevant search results from millions of Web pages to be displayed almost instantaneously.
- Consumer-friendly product categorization schemes pioneered by e-commerce leaders, such as Amazon and eBay.

With a better sense of why Internet-based marketing is different from the other forms of marketing, a business manager might be concerned that the marketing budget now will have to be doubled or even tripled. That actually is not the case. While the approach of online marketing is somewhat different from other forms of marketing, the basic building blocks are the same: compelling product descriptions and great product photos. Magazine ads, newspaper ads, trade show applications, and product brochures all need those same ingredients.

How to Conduct Online Marketing

Successful online marketing and sales depend on four crucial elements: concise product descriptions and high-quality product images, as well as Web site findability and usability. **Findability** represents how easily customers can find a company’s product online. **Usability** represents how quickly after arriving at a Web site customers can assess a product’s characteristics, quality, and price. By addressing those four aspects of a company’s Web site, the company can gain the following competitive advantages in terms of attracting customer interest:

- Search engines will be more likely to find a company’s products because the product descriptions include the words and phrases that customers are most likely to use when looking for those types of products.
- Once customers reach a company’s Web site, they can easily find the product they are looking for, because the products are categorized using words that customers are familiar with and brief product descriptions summarize the main features of each product.

- On finding the product they want on a company's Web site, the customer is pleased to find an informative photo of the product that gives a good sense of its features, such as size, color, and type of wood.
- Concise product descriptions of less than 100 words provide customers with everything they need to know about the product's material, construction, dimensions, weight, variations, price, and availability.
- By focusing on findability and usability, a company's Web site provides the same excellent customer service the company provides to customers who walk in the door.

The customer who lands on a Web site that reflects those features is more likely to be favorably impressed with the company's commitment to quality and attention to detail. Even without much knowledge about the company, and having never visited the company in person or been in close proximity to the company's products, the customer begins to identify the products as ones they would consider purchasing.

Concise Product Descriptions

The recommended length for online product descriptions is only 25 to 100 words, because the average time spent on a product Web page is less than a minute. It is hard to believe, but even the leisurely viewer spends only 2 or 3 minutes on a Web page, so key points have to be made quickly and effectively. A finely crafted product description can serve a company well in many different formats (e.g., Web, brochure, advertising) and for many years.

Following is an example of an informative product description of less than 100 words:

"This hardwood outdoor patio furniture is crafted of kiln-dried cherry wood from the Adirondack region of New York State. It contains no nails, screws, or bolts to rust and mar the natural beauty of the native hardwood cherry. A clear exterior oil finish allows the wood to age naturally while protecting this stylish, casual furniture from the weather. These simple yet elegant chairs and tables are comfortable, durable, and reasonably priced. Both headrests and seat cushions, sold separately, are available in five vibrant colors and are guaranteed fade-proof for 3 years."



This is a good description for a number of reasons:

- It contains key words that might commonly be used in a search engine (e.g., outdoor furniture, patio, hardwood, casual furniture, New York).
- It provides a number of specific points of greatest interest to the customer (e.g., hardwood, no nails, clear durable finish, protected from the weather, reasonable price, cushions available in different colors).
- It appeals to a broad range of customers (e.g., stylish yet casual, simple yet elegant, comfortable yet durable).

The key is to describe products from the customer's perspective. The producer is sometimes inclined to say, "This is the best product available and I love making it, so I know you'll love using it." That phrase uses 20 percent of the space available to describe the product and conveys absolutely nothing of value to the customer who wants to know if the product will serve their needs.

Excellent Product Photography

A picture is worth at least a thousand words on the Internet because online customers want the most pertinent information as quickly as possible. Because of the short time a customer spends on a product page, the more informative the product picture, the more likely the customer will perceive the quality and care a company puts into their products. A great product picture also lessens the necessity of describing every product feature, allowing the most effective use of key words in the 100-word product description.

If at all possible, a company should hire a professional to photograph its main products. It is a good investment because those same product photos can be used in a number of ways, such as brochures, advertisements, and applications for trade shows. Schedule photo shoots for when the company's complete product line is available to include all product variations such as size, color, and type of wood. Also consider how to make products look most appealing to online customers. A company that produces furniture that looks good next to a fireplace or when placed in a well-lit dining room might try to find an appropriate location for the photo shoot. Finally, shop around for a photographer and review examples of their product shots. Photographers' rates can vary considerably, and some specialize in product photography.



Showing all product variations in one image is a customer-friendly approach.

If taking product photos in-house, improve the results by following these guidelines:

- Use a tripod or rest the camera on something for a steady shot. Make sure the item is level in the viewer.
- Get as close to the object as possible, without cutting off any part of it. Take a few pictures from different distances.

- Have the item well lit, but avoid shadows. Shooting outside on a cloudy day can give good results.
- Use a neutral, consistent background (a sheet, wall, or lawn), which will be useful for later digital editing.
- Take shots at different angles if the views provide different information.
- If a product has a variety of styles and colors, take a few photos showing all the variations together.
- If using a digital camera, set both quality and image size at the highest possible settings.



Natural light and a neutral background enhance the product's image and ease the photo editing process.

Findability—Key Words and Search Engine Placement

According to visitor data for AdirondackCraft.com, an e-commerce Web site that receives about 10,000 visitors per month, search engines referred three out of four visitors (77 percent), and the Google search engine referred almost one-half (46 percent) of all visitors. Without the use of paid online advertising, search engines are how most online customers will find a company and its products on the Internet.

There are at least three main ways to improve a company's exposure on most search engines:

- Try to feature the product name in bold text at the top of the Web page and format it as Header Text (i.e., <H1>).
- Relevant keywords need to be in the text that is visible on the product page. Try to use all the major search terms people are most likely to use when they look for a specific product. Repeat the most important ones and use them in different combinations if possible. For example, use *wood*, *wooden*, and *hardwood* on the same page if appropriate.
- Make sure meta tags are complete and accurate on each Web page. Meta tags are Web page labels that do not appear on the Web page, but



that work in the background to communicate the content of each Web page to the search engines. There are three main meta tags, including “Title,” “Description,” and “Key Words.” Search engines no longer rely exclusively on meta tags for determining how to rank Web pages in search results. Google has changed the process somewhat by using the page’s visible text as a main basis for page ranking; however, all search engines still rely on meta tags to some extent, so they are still needed. It usually is best to limit each meta tag to 25 words and to keep it relevant and specific to the products shown on a particular Web page.

For a brief summary of findability, see [Robinson \(2005\)](#).

Keywords

The best way to develop a list of key words for a company’s specific products is to do some online searches for similar products and to look closely at the Web sites that come up at the top of the search list. Why do they appear first? What are the key words that appear on their product pages? Make a list of the key words from those and other top Web sites, then reevaluate current product descriptions and include some of the top key words in an attractive, readable description.

Search Engine Placement

There is no certain formula for landing a product page on the first page of search results. If a Web developer or advertiser guarantees high search engine placement, either they are not being honest or they are using unethical tricks that could result in a Web site being banned from one or more search engines.

Some legitimate techniques for improving search engine placement include the following:

- Continually refine the key words on product pages to make sure they correspond to the words customers are typing into the search engines. If a Web site has many product images, make sure each has a text label attached to it, referred to as an “alt tag.” Also try to include an informative product title above or below each product image.
- Keep text focused on products and product descriptions. Product characteristics take precedence over providing the company’s history. If the customer does not find relevant information about a product within a minute or two, then the company’s history is irrelevant because the customer will have left for the next Web site in their search results.
- Use Web site addresses in the company’s other marketing efforts, including press releases, articles, and the company listing on customer or vendor Web sites. Links to the company’s Web site on other Web sites help to improve search engine placement.
- Focus heavily on Web site usability in an effort to please customers and keep them coming back. Heavier traffic on a Web site can increase its rank in search engines.

Usability—Keeping the Online Customer

Design a company's Web site for the least experienced Web site user, rather than for the most experienced or sophisticated user. Web designers will at times practice their artistic skills as they work, possibly sacrificing functionality for artistic flair. While customers expect artistic features on sites about artists or musicians, a company selling wood products will be better served by Web page features that are clear and easy to use. After more than 10 years of using the Web sites of eBay, Amazon, L.L. Bean, and other large retailers, online customers have developed expectations for how online shopping should work. Even Web sites not offering online purchasing would be wise to follow the leaders to a great extent. Add artistic features only where they enhance the appearance of products and definitely do not detract from the Web site's usability.

While usability sounds complex, its main concepts are familiar to anyone who has shopped in a supermarket or department store. Upon entering one of those stores for the first time, most customers are likely to take one of two actions: Either they ask an employee where the item they want is located, or they look for the product category signs that are usually visible over the aisles. Asking an employee usually is the quickest and most efficient way to find an item, but many prefer to search independently.

The most user-friendly Web sites follow a similar pattern. Upon entering the home page of a Web site, users usually find a search box near the top of the page. The search box is like the "store employee" who can respond to a product inquiry. It is always gratifying to find a store employee when needed, so it is wise to follow common practice and place the search box in the upper portion of each Web page.

Next, a list of product categories similar to the aisle categories in large stores is prominently displayed on the home page. The Web site's product categories are listed alphabetically or otherwise clearly organized to aid users in zeroing in on their product of interest. A click on that category should bring up a display of individual product names or pictures that allow users to quickly see if the Web site has the product they are looking for.

Techniques to improve Web site usability are as follows:

- Provide a search box on every page that displays at least 30 characters at a time to help reduce spelling errors in longer search phrases.
- Display all of a company's main product categories and subcategories as text links in a prominent location on the Web site's home page.
- Create category and subcategory names based on commonly used words that are familiar to the average customer. Do not use technical names that are mainly used by those in the business or product abbreviations that are not in common use.
- Try to avoid multilevel or cascading menus that open a hidden set of menu items. Novice users may find them hard to use and important product categories should be visible at all times in order to be indexed by search engines.
- Make it readily apparent that a text item or button is clickable for more information. Sales can be lost when a customer cannot figure out where to click.

Usability research services have tested these techniques and many other usability suggestions with groups of users and carefully recorded where users were confused, were stuck, or just gave up on a Web site. One of the leaders in usability testing is [Jakob Nielsen](#), and his Web site provides a number of informative articles, as well as serving as an example of high usability. Nielsen and Loranger's (2006) book on [Prioritizing Web Usability](#) contains examples of the best and the worst of Web site usability.

How to Conduct Online Sales

The basic building blocks of e-commerce are product descriptions and photos that convey the quality of a company's products, followed by Web site design that enhances the Web site's findability and usability as discussed above. With those pieces in place, the online sale of wood products requires the addition of software tools that provide a checkout process for the customer, often referred to as the [shopping cart](#). The shopping cart provides the interactive process that allows customers to select an item for purchase and then complete their purchase (i.e., through the checkout process). The shopping cart experience generally proceeds through the following four steps:

1. **Product selection.** Customers have the opportunity to easily select items for purchase, change quantities, and add or remove items from their shopping cart. The shopping cart provides an ongoing tally of the total cost of the selected items and indicates the shipping cost so the customer has an accurate idea of their total cost to receive the items.
2. **Check out.** After completing their selections, customers proceed to the first step of the checkout process, where they enter their billing and shipping addresses, indicate if the item is a gift, enter discount coupon codes, etc.
3. **Payment.** Customers then continue to a credit card form that uses software technology to protect the security of the transaction. The customer enters the card type, credit card number, expiration date, etc. That page also presents the final total cost of their order, including the price of the products, applicable sales tax, and shipping cost.
4. **Confirmation.** After that information is entered, the shopping cart responds within seconds with a purchase confirmation—or denial—and provides a receipt for the customer to print. Most shopping carts also send an e-mail confirmation directly to the customer's e-mail address.

There are a number of online service components that a company has to provide so that those four steps can occur:

- **Product Web page**—displays product information that is enhanced for findability and usability, as discussed above.
- **Shopping cart software**—permits a customer to select a product for purchase and then provide their billing and shipping information.
- **Merchant account**—an account provided by a financial institution that allows a company to accept and process credit cards online. Companies that already accept credit cards may have to add “online” purchases to their merchant account.

- **Payment gateway**—a service that allows the secure transfer of funds from the online customer's credit card account to the company's merchant account.
- **Security certificate**—prevents the theft of credit card information as it passes from the shopping cart to the merchant account provider for processing. That security is referred to as a [Secure Sockets Layer](#) (SSL), and it encrypts data to prevent access or use by others.
- **Customer-service procedures**—usually a series of e-mail templates that confirm the customer's order, keep the customer informed on its progress, and notify the customer when it is shipped.

According to articles by James Maguire (2006) on [How to Add a Shopping Cart to Your Site](#), and by Lee Ann Obringer (no date) on [How Creating an Online Business Works](#), the company that wants to initiate e-commerce has a number of options and services from which to choose. Some e-commerce services perform a few of the tasks outlined above and some provide all of them in one package. A company also can choose how it wants to interact with the e-commerce service. The main decision is whether the company wants complete control over and responsibility for the computer hardware and Internet software that is required, or whether it would rather have minimal hands-on responsibility for its e-commerce program beyond keeping product images and descriptions up to date.

It is important to keep in mind that with any of the e-commerce and shopping cart services outlined below, the producer retains full responsibility for the packaging and shipment of wood products ordered online. Having a system in place for boxing and shipping items is crucial to the success of e-commerce, and the most successful companies have their most popular products boxed and ready to ship.

There are five general e-commerce options, outlined as follows, from least to most costly:

1. **Regional branding or catalog.** One of the easiest options is a small regional branding effort or regional online catalog that offers wood products for sale. Those services might charge an initiation fee, an annual fee, a commission on sales, or a combination of the three. The company needs little-to-no technical ability and mainly is responsible for providing product photos and descriptions. Examples are [MountainMade](#), [AdirondackCraft](#), and [WisconsinMade](#).
2. **Click-to-purchase buttons.** Another consideration would be to offer a few products using an e-commerce service that offers online sales on a product-by-product basis. Click-to-purchase buttons are added to specific product pages on the company's Web site. Those buttons take the online customer to the Web site of the e-commerce service where credit card information is entered and the online purchase is completed. Examples are PayPal Website Payments, [Google Checkout](#), and [Amazon Marketplace](#).
3. **Hosted storefront.** A company can contract with an online e-commerce hosting service. Web page templates ease the process of Web site design and the company enters all of their product information (e.g., description, price, weight, colors) into online forms. The shopping cart and credit card processing are all managed by the hosting service. Examples are [e-Bay Pro Stores](#), [Yahoo Store](#), and [Network Solutions](#).

4. **In house shopping cart software.** The purchase of e-commerce software provides more flexibility in the design of an online store. There is also more responsibility required, including management of a merchant credit card account, purchase of a security certificate, and customer service activities. This option would be most appropriate for the company that has a broad product line, is ready to make a long-term commitment to e-commerce, and can devote the time of at least one employee. Examples of [shopping cart software and service providers](#) are listed on PayPal.
5. **Dedicated Web server.** A company wanting full control over their e-commerce effort can purchase or lease a dedicated [Web server](#). This option requires a high level of technical expertise with computers and the Internet, and the commitment of at least one or two full-time employees.

Table 4-1 (pages 53-54) provides additional detail on the five general e-commerce options. The lower cost options, although less flexible, usually are where a company would begin their use of e-commerce. At the other end of the scale, the company retains a high degree of control over their company brand and the display of their products. The tradeoff is that a larger financial and labor commitment is required, along with greater technical expertise in using computers and the Internet.

Table 4-2 (page 55) lists options that were available in 2009. Approximate costs are given so that a wood products company can begin to develop an estimate for the annual investment required to initiate and maintain an e-commerce effort. Using one of the “Click to Purchase” or “Buy Now” button programs, a company can add a button to a product page or create a stand-alone product page for no cost, other than a percentage of the sales price when a sale occurs. At the next level up, and starting at \$400 to \$500 per year, a company could create and manage its own small e-commerce Web site.

When it comes to e-commerce, there is no one-size-fits-all option. A company can begin to focus on the most appropriate and cost-efficient e-commerce options by using the following two-step evaluation of company characteristics:

Step 1. What is the anticipated size of the online store?

About how many products are to be offered for sale and with what degree of complexity (e.g., variations in size, colors, materials)?

Is the company’s product line small (1 to 10 products), medium sized (11 to 50 products), or large and broad (50-plus products with numerous variations)?

Is the company interested only in “testing the waters” of e-commerce, or does market research indicate that it would likely benefit from a long-term commitment to e-commerce?

Step 2. What is the level of computer and Internet expertise available at the company?

Is it low, medium, or high?

Does the company have the labor and expertise in-house to handle the main programming and management duties, or would it be better to limit the company’s hands-on involvement in e-commerce?

Table 4-1. General Options for Engaging in E-Commerce (part 1)

E-Commerce Solution	Description	Processing and Transaction Fees*	Upside for the Producer	Downside for the Producer
Regional branding effort or small catalog Web site	Small online catalog Web sites offer products for sale in return for a percentage of the retail purchase price	Negotiate retail price and producer's share of it, usually 50% to 75%	Somewhat better search engine visibility for products. Very low maintenance.	Producer generally receives the product's wholesale value
Display product pages. Purchasing handled on another Web site via click-to-purchase button.	Google, PayPal, and others offer click-to-purchase buttons that handle the credit card processing	2% to 3% + \$0.30 per transaction	Can also use Google, PayPal, eBay, and others to create individual product pages without a Web site	Limited options for customization (discounts, shipping costs, sales tax, etc.)
Use an online shopping cart builder to set up a "storefront" or e-commerce Web site	e-Commerce Web site is created online with the use of interactive programs. Product images are uploaded to the storefront.	1% to 3% of sales plus credit card processing costs	All e-commerce costs are rolled into one monthly fee, including software, shopping cart, merchant account, and Secure Sockets Layer	Options and flexibility are limited at the lower end of the scale
Purchase, manage, and maintain shopping cart software in-house. Hosting provided by an e-commerce hosting service.	Similar to using an online storefront, but the software resides on the company's computer. Requires monthly fee	Requires merchant account. Standard credit card processing and transaction fees apply.	Better software packages have sophisticated features for product promotion, shipping options, and customer service	Need to purchase new versions of the software every few years. Some have modules that are priced separately.
Own and operate a Web server with responsibility for hardware, software, shopping cart, secure certificate, and merchant account	Producer either purchases a Web server along with a high-speed fiber optic line, or pays a monthly fee for a dedicated server	Requires merchant account. Standard credit card processing and transaction fees apply.	Greater control over all aspects of Web site and e-commerce	Most expensive and most labor intensive

*Costs as of March 2009.

Table 4-1. General Options for Engaging in E-Commerce (part 2)

E-Commerce Solution	Description	Cost/Year	Retain Company Image	Control Over Display	Technical Expertise Required	Labor & Time Required
Regional branding effort or small catalog Web site	Small online catalog Web sites offer products for sale in return for a percentage of the retail purchase price	L	L	L	L	L
Display product pages. Purchasing handled on another Web site via click-to-purchase button.	Google, PayPal, and others offer click-to-purchase buttons that handle the credit card processing	L	M	L	L	L
Use an online shopping cart builder to set up a "storefront" or e-commerce Web site	e-Commerce Web site is created online with the use of interactive programs. Product images are uploaded to the storefront.	M	H	M	M	M
Purchase, manage, and maintain shopping cart software in-house. Hosting provided by an e-commerce hosting service.	Similar to using an online storefront, but the software resides on the company's computer. Requires monthly fee (\$25-\$100 or more) for an e-commerce hosting service.	H	H	H	M	H
Own and operate a Web server with responsibility for hardware, software, shopping cart, secure certificate, and merchant account	Producer either purchases a Web server along with a high-speed fiber optic line, or pays a monthly fee for a dedicated server	H	H	H	H	H






Shading Key		
	Low	
	Medium	
	High	

Table 4.2. Costs of E-Commerce Tools and Services (examples)

E-Commerce Solution	Examples	Cost of Service per Year*	Processing and Transaction Fees for Online Purchases*
Click-to-purchase link placed on individual product pages	PayPal Buy Now button	No setup or monthly fees	1.9% to 2.9% + \$0.30 per transaction
	Google Buy Now button	No setup or monthly fees	2.9% + \$0.30 per transaction
	Amazon Checkout	No setup or monthly fees	2.9% commission + \$0.30 per transaction fee
Payment gateway, with payment completed off company's Web site	PayPal Web site Payments Standard	No setup or monthly fees	1.9% to 2.9% + \$0.30 per transaction fee, requires Web site with shopping cart, or use free PayPal shopping cart tool
	Google Checkout	No setup or monthly fees	2.9% + \$0.30 per transaction, requires Web site w/shopping cart
	eBay Stores	\$192	\$.05 to \$1.00 listing fee + at least 12% of the closing price
Online service for creating and managing an e-commerce Web site	Amazon Pro Merchant	\$480	No transaction fee, commission of 6% to 15%
	PayPal Web site Payments Pro	\$360	2.2% to 2.9% + \$0.30 per transaction
	Network Solutions	\$600 to \$1,200	\$50 to \$100 setup fee, requires merchant account
	Yahoo	\$480 to \$2,700	0.75% to 1.5% processing fee, merchant account included
	ProStores	\$120 to \$3,000	0.5% to 1.5% of purchase price
Purchase software to create and manage an e-commerce Web site	Zen Cart	No purchase cost or monthly fees, requires hosting service	Requires merchant account with processing and transaction fees
	CubeCart	\$0.0 to \$180	Requires merchant account with processing and transaction fees
	Miva Merchant	\$995 software purchase, requires hosting service	Requires merchant account with processing and transaction fees
	Able Commerce	\$995 software purchase, requires hosting service	Requires merchant account with processing and transaction fees
	Other choices of shopping cart software	Software cost and fees vary, as indicated by examples above	Requires merchant account with processing and transaction fees
Merchant Account and Payment Gateway	Offered by banks, hosting services, shopping cart services, etc.	\$120 to \$420, may have setup fees of \$50 - \$500	2% to 3% discount rate per sale, \$0.30 to \$0.50 transaction fee
Secure certificate (SSL)	Thawte, Verisign, GeoTrust, GoDaddy, etc.	\$75 to \$200	n/a
E-commerce hosting service	Hundreds of hosting services around the U.S.	\$120 to \$1,200	n/a

* Costs, fees, and features were current as of March 2009; check with each service for their latest information.

For the company with a large product line and in-house expertise, the more appropriate option is to start a full-featured online store. The more expensive e-commerce services and software can handle a broad and varied product line, offer flexibility in the display of product images, provide shipping-cost calculators, and have promotional and other customer service features.

Cost, Timeframe, and Difficulty

There are four common costs required at just about any level of e-commerce:

- **Labor.** Initiating e-commerce is labor intensive. While it takes time and effort to photograph products and write compelling product descriptions, those are important marketing pieces regardless of the company's involvement with e-commerce. It also takes time to put information online and manage the e-commerce effort.
- **Photography.** Good photography is a good investment for the company committed to product marketing. The cost could be as low as the owner's time to photograph products with their personal camera or as high as the cost of a professional photographer.
- **Credit card processing.** Fixed costs are incurred in the processing of each online purchase. E-commerce requires that credit card or other payment information be transferred electronically from a company's shopping cart to a credit processing service, and then back again as a confirmation or denial. There are often up-front costs for acquiring that service, monthly fees for maintenance, and transaction costs for each online purchase. Those fees and transaction costs together average about 5 percent of each sale.
- **Commitment.** A company that offers e-commerce is making a commitment to customer service (box 4-1, page 57). In initiating e-commerce, the company is responsible for timely responses to customer inquiries as well as for packaging and shipping products as quickly as possible.

One consideration while evaluating e-commerce options is whether to narrow or to diversify the company's e-commerce strategy. A diversified approach might include offering products for sale on the company's Web site as well as on the Web sites of local or regional retailers, on regional catalog sites, and possibly on the Web sites of national catalog companies. In that situation, the company might not want to make as much of an investment in their own e-commerce Web site, but instead would focus their efforts on creating compelling product images and product descriptions for use on a number of different Web sites.

Timeframe and difficulty, as with cost, vary considerably depending on the e-commerce and shopping cart tools selected. The simplest options could be implemented in only a few hours using minimal resources. For the most sophisticated options and where a large number of products are involved, spending 3 to 6 months to build an online store is not unusual and requires the focused effort of one or two employees.

Wood products manufacturers that manage wholesale accounts or that retail their products in a store find it considerably easier to implement e-commerce. These companies likely have product photos and descriptions, inventory and accounting systems, and an established shipping procedure; other companies will need to develop those resources and skills, as well as gain expertise with e-commerce.

Most Likely to Benefit

Wood products producers most likely to benefit from online sales are those that have a product with proven popularity at trade shows, craft shows, or among wholesalers and retailers. Also likely to benefit are those companies that are able to produce items quickly in response to online orders, or that have the production and storage capacity to build up inventory for peak demand. A company that regularly produces the same product line would benefit from at least a Web page that promotes their products to wholesalers, retailers, and individual customers. The next step is to engage in some form of e-commerce by offering products for sale over the Internet.

While one-of-a-kind products will sell on the Web, it is more difficult to maintain Web page visibility for unique products in the search engines (i.e., findability). Web pages for one-of-a-kind products can improve their search engine placement by consistently using the same headings, titles, and product descriptions, even though the product image may change from time to time.

Box 4-1. Enhancing the Experience for the Online Shopper



MountainMade.com

A Case Study in E-Commerce

In the 1990s the Robert C. Byrd National Technology Transfer Center at Wheeling Jesuit University developed a Web site to provide greater exposure to the work of West Virginia artists and craftspeople.

In November 2001, the nonprofit MountainMade Foundation assumed administration of the program. With support from the U.S. Small Business Administration, State grants, and income generated by sales of artisan works, the MountainMade Foundation is helping to support and develop West Virginia arts and crafts small businesses.

MountainMade.com now features hundreds of products made by a number of different artisans, including many wood products producers.

Marketing Techniques of Interest:

- **Excellent Product Photography**—Great product photos are crucial to success with e-commerce and the photos on the MountainMade Web site are of high quality and make a significant contribution to each product's value proposition.
- **Featured Artisan**—A nice feature that provides more background on some of the producers is the "Featured Artisan" of the month. A page of pictures and text provides a nice overview of the artist. Each Artisan page is archived so that it can be viewed at any time.
- **MountainMade Studios**—A wide variety of craft workshops are promoted on the Web site, with nice photos, descriptions, and details. Online registration is offered as well, providing added value to the customer.
- **Physical Store**—MountainMade also operates an artisan gallery and two stores in West Virginia. The physical stores add legitimacy to the online store and provide added value to customers who live in or are visiting the area.

Lessons Learned: Web site developers and managers need to address sustainability of e-commerce efforts beginning early in the development stage, especially if short-term grant funding is covering the cost of development. A number of maintenance processes need to be considered and built into the Web site, including easy and efficient methods for adding new artists and producers, uploading new product photos, updating product descriptions, and changing product prices. Online sales could be modest and will vary seasonally just as with a physical store, so overhead and maintenance costs have to be kept to a minimum.

MountainMade, Thomas, WV
www.MountainMade.com

AdirondackCraft.com

A Case Study in E-Commerce

AdirondackCraft.com* is an e-commerce-based regional branding effort established in 2001 by Holmes & Associates with assistance from a USDA Small Business Innovative Research (SBIR) Phase II award. The online store has 10,000 visitors per month and two sales per day, on average. A strategic partnership with the [Adirondack North Country Association](#) (ANCA) has increased visibility of the effort and attracted high-quality producers.

AdirondackCraft.com offers an attractive online display of products, descriptions of the producers and their work, and a listing of product pages in search engines. The site provides national exposure for local artists, craftspeople, and small manufacturers, including a number of furniture and other wood products producers. In terms of the total value of online sales for AdirondackCraft.com in 2008, well over one-half (57 percent) could be attributed to wood furniture, indicating the significant potential of e-commerce for wood furniture manufacturers.

Marketing Techniques of Interest:

- **Artists Page Lists all Producers**—The Artists Page lists each manufacturer that is offering products for sale on the Web site. A clickable link brings up a description of the artist along with a display of their products.
- **View All Products by the Artist**—A link on each product page takes the customer to the artist's page where the artist is profiled and all of their products are displayed.
- **Description of the Region**—The About Us page provides an overview of the Adirondack region and how purchases made online support local producers and local communities.
- **Product Categories Visible on Homepage**—Having all product categories and subcategories visible on the homepage enhances usability for customers who know what they are looking for. Search engines index all those visible product categories as well, increasing their findability by search engines.
- **Prices Displayed Early in the Shopping Process**—A click on a category brings up thumbnail pictures of each item in that category, along with the price of each item, allowing price-conscious shoppers to quickly narrow their search.

Lessons Learned: The diversity of products on a catalog Web site can improve visibility in Google and other search engines, and then can hold shoppers longer because of the increased browsing opportunities.

Small manufacturers, craftsmen, and artisans are more likely to listen to what their colleagues say about a marketing and sales opportunity. Recommendations from other producers and personal outreach seem to be effective in encouraging participation in a regional e-commerce effort.

E-commerce sales and the commissions on those sales will be modest at first; low overhead and efficient operations are crucial to sustainability. A public-private partnership can help support a regional e-commerce marketing and sales program through its development stage. The business management skills of the private sector provide day-to-day customer service and order fulfillment, while the nongovernmental organization can help attract grant funding and encourage participation by producers and manufacturers throughout a region.

[AdirondackCraft.com](#), Saranac Lake, NY

www.adirondackcraft.com

* [AdirondackCraft.com](#) was developed by Timothy Holmes, one of the authors of this publication.

Chapter 5. Sources of Marketing Assistance

Most of the organizations that provide assistance specifically to wood-based manufacturing companies can be placed within one of 10 organizational types. Starting with federally funded efforts, many of the organizations listed below have offices serving specific areas of the United States. While not all of the organizations provide marketing assistance, each is worth contacting to inquire about their available services and information:

1. The [State and Private Forestry](#) branch of the Forest Service, U.S. Department of Agriculture (USDA), and related research services. Examples include the [Forest Products Laboratory](#), the [Wood Education and Resource Center](#), regional research stations, and other regional offices (appendix B). Key contacts in those offices are listed in the [National Forest Products Utilization and Marketing Personnel Directory](#).
2. The State [Cooperative Extension Services](#) based at land-grant colleges or universities and linked together through the [Cooperative State Research, Education, and Extension Service](#) (CSREES) within the [United States Department of Agriculture](#), as well as other university-based departments with an emphasis on forest products, wood products, marketing, and business development. Key contacts for wood products are listed in the [Cooperative Extension System Personnel in Forestry and Forest Products](#) (appendix B).
3. The Federal network of [Resource Conservation and Development Councils](#) linked together through the [Natural Resources Conservation Service](#) within the USDA.
4. The Federal network of [Manufacturing Extension Partnership](#) centers linked together through [National Institute of Standards and Technology](#), U.S. Department of Commerce.
5. [Wood Products Utilization and Marketing programs](#) generally associated with individual State Departments of Natural Resources or Environmental Conservation. Those programs often work in association with the USDA Forest Service. (appendix A, appendix B, and appendix C).
6. Various State agencies focused on business, economic, or community development.
7. [Trade associations](#), trade publications, and professional associations for companies that manufacture wood products (appendix D).
8. Regional not-for-profit or nongovernmental organizations (NGOs) formed specifically to enhance economic and community development in a specific area, region, or State. See Chapter 6 on Regional Branding for more information on NGOs (appendix F).
9. Various local business and economic development agencies, such as planning departments, economic development divisions, industrial development agencies, and others usually based within county government.
10. Local [chambers of commerce](#) based at the community level.

The 10 organizational categories listed above are among those that provide services of interest to wood product manufacturing companies and are most likely to offer marketing

assistance, information, or advice. New State and Federal programs targeting the wood products industry can emerge at any time, and information on currently available programs usually can be obtained from the 10 types of organizations listed above.

The [National Forest Products Utilization and Marketing Personnel Directory](#) (Zerbe and others 2006) is an online resource for finding wood products development expertise in every U.S. State and possession. It is a handy compilation of Federal and State agency personnel with hands-on experience in the supply and demand for wood products.

There are also general business assistance programs provided by numerous State and Federal agencies that target business issues of interest to wood products companies. For example, the [Trade Adjustment Assistance Program](#) of the [Small Business Administration](#) (SBA) assists firms in becoming more competitive by providing funds for product development, employee training, and marketing plans.

There are also a number of privately operated forest products Web sites that feature links to a wide variety of wood products information. One of the better known Web sites in this category is the Directory of Forest Products, Wood Science, and Marketing located at [ForestDirectory.com](#), an informative site that has been operating since the mid-1990s.

Gaining a Competitive Advantage

Companies gain a competitive advantage anytime they can access new marketing information and resources for little or no cost. The result is that companies are able to conserve financial resources while expanding their marketing knowledge. An indirect benefit is that companies place their products and manufacturing capabilities in front of someone whose job it is to encourage and promote business development, manufacturing capabilities, and increased employment. By becoming more visible to a variety of potential advocates, companies gain the competitive advantage of learning about new programs or opportunities that address marketing or manufacturing issues.

Manufacturing is by far the fastest declining sector in the U.S. economy, and many business assistance organizations have as their priority to slow that decline. Business support services can assist companies in learning from the mistakes of others, identifying where products can be marketed for least cost, and provide information on conferences, publications, and Web sites where the latest marketing information can be found. Some of these organizations provide one-on-one business assistance, while others may have access to new information, such as how to use the Internet to market wood products.

Locating Assistance

To find marketing assistance opportunities, start with the Internet and follow the links to the various organizations outlined above. There are also complete URLs listed at the end of this chapter. A few phone calls or e-mails can help illuminate what an organization has to offer and will provide you an opportunity to tell them about your company. If you are using the Internet to locate organizations, keep track of names and phone numbers

to follow-up later, or print Web pages that list contact information for regional offices and staff. Some organizations may have links to additional marketing information and publications that are available online. For example, in 2009 the Forest Service's [Forest Products Laboratory](#) Web site included a link to an online publication featuring [success stories](#) on how wood products companies and organizations were making use of small-diameter raw material.

After reviewing Web sites for information and contacts, the next step would be to telephone for more information on the services they offer, such as one-on-one assistance, training sessions, conferences, trade shows, and cooperative marketing efforts. Leads and contacts can be followed to identify the most useful resources. During the inquiry, two types of information are of most interest:

- Marketing tools, tips, and opportunities that seem to have the most relevance.
- Locations where wood products might be marketed most effectively.

Note which organizations had the best information on each of the marketing tools, tips, opportunities, and outlets for later followup.

Cost, Timeframe, and Difficulty

It costs nothing to inquire about available programs, assistance, and information. It does take some time to review Web sites, make phone calls, and send e-mails. This time is well spent if it yields even one beneficial resource. A fringe benefit could be a new contact who has a special interest in wood products. While immediate assistance may not be forthcoming, the effort could prompt a future response about a new marketing opportunity or program.

You may need to pay for some assistance. For example, if you need to develop a formal marketing plan in order to qualify for a loan, you can expect to pay for assistance in gathering and organizing the required information. It might take you a week or more to contact each of the 10 types of organizations listed at the beginning of this chapter and then to follow their suggestions on other sources of marketing information. Each of the most promising leads can be pursued with a face-to-face meeting. If you are willing, a visit to your company's production facility is the most efficient way for business assistance professionals to become familiar with your products, manufacturing process, and unique needs.

The search for marketing assistance is an activity that involves using the Internet, working the phones, and having a few meetings. It is not difficult but easily can be put off. Since business assistance programs vary over time, it could be beneficial to make the initial contacts as soon as possible. Many Federal and State business assistance programs are funded for a year or two at a time, and the application or qualification period is sometimes very short.

Most Likely to Benefit

Because of the wide variety of business assistance programs available at the Federal, State, and local levels, a wood products manufacturing firm of any size can benefit from contacting the types of organizations listed above. Many assistance programs target different types or sizes of companies, and programs can change on an annual basis. Once acquainted with a company, the staff at agencies and organizations can become willing and informed resources, helping the company grow and prosper. At the same time, the agency's geographic region of interest benefits from the resulting increase in employment and economic activity.

For More Information

Appendix B and appendix F list a wide variety of organizations that provide wood products marketing assistance. A few key resources are highlighted here:

Cooperative Extension Services:

www.csrees.usda.gov/qlinks/partners/state_partners.html

Cooperative Extension System Personnel in Forestry and Forest Products:

www.csrees.usda.gov/nea/nre/pdfs/forest_directory.pdf

Cooperative State Research, Education, and Extension Service: www.csrees.usda.gov/

Forest Products Laboratory: <http://www.fpl.fs.fed.us/research/units/tmu/index.shtml>

Local Chambers of Commerce: www.uschamber.com/chambers/default

Manufacturing Extension Partnership (MEP) Centers:

www.mep.nist.gov/about-mep/center-info.html

National Association of State Foresters: www.stateforesters.org/S&PF.html

- National Forest Products Utilization and Marketing Personnel Directory:
www.fpl.fs.fed.us/documents/tmu/2006-natl-utilization&marketing-directory.pdf
- National Institute of Standards and Technology: www.nist.gov/
- Natural Resources Conservation Service: www.nrcs.usda.gov/index.asp
- Resource Conservation and Development (RC&D) Councils:
www.rcdnet.org/directories.htm
- Small Business Administration (SBA): www.sba.gov/
- Small Business Administration Export Assistance Centers:
<http://www.sba.gov/aboutsba/sbaprograms/internationaltrade/index.html>
- Small Diameter Success Stories II: www.fpl.fs.fed.us/documnts/fplgtr/fpl_gtr168.pdf
- State and Private Forestry Branch, Forest Service, U.S. Department of Agriculture:
<http://www.fs.fed.us/spf/>
- Steve Shook's Directory of Forest Products, Wood Science, and Marketing:
www.forestdirectory.com
- Trade Adjustment Assistance Program: www.taacenters.org/
- U.S. Department of Agriculture: www.usda.gov/wps/portal/usdahome
- U.S. Department of Agriculture, Forest Service, Forest Products Laboratory, Madison, WI: www.fpl.fs.fed.us/tmu/resources/documents/2006-natl-utilization&marketing-directory.pdf
- U.S. Department of Agriculture, Forest Service, Northeastern Area State and Private Forestry, Wood Education and Resource Center: www.na.fs.fed.us/werc/
- Wood Products Trade Associations: www.fpl.fs.fed.us/forest-product-orgs.html

Wallowa Resources and Community Smallwood Solutions (CSS)

A Case Study in Wood Products Marketing Assistance

Since its formation in 1996, Wallowa Resources has worked to bring people together in a common goal: to blend the ecological needs of the land with the economic needs of the community. The nonprofit group strives to balance Wallowa County's economic well-being and the proper use of its resources while preserving the area's heritage of making a living from the land.

Wallowa Resources provides leadership on natural resource, economic, and community issues, creating opportunities for sustainable land management, ecosystem health, family-wage jobs, and community well-being, and preserving Wallowa County's rural way of life for future generations.

In 2003, Wallowa Resources created a new company, [Community Smallwood Solutions \(CSS\)](#), to make use of an abundant supply of small-diameter timber and produce high-quality posts and poles suitable for fencing, vineyard and orchard applications, residential uses, and structural uses. Shortly after its creation, the company was transferred into private, for-profit ownership and is now operated as a Limited Liability Company (LLC).

CSS has experimented with the marketing and sale of the innovative [ELWd](#) watershed restoration and erosion control devices. The wooden devices replicate the appearance and functionality of naturally occurring hollow logs and log jams in streams. Large ELWd structures are used for habitat creation, stream bank protection, grade control, and other functions, while smaller hollow logs replicate coarse woody debris for wildlife habitat enhancement on burned-over lands, wildlife preserves, naturescapes, and wetlands.

Marketing Techniques of Interest:

- **Licensing Partnership**—CSS promotes and produces the innovative erosion control devices under license from [Forest Concepts](#).
- **Word of Mouth**—CSS markets its product almost exclusively by word-of-mouth.
- **Market Segmentation**—Main customers for the product are governmental agencies, along with large private landowners, whose purchasing decisions are often initiated by telephone or through face-to-face discussions about their particular situation.
- **Strategic Partnerships**—CSS has enhanced its success through strategic partnerships with Wallowa Resources and with Forest Concepts, the developer of the product.

Lessons Learned: While a not-for-profit organization can attract seed money for developing a new service or product, those business entities often will experience greater longevity and more economic success if they are spun off into the private sector.

A strategic partnership with a regional not-for-profit can help a small company develop customer leads and more quickly gain the potential customer's confidence because of the reputation of the regional organization.

Telephone calls from a business owner or manager are still one of the most effective ways to sell wood products, especially wood product commodities or wood products that are tailored to specific uses.

Wallowa Resources, Enterprise, OR
www.wallowaresources.org

Natural Resources Research Institute and Horner Flooring

A Case Study in Wood Products Marketing Assistance

The University of Minnesota established the Natural Resources Research Institute (NRRI) in 1983 to encourage economic growth for Minnesota's natural resources-based industries while keeping watch over the impact of that growth on the forest environment.

Their projects fall into three categories: (1) finding new ways to develop, improve, and use products from Minnesota's resources; (2) providing information to help Minnesota's decisionmakers manage resources and the environment; and (3) providing client services by giving regional businesses, large and small, the latest information and assistance.

Horner Flooring has been producing hardwood sports flooring since 1891, the same year James Naismith invented basketball. The company employs more than 100 people at its headquarters in Northern Michigan and is an important outlet for the hardwoods from Michigan's Upper Peninsula. Like many small companies it lacks the resources to implement the technological and manufacturing advances of its larger competitors, and it has felt the economic pressure of the global marketplace.

Horner Flooring asked NRRI to help it make improvements to its production processes and to its wood flooring products. After the business assistance process was completed, Horner Flooring created a marketing campaign around those improvements that resulted in feature articles in the Wall Street Journal and other national news outlets.

Marketing Techniques of Interest:

- **Reduce Production Costs to Improve Customer Value**—NRRI assembled a team of experts who could help Horner Flooring improve their bottom line and stay competitive.
- **Product Design and Development**—NRRI worked hand-in-hand with Horner Flooring to improve their manufacturing processes, to extensively test their products, and then to seek improvements that met the high standards of professional basketball teams, university sports departments, and others. The effort resulted in an improved flooring system that was easier to manufacture.
- **Press Release**—In cooperation with the USDA Forest Products Laboratory, Horner Flooring decided that the intensive analysis of their products and production processes with NRRI was newsworthy. They developed a press release describing the improvements and the new customer value of their products.
- **Well-Timed Marketing Effort**—The widely distributed promotional piece was carefully timed to coincide with the NCAA basketball tournament and the result was significant national and international exposure for their products.

Lessons Learned: Working with regional organizations to streamline production and improve products can increase competitiveness. Improvements to products or production processes provide opportunities for a promotional effort. The start of a business assistance project is also the time to begin planning the marketing campaign to announce its success. It is important to document and photograph the activities along the way for possible use in later promotions. The timing of a promotion is significant and, if timed to coincide with a significant event, can provide a tremendous new visibility for the company or product.

Natural Resources Research Institute, Duluth, MN
www.nrri.umn.edu

Chapter 6. Regional Branding and Other Cooperative Marketing Efforts

Regional branding can be an important component in marketing efforts. Combined with an effective marketing campaign, regional brands can serve as source-identifiers for consumers.
(Lillywhite, Allison, and Rodriguez 2004, p. 21)

The concept of regional branding has traditionally been associated with food products and is based on the perception that foods produced in a specific area have a better taste and quality because of a combination of soil, climate, and other growing conditions. In terms of food products, place does matter and it can exert a strong influence over consumer decisions, including willingness to pay a higher price for well-branded food products, such as Idaho potatoes, Vidalia onions, and authentic Champagne. Even at the local level, consumers will pay somewhat more for locally produced food products, especially if those products are organic or otherwise perceived to have healthier characteristics than similar foods from out of the area.

Although consumer enthusiasm for higher quality and better tasting food products does not transfer directly to wood products, regional branding has a number of benefits for wood products producers. The potential for increased product exposure in regional, state, and national markets is one of the most valuable benefits to the small producer.

In its most basic form, regional branding is not unlike group advertising, an advertising technique recognized in the tourism industry as a cost-efficient and productive way for small businesses to gain exposure in new and larger markets. For example, a ski lodge, a hotel, and a restaurant might purchase an ad together in the New York Times Travel Section next to a feature article on winter skiing, an advertising expense that individually they could not afford. In that respect, regional branding can be appropriate for any region of the United States that has a tradition of working with wood and where a core group of producers are enthused about marketing.

Advantages of Regional Branding

The specific benefits of regional branding for wood products companies include the following:

- **Lower cost marketing.** Regional branding is a group marketing effort, so it reduces the marketing cost per participating company.
- **Higher quality marketing.** Regional branding can raise the bar on the quality of marketing materials, motivating participants to acquire high-quality product images, develop clear and concise product descriptions, and otherwise refine their product's value propositions.
- **Brand exposure.** Regional branding provides new and often better product exposure, sometimes bringing local products to state and national markets for the first time.

- **Customer convenience.** Regional branding can be a one-stop shopping experience, in the form of a Web site, store, or catalog, where customers can choose from a large variety of items or be presented with a number of choices for one type of item.
- **Wholesale customers.** Regional branding with an online component can attract retailers who are using the Internet to search for new and unique products for their gift shops and stores, resulting in new wholesale accounts for producers.
- **Search engines.** Regional branding Web sites capitalize on the power of search engines that take a consumer directly to a page showing a product they are interested in.
- **New retail customers.** Regional branding with a retail or e-commerce component can result in new retail sales for the producer.
- **Collaboration.** The increase in communication and cooperation encouraged by regional branding can lead to the sharing and exchange of raw materials and other resources among the region's producers.
- **Business development.** Regional branding can encourage participants to become more adept at marketing their products, more knowledgeable about marketing opportunities, and generally more entrepreneurial in their approach to business.

Participation in a regional branding effort can provide a national marketing experience for a small manufacturer whose marketing has been focused in their local area. Manufacturers can gain a competitive advantage through the new experience of reaching out to a national audience through Web sites, publications, and other regional branding activities.

How to Implement

Regional branding usually starts with someone who sees potential in marketing a number of companies that produce similar products or are located in a particular geographic region. The initiators of a regional branding effort are sometimes the producers themselves, and may be an economic or community development organization. After the concept takes shape, the initiator contacts companies that might want to participate and begins a discourse. It might take a critical mass of 10 or so companies that are willing to participate, before a regional branding effort starts to gather momentum.

One or more of the following approaches commonly is used to initiate a regional branding effort:

- An economic development grant is obtained by an organization or agency for the purpose of promoting small manufacturers based in a particular region.
- A group of manufacturers or other producers form a cooperative store to display and sell their products and, if successful, they expand their effort with a Web site that helps to build their regional brand through regional and national exposure.

- A private business takes the initiative to organize and fund the effort because of a perceived economic opportunity in building a regional brand.

Regional branding and cooperative marketing efforts exist throughout the United States. Examples are outlined in appendix G. Organizations and companies considering development of a regional branding effort would be well advised to study those examples and identify key aspects that could contribute to the success of their effort.

Given the growing importance of the Internet for shopping, the initial focus of a regional branding effort for wood products could be developing a Web site. The online presentation of a regional branding effort would include the following components:

- Product images, including different options and views from different angles.
- Product descriptions, including prices and available colors, sizes, and other variations.
- Information on product availability, including estimated length of time to deliver.
- Producer biographies or company descriptions.
- Logos, tag lines, and descriptive information that convey a sense of the region.
- Together, those items also comprise most of the marketing information and images needed for materials such as brochures, catalogs, posters, advertisements, and window displays.

If a detailed Web site is developed for the regional branding effort, regular work tasks include updating the Web site with new products and new producers, fine-tuning the product descriptions to optimize search engine positioning, and fielding requests for more information from consumers and wholesalers. If online sales are offered, there will be additional work related to customer service and order fulfillment.

Cost, Timeframe, and Difficulty

By teaming with a not-for-profit organization or an agency, a core group of producers can work to encourage the participation of other producers, while the organization or agency handles the grant writing and project management. That approach has been used by some of the regional branding and cooperative marketing efforts outlined in appendix G. In some cases, a new not-for-profit organization could be formed expressly for the purpose of developing a regional branding effort.

It can be difficult to generate interest in a regional branding effort among the 10 or 20 companies that could form its core participants. It is not enough to mail out letters and brochures; persistent face-to-face efforts may be required to generate and build interest in a regional branding effort. A timeframe of 6 months to 1 year to put the pieces in place is not unrealistic, followed by another 3 to 6 months to build a Web site that presents the area's producers in the best possible light. Effective coordination is required to develop a regional branding effort and part of the funding should cover the services of a paid project coordinator. In addition, professional services will often need to be contracted for if those are not available within the participating companies. The services of a

professional Web site developer, a graphic artist, a product photographer, and a lawyer are examples of skills often needed by a regional branding effort.

A cost estimate for launching a regional branding effort would be in the range of \$50,000 per year for the first 2 years. This amount covers the initiation, development, and launching of the marketing program for the branding effort. A budget of at least \$20,000 per year for the following 3 years would likely be required to keep the effort as vibrant as possible through a steady influx of new producers, products, and promotions. After implementing the program, the most difficult problem is how to sustain it once the initial funding is exhausted or the supporting organization can no longer dedicate staff time to it.

There are two main sources of funding for sustaining a regional branding effort. One is a monthly or annual fee paid by the participating manufacturers and artists. The other source of funding is a percentage of sales. Annual fees might have to support the effort initially until the exposure and reputation of the regional brand is enough to generate sales on a regular basis. That might take quite a while or may never happen, so the branding effort has to be designed to operate as cost effectively as possible.

If the regional branding effort has some success in the marketplace, consideration could be given to obtaining a trademark or certification for a regional brand, as described in [Regional Branding in a Global Marketplace](#). Trademarks (used to brand products) and service marks (used to brand services) may be individually or collectively owned. Certification marks, on the other hand, are used in the United States to identify the origin of a particular product or product characteristic and are generally owned by cooperative or oversight agencies, such as State agricultural departments or commodity organizations. The certification mark owner controls the use of the mark and is responsible for ensuring that the mark is applied only to goods or services that meet the standards or requirements for which the certification was adopted. To register a mark in the United States, an applicant must first file an application form for a Certification Mark, Principal Register, which can be filed electronically or through the mail. Application forms are available at the [U.S. Patent and Trademark Office](#) Web site and can be found by using the “glossary” to find the description of certification ([Babcock and Clemens 2004](#)).

Most Likely to Benefit

The main goal of a regional branding effort should be to increase sales for the participating producers. The secondary goals and objectives can be broader and more varied in order to attract financial support for the effort from various agencies and organizations. For example, a regional branding effort is an economic development program that can favorably affect business retention and expansion among other manufacturers and producers based in rural areas. It is also a targeted business assistance program that provides marketing and sales assistance to producers. By providing hands-on marketing experience to small manufacturers based in rural areas, a regional branding effort supports the acquisition and development of entrepreneurial skills and knowledge.

In regional branding efforts focused in rural areas, low population densities and geographical remoteness can limit economic opportunities in terms of wholesale and retail sales. A regional branding effort organized around an e-commerce Web site, however, offers a cost-effective way to increase sales for local companies despite geographic and other limitations.

Companies will receive the greatest tangible benefit from a regional branding effort if it foremost has a clear goal of increasing product sales for the participating producers. Companies and regions most likely to benefit from a regional branding effort have the following characteristics:

- Their region has some level of brand recognition already.
- The companies already have success in the marketplace with one or more of their products.
- The companies have experience in managing wholesale accounts or generating regular retail sales.
- A core group of motivated producers is willing to knock on doors to encourage other producers to join in the effort.
- A not-for-profit partner can assist with obtaining and managing grants to initiate the effort and can make a 3- to 5-year commitment to the effort.

For More Information

Appendix G contains examples of regional branding and cooperative marketing efforts active in 2009, along with links to their Web sites. Other resources are listed here.

Adirondack North Country Association, Regional Branding Effort: www.adknccrafts.com/

U. S. Patent and Trademark Office: www.uspto.gov/main/trademarks.htm

Hawaii Forest Industry Association (HFIA)

A Case Study in Online Regional Branding

Established in 1989, the Hawaii Forest Industry Association (HFIA) is a not-for-profit corporation founded by and for people committed to managing and maintaining healthy and productive forests.

HFIA's diverse membership includes woodworkers, landowners, sawyers, foresters, growers, environmentalists, entrepreneurs, government officials, and others interested in the organization's goals. The association promotes a balance of forest land uses ranging from protecting and restoring native forests to managing commercial tree farms.

Among HFIA's many projects are an annual Wood Show, regular newsletters, restoring an endangered dryland forest in North Kona, promotion of the Hawaii's Wood brand, providing marketing assistance to woodworkers, sponsoring workshops, and offering professional training.

Marketing Techniques of Interest:

For a number of years HFIA has had a useful and informative Web site that demonstrates the considerable effort they have invested in promoting wood products and in assisting wood products producers. Examples of effective marketing techniques include the following:

- **Education**—The page on [Forests—the Fabric of a Healthy Community](#) describes the value of Hawaii's forests to employment, woodworking, and the environment. Educating the public about wood products is always encouraged but is rarely achieved to this degree.
- **Documents and Reports**—A number of reports, guides, reference materials, and other publications are posted for download. Maintaining a list of publications is important because sometimes a few years pass before a publication is recognized as a valuable resource.
- **Wood Products Producer Directories**—A number of company directories are dedicated to different aspects of wood products, including landowners, manufacturers, woodworkers, and retailers. Displaying the broad diversity of participants in wood products is a valuable marketing tool in itself.
- **Annual Hawaii Wood Show**—The show provides a great opportunity for small manufacturers to get together and discuss common interests and problems. It is also a valuable marketing opportunity that will directly result in sales for some producers

Lessons Learned: The organization put considerable effort into developing their original Web site and gave it a significant upgrade in 2008 to take advantage of new Internet technologies while maintaining a majority of their well-developed content areas.

Hawaii Forest Industry Association
www.hawaiiforest.org

Northwest Fine Woodworking

A Case Study in Online Regional Branding

Northwest Fine Woodworking is a marketing cooperative dedicated to promoting the finest in craftsmanship, original design, and the magic of real wood. It is owned by the woodworkers themselves.

Northwest Fine Woodworking first opened its doors in June 1980 in a small storefront in the historic Pioneer Square district of Seattle. It was founded by a small group of members within the Northwest Guild of Fine Woodworking who wanted a venue to display and sell their work. From those humble beginnings Northwest Fine Woodworking has grown to over 29 members and 200 nonmembers as well as a full staff of knowledgeable salespeople to represent the artisans and craftspeople. In 1996 the gallery moved to a much larger location in downtown Seattle.

Web Site Marketing Techniques of Interest:

- **Product Photos**—Excellent product photos convey the high quality of the products.
- **Regional Flavor**—The Web site uses Seattle and Northwest images to create a Northwest atmosphere.
- **Artist Bios and Pictures**—NWfinewoodworking.com has taken online artisan promotion to a new level with overviews, biographies, and online product catalogs that consistently convey quality, craftsmanship, and careful attention to detail. Together, they achieve a personal touch that customers appreciate and that comes very close to emulating an in-store shopping experience.
- **Wood Types Page**—Over 30 different wood types are displayed on one page and are clickable to show large images as well as a description. When specific woods are mentioned on product pages they are often linked to this page of wood types.
- **Effective Use of Linking**—Product pictures and artist names found anywhere on the site are linked to that artist's products page. When the customer is reading about design features or wood types on an educational page, they can easily click on the links to see a product example and consider its purchase.
- **Physical Store**—High-quality images of the physical store lend legitimacy and further confirm the quality of the online store.
- **Informative Resources**—A thoughtful customer service feature is the frequent referencing of books on furniture and wood where the customer can find more information.
- **For More Information**—Each product page includes a simple contact form where the customer can leave their name, e-mail, phone number, and questions about the product.

Lessons Learned: The Northwest Fine Woodworking Web site continues to evolve and improve over the years and is now among the best of its type. Through all of their Web site changes they have consistently kept the focus on the artists and their high-quality products. The cooperative has found it challenging to conform the fairly static e-commerce shopping and sales channel to the flexibility required for the promotion and sale of one-of-a-kind, high-end wood products. Their approach in 2009 was to make the online product browsing experience as informative and enjoyable as possible, and that is something they do extremely well. While the process of closing the sale is facilitated online, the actual sale is made in the physical store or with the use of e-mail and telephone interaction.

Northwest Fine Woodworking, Seattle, WA
www.nwfinewoodworking.com/index.html

Chapter 7. Certifications, Compliance Standards, and Other Quality Assurances

The potential competitive advantage of a particular product quality assurance is directly related to the characteristics and needs of the product's target customers. As outlined in Chapter 2, successful marketing depends on segmenting the market and developing the product's value proposition. Success at that requires a good understanding of the characteristics and needs of target customers. Market research should reveal if those customers find value in certifications, compliance standards, and other product quality assurances. If so, the company can then begin to assess the cost of acquiring those assurances and weigh those costs against the size of the market and the company's potential for gaining market share.

Some customers may require that the wood products they purchase adhere to particular standards or conform to specific tolerances. Other customers prefer products that meet certain standards, but it may not be a requirement. For example, they may prefer a solid wood product, but will consider a wood composite material that has the appearance and features they need at a competitive price. For those customers, price can play a major role in their decision to make a purchase. For customers who do require specific certifications or standards, price comes into play only at the later stages of the purchasing decision. That type of customer will first narrow their options to only those companies that have the certifications or that can meet the standards they require.

For wood products manufacturing companies that compete in markets where certifications, standards, or other quality assurances can play a role in purchasing decisions, consideration of acquiring those should be part of the company's marketing plan. Their relevance, cost-benefit ratio, and competitive advantage can then be evaluated in the process of developing the annual marketing strategy for each of the company's products.

This chapter introduces some of the main categories of product quality assurances, with the goal of alerting wood products manufacturers to some of the more common certifications and standards for wood products.

Forest Products Certification

Forest products certification has become a type of "guarantee" that the wood product being considered for purchase has been produced in an environmentally responsible manner. A growing global economy and concern for the environment stimulated creation of forest products certification in the 1980s and early 1990s. Since the 1990s consumers increasingly have become interested in knowing more about the products they purchase, including where they are produced, what chemicals they contain, and the labor conditions for the employees involved in the harvesting and manufacturing of the wood products.

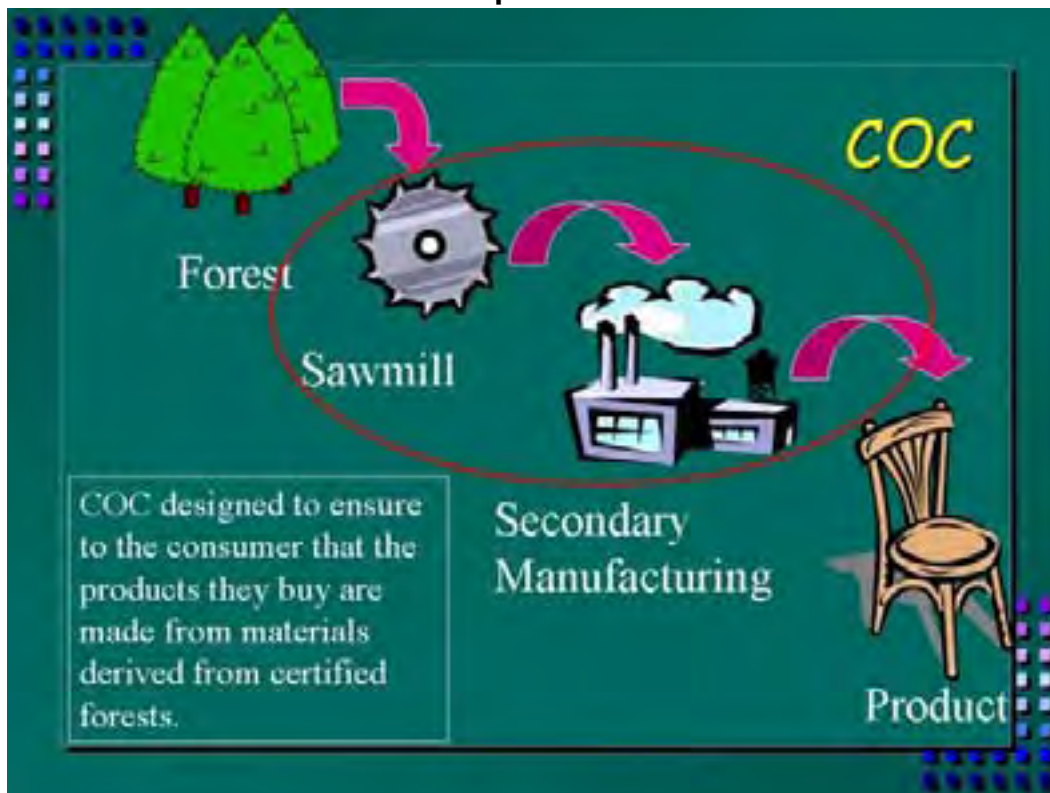
By the beginning of the 21st century, third-party certification of wood products had expanded beyond land use and harvesting considerations to encompass the entire

production process from handling of the raw material through manufacturing, finishing, and distribution. As a result, the certification mark that distinguishes a certified product has become a marketing tool that targets customers whose purchasing decisions reflect their interest in the environment.

Forest products certification—also referred to as green certification—is the process used to ensure that finished wood products have come from well-managed forests or otherwise fulfill the requirements of the certification mark they bear. Finished wood products must go through a chain-of-custody certification process before they are allowed to carry a certification stamp indicating that sustainable harvesting and production practices were followed during the growth, harvesting, and production processes. Third-party certification ensures adherence to standards and establishes credibility that customers can rely on. Forest certification programs have an active presence in most wood-producing regions of the United States. The Web sites listed at the end of this section provide more information on some of those certification organizations. [Yale University](#) and the [Forest Certification Resource Center](#) maintain two of the more informative Web sites on forest certification.

Chain-of-custody (COC) certification involves an independent organization that has developed standards of good forest management, an independent auditor who regularly issues the certificates to producers that comply with those standards, and a labeling system for identifying the environmentally friendly characteristics of the product (box 7-1).

Box 7-1. Chain of Custody (COC): Illustrating How the Wood in Certified Products Needs to be Documented at Each Step of the Process



Because solid wood products are not synthetic products, many wood product companies are already a step ahead of the competition. They already may be marketing products that are natural, have low chemical emissions, and that are environmentally friendly in terms of production, use, and disposal. Depending on their manufacturing process, a wood products company could become certified with a small investment and little to no modification of their standard practices.

American Tree Farm System

The [American Tree Farm System](#) (ATFS), established in 1941, is the oldest third-party forestry certification program in the United States. Its voluntary participants number 51,000 certified tree farmers in 46 States. The ATFS implements outreach, education, and certification programs to promote sustainable forest management for nonindustrial private landowners. These landowners own from 10 to 10,000 contiguous acres not associated with a facility that manufactures forest products and adhere to standards established by the [American Forest Foundation](#) (AFF), an education and conservation nonprofit established in 1982.

Forest Stewardship Council

The [Forest Stewardship Council](#) (FSC) is an international organization founded in 1993 that evaluates, accredits, and monitors forest products certifiers. Its mission includes promoting certification and establishing credibility for the certification process, by developing and establishing the applicable forest management principles. Their accredited certifiers in the United States include Bureau Veritas Certification, [Scientific Certification Systems](#), [SGS Systems and Services](#), and the [Smartwood Program](#).

Sustainable Forestry Initiative

The [Sustainable Forestry Initiative](#) (SFI) is another certification program, which was instituted by the [American Forest and Paper Association](#) in 1994. The Sustainable Forestry Initiative and American Tree Farm System are member systems of the Programme for the Endorsement of Forest Certification (PEFC). The [PEFC](#) is an independent, nonprofit, nongovernmental organization, founded in 1999, that promotes sustainably managed forests through independent third-party certification (Fernholz and others 2005). The PEFC provides an assurance mechanism to purchasers of wood and paper products that they are promoting the sustainable management of forests.

Other Certification Programs

In addition to wood products certification, there are other third-party certification programs that the wood products producer could consider as part of their product marketing strategy. For example, there is growing interest in furnishings and building materials that have recycled content or that have low emissions of volatile organic compounds (VOCs). A few of the most relevant programs for wood products are noted by the [Green Building Resource Center](#) and include the following:

- [Greenguard](#)—An independent testing and labeling program for “low emitting” furniture and finish materials.

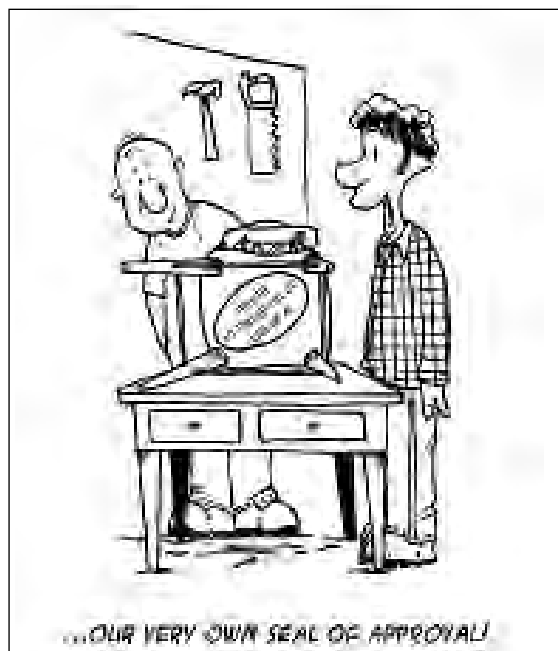
- [Greenseal](#)—A life-cycle assessment-based labeling program for building products, green operations, and maintenance procedures.
- [Leadership in Energy and Environmental Design \(LEED\)](#)—A certification program of the U.S. Green Building Council for buildings that achieve performance targets in five categories, including the use of green-certified building materials.
- [Scientific Certification Systems \(SCS\)](#)—Independently certifies that products meet the EPA’s environmentally preferable standards for Federal Government purchases; also certifies manufacturers’ specific claims on product content and emissions levels.
- [Environmentally Preferred Products Database](#)—A database of “preferred products” under development by the California State Architect, focused on commercial and school buildings.

In addition to those listed above, there might be other certification programs that could enhance the marketing of particular wood products. For example, there are lumber [grade stamps](#) that certify the moisture content and wood species of the lumber, as well as provide other information about the sawmill and the certifier. The lack of a grade stamp can be a significant barrier to marketing lumber for use in construction.

Company owners and marketing managers should be diligent in researching the new certification programs that will undoubtedly continue to appear.

ISO Standards

ISO standards contribute to making the development, manufacturing, and supply of products and services more efficient, safe, and clean. They make trade between countries easier and provide governments with a technical basis for safety and environmental legislation. Standardization of performance or safety requirements ensures that users’ needs are met while allowing individual manufacturers the freedom to design their own strategy to meet those needs. For businesses, the widespread adoption of international standards means that suppliers can base the development of their products and services on specifications that have wide acceptance. This, in turn, means that businesses using international standards increasingly are free to compete in many more markets around the world.



The [International Organization for Standardization \(ISO\)](#) is the largest developer of standards and has been developing voluntary technical standards for most sectors of business, industry, and technology since 1947. ISO itself does not issue certificates and does not control certification performed independently by other organizations. It does, however, develop worldwide standards and guides to encourage consistent good practice in conformity assessment, to the benefit of business partners, regulators, and the users and consumers of products and services.

Third-party certification is not a requirement of the ISO standards. Deciding to have an independent audit of a company's system to confirm that it conforms to a standard should be based on the needs of customers. For example, formal certification could be a contractual or regulatory requirement. The [ANSI-ASQ National Accreditation Board \(ANAB\)](#) is the U.S. accreditation body for management systems. ANAB accredits certification bodies for ISO 9001 quality management systems (QMS) and ISO 14001 environmental management systems (EMS), as well as a number of industry-specific requirements.

The [ISO 9000 and ISO 14000 families](#) are among the most widely known ISO standards. ISO 9000 is primarily concerned with "quality management," which is what an organization does to fulfill the customer's quality requirements, meet applicable regulatory requirements, and achieve continual improvement of its performance in pursuit of these objectives. ISO 14000 is primarily concerned with "environmental management," which is what an organization does to minimize harmful effects on the environment and to achieve continual improvement of its environmental performance.

With the exception of ISO 9000 and ISO 14000, the majority of ISO standards are highly product specific. They are documented agreements containing technical specifications or other precise criteria to be used consistently as rules, guidelines, or definitions of characteristics that ensure that materials, products, processes, and services are fit for their purpose.

The entire portfolio of ISO standards is listed in the [ISO Catalog](#) where the standards are classified according to International Classification for Standards (ICS) categories. See the [World Standards Services Network \(WSSN\)](#) for standards organizations around the world.

There are at least three ICS categories or fields that pertain to wood products (box 7-2). ICS Field 79: Wood Technology, has four subcategories; ICS Field 91: Construction Materials and Building, has six subcategories; and ICS Field 97: Domestic and Commercial Equipment, includes subcategory 97.140 for Furniture (furniture, including

Box 7-2. Examples of ICS Categories for Wood Products

ICS Field 79: Wood Technology

79.020: Wood technology processes
79.040: Wood, sawlogs, and sawn timber
79.060: Wood-based panels
79.080: Semi-manufacturers of timber

ICS Field 91: Construction Materials and Building

91.010: Construction industry
91.040: Buildings
91.060: Elements of buildings
91.080: Structures of buildings
91.090: External structures, including fences, gates, arches, sheds, etc.
91.100: Construction materials, including sawn timber and wood-based panels

ICS Field 97: Domestic and Commercial Equipment

97.140: Furniture

upholstery, mattresses, office furniture, and school furniture). The ISO published standards are organized under those ICS categories.

Benefits of Standards

International standards are of most interest to companies that plan to enter foreign markets and export their products. Chapter 8, Marketing to Customers Outside the United States, outlines main considerations related to exporting and includes suggestions on where to look for more information. With growing consumer markets in many countries, any wood products manufacturer could begin investigating which of their products might be attractive in specific foreign markets. The Internet has eased that process considerably, allowing manufacturers to investigate the preferences of customers in foreign markets and to communicate with suppliers and retailers on how specific products might serve those markets.

In addition to increasing sales and expanding into new markets, adding certified or standard-compliant products to a company's product mix can have additional benefits for the company, including recognition as a leader in offering "environmentally friendly" products, having relatively few competitors in a particular market or geographic region, establishing new supply networks and relationships, and building brand recognition.

It would be prudent for the business owner or marketing manager to gain awareness of the certifications, standards, and other quality assurances that might apply to their products. By creating an outline of the costs, timeframe, and competitive advantage of each program, the company can better evaluate if and where certification fits into their operation and marketing plans. The proactive company will be ready to respond more quickly if a customer requests a product that has a specific certification.

For More Information

American Forest & Paper Association:

www.paperrecycles.org/

American Tree Farm System: www.treefarmssystem.org/cms/pages/26_19.html

ANSI-ASQ National Accreditation Board: www.anab.org/

California Environmentally Preferred Products (EPP) Database:

www.calrecycle.ca.gov/EPP/

Comparison of Five Main Forest Certification Systems:

www.williams.edu/resources/sustainability/luce07/3_CompariForest%20Certific.pdf

Fernholz, Kathryn; Howe, J.; Guillery, P.; Bowyer, J. 2005,
[Beginner's guide to third-party forest certification](#). Dovetail Partners, Inc.

Forest Certification Resource Center: www.metafore.org/?s=147

Forest Stewardship Council (FSC): www.fscus.org/

Green Building Resource Center: www.globalgreen.org/gbrc/services.htm

Greenguard: www.greenguard.org/

Greenseal: www.greenseal.org/

International Classification for Standards (ICS):
www.iso.org/iso/prods-services/otherpubs/pdf/ics6-en.pdf

International Organization for Standardization (ISO):
www.iso.org/iso/iso_catalogue/management_standards/iso_9000_iso_14000.htm

ISO 9000 and 14000: www.iso.org/iso/en/iso9000-14000/understand/inbrief.html

Leadership in Energy and Environmental Design:
www.usgbc.org/DisplayPage.aspx?CategoryID=19

National Association of Home Builders – National Green Building Program:
www.nahbgreen.org/

Programme for the Endorsement of Forest Certification (PEFC):
www.pefc.org/internet/html/

Scientific Certification Systems: www.scscertified.com/nrc/index.php/

SGS Systems and Services:
www.forestry.sgs.com/forestry_services_index_v2.htm

SmartWood Certification: www.ra-smartwood.org/

Sustainable Forestry Initiative Program (SFI): www.sfiprogram.org/

World Standards Services Network (WSSN): www.wssn.net/WSSN/index.html

Yale University, Program on Forest Certification:
www.yale.edu/forestcertification/ypfc.html

Adirondack Hardwoods

A Case Study in Certification

Adirondack Hardwoods, located in Upstate New York, offers quality hardwood products, including green-certified lumber, plywood, and flooring. They also operate Saranac Hollow Woodworking, focused on the design and production of custom furniture, casework, millwork, and historic reproductions.

Adirondack Hardwoods supplies green-certified wood products using raw materials from managed forests that meet the standards of the Forest Stewardship Council (FSC). Owner Hal Moore independently achieved chain-of-custody certification in 2000 and was recertified in 2005.

As a further indication of its commitment to sustainability, Adirondack Hardwoods recently obtained a grant from the New York State Energy Research and Development Authority (NYSERDA) to install a 10,000-watt photovoltaic system that supplies a considerable portion of the company's energy needs and is expected to pay for itself in about 10 years. They also have installed a wood-chip boiler that uses waste sawdust to heat the production facility.

Marketing Techniques of Interest:

- **Chain-of-Custody Certification**—Verifies for both consumers and secondary wood products companies the source of certified wood, allowing it to be tracked through the supply chain from the forest to the point of sale.
- **Early Adopter**—When first certified, Adirondack Hardwoods was one of only about a dozen certified wood products companies in New York State. They now appear to be 1 of about 40, and are 1 of only about 6 small wood products producers that are certified in the State.
- **Certification Branding**—Certification logos are prominently displayed on the company's Web site and on their letterhead, packaging, etc.

Lessons Learned: The company is experiencing increased interest in, and sales of, certified wood products. Certified wood sales now comprise about 10 percent of annual sales, and the majority of sales have been to larger institutions, such as museums and colleges.

A recertification audit by SmartWood was a \$2,500 investment for Adirondack Hardwoods, but the future cost of recertification will be greatly reduced because of their membership in a new regional sustainable forestry program (see the following case study—Residents' Committee to Protect the Adirondacks).

Adirondack Hardwoods and Saranac Hollow Woodworking, Saranac, NY
www.saranachollow.com/hardwoods.htm

Protect the Adirondacks!

A Case Study in Certification

Protect the Adirondacks! is a not-for-profit organization dedicated to the stewardship and protection of the natural environment and human communities of the Adirondack Park, a State park in northern New York State. Protect the Adirondacks! is a combined effort of two organizations that joined forces in 2009—the Residents' Committee to Protect the Adirondacks (RCPA), which had formed in 1990, and the Association for the Protection of the Adirondacks (founded in 1901). Protect the Adirondacks! seeks to accomplish its mission through grassroots organizing, research, advocacy, sustainable forestry, education, and legal action. Funding is provided through memberships, donors, grants, and special events.

In 1999, the RCPA began its Sustainable Forestry Program to provide woodlands management assistance to landowners. In 2002, RCPA teamed up with the Forest Stewardship Council (FSC) and SmartWood to become authorized as a “group manager” that can provide forest management certification to qualifying forest landowners in the Adirondack Park and chain-of-custody certification to eligible wood procuring businesses. The program has two goals: (1) to increase the amount of private forest lands in the Adirondacks that are FSC-certified, and (2) to encourage an increase in the production of FSC-certified lumber that is then used to make FSC-certified wood products derived from forests of the Adirondack Park.

By the end of 2008, 35 landowners and 7 businesses had achieved certification through the program. The 7 companies that have achieved chain-of-custody certification have produced a variety of certified products including lumber, furniture, and wooden boats. Protect the Adirondacks! now employs a full-time forester on the project, while other employees provide part-time program support.

Marketing Techniques of Interest:

- **Reducing Costs to Improve Competitiveness**—The organization has been able to keep the annual fee significantly below what it might be otherwise because they are able to divide one annual fee among participants. They also have been able to attract donations and grants in support of the program.
- **Increasing Product Diversity**—The regional chain-of-custody certification program enables companies to more easily and cost effectively incorporate values associated with sustainability into their marketing plan by making products using certified wood from sustainably managed forests.
- **Addressing Customer Preferences**—Increasing the number and variety of companies that are certified provides consumers a clear choice in certified wood products. The organization is able to widely promote the program as one that supports sustainable local economies and communities in the predominantly rural region.

Lessons Learned: Regional certification organizations need to work closely with local sawmills to enhance program viability. There is sometimes a shortage of certified lumber in the area to support the demand of all certified wood product producers in the area. As a result, some companies may have to look outside the area for certified lumber, which can increase transportation costs.

Protect the Adirondacks! has offices in Niskayuna and Saranac Lake, NY
www.protectadks.org

Chapter 8. Marketing to Customers Outside the United States

Exporting is the process of moving products to markets outside the United States. Just as a marketing strategy is instrumental in successfully increasing market share within the United States, it is also necessary for effectively reaching foreign markets. The same marketing principles reiterated throughout this marketing guide apply to exporting. Successful exporting requires segmenting the market, researching customer needs, developing compelling value propositions, and effectively communicating that value in the foreign market (box 8-1).

Box 8-1. Basic Steps in an Export Marketing Strategy

- Focus on one or two foreign markets
- Research customer needs and characteristics
- Develop the product's value proposition
- Communicate product advantages to the target market

While exports today remain a small portion of annual wood products production, the value of U.S. wood exports rose nearly 30 percent between 1994 (\$7 billion) and the century's close (\$9 billion). Depletion of tropical hardwood forests is increasing demand for both hardwood and softwood lumber from the United States. The export market provides opportunities for companies to expand, complement, or diversify, which leads to increased jobs, revenue, and profits.

Are You Ready to Export?

Absolute commitment is essential for a company to establish and build the relationships necessary for exporting success. Producers must have the flexibility and willingness to tailor a product line to meet specifications quite different from those required in the United States. A long-term strategy for success will require a foundation of reliability with overseas customers.

Taking an online [export test](#) provided by the USDA Foreign Agricultural Service (FAS) can help a wood products company gauge its ability to export products. It also helps the company understand the necessary elements for successful exporting.

For example, **does the company have—**

1. A product successfully sold in the domestic market?
2. An international marketing plan with defined goals and strategies?
3. Sufficient production capacity?
4. Financial resources to actively support the marketing in the targeted overseas markets?
5. The staff, time, and resources to dedicate to the export process?
6. The commitment to providing the same level of service given to domestic customers?

7. The ability to modify product packaging and ingredients to meet foreign import regulations, standards, and certifications?
8. Knowledge of how to ship its product overseas, such as identifying and selecting international freight forwarders, as well as freight costing?
9. The ability to manage export payment mechanisms, such as negotiating letters of credit?

A wood products company probably should have the first six elements in place—or at least a strong commitment to putting them in place—before actively pursuing export opportunities. Once the first six elements are in place, the company then needs to find resources and assistance that can help it acquire knowledge of the specific foreign markets it wants to enter.

Information on Exporting

For a number of years, the Forest and Fishery Products Division (FFPD) of the FAS has offered an excellent publication that should be required reading for any wood products company considering expansion into export markets. [A Guide to Exporting Solid Wood Products](#) provides the following food for thought in its introduction (USDA Foreign Agricultural Service 2006, p. 2):

A genuine commitment to exporting begins with a long-term attitude toward overseas markets. To be successful, producers must create and follow a foreign market strategy that is integral to their overall business plan. Developing longstanding working relationships with foreign importers will require maintaining commitments to them even when their markets are weak. A scattered, “in-and-out” approach may lead to a few unsustainable sales. It is far better to gauge one’s competitiveness in selected overseas markets early on, understand the requirements of key importers, and then develop long-term relationships that help solve the supply problems and quality concerns of these key accounts.

The guide to exporting contains specific information and advice under these seven chapter headings:

- Exporting Wood Products: Advantages and Risks
- Supply Considerations
- Financing Exports
- Export Shipping
- Business Organization of Firms Involved in Exporting
- Export Market Information and Assistance
- USDA Export Programs

The appendixes to the document, organized under the following six categories, are an excellent resource as well:

- Key Publications on Exporting
- Glossary of Forest Products and Exporting Terms
- Forest Products Volume Conversion Units
- Forest Products Shipping Weights and Volumes
- U.S. Wood Products Industry and FAS Contacts
- Key Web Sites

In addition to [A Guide to Exporting Solid Wood Products](#), the [Foreign Agricultural Service FFPD](#) has export information targeting the wood products producer. Companies ready to make a commitment to exporting will especially benefit from country-specific export information available from the FFPD. Another good source of export information is the [U.S. Exporter Assistance](#) page. There is also [A Basic Guide to Exporting](#) published by the U.S. Department of Commerce and Unz and Company (1998).

Export Assistance

Wood products producers could qualify for export assistance through the U.S. Department of Agriculture (USDA) and the U.S. Department of Commerce, because some categories of wood products are considered agricultural products. A number of other organizations also provide export information and assistance.

USDA Market Access Program (MAP)

The [Market Access Program](#) helps launch and expand overseas sales of U.S. agricultural, fish, and forest products. The program uses funds from the USDA's Commodity Credit Corporation (CCC) to help U.S. producers, exporters, private companies, and other trade organizations finance promotional activities for U.S. agricultural products, including many wood products.

Activities financed include consumer promotions, market research, technical assistance, and trade servicing. Each year, USDA announces an application period for participation in the MAP that is published in the Federal Register. Trade organizations and private firms develop MAP proposals and submit them to USDA as part of the [Unified Export Strategy](#) (UES) process. It allows applicants to request funding for various USDA market development programs through a single, strategically coordinated proposal.

Producers that want to participate in the MAP are instructed to contact a trade association that represents their specific products. Trade associations representing wood products include the following:

- [American Forest and Paper Association](#) (AF&PA)
- [American Hardwood Export Council](#) (AHEC)
- [The Engineered Wood Association](#) (APA)

- [Softwood Export Council \(SEC\)](#)
- [Southern Forest Products Association \(SFPA\)](#)
- [Southern Pine Council \(SPC\)](#)

A MAP-related program referred to as the "[Branded Program](#)" is available to producers on a regional basis through the four [State Regional Trade Groups \(SRTGs\)](#). It is funded through the USDA's [Foreign Agricultural Service](#). The mission of the program is to promote U.S. products in overseas markets. Companies that actively promote their products in foreign markets receive up to 50 percent reimbursement for any of the following marketing and promotional activities: advertising and publications, international trade shows (including some domestic shows), promotions and demonstrations, public relations and seminars, freight costs for sending samples, and changes to packaging and labels.

Most of the State agencies that oversee agricultural products and marketing will have information on the Branded Program. By way of example, the New York State Department of Agriculture and Markets provided the following list of eligible and ineligible wood products under Branded Program promotion:

Eligible for Branded Promotion

- Poles, piles, and posts (utility poles and fencing)
- Wood, wool, and wood flour
- Railway ties
- Densified wood
- Picture, mirror, and other wood frames
- Pallets and crates
- Cooperage products
- Tools and tool handles of wood
- Builders' joinery items, including doors, windows, and shingles
- Tableware and kitchenware of wood
- Statuettes and other ornaments of wood, and jewelry and similar boxes
- Miscellaneous wood products
- Log homes and other prefab wood homes (traditional 2 by 4 construction)

Ineligible for Branded Promotion

- Logs, wood chips, and fuel wood
- Lumber, veneer, flooring, siding, and molding
- Panel products and engineered wood products
- Furniture and cabinetry (U.S. Department of Commerce has primary responsibility)

Keep in mind that there may be specific wood products that appear to qualify under eligible categories but are in fact ineligible for promotion under the MAP for various reasons. When investigating the MAP or any Federal export assistance program, be sure to provide the agency contact with a list of the specific wood products intended for export, along with their main components and characteristics.

USDA Emerging Markets Program (EMP)

The [Emerging Markets Program](#) is another program that provides partial funding for technical assistance activities that promote, enhance, or expand the export of U.S. agricultural commodities to overseas emerging markets. Technical assistance is defined quite broadly and includes such activities as feasibility studies, market research, sector assessments, orientation visits, specialized training, and business workshops. Its resources are intended primarily to support the market development efforts of the private sector, but it may also be used to assist public agricultural organizations as well.

The EMP allows private industry to determine the specific target markets, commodities, or export activities they want to engage in, but the program places a higher priority on specific types of technical assistance activities. One of those preferred activities is the marketing and distribution of value-added products, a priority of special interest to many wood products companies.

U.S. Department of Commerce

The [U.S. Department of Commerce, International Trade Administration](#) (ITA) offers numerous export-oriented programs that include the Trade Opportunities Program, Agent/Distributor Service, Matchmaker Events, Overseas Trade Missions, Foreign Buyer Program, and Overseas Trade Fairs.

Small Business Administration

The [Small Business Administration](#) (SBA) also offers exporting programs for small businesses, including Export Counseling, Export Training, the Export Information System, Matchmaker Events, and the Service Corps of Retired Executives (SCORE).

American Hardwood Export Council

The [American Hardwood Export Council](#) (AHEC) is the leading international trade association for the U.S. hardwood industry, representing U.S. hardwood companies and all the major U.S. hardwood product trade associations. Programs and services that AHEC provides to its members include Market Development Programs and Market Intelligence, Trade Mission, Fairs and Exhibitions, AHEC Membership Directory, Technical Information and Seminars, and Promotional Assistance.

Softwood Export Council

The [Softwood Export Council](#) (SEC) provides export information specific to softwood products.

Forest Service Research

The [Forestry Sciences Laboratory](#) of the Northern Research Station, Forest Service, U.S. Department of Agriculture, located in Princeton, WV, has an extensive database of statistical trade information and analyses targeted towards most major domestic and international hardwood product markets.

Miller Publishing

The [Forest Products Export Directory](#), published by Miller Publishing, is directed at the overseas buyer who wants to find reliable North American producers and suppliers of forest products. Each listing includes firm name, contact information, description of production or service facilities, and products exported.

State Organizations

Most States provide exporting assistance in one form or another, and manufacturers can obtain assistance through their State commerce or international trade department, or through State universities. For example, the University of Michigan's Department of Forestry maintains an online listing of [International Trade Information Sources for Forest Products](#). Many States also sponsor trade missions to other countries, and wood products can be a focus of those trade missions. For example, the [Wisconsin Department of Commerce](#) Web site features a listing of upcoming trade missions and events, as well as an International Trade Show calendar. They promote a trade show grant program that will reimburse producers up to \$5,000 for specific expenses for participating in an approved trade show or matchmaker trade delegation event.

Regional Organizations

There also are organizations working at the regional level to provide export assistance to wood products companies. For example, the [Appalachian Regional Commission](#) (ARC) has an export trade advisory council that organizes export programs in support of manufacturers located in portions of 13 Eastern States.

Manufacturers with an interest in exporting should be aware that producing for foreign markets can have its downside. Tailoring wood products to foreign standards and specifications requires skilled personnel for production and shipping operations. Manufacturing goods to foreign specifications also may require modification to equipment or the purchase of new manufacturing equipment.

Mistakes to Avoid

According to [A Guide to Exporting Solid Wood Products](#) (USDA Foreign Agricultural Service 2006, p. 3), companies new to exporting make some of the following common mistakes:

- Failure to obtain qualified export counseling (inability to understand market demand).
- Failure to develop an international marketing plan (inability to focus on best way to serve new markets).
- Insufficient commitment by top management to overcome the initial difficulties and financial requirements of exporting.
- Insufficient care in selecting overseas agents or distributors.
- Filling orders from around the world instead of establishing a basis for profitable operations and orderly growth by actively seeking customers in targeted areas.
- Neglect of the export business when the U.S. market booms.
- Failure to treat international customers on an equal basis with domestic counterparts.
- Failure to understand or respect foreign cultural differences relating to business practices and product usage.
- Unwillingness to modify products to meet the regulations or cultural preferences of other countries.
- Failure to print service, sales, and warranty messages in locally understood languages.
- Failure to consider the use of an export management company or other marketing intermediary that is knowledgeable in foreign distribution channels.
- Failure to consider licensing or joint-venture agreements.
- Not accounting for fluctuations in currency exchange rates.

Exporting Strategy

An exporting strategy must include research to determine which countries are most suited to a company's products. Companies are advised to initiate, nurture, and maintain trade contacts with only one or two countries initially. That will help a company see its strengths and limitations before attempting to further expand its export marketing plan. Developing expertise in one or two countries will boost confidence and ease the process of expansion and diversification.

A healthy working relationship with the overseas customer is of utmost importance. In order to achieve that type of relationship, success may depend on a company's willingness and ability to retain its chosen export markets through lean periods, sometimes sacrificing short-term gain for long-term opportunity. Perhaps above all else, success with exporting depends on commitment and dependability.

For More Information

Ag Export Assistance, FAS Online:

www.fas.usda.gov/agexport/OldSiteFiles/exporter.html

American Forest and Paper Association (AF&PA): www.afandpa.org/

American Hardwood Export Council (AHEC): www.ahec.org/

Appalachian Regional Commission: www.arc.gov/index.do?nodeId=2873

Are You Ready to Export? FAS Online: www.fas.usda.gov/agexport/exporttest.asp

Emerging Markets Program (EMP): www.fas.usda.gov/mos/em-markets/em-markets.asp

Export.gov: www.export.gov/index.asp

Forestry Sciences Laboratory, Northern Research Station: www.nrs.fs.fed.us/

International Trade Information Sources for Forest Products:

www.for.msu.edu/extension/ExtDocs/annotref.htm

MAP Branded Program Manual:

www.susta.org/services/map_application.html

MAP Branded Program Online Form (Northeast and Midwest regions):

[/www.foodexportalliance.org/eweb/](http://www.foodexportalliance.org/eweb/)

MAP Program Information: www.export.gov/fas/fas.asp?pName=srtfaq

Market Access Program (MAP), USDA/FAS:

www.fas.usda.gov/mos/programs/map.asp

Small Business Administration: www.sba.gov/

Softwood Export Council (SEC): www.softwood.org/default.htm

Southern Forest Products Association (SFPA): www.sfpa.org/

Southern Pine Council (SPC): www.southernpine.com/

The Engineered Wood Association (APA): www.apawood.org/

Unified Export Strategy (UES): www.fas.usda.gov/mos/ues/unified.asp

U.S. Department of Commerce, International Trade Administration:

trade.gov/index.asp

U.S. Exporter Assistance, FAS Online:

www.fas.usda.gov/agx/exporter_assistance.asp

USDA Foreign Agricultural Service (FAS), Forest and Fishery Products Division:

www.fas.usda.gov/ffpd/fpd.html

Wisconsin Department of Commerce:

www.commerce.state.wi.us/IE/IE-MexicoMission.html

Chapter 9. Planning, Budget, and Finance Marketing Activities

This guide was written on the premise that marketing is a must for a successful value-added wood products company. This chapter will help you plan the specific marketing activities that your company needs and get you thinking about how much you can afford to budget for those activities. Federal, State, or local agencies may be able to provide financial assistance.

Develop a Plan for Marketing

Most successful business activities start with a plan, and marketing is no different. The company's marketing plan should be simple yet specific, highlighting both short- and long-term activities and goals. The main purpose of a marketing plan is to provide the company with an outline of where, how, and when products will be marketed. It should include overall marketing and sales goals, as well as specific marketing mix strategies for each of the company's main products or product lines. For example, it could briefly outline the following for each product:

- Product features
- Product benefit
- Product differentiation
- Pricing strategy
- Promotion strategy
- Distribution strategy

Note the importance of "product" in the list above. Product marketing actually starts on the design table and on the production floor. The first marketing question the company needs to answer is:

Are we producing a product that customers need, with the main features they want, and at a price they are willing to pay?

If the answer is "No" or "Maybe," then the marketing plan should start with an evaluation of how the company can change or otherwise improve product value for the customer.

It is important not to get bogged down with planning. Keep the marketing plan focused on products and on customers, while making the relevant activities, goals, and objectives as specific as possible. One way to keep focused and on track is to use the SMART approach, an acronym for the following five planning criteria as outlined on Tutor2u.net (n.d.a):

Specific: Objectives should state exactly what is to be achieved.

Measurable: Objectives should be measurable so that it is possible to determine whether (or how well) they have been achieved.

Achievable: Objectives should be realistic, given the circumstances in which they are set and the resources available to the company.

Relevant: Objectives should be relevant to the people responsible for achieving them.

Time Bound: Objectives should be set with a timeframe in mind, while deadlines need to be realistic.

A marketing plan can be useful—and is often mandatory—for business loan and grant applications. Almost any bank or other funding provider will want to see a copy of the company's marketing plan and will want to understand how that plan fits in with the rest of the company's activities.

Marketing and Advertising Budgets

The main components of a marketing plan are outlined throughout this guide with one main exception—the marketing budget. Many considerations go into a marketing budget, but there is no certainty on what the appropriate expenditure should be.

The company's marketing budget is really determined by answering four main questions:

1. How much should we spend?
2. When should we spend it?
3. Where should we spend it?
4. What media or other communications should we use?

All four questions are closely linked, and none can be answered in isolation. As the marketing plan takes shape, each of the four questions should be reconsidered until the answers to those questions together comprise the best marketing approach, given available financial resources.

Keep in mind that a sound marketing and advertising budget should be based in large part on customer needs and characteristics. Additional budgeting considerations can be found in an article on [The Advertising Budget](#) in the [Small Business Planner](#) section of the U.S. Small Business Administration Web site.

There are four common techniques for determining a marketing budget, as outlined in an article on [Setting the Advertising Budget](#) (Tutor2u n.d.b). The techniques are summarized as follows:

Fixed Percentage of Sales: In markets with a stable, predictable sales pattern, some companies set their advertising spending consistently at a fixed percentage of sales. There are some disadvantages with this approach because it assumes that sales are directly related to advertising. For example, if the rule is applied when sales are declining, the result will be a reduction in advertising just when greater sales promotion is required.

Same Level as Competitors: This approach has widespread use when products are well established with predictable sales patterns. It is based on the assumption that there is an “industry average” that works well for all major players in a market. A major problem with this approach is that it encourages businesses to ignore the effectiveness of their advertising spending. It could also prevent a business with competitive advantages from increasing market share by spending more than average.

Task or Goal-Based Approach: The task-based approach involves setting the marketing budget based on a specific goal or “task” that the advertising intends to accomplish. The goal might be the number of viewers reached, a certain number of inquiries, or the number of units sold. The problem with this method is that the goal might not result in sufficient sales to make it cost effective, or, if a number of units sold is the goal, the advertising might be stopped just as sales are starting to take off.

Residual Approach: The residual approach, which is perhaps the least effective of all, is to base the advertising budget on what the business can afford after all other expenditures. There is no attempt to associate marketing objectives with levels of advertising. In a good year, large amounts of money could be wasted; in a bad year, the low advertising budget could guarantee further low sales.

Gross Profit Approach

For companies that would like to estimate a range of figures for their marketing budget, there is a suggestion that is based on gross profit—or markup—rather than on gross sales. The following three-step approach was suggested by [Roy Williams](#) (n.d.a) as a more appropriate basis for establishing marketing budgets for small companies.

Step 1: Take 10 percent and 12 percent of your projected annual gross sales and multiply each by the markup made on your average transaction. Markup is gross profit above cost, expressed as a percentage of cost. Sell an item for \$150 when it costs you only \$100, and your markup is 50 percent.

Step 2: Deduct your annual cost of occupancy (rent or mortgage) from the adjusted 10 percent and 12 percent of sales numbers. The computation takes rent or mortgage into consideration because of the importance of the facility and its location to the company’s existence.

Step 3: The remaining balances represent your minimum and maximum allowable ad budgets for the year.

The following is an example of the gross profit approach. The company is projected to do \$1 million in sales this year with a profit margin of 48 percent, and has a rent of \$36,000 per year.

Step 1: Calculate the 10 percent and 12 percent of sales figures (\$100,000 and \$120,000). Next, convert the 48 percent profit margin into markup. To make the conversion from margin to markup, simply divide gross profits by cost. Dividing \$480,000 (gross profits) by \$520,000 (costs) results in a company

markup of 92.3 percent. Now multiply \$100,000 times 92.3 percent to see that the adjusted low budget for total cost of exposure is \$92,300. Likewise, multiply \$120,000 times 92.3 percent to get an adjusted high budget for total cost of exposure of \$110,760.

Step 2. From each of these two budgets, deduct the \$36,000 rent.

Step 3. This leaves a correctly calculated ad budget that ranges from \$56,300 on the low side to a maximum of \$74,760 on the high side, or about 6 percent to 8 percent of annual sales.

Market-Oriented Approach

None of the above approaches are sufficient for determining the perfect marketing budget. In fact, the marketing firm [Killian & Company](#) (2009) suggests throwing out all those suggestions and starting instead by asking six simple questions:

1. Whom do we need to reach?
2. How often?
3. What medium or combination of media will have the most impact?
4. What will that cost?
5. Is the cost affordable? (If yes, then that is the budget.)
6. If the cost is not affordable, how can we rethink Question 1?

What [Killian & Company](#) is suggesting in those six questions is to turn a common budgeting scenario on its head. Instead of saying “We have \$5,000 dollars, how much advertising can we buy?” ask instead “What will it cost us to reach young couples, 25 to 35, three to seven times each quarter—couples who are starting their families and buying their first homes, and who would like to buy at least one piece of solid hardwood furniture?” That question results in a more market-oriented answer, and if the cost is too high, then revise the definition of the target market and re-compute the cost until an affordable marketing budget is reached.

Average Marketing Budgets

For those who would like to know the average marketing budget for a company of their type, there are national averages by industry available from the [Economic Census](#) of the U.S. Government. According to the [2002 Business Expenses Survey](#), the average cost of purchased advertising and promotional services, as a percent of total operating expenses, is as follows for three sectors of interest to wood products companies:

- Lumber and other construction material merchant wholesalers (1 percent)
- Furniture and home furnishing merchant wholesalers (2.4 percent)
- Furniture and home furnishings stores (8.2 percent)

The expenditures on advertising and promotional services ranged from 1 percent to about 8 percent of total annual operating expenses for the three types of businesses listed. Depending on the type of business to which the company is most closely aligned, an average marketing budget could be established. On the other hand, some manufacturers may participate in all three of those marketing and distribution channels. Those companies could consider separate marketing budgets for those different aspects of their business.

Financial Assistance for Marketing Activities

Marketing and sales assistance is one of the main types of business assistance requested by wood products companies. In 2004, the Adirondack North Country Association provided one-on-one business planning assistance to 26 wood products companies in Upstate New York. As part of the program, they asked each of the 26 companies to identify the type of assistance that would be most beneficial to growing their company and that could result in their hiring additional employees.

Marketing and sales assistance was requested by over three-quarters (81 percent) of all companies, and that assistance comprised almost one-quarter (24 percent) of all the business assistance requested in terms of dollar value (table 9-1). By both those measures, “marketing and sales” was the second most requested type of business assistance, after infrastructure improvements and ahead of employee training.

Type of business assistance	Companies requesting		Estimated cost of service	
	Number	Percent	Total cost	Percent
Buildings and equipment	14	54	\$1,764,000	62
Marketing and sales	21	81	\$650,000	23
Employee training	22	85	\$313,500	11
Raw material management	5	19	\$140,000	5

There appear to be few Federal assistance programs specifically focused on marketing. One exception is the U.S. Department of Commerce-sponsored [Trade Adjustment Assistance Program](#). It assists manufacturing firms in becoming more competitive in international markets by providing funding for product development, employee training, and marketing plans.

Loan Programs

Small Business Administration

The U.S. Small Business Administration (SBA) offers a wide variety of business loan programs. Business loans can be used for marketing activities, and a well-developed

marketing plan would help make the case for the marketing activities proposed by the company. According to the SBA, [common requirements](#) for a small business loan include the following:

- Purpose of the loan
- History of the business
- Financial statements for 3 years (existing businesses)
- Schedule of term debts (existing businesses)
- Aging of accounts receivable and payable (existing businesses)
- Projected opening-day balance sheet (new businesses)
- Lease details
- Amount of investment in the business by the owner(s)
- Projections of income, expenses, and cash flow
- Signed personal financial statements and personal resume(s)

The company would take that information, including the loan proposal, and submit it to a local lender. If the lender is unable to approve the loan, the company could request to apply under the SBA loan guaranty program. The SBA can guarantee up to 85 percent of a small business loan; however, the lender still must agree to loan the money. The lender will then forward the loan application and a credit analysis to the nearest SBA District Office. To be eligible, a business must be operated for profit and not exceed SBA's [size standards](#), generally 500 employees for wood products companies. See the SBA [Financial Assistance](#) page for more information.

U.S. Department of Agriculture

The U.S. Department of Agriculture sponsors the Rural Development's Business and Industry (B&I) [guaranteed loan program](#). This program provides guarantees up to 80 percent of a loan made by a commercial lender. Loan proceeds may be used for working capital, machinery and equipment, buildings and real estate, and certain types of debt refinancing. The primary purpose is to create and maintain employment and improve the economic climate in rural communities. The program is administered at the State level by Rural Development State Offices, which can be located using the [Rural Development Field Office locator](#).

State and Local Programs

Loan and grant programs are also available at the State and local level. A [Small Business Resource Guide](#) maintained by the U.S. Department of Housing and Urban Development provides a detailed directory of many small business resources and is organized by State. The organizations described and linked in Chapter 5 may also have information on State and local resources.

Online Resources

The best approach for financing marketing program is careful business and financial planning, combined with a marketing plan that is well grounded in the marketing

principles outlined in this guide. The [Small Business Planner](#), provided online by the SBA, includes information and resources that will help a company at any stage of the business life cycle.

Other online resources that can help a company put its business and marketing plans on more solid footing, and thus more attractive to lenders, include these:

- [U.S. Chamber of Commerce Small Business Tool Kit](#)
- [USA.Gov Business Gateway](#)
- [Business.Gov](#)
- [U.S. Census Business and Industry Fact Sheets](#)

For More Information

Business.Gov: www.business.gov/

Rural Development's Business and Industry (B&I):

www.rurdev.usda.gov/rbs/busp/b&i_gar.htm

Rural Development Field Office locator: www.rurdev.usda.gov/recd_map.html

U.S. Census, Business Expenses Survey 2002:

factfinder.census.gov/servlet/IBQTable?_bm=y&-geo_id=&-ds_name=BE02001101&-_lang=en

U.S. Census, Business and Industry Fact Sheets:

factfinder.census.gov/home/saff/main.html?_lang=en

U.S. Census, Economic Census 2002: www.census.gov/econ/census02/

U.S. Chamber of Commerce Small Business Tool Kit:

www.uschamber.com/sb/toolkits.htm?n=tb

U.S. Department of Commerce Trade Adjustment Assistance Program:

www.taacenters.org/contact.asp

U.S. Department of Housing and Urban Development. Small Business Resource Guide, Chapter 9, Federal, State and Local Resources:

www.hud.gov/offices/osdbu/resource/guide/chapter9.cfm

U.S. Small Business Administration (SBA): www.sba.gov/index.html

U.S. SBA Advertising Budget:

www.sba.gov/smallbusinessplanner/manage/marketandprice/serv_mstrat_adbud.html

U.S. SBA Financial Assistance:

www.sba.gov/services/financialassistance/index.html

U.S. SBA Small Business Planner: www.sba.gov/smallbusinessplanner/index.html

USA.Gov Business Gateway: www.usa.gov/Business/Business_Gateway.shtml

Chapter 10. References

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www.ext.vt.edu/pubs/forestry/420-145/420-145.html
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www.tutor2u.net/business/marketing/planning_setting_objectives.asp.

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www.tutor2u.net/business/marketing/promotion_advertising_budget.asp.
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www.entrepreneur.com/advertising/adcolumnistroyhwilliams/article54436.html
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www.entrepreneur.com/advertising/adcolumnistroyhwilliams/article61504.html
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Chapter 11. Appendixes

Appendix A: State Wood Products Manufacturing Directories

Alabama

Alabama Forest Industries Directory
Alabama Forestry Commission
334-240-9300
www.forestry.state.al.us/

Alaska

Alaska Wood Products Industry
Alaska Division of Forestry
907-247-5645
forestry.alaska.gov/

Arizona

Four Corners "Wood Products Central"
Arizona State Land Department
602-771-1403

Arkansas

Arkansas Forest Industry Directory
Arkansas Forestry Commission
501-296-1940
www.forestry.state.ar.us/manage/fidirectory.html

California

California Hardwood Product Manufacturers
Directory
California Department of Forestry & Fire Protection
916-322-5665
ceres.ca.gov/foreststeward/html/hardwooddir.html

UrbanWood
Urban Forest Ecosystems Institute (UFEI)
805-756-5171
www.ufe.i.org/urbanwood/directory.html

Colorado

Colorado Forest Products (CFP)
Colorado Wood Utilization & Marketing
303-604-1020
www.coloradoforestproducts.org/

Four Corners "Wood Products Central"
State Forest Service
303-491-6303

Connecticut

Connecticut Primary Wood Processors
Southern New England Forest Consortium
401-568-1610
[www.ct.gov/dep/cwp/view.
asp?a=2690&q=322440&depNav_GID=1641&depNav=](http://www.ct.gov/dep/cwp/view.asp?a=2690&q=322440&depNav_GID=1641&depNav=)

Delaware

Delaware Wood Industry Primary and Secondary Directory
Delaware Forest Service
302-698-4548
dda.delaware.gov/information/information.shtml

Florida

Directory of Central Florida Sawmills and Related
Businesses
Division of Forestry
850-488-4274

Georgia

Georgia Wood Using Industries and Forest Products
Directory
Georgia Forestry Commission
478-751-3480
[www.gfc.state.ga.us/ForestMarketing/
ForestProductsDirectory.cfm](http://www.gfc.state.ga.us/ForestMarketing/ForestProductsDirectory.cfm)

Hawaii

Hawaii Forest Industry Association Directory of
Manufacturers
Division of Forestry & Wildlife
808-587-4182
www.hawaiiiforest.org/

Idaho

Idaho State Secondary Wood Products Directory
208-334-0242
www.mmis.umt.edu/ID/

Illinois

Illinois Sawmill Directory and Licensed Timber Buyers
Directory
Illinois Department of Natural Resources
217-935-6860
www.dnr.state.il.us/conservation/forestry/

Indiana

Indiana Primary & Secondary Forest Products Industry
Directory
Division of Forestry
317-232-4116
www.state.in.us/dnr/dnr_forest/index.html

Iowa

Iowa State University
Center for Industrial Research and Service
515-294-3420
www.ciras.iastate.edu/Databases/wood.asp

Iowa Wood Processors Directory
Department of Natural Resources
515-281-8657
<http://www.iowadnr.gov/forestry/woodprod.html>

State Wood Products Manufacturing Directories (continued)

Kentucky

Primary Wood Industries Directory
Kentucky Division of Forestry
502-564-4496
www.forestry.ky.gov/programs/utilize/

Louisiana

Louisiana Forest Products Community
Office of Forestry
225-952-8002
www.laforestproducts.org/

Maine

Forestry in Maine Directory
Maine Forest Service
207-287-2791
www.forestryinmaine.com/

Maryland

Maryland Forest Product Operators
Department of Natural Resources Forest Service
410-260-8501
www.dnr.state.md.us/forests/fpo_search.asp

Massachusetts

Massachusetts Directory of Sawmills and Dry Kilns
Bureau of Forestry-Marketing and Utilization
617-626-1250
www.mass.gov/dcr/stewardship/forestry/utilmark/index.htm

Michigan

Michigan Forest Products Industry
MI DNR, Forest Mgmt. Division
517-373-1056
www.dnr.state.mi.us/wood/

Minnesota

Minnesota Primary Forest Products Producer Directory
Division of Forestry
651-259-5284
www.dnr.state.mn.us/timber_producer/index.html

Minnesota Secondary Forest Products Producer Directory
Division of Forestry
612-296-6491
www.dnr.state.mn.us/timber_producer/index_secondary.html

Missouri

Missouri Forest Industries Directory of Primary Wood Processors
Missouri Department of Conservation
573-522-4115
mdc4.mdc.mo.gov/applications/MDCLibrary/MDCLibrary2.aspx?NodeID=109

Missouri Forest Products Association Members
www.moforest.org/membership.html

Montana

Montana Forest Landowners Network
Division of Forestry
406-542-4300
www.forestsmontana.com/

Montana Manufacturers Information System
DNRC - Forestry Division
406-542-4300
www.mmis.umt.edu/

Nebraska

Nebraska Forest Products Program Directories
Nebraska Forest Service
402-472-2944
www.nfs.unl.edu/forestproducts.asp

New Hampshire

New Hampshire Directory of Sawmills
Division of Forests and Lands
603-271-2214
extension.unh.edu/forestry/sawmill/

New Mexico

Four Corners "Wood Products Central"
Forestry Division
505-476-3328
www.emnrd.state.nm.us/fd/

New York

AdirondackWood.com
Holmes & Associates with ANCA
518-302-1891
www.adirondackwood.com

Primary and Secondary Wood-Using
Industry in New York
Forest Products Utilization and Marketing Program
Department of Environmental Conservation
518-402-9425
www.dec.ny.gov/lands/4963.html

North Carolina

Buyers of Timber Products in North Carolina
NC Division of Forest Resources
919-733-2162
www.dfr.state.nc.us/Managing_your_forest/timber_buyers.htm

Ohio

Forests of Ohio Primary and Secondary Directories
Division of Forestry
614-265-6690
www.oardc.ohio-state.edu/ohiowood/

State Wood Products Manufacturing Directories (continued)

Oklahoma

Oklahoma Timber Buyers List
OK Department of Agriculture - Forestry Services
405-521-3864
www.forestry.ok.gov/forest-marketing

Oregon

Oregon Forest Industry Directory
Oregon Department of Forestry
503-945-7211
www.orforestdirectory.com/

Pennsylvania

Pennsylvania Wood Industry Directory
Bureau of Forestry
717-787-2703
woodpro.cas.psu.edu/

Rhode Island

Rhode Island Primary Wood Processors
Southern New England Forest Consortium
401-568-1610

South Carolina

Primary Forest Industries in South Carolina
South Carolina Forestry Commission
803-896-8800
www.state.sc.us/forest/refind.htm

Tennessee

Directory of Tennessee's Forest Industries
TN Department of Agriculture - Division of Forestry
615-837-5411
www.state.tn.us/agriculture/forestry/publications.html

Texas

Directory of the Forest Products Industries in Texas
Texas Forest Service
979-458-6606
tfsfrd.tamu.edu/fpd/fpdx.asp

Utah

Utah Wood Industry Directory
Department of Natural Resources
801-538-5530
extension.usu.edu/forestry/business.htm

Vermont

Vermont Wood Products Directories
www.vtfor.org/util/for_utilize.cfm

Virginia

Timber Marketing and Utilization Publications
<http://www.dof.virginia.gov/info/index-forms-docs.htm>

Washington

Washington State Secondary Wood Products Directory
Department of Natural Resources
360-902-1603
www.mmis.umt.edu/WA/

Washington State Small-Scale Sawmills
Department of Natural Resources
206-902-1650
ext.nrs.wsu.edu/forestryext/sawmill/index.htm

West Virginia

Forestry Industry of West Virginia Directory
West Virginia Division of Forestry
304-558-3446
www.wvforestry.com/indassistance.cfm?menucall=industry

Wisconsin

Wisconsin's Primary and Secondary Wood Using Industry
DNR - Division of Forestry
608-264-9224
www.woodindustry.forest.wisc.edu/

Appendix B: Federal and State Wood Products Agencies and Organizations

Federal Contacts for Wood Products Producers

USDA Forest Service, State and Private Forestry

Technology Marketing Unit
Susan LeVan-Green
Madison, WI 53726-2398
608-231-9518
www.fpl.fs.fed.us/research/units/tmu/index.shtml

Region 1, Northern Region
David Atkins
Missoula, MT 59807
406-329-3134
www.fs.fed.us/r1/

Technology Marketing Unit
Mark Knaebe
Madison, WI 53726-2398
608-231-9422
www.fpl.fs.fed.us/research/units/tmu/index.shtml

Region 2, Rocky Mountain Region
Susan Gray
Golden, CO 80401
303-275-5061
www.fs.fed.us/r2/

Technology Marketing Unit
John "Rusty" Dramm
Madison, WI 53726-2398
608-231-9326
www.fpl.fs.fed.us/research/units/tmu/index.shtml

Region 3, Southwestern Region
Jerry Payne
Albuquerque, NM 87102
505-842-3391
www.fs.fed.us/r3/

Northeastern Area
Robert J. Clark
Durham, NH 03824
603-868-7716
www.na.fs.fed.us/

Region 4, Intermountain Region
Scott W. Bell
Ogden, UT 84401
801-625-5259
www.fs.fed.us/r4/

Northeastern Area
Vacant
St. Paul, MN 55108
651-649-5246
www.na.fs.fed.us/

Region 5, Pacific Southwest Region
Bruce F. Goines
Vallejo, CA 94592
707-562-8910
www.fs.fed.us/r5/

Northeastern Area
Allen Steele
Morgantown, WV 26505-3101
304-285-1588
www.na.fs.fed.us/

Region 6, Pacific Northwest Region
Ron Saranich
Portland, OR 97208-3623
503-808-2348
www.fs.fed.us/r6/

Wood Education and Resource Center
Steve Milauskas
Princeton, WV 24740
304-487-1510
na.fs.fed.us/ea/werc/werc.shtm

Region 8, Southern Region
George Hernandez
Atlanta, GA 30367
404-347-7397
www.fs.fed.us/r8/spf/

Wood Education and Resource Center
Ed Cesa
Princeton, WV 24740
304-487-1510
na.fs.fed.us/ea/werc/werc.shtm

Region 10, Alaska Region
Anchorage, AK 99503
907-743-9467
www.fs.fed.us/r10/spf/ct/

Wood Education and Resource Center
Lew McCreery
Princeton, WV 24740
304-487-1510
na.fs.fed.us/ea/werc/werc.shtm

Federal Contacts for Wood Products Producers (continued)

USDA Forest Service, Research

Northern Research Station
Jan Wiedenbeck
Princeton, WV 24740
304-431-2708
www.fs.fed.us/ne/princeton/

Northern Research Station
Edward Thomas
Princeton, WV 24740
304-431-2324
www.fs.fed.us/ne/princeton/

Northern Research Station
William Luppold
Princeton, WV 24740
304-431-2770
www.fs.fed.us/ne/princeton/

Northern Research Station
Delton Alderman
Princeton, WV 24740
304-431-2734
www.fs.fed.us/ne/princeton/

Northern Research Station
Al Schuler
Princeton, WV 24740
304-431-2727
www.fs.fed.us/ne/princeton/

Northern Research Station
Matt Bumgardner
Delaware, OH 43015
740-368-0059
www.fs.fed.us/ne/princeton/

Northern Research Station
Ron Piva
St. Paul, MN 55108
651-649-5150
www.ncrs.fs.fed.us/

Pacific Northwest Research Station
Portland, OR 97205
503-808-2000
www.fs.fed.us/pnw/pfs/

Pacific Northwest Research Station
Eini C. Lowell
Portland, OR 97205
503-808-2072
www.fs.fed.us/pnw/pfs/

Pacific Northwest Research Station
Corvallis, OR 97331
541-750-7250
www.fs.fed.us/pnw/corvallis/

Pacific Northwest Research Station
Allen Brackley
Sitka, AK 99835-7316
907-747-4308
www.fs.fed.us/pnw/sitka/

Pacific Northwest Research Station
David Nicholls
Sitka, AK 99835-7316
907-747-4312
www.fs.fed.us/pnw/sitka/

Southern Research Station
Jim Chamberlain
Blacksburg, VA 24061-0503
540-231-3611
www.srs.fs.usda.gov/

Southern Research Station
Philip Araman
Blacksburg, VA 24061-0503
540-231-5341
www.srs.fs.usda.gov/

State Contacts for Wood Products Producers

Alabama

Bruce Springer
Alabama Forestry Commission
Gardendale
205-631-2552
www.forestry.state.al.us/

Ken Muehlenfeld
Auburn University
Auburn
334-844-1094
www.forestry.auburn.edu

Jimmy Glasgow
Northwest-Shoals Community College
Phil Campbell
907-269-8474
www.acawt.org/

Alaska

Vacant
Alaska Division of Forestry
Fairbanks
907-269-8474
www.dnr.state.ak.us/forestry/

Dan Parrent
Juneau Economic Development Council
Sitka
907-747-5688
www.jedc.org/wood/

Arizona

Arizona State Land Department
Phoenix
602-771-1403
www.land.state.az.us/index.html

Herbert A. "Herb" Hopper III
Little Colorado River Plateau RC&D
Holbrook
928-524-6063

Arkansas

Larry Nance
Arkansas Forestry Commission
Little Rock
501-296-1935
www.forestry.state.ar.us/

David W. Patterson
University of Arkansas
Monticello
870-460-1652
www.afrc.uamont.edu

California

California Dept. of Forestry and Fire Protection
Sacramento
916-653-7772
www.fire.ca.gov/

John Shelly
University of California Cooperative Extension
Richmond
510-665-3491
firecenter.berkeley.edu/people.htm

Colorado

Tim Reader
Colorado Forest Service
Durango
970-247-5250
csfs.colostate.edu/cowood/

Chris Jennings
Colorado Forest Service
Fort Collins
970-491-2958
csfs.colostate.edu/cowood/

Kurt Mackes
Colorado Dept. of Forest, Range, and Watershed Mgmt.
Fort Collins
970-491-4066
csfs.colostate.edu/cowood/

Connecticut

Doug Emmerthal
Connecticut Dept. of Environmental Protection
Division of Forestry
Hartford
860-424-3630
www.dep.state.ct.us/burnatr/forestry/index.htm

Delaware

Sam Topper
Delaware Department of Agriculture
Georgetown
302-856-2893
www.state.de.us/deptagri/

Dot Donnelly
University of Delaware Cooperative Extension
Dover
302-730-4000
ag.udel.edu/extension/renewresources/edprograms.htm

Florida

Jarek Nowak
Florida Division of Forestry
Tallahassee
850-414-9936
www.fl-dof.com/

Marian Marinescu
University of Florida
Milton
850-983-5216
wfrec.ifas.ufl.edu/

State Contacts for Wood Products Producers (continued)

Georgia

John L. Wells
Georgia Forestry Commission
Macon
478-751-3521
www.gatrees.org

Ben Jackson
University of Georgia
Athens
706-542-9051
www.warnell.uga.edu

Risher A. Willard
Georgia Forestry Commission
Claxton
912-739-4734
www.gatrees.org

Hawaii

Hawaii Division of Forestry and Wildlife
Honolulu
808-587-4182
hawaii.gov/dlnr/dofaw

Idaho

Craig Foss
Idaho Department of Lands
Coeur d'Alene
208-769-1525
www.idl.idaho.gov

Illinois

Illinois Department of Natural Resources
Springfield
217-785-8762
www.dnr.state.il.us/conservation/forestry/

Jay C. Hayek
University of Illinois
Urbana
217-244-0534
web.extension.uiuc.edu/forestry/home.html

Indiana

Jeff Settle
Indiana Department of Natural Resources
Brownstown
812-358-2160
www.state.in.us/dnr/forestry/

Dan Cassens
Purdue University Extension
W. Lafayette
765-494-3619
www.agriculture.purdue.edu/fnr/woodresearch/

Iowa

Iowa Department of Natural Resources
Des Moines
515-281-4924
www.iowadnr.com/forestry/

Kansas

David Bruton
Kansas Forest Service
Valley Falls
785-945-6147
www.kansasforests.org/

Kentucky

Larry Lowe
Kentucky Division of Forestry
Frankfort
502-564-4496
www.forestry.ky.gov/

Terry Conners
University of Kentucky
Lexington
859-257-2463
www2.ca.uky.edu/environment

Louisiana

Michael E. Buchart
Louisiana Department of Agriculture and Forestry
Baton Rouge
225-922-1280
www.ldaf.state.la.us/

Todd F. Shupe
Louisiana State University
Baton Rouge
225-388-6432
www.lfpdc.lsu.edu/

Maine

Peter Berringer
Maine Forest Service
Augusta
207-287-2791
www.maine.gov/doc/mfs/

James Philp
University of Maine Cooperative Extension
Orono
207-581-2885
www.umaine.edu/umext/forestry/

Maryland

Dan Rider
Maryland Forest Service
Annapolis
410-260-8583
www.dnr.state.md.us/forests/

State Contacts for Wood Products Producers (continued)

Massachusetts

Gordon Boyce
Massachusetts Dept. of Environmental Management
Amherst
413-253-5634
www.mass.gov/dcr/stewardship/forestry/

Michigan

Anthony Weatherspoon
Michigan Department of Natural Resources
Lansing
517-373-1275
www.michigan.gov/dnr

Minnesota

Keith Jacobson
Minnesota Department of Natural Resources
St. Paul
651-259-5270
www.dnr.state.mn.us/forestry/

Mike Reichenbach
University of Minnesota
Cloquet
218-726-6470
cfc.cfans.umn.edu/index.html

Mississippi

Mississippi Forestry Commission
Jackson
601-359-1386
www.mfc.ms.gov/

Phil Steele
Mississippi State University
Mississippi State
662-325-8083
www.cfr.msstate.edu/forestp/

Duane Motsenbocker
Mississippi State Extension Service
Mississippi State
662-325-2160
msucares.com/forestry

Missouri

John Tuttle
Missouri Department of Conservation
Jefferson City
573-522-4115
mdc.mo.gov/forest/

Montana

Montana Department of Natural Resources and Conservation
Missoula
406-542-4300
dnrc.mt.gov/

Peter Kolb
Montana State University Extension
Missoula
406-243-4705
www.cfc.umt.edu/extensionforestry/

Nebraska

Dennis Adams
Nebraska Forest Service
Lincoln
402-472-5822
www.nfs.unl.edu/

Nevada

Pete Anderson
Nevada Division of Forestry
Carson City
775-684-2512
dcrn.nv.gov/

New Hampshire

New Hampshire Department of Resources and Economic Development
Concord
603-271-2214
www.dred.state.nh.us/

Sara Smith
University of New Hampshire
Durham
603-862-2647
extension.unh.edu/Forestry/Forestry.htm

New Jersey

Edward Lempicki
New Jersey Department of Environmental Protection
Trenton
609-292-2520
www.state.nj.us/dep/parksandforests/

New Mexico

Kim Kosteink
New Mexico Forestry Division
Santa Fe
505-476-3337
www.emnrd.state.nm.us/fd/index.htm

New York

Sloane Crawford
New York Department of Environmental Conservation
Albany
518-402-9415
www.dec.ny.gov/lands/4963.html

State Contacts for Wood Products Producers (continued)

William Smith
State University of New York
Syracuse
315-470-6832
www.esf.edu/cmwpe/wus/

North Carolina

Mike Mann
North Carolina Division of Forest Resources
Raleigh
919-733-2162
www.dfr.state.nc.us/

Joe Denig
North Carolina State University
Raleigh
919-515-5552
www.ces.ncsu.edu/nreos/wood/

Michael Lee
North Carolina State University
Raleigh
919-515-7746
www.ces.ncsu.edu/nreos/wood/

Phil Mitchell
North Carolina State University
Raleigh
919-515-5581
www.ces.ncsu.edu/nreos/wood/

North Dakota

Robert Harsel
North Dakota Forest Service
Lisbon
701-683-4323
www.ndsu.edu/ndfs/

Ohio

Andy Sabula
Ohio Department of Natural Resources
Division of Forestry
Columbus
614-265-6703
www.dnr.state.oh.us/forestry

Oklahoma

Kurt Atkinson
Oklahoma Department of Agriculture, Food, and Forestry
Oklahoma City
405-522-6158
www.ok.gov/~okag/index.htm

Oregon

Oregon Department of Forestry
Salem
503-945-7414
egov.oregon.gov/ODF/

Eric Hansen
Oregon State University
Corvallis
541-737-4240
owic.oregonstate.edu/

Scott Leavengood
Oregon State University
Corvallis
541-737-4212
owic.oregonstate.edu/

John Panches
Oregon State University
Roseburg
541-672-4461
woodscience.oregonstate.edu/

Pennsylvania

Pennsylvania Department of Conservation and
Natural Resources
Harrisburg
717-787-2703
www.dcnr.state.pa.us/

Charles Ray
Pennsylvania State University
University Park
814-865-0679
www.sfr.cas.psu.edu/

D. Wayne Bender
Hardwoods Development Council
Harrisburg
717-772-3715
hardwoods.teampa.com/

Rhode Island

Tom Abbott
Rhode Island Division of Forest Environment
Hope Valley
401-539-2356
www.dem.ri.gov/programs/bnatres/forest/index.htm

South Carolina

Tim Adams
South Carolina Forestry Commission
Columbia
803-896-8802
www.state.sc.us/forest/

South Dakota

Greg Josten
South Dakota Department of Agriculture
Rapid City
605-394-2395
www.state.sd.us/doa/Forestry/

State Contacts for Wood Products Producers (continued)

Tennessee

Doug Schnabel
Tennessee Department of Agriculture
Nashville
615-837-5430
www.state.tn.us/agriculture/forestry/

Adam M. Taylor
University of Tennessee Extension
Knoxville
865-946-1125
wood.tennessee.edu/

Texas

Texas Forest Service
College Station
979-458-6606
txforestservicetamu.edu/

Burl Carraway
Texas A&M University
College Station
979-458-6630
fswweb.tamu.edu/sustainable/article.aspx

Utah

Ron Gropp
Utah Department of Natural Resources
Salt Lake City
801-538-5457
www.ffsl.utah.gov/

Vermont

Paul Frederick
Vermont Department of Forests, Parks, and Recreation
Waterbury
802-241-3698
www.vtfpr.org/

Robert DeGeus
Vermont Department of Forests, Parks, and Recreation
Waterbury
802-241-3671
www.vtfpr.org/

Virginia

Charles W. Becker III
Virginia Department of Forestry
Charlottesville
434-977-1375
www.dof.virginia.gov/

Robert L. Smith
Virginia Tech
Blacksburg
540-231-9759
www.woodscience.vt.edu/

Brian Bond
Virginia Tech
Blacksburg
540-231-8752
www.woodscience.vt.edu/

Washington

Washington Department of Natural Resources
Olympia
360-902-1603
www.dnr.wa.gov/

Jim Freed
Washington State University
Olympia
360-902-1314
ext.wsu.edu/

Vikram Yadama
Washington State University
Pullman
509-335-2262
www.wmel.wsu.edu/

West Virginia

Gregory W. Cook
West Virginia Division of Forestry
Charleston
304-558-2788
www.wvforestry.com/

Shawn T. Grushecky
West Virginia University
Morgantown
304-293-7550
www.cafcs.wvu.edu/wvafes/index.htm

Wisconsin

Terry Mace
Wisconsin Department of Natural Resources
Madison
608-231-9333
www.dnr.state.wi.us/forestry/

Scott Bove
University of Wisconsin
Madison
608-265-5849
www.forest.wisc.edu/

Wyoming

Bill Crapser
Wyoming State Forestry Division
Cheyenne
307-777-7586
sfl-web.state.wy.us/forestry.aspx

Appendix C: State Wood Products Marketing Bulletins

California

Urbanwoods
Urban and Community Forestry Program
909-320-6125
www.ufe.org

Connecticut

Southern New England Stumpage Price Survey Results
UConn Cooperative Extension
860-774-9600
www.canr.uconn.edu/ces/forest/pricesht.htm

Idaho

Station Bulletin
College of Natural Resources
208-885-9663
www.cnrhome.uidaho.edu/forp/

Illinois

Wooden Dollars
Department of Natural Resources
217-785-8774
dnr.state.il.us

Timber Price Survey
Department of Natural Resources
217-785-8774
dnr.state.il.us

Indiana

Licensed Timber Buyers Bulletin
Department of Natural Resources
317-232-4112
www.in.gov/dnr/forestry

Iowa

Iowa Wood Splinters
Iowa Department of Natural Resources
515-281-4924
www.iowadnr.gov/forestry/woodprod.html

Kentucky

Growing Gold
Division of Forestry
502-564-4496
www.forestry.ky.gov

Louisiana

Quarterly Report of Forest Products
Department of Agriculture & Forestry
225-925-4500
www.ldaf.state.la.us/portal/

Louisiana Timber and Pulpwood Production Report
Department of Agriculture & Forestry
225-925-4500
www.ldaf.state.la.us

Massachusetts

Southern New England Stumpage Price Survey
University of Massachusetts
413-545-2665
www.umass.edu/nrc/

Minnesota

The Marketplace Newsletter
Department of Natural Resources
612-296-6491
www.dnr.state.mn.us/publications/forestry/marketplace/index.html

Mississippi

Mississippi Timber Price Report
Mississippi State Extension Service
662-325-3150
msucares.com/forestry/prices/index.html

Missouri

Timber Price Trends
Forestry Division
573-751-4115
mdc.mo.gov/forest/products/

Nebraska

Timber Talk
Nebraska Forest Service
402-472-5822
www.nfs.unl.edu

New Hampshire

Forest Industry Marketing Bulletin
University of New Hampshire
603-862-1096
extension.unh.edu/Forestry/FORIND.htm

New Jersey

Marketing Bulletin
Forestry Services
609-292-2531
www.state.nj.us/dep/parksandforests/

New York

Forest Products Utilization and Marketing Program
Department of Environmental Conservation
518-402-9425
www.dec.ny.gov/lands/4963.html

Ohio

Ohio Timber Price Report
Division of Forestry
614-265-6690
www.oardc.ohio-state.edu/ohiowood/

State Wood Products Marketing Bulletins (continued)

Pennsylvania

Pennsylvania Marketing Bulletin
Pennsylvania Forest Products Association
717-312-1244
www.hlma.org/

Tennessee

Forest Products Bulletin
Department of Agriculture
615-837-5431
www.state.tn.us/agriculture/forestry/marketing.html

Vermont

Forest Exchange and Information Bulletin
Department of Forests, Parks, & Recreation
802-241-3678
www.vtfrp.org/util/for_utilize_bulletin.cfm

West Virginia

Forest Products Bulletin
Division of Forestry
304-558-2788
www.wvforestry.com/

Wisconsin

Woods Marketing Bulletin
Department of Natural Resources
608-275-3276
www.dnr.state.wi.us/forestry/

Appendix D: Wood Products Trade Associations and Organizations

American Association of Woodturners (AAW)

222 Landmark Center
St. Paul, MN 55102
woodturner.org/

American Forest Resource Council (AFRC)

1500 SW First Avenue, Suite 765
Portland, OR 97201
www.amforest.org/

American Hardware Manufacturers Association (AHMA)

801 North Plaza Drive
Schaumburg, IL 60173
www.ahma.org/

American Hardwood Export Council (AHEC)

1111 19th Street NW, Suite 800
Washington, DC 20036
www.ahec.org/

American Home Furnishings Alliance (AHFA)

317 West High Avenue, 10th Floor
High Point, NC 27260
www.ahfa.us/

American Institute of Architects (AIA)

1735 New York Avenue NW
Washington, DC 20006-5292
www.aia.org/

American Institute of Timber Construction (AITC)

7012 South Revere Parkway, Suite 140
Englewood, CO 80112
www.aitc-glulam.org

American Loggers Council (ALC)

PO Box 966
Hemphill, TX 75948
www.americanloggers.org/

American Tree Farm System (ATFS)

c/o American Forest Foundation
Washington, DC 20036
www.treefarmssystem.org/

American Walnut Manufacturers Association, Inc. (AWMA)

PO Box 5046
Zionsville, IN 46077
www.walnutassociation.org/

American Wood Council (AWC)

1111 19th Street NW, Suite 800
Washington, DC 20036
www.forestprod.org/awc/

American Wood Protection Association (AWPA) [formerly the American Wood-Preservers' Association]

PO Box 361784
Birmingham, AL 35236-1784
www.awpa.com/

APA - The Engineered Wood Association (APA)

7011 South 19th
Tacoma, WA 98466
www.apawood.org/

Appalachian Hardwood Manufacturers Inc. (AHMI)

PO Box 427
High Point, NC 27261
www.appalachianwood.org/

Architectural Woodwork Institute (AWI)

1952 Isaac Newton Square West
Reston, VA 20190
www.awinet.org

Arkansas Timber Producers Association (ATPA)

2311 Biscayne Drive, Suite 206
Little Rock, AR 72227
www.arkloggers.com

Aromatic Cedar Association

7915 SW 34th
Oklahoma City, OK 73179
www.acedar.org/

Building Component Manufacturers Conference (BCMC)

6300 Enterprise Lane
Madison, WI 53719
www.bcmcshow.com/

Business and Institutional Furniture Manufacturers Association (BIFMA)

2680 Horizon Drive SE, Suite A-1
Grand Rapids, MI 49546-7500
www.bifma.org/

California Furniture Manufacturers Association (CFMA)

1240 North Jefferson Street, Suite G
Anaheim, CA 92807
www.cfma.com/

Wood Products Trade Associations and Organizations (continued)

Cascade Woodturners Association (CWT)

PO Box 69085
Portland, OR 97239
www.cascadewoodturners.com/

Cedar Shake and Shingle Bureau (CSSB)

PO Box 1178
Sumas, WA 98295-1178
www.cedarbureau.org/

Certified Forest Products Council, Good Wood Directory

14780 SW Osprey Drive, Suite 285
Beaverton, OR 97007-8424
www.metafore.org/index.php?p=Forest_Certification_Resource_Center&s=147

Colorado Forest Products (CFP)

PO Box 33
Lafayette, CO 80026
www.coloradoforestproducts.org/

Composite Panel Association (CPA)

18922 Premiere Court
Gaithersburg, MD 20879-1574
www.pbmdf.com/

Empire State Forest Products Association (ESFPA)

828 Washington Avenue
Albany, NY 12203
www.esfpa.org/

Florida Building Material Association (FBMA)

1303 Limit Avenue
Mount Dora, FL 32757
www.fbma.org/

Greenville Woodworkers Guild (GWG)

GWG Membership Chairman
Greenville, SC 29609
www.greenvillewoodworkers.com/

Hardwood Council

PO Box 525
Oakmont, PA 15139
www.hardwoodcouncil.com

Hardwood Distributors Association (HDA)

c/o Heidler Hardwood Lumber Co.
Chicago, IL 60608
www.hardwooddistributors.net/

Hardwood Forestry Fund (HFF)

1825 Michael Faraday Drive
Reston, VA 20190
www.hardwoodforestryfund.org/?index.php

Hardwood Manufacturers Association (HMA)

400 Penn Center Boulevard, Suite 530
Pittsburgh, PA 15235
www.hmamembers.org/

Hardwood Market Report (HMR)

PO Box 2633
Memphis, TN 38088-2633
www.hmr.com/Public/Default.aspx

Hardwood Plywood and Veneer Association (HPVA)

PO Box 2789
Reston, VA 20195-0789
www.hpva.org

Intermountain Roundwood Association (IRA)

PO Box 1275
Seeley Lake, MT 59868
www.intermountainroundwood.org

Kitchen Cabinet Manufacturers Association (KCMA)

1899 Preston White Drive
Reston, VA 20191-5435
www.kcma.org/

Lake States Lumber Association (LSLA)

500 S Stephenson Avenue, Suite 301
Iron Mountain, MI 49801
www.lakestateslumber.com/

Laminating Materials Association (LMA)

116 Lawrence Street
Hillsdale, NJ 07642
www.lma.org

Lumberman's Association of Texas (LAT)

816 Congress Avenue, Suite 1250
Austin, TX 78701
www.lat.org/

Maine Wood Products Association (MWPA)

PO Box 401
Belfast, ME 04915
www.mwpa.org/

Wood Products Trade Associations and Organizations (continued)

Maple Flooring Manufacturers Association Inc. (MFMA)

60 Revere Drive, Suite 500
Northbrook, IL 60062
www.maplefloor.org/

Metafore Forest Certification Resource Center

The Jean Vollum Natural Capital Center
Portland, OR 97209
www.metafore.org/

Michigan Forest Products Council (MFPC)

216 North Chestnut Street
Lansing, MI 48933
www.michiganforest.com/

Michigan Technological University

1400 Townsend Drive
Houghton, MI 49931-1295
forest.mtu.edu/

Minnesota Forest Industries (MFI)

903 Medical Arts Building
Duluth, MN 55802
www.minnesotaforests.com/

Montana Tree Farm System

PO Box 17276
Missoula, MT 59808
www.mttreefarm.org/

Montana Wood Products Association (MWPA)

21 North Last Chance Gulch
Helena, MT 59624
www.montanaforests.com/

National Association of Floor Covering Distributors (NAFCD)

401 N Michigan Avenue, Suite 2400
Chicago, IL 60611-4267
www.nafcd.org/

National Association of Home Builders (NAHB)

1201 15th Street NW
Washington, DC 20005
www.nahb.org/

National Association of Manufacturers (NAM)

1331 Pennsylvania Avenue NW
Washington, DC 20004-1790
www.nam.org/

National Association of Store Fixture Manufacturers (NASFM)

3595 Sheridan Street, Suite 200
Hollywood, FL 33021
www.nasfm.org/

National Frame Builders Association (NFBA)

4840 Bob Billings Parkway
Lawrence, KS 66049-3862
www.nfba.org/

National Hardwood Lumber Association (NHLA)

PO Box 34518
Memphis, TN 38184-0518
www.nhla.com/

National Home Furnishings Association (NHFA)

3910 Tinsley Drive, Suite 101
High Point, NC 27265
www.nhfa.org/

National Kitchen and Bath Association (NKBA)

687 Willow Grove Street
Hackettstown, NJ 07840
www.nkba.org/

National Lumber and Building Material Dealers Association (NLBMDA)

900 2nd Street NE, Suite 305
Washington, DC 20002
www.dealer.org/

National Sash and Door Jobbers Association (NSDJA)

20 North Wacker Drive
Chicago, IL 60606

National Wood Flooring Association (NWFA)

111 Chesterfield Industrial Boulevard
Chesterfield, MO 63005
www.woodfloors.org/consumer/

New England Architectural Woodwork Institute (NEAWI)

245 1st Street, 18th Floor
Cambridge, MA 02142
www.neawi.org/

Wood Products Trade Associations and Organizations (continued)

NOFMA: The Wood Flooring Manufacturers Association

22 N Front Street, Suite 660
Memphis, TN 38103
www.nwfa.org/member/

North American Building Material Distribution Association (NBMDA)

401 N Michigan Avenue
Chicago, IL 60611
www.nbmda.org/

North American Wholesale Lumber Association (NAWLA)

3601 Algonquin Road, Suite 400
Rolling Meadows, IL 60008
www.lumber.org/

Northeast Lumber Manufacturers Association (NeLMA)

272 Tuttle Road
Cumberland, ME 04021
www.nelma.org/

Northeastern Loggers' Association (NELA)

PO Box 69
Old Forge, NY 13420
www.northernlogger.com/

Northeastern Retail Lumber Association (NRLA)

585 North Greenbush Road
Rensselaer, NY 12144
www.nrla.org/

Northwest EcoBuilding Guild (NWEBG)

PO Box 58530
Seattle, WA 98138
ecobuilding.org/

Oregon Forest Industries Council (OFIC)

PO Box 12826
Salem, OR 97309
www.ofic.com/

Society of American Period Furniture Makers (SAPFM)

6 Irving Road
Wallingford, PA 19086
www.sapfm.org/

Society of Wood Science and Technology (SWST)

One Gifford Pinchot Drive
Madison, WI 53705-2398
www.swst.org/

Softwood Export Council (SEC)

520 SW Sixth Avenue, Suite 810
Portland, OR 97204-1514
www.softwood.org/

Southern Forest Products Association (SFPA)

2900 Indiana Avenue
Kenner, LA 70065
www.sfpa.org/

Window and Door Manufacturers Association (WDMA)

401 N. Michigan Avenue, Suite 2200
Chicago, IL 60611
www.wdma.com

Appendix E: North American Industry Classification System (NAICS) for Wood Products

2002 NAICS Corresponding Index Entries

321 Wood Product Manufacturing

3211 Sawmills and Wood Preservation

- 32111 Sawmills and Wood Preservation
- 321113 Sawmills
- 321114 Wood Preservation

3212 Veneer, Plywood, and Engineered Wood Product Manufacturing

- 32121 Veneer, Plywood, and Engineered Wood Product Manufacturing
- 321211 Hardwood Veneer and Plywood Manufacturing
- 321212 Softwood Veneer and Plywood Manufacturing
- 321213 Engineered Wood Member (except Truss) Manufacturing
- 321214 Truss Manufacturing
- 321219 Reconstructed Wood Product Manufacturing

3219 Other Wood Product Manufacturing

- 32191 Millwork
- 321911 Wood Window and Door Manufacturing
- 321912 Cut Stock, Resawing Lumber, and Planing
- 321918 Other Millwork (including Flooring)
- 32192 Wood Container and Pallet Manufacturing
- 321920 Wood Container and Pallet Manufacturing
- 32199 All Other Wood Product Manufacturing
- 321991 Manufactured Home (Mobile Home) Manufacturing
- 321992 Prefabricated Wood Building Manufacturing
- 321999 All Other Miscellaneous Wood Product Manufacturing

337 Furniture and Related Product Manufacturing

3371 Household and Institutional Furniture and Kitchen Cabinet Manufacturing

- 33711 Wood Kitchen Cabinet and Countertop Manufacturing
- 33712 Household and Institutional Furniture Manufacturing
- 337121 Upholstered Household Furniture Manufacturing
- 337122 Nonupholstered Wood Household Furniture Manufacturing
- 337125 Household Furniture (except Wood and Metal) Manufacturing
- 337127 Institutional Furniture Manufacturing
- 337129 Wood Television, Radio, and Sewing Machine Cabinet Manufacturing

3372 Office Furniture (including Fixtures) Manufacturing

- 33721 Office Furniture (including Fixtures) Manufacturing

3379 Other Furniture Related Product Manufacturing

- 33791 Mattress Manufacturing
- 33792 Blind and Shade Manufacturing
- 337920 Blind and Shade Manufacturing

339 Miscellaneous Manufacturing

3399 Other Miscellaneous Manufacturing

- 33992 Sporting and Athletic Goods Manufacturing
- 339920 Sporting and Athletic Goods Manufacturing
- 33993 Doll, Toy, and Game Manufacturing
- 339931 Doll and Stuffed Toy Manufacturing
- 339932 Game, Toy, and Children's Vehicle Manufacturing
- 33995 Sign Manufacturing
- 33999 All Other Miscellaneous Manufacturing
- 339992 Musical Instrument Manufacturing
- 339995 Burial Casket Manufacturing

www.census.gov/epcd/naics02/

Appendix F: Nongovernmental Organizations Providing Assistance to Wood Products Companies (*examples*)

Arizona

Northern Arizona Wood Products Association (NAWPA)
Holbrook, AZ 86025
928-521-9476
www.nawpa.org/

Arkansas

Arkansas Forestry Association (AFA)
Little Rock, AR 72201
501-374-2441
arkforests.org/

California

Sierra Economic Development District
Auburn, CA 95603
530-823-4703
sedd.org/

The Forest Foundation
Auburn, CA 95603
530-823-3195
www.calforestfoundation.org/

Colorado

Colorado Forest Products
303-604-1020
www.coloradoforestproducts.org/

Colorado Wood Utilization and Marketing Program
csfs.colostate.edu/cowood/

Florida

Florida Forest Stewardship
www.sfrc.ufl.edu/Extension/florida_forestry_information/index.html

Florida Forestry Association (FFA)
Tallahassee, FL 32302
850-222-5646
www.floridaforest.org/

Hawaii

Hawaii Forest Industry Association (HFIA)
Hilo, HI 96721
808-933-9411
www.hawaii-forest.org/

Idaho

Idaho Women in Timber
Lewiston, ID 83501
www.idahowomenintimber.org/

Kentucky

Northern Kentucky Area Development District (NKADD)
Florence, KY 41022-0668
859-283-1885
www.nkadd.org/

Louisiana

Louisiana Forest Products Development Center
Baton Rouge, LA 70803-6202
225-578-4255
www.lfpdc.lsu.edu/people/

Maine

Maine Technology Institute (MTI)
Gardiner, ME 04345
207-582-4790
www.mainetechnology.com/

Maine Wood Products Association (MWPA)
Belfast, ME 04915
207-338-2883
www.mwpa.org/

Maine WoodNet
207-645-2241
www.mainerural.org/about/innovation/sugarwood

Small Woodland Owners Association of Maine (SWOAM)
Augusta, ME 04332-0836
207-626-0005
www.swoam.org/

SugarWood Gallery
207-645-2241
sugarwoodgallery.com/

Michigan

Michigan Association of Timbermen
Newberry, MI 49868
800-682-4979
www.timbermen.org/

Michigan Forest Resource Alliance (MFRA)
Lansing, MI 48933
800-474-1718
www.mfra.org/mfra.php

Upper Peninsula Economic Development Alliance
Escanaba, MI 49829
906-235-0108
www.upeda.org/

Minnesota

Blandin Foundation
Grand Rapids, MN 55744
218-326-0523
www.blandinfoundation.org/

Dovetail Partners, Inc.
Minneapolis, MN 55403
612-333-0430
www.dovetailinc.org/

Nongovernmental Organizations Providing Assistance to Wood Products Companies (examples) (continued)

Minnesota Wood Campaign
Deer River, MN 56636
888-223-5629

www.truenorthwoods.com/mwc.ashx

Natural Resources Research Institute (NRR)

Duluth, MN 55811
218-720-4294

www.nrri.umn.edu/

Missouri

Forest ReLeaf of Missouri
St. Louis, MO 63108
888-473-5323

www.moreleaf.org/

Nebraska

Center for Rural Entrepreneurship
Lincoln, NE 68501-3107
402-323-7339

www.energizingentrepreneurs.org/content/cr.php

New England

New England Forestry Foundation (NEFF)
Littleton, MA 01460
978-952-6856

www.newenglandforestry.org/

Sustainable Forest Futures
Concord, NH 03302
603-229-0679

www.foresteeconomy.org

New Mexico

Cooperative Ownership Development Corporation of Silver City
Silver City, NM 88061
505-388-1604

www.gilawilderness.com/local/newstreegrant.htm

New York

Adirondack North Country Association

Saranac Lake, NY 12983
518-891-6200

www.adirondack.org/

Catskill Watershed Corporation (CWC)

Margaretville, NY 12455
845-586-1400

www.cwconline.org/

Watershed Ag Council: East of Hudson Region
Yorktown Heights, NY 10598
914-962-6355

www.nycwatershed.org

Watershed Ag Council: West of Hudson Region
Walton, NY 13856
607-865-7790

www.nycwatershed.org

North Carolina

North Carolina Rural Economic Development Center
Raleigh, NC 27610
919-250-4314

www.ncruralcenter.org/

Northeast

Northeast Regional Forest Foundation (NRFF)
Brattleboro, VT 05301
802-257-1644

www.nrff.org/

Sustainable Forest Futures
Concord, NH 03302

603-229-0679

www.foresteeconomy.org

Oregon

Economic Development for Central Oregon (EDCO)
Bend, OR 97701
800-342-4135

www.edcoinfo.com/default.aspx

Healthy Forests, Healthy Communities Partnership

Portland, OR 97205
503-221-6911

www.sustainablenorthwest.org/programs/forests/hfhc/

Mid-Willamette Valley Council of Governments

Salem, OR 97301
503-588-6177

www.mwvcog.org/

Wallowa Resources

Enterprise, OR 97828
541-426-8053

www.wallowaresources.org

South

Southern Group of State Foresters (SGSF)

Winder, GA 30680
770-267-9630

www.southernforests.org/

Southern Pine Inspection Bureau (SPIB)

Pensacola, FL 32524-0915
850-434-2611

www.spib.org/

Nongovernmental Organizations Providing Assistance to Wood Products Companies (examples) (continued)

South Dakota

Black Hills Forest Resource Association (BHFRA)
Rapid City, SD 57702
605-341-0875
www.bhfra.org/

United States

Center for International Trade in Forest Products
Seattle, WA 98195-2100
206-543 8684
www.cintrafor.org/

US-China Build Program (USCB)
Tacoma, WA 98402
253-396-0131
www.uschinabuild.org/

Dovetail Partners, Inc.
Minneapolis, MN 55403
612-333-0430
www.dovetailinc.org/

Forest Products Society (FPS)
Madison, WI 53705-2295
608-231-1361
www.forestprod.org

The Furniture Society (FS)
Asheville, NC 28804
828-255-1949
www.furnituresociety.org/furn/

Vermont

Vermont Sustainable Jobs Fund (VSJF)
Montpelier, VT 05602
802-828-1260
www.vsjf.org/

Vermont Wood Manufacturers Association (VWMA)
Rutland, VT 05702
802-747-7900
www.vermontwood.com/

Vermont Wood Products Marketing Council (VWPMC)
Rutland, VT 05702
802-747-7900
www.vermontwood.org/

Virginia/Tennessee

Clinch Powell Sustainable Development Initiative
Abingdon, VA 24212-0791
540-623-1121
[www.sustainable.org/casestudies/virginia/
VA_af_clinch.html](http://www.sustainable.org/casestudies/virginia/VA_af_clinch.html)

Washington

Evergreen Building Products Association (EBPA)
Tacoma, WA 98409
253-396-0131
x.ep.org/

West Virginia

West Virginia Art and Craft Guild
Charleston, WV 25324
304-849-4341
www.wvartcraftguild.com/

Appendix G: Regional Branding and Online Marketing of Wood Products (*examples*)

Name (Total Wood Companies)*	Displays Product Images	Search by Product`	Provides E-Commerce	Certified Wood Products	Web site
Alabama					
Alabama Rural Heritage Foundation (6)	yes	no	no	no	craftsofalabama.com/heritageshopee.htm
Artisans	yes	yes	no	no	www.folkartisans.com/index.html
Alaska					
Polar Presence (14)	yes	yes	yes	no	www.polarpresence.com/
Alaska Native Arts Foundation	yes	yes	yes	no	alaskanativearts.org/
Sitka Historical Society (5)	yes	yes	no	no	www.sitkahistory.org/art-gifts.shtml
Arizona					
Arizona Woodturners Association (65)	yes	no	no	no	azwoodturners.org/
Arizona, Colorado, New Mexico, Utah					
Southwest Community Forestry Caucus	no	no	no	no	ocs.fortlewis.edu/SWCommunityForestry/
Arizona, New Mexico, Tribal					
Southwest Sustainable Forests Partnership	no	no	no	no	www.littlecolorado.net/SWSFP/Index.html
Arizona, Northern					
Northern Arizona Wood Products Association	yes	no	no	no	www.nawpa.org/
Arkansas					
Arkansas Arts Center	yes	yes	yes	no	http://www.arkarts.com/museum_shop/
Arkansas Wood Manufacturers Association	no	no	no	no	http://www.arkwood.org/contactuspage.html
California					
California Furniture Manufacturers Association	no	no	no	no	www.cfma.com/
MendocinoWood working.com (25)	yes	yes	no	no	www.mendocinowoodworking.com/
Woodshanti (1)	yes	no	no	yes	www.woodshanti.com/
Professional Cabinet and Furniture Maker's Guild (26)	yes	no	no	no	www.proguild.com/

*Approximate count of wood companies on each site.

Appendix G: Regional Branding and Online Marketing of Wood Products (examples) (continued)

Name (Total Wood Companies)*	Displays Product Images	Search by Product	Provides E- Commerce	Certified Wood Products	Web site
Colorado					
Colorado Woodworkers Guild (7)	yes	no	no	no	www.coloradowoodworkersguild.com
Georgia					
Foxfire	no	no	no	no	www.foxfire.org/
Hawaii					
Hawaii Forest Industry Association (60)	yes	yes	no	no	www.hawaii-forest.org
Hawaii Wood Guild (10)	yes	no	no	no	www.hawaiiwoodguild.com/
Maui Woodworker's Guild (15)	yes	no	no	no	www.mauiguild.com/
Hale Ku`ai Cooperative (4)	yes	yes	yes	no	www.halekuai.org/index.html
Idaho					
Boise Online Mall.com					www.boiseonlinemall.com/
Northwest Handmade	yes	yes	no	no	www.northwesthandmade.com/
Idaho and Northwest					
Northwest Artists (5)	yes	yes	yes	no	www.forestcraft.com/
Kansas					
Kansas Originals Market (15)	yes	yes	yes	no	www.kansasoriginals.com/
Kentucky					
Berea College Student Crafts Program	yes	yes	yes	no	bereacc.stores.yahoo.net/
Appalachian Heritage Alliance			no store		www.appalachianheritagealliance.org/
Berea College Student Crafts	yes	yes	yes	no	www.berea.edu/studentcrafts/
David Appalachian Crafts (1)	yes	yes	no	no	www.davidappalachiancrafts.com/
Kentucky Appalachian Artisan Center	no	no	no	no	www.artisancenter.net/
Kentucky Artisan Heritage Trails (85)	yes	yes	no	no	www.kaht.com/
Kentucky Craft Marketing Program	no	no	no	no	kycraft.ky.gov/

*Approximate count of wood companies on each site.

Appendix G: Regional Branding and Online Marketing of Wood Products (examples) (continued)

Name (Total Wood Companies)*	Displays Product Images	Search by Product	Provides E- Commerce	Certified Wood Products	Web site
Kentucky Folk Art Center (10)	yes	yes	yes	no	www.morehead-st.edu/kfac/
Kentucky Guild of Artists and Craftsmen (20)	yes	no	no	no	www.kyguild.org/
Kentucky Museum of Art and Craft (25)	yes	yes	yes	no	www.kentuckyarts.org
Kentucky Wood Products Competitiveness Corporation					www.woodproductsmall.com/
Poor Fork Arts and Crafts Guild, Inc.	yes	no	no	no	www.kingdomcome.org/destinations/cumberland/poor-fork-arts-crafts.html
Red Bird Mission Craft Store					www.rbmission.org/
Southern Highland Craft Guild (30)	yes	yes	yes	no	www.southernhighlandguild.com/
Three Pointe Studio (1)	yes	no	no	no	www.geocities.com/mttabor2002/3pointestudio.html
Shaker Village of Pleasant Hill, Kentucky	yes	yes	yes	no	www.shakervillageky.org/
Maine					
Maine Made (72)	yes	yes	no	no	www.mainemade.com/
A Downeast Guide, Maine's On-line Vacation Guide					downeastguide.43north.com/Pages/furniture_design_in_maine.lasso
Crown of Maine NETWORKS					www.crownofmaine.com/maine-products/product_index.php
Dirk Leach Rustic Arts (1)	yes	yes	no	no	dirkleach.com/
Freeport, Maine					www.freeportusa.com/FreeportFurniture.html
Geoffrey Warner (1)	yes	yes	no	no	www.geoffreywarnerstudio.com/
Green Design Furniture (1)	yes	yes	yes	yes	www.greendesigns.com/
Maine Artist Virtual Exposition (2)	yes	no	no	no	art.maine-web.com/

*Approximate count of wood companies on each site.

Appendix G: Regional Branding and Online Marketing of Wood Products (examples) (continued)

Name (Total Wood Companies)*	Displays Product Images	Search by Product[†]	Provides E- Commerce	Certified Wood Products	Web site
Michigan					
BuyMichiganProducts.com (5)	no	yes	no	no	www.buymichiganproducts.com/Public/Index.php
Minnesota					
True North Woods	yes	yes	no	no	www.minnesotawoodcampaign.com
Minnesota/North Dakota					
Minn-Dak Woodturners Association	no	no	no	no	www.minndakwoodturners.com/
Montana					
Linda's Montana Gifts and Gallery (5)	yes	yes	yes	no	www.lindasmontanagifts.com/index.cfm
Made in Montana Catalog	yes	yes	yes	no	www.montanacatalog.com/
MadeInMontanaStore.com (1)	yes	yes	yes	no	www.madeinmontanastore.com/storefront/catalog/index.php
Montana Artists (3)	yes	yes	no	no	www.montana-artists.com
Montana Department of Commerce (80)	no	yes	no	no	www.madeinmontanausa.com/
Montana Made Gifts (3)	yes	yes	no	no	www.montanamadegifts.com
Native Timber Log Furniture (1)	yes	yes	no	no	www.nativetimberlogfurniture.com/
OneWay Advertising and Design (2)	yes	yes	yes	no	www.themontanastore.com
Native American					
Great Trading Path (1)	yes	yes	yes	no	greattradingpath.com/catalog/
New England					
Best of New England (75)	yes	yes	yes	no	www.bestofnewengland.com/
New Hampshire					
New Hampshire Furniture Masters Association (25)	yes	yes	no	no	www.furnituremasters.org/
League of NH Craftsmen	no	no	no	no	www.nhcrafts.org/

*Approximate count of wood companies on each site.

Appendix G: Regional Branding and Online Marketing of Wood Products (examples) (continued)

Name (Total Wood Companies)*	Displays Product Images	Search by Product`	Provides E- Commerce	Certified Wood Products	Web site
New Jersey					
Unfinished Furniture Association	no	no	no	no	www.unfinishedfurniture.org/
New York					
Long Island Woodworkers' Club (33)	no	no	no	no	www.liwoodworkers.org/
Rochester Woodworkers Society (55)	yes	no	no	no	www.rochesterwoodworkers.org/
Custom Made Furniture (1)	yes	no	no	no	www.custom-made-furniture.com
New York, Catskills					
Made in the Catskills					www.madeinthecatskills.com/
New York, Finger Lakes					
Greater Ithaca Art Trail (2)	yes	yes	no	no	www.arttrail.com/index.html
New York, Rochester Area					
Rochester Folk Art Guild (1)	yes	yes	yes	no	www.rfag.org/
New York, Upstate					
AdirondackCraft.com (30)	yes	yes	yes	no	www.adirondackcraft.com
North Carolina					
North Carolina Mountain Made (40)	yes	yes	yes	no	www.ncmtnmade.com/
The Furniture Society	no	no	no	no	www.furnituresociety.org/
North Dakota					
Pride of Dakota (6)	yes	yes	yes	no	www.prideofdakota.com/

*Approximate count of wood companies on each site.

Appendix G: Regional Branding and Online Marketing of Wood Products (examples) (continued)

Name (Total Wood Companies)*	Displays Product Images	Search by Product	Provides E- Commerce	Certified Wood Products	Web site
Oregon					
Guild of Oregon Woodworkers (8)	yes	no	no	no	www.guildoforegonwoodworkers.com/
Made In Oregon (10)	yes	yes	yes	no	www.madeinoregon.com/searchresult.aspx?CategoryID=446
OregonMaiden.com (2)	yes	yes	yes	no	stores.oregongiftshop.com/StoreFront.bok
Southern Oregon Guild (8)	yes	yes	no	no	www.southernoregonguild.org/
The Real Mother Goose (6)			no		www.therealmothergoose.com/
Pennsylvania					
Lehigh Valley Craftsmen (1)	yes	yes	no	no	www.lvcraftsguild.org/On-Line_Gallery/Wood/wood.html
South Dakota					
Made in South Dakota (30)	yes	yes	yes	no	www.madeinsouthdakota.com/
Tennessee					
Tennessee Overhill Heritage Association (5)	no	no	no	no	www.tennesseeoverhill.com/
Foothills Craft Guild (50)	no	yes	no	no	www.foothillscraftguild.org/
Texas					
Fine Woodworkers of Austin (7)	no	no	no	no	www.finewoodworkersofaustin.org/
United States					
CustomMade.com	yes	yes	no	no	www.custommade.com/
The Arts and Crafts Society (20)	no	yes	no	no	www.arts-crafts.com

*Approximate count of wood companies on each site.

Appendix G: Regional Branding and Online Marketing of Wood Products (examples) (continued)

Name (Total Wood Companies)*	Displays Product Images	Search by Product	Provides E- Commerce	Certified Wood Products	Web site
Vermont					
Vermont WoodNet, Inc. (9)	yes	yes	yes	yes	www.vtwoodnet.org/
The Vermont Artisan Network	yes	yes		no	www.vtartnet.com/
Vermont Crafts Council (75)	yes	yes	no	no	www.vermontcrafts.com/
Vermont Handcrafters, Inc. (20)	yes	yes	no	no	www.vermonthandcrafters.com/
Guild of Vermont Furniture Makers (30)	yes	yes	no	no	www.vermontfurnituremakers.com/
Virginia					
banders.com (6)	no	no	no	no	www.banders.com/stateofmine/madeinva/madeinva.asp
Washington, Oregon, California, Montana, Idaho					
Northwest Fine Woodworking (24)	yes	yes	no	no	www.nwfinewoodworking.com/
Wisconsinmade.com (14)	yes	yes	yes	no	www.wisconsinmade.com/
West Virginia					
MountainMade (10)	yes	yes	yes	no	www.mountainmade.com/
Lost River Craft Cooperative and Museum	yes	no	no	no	www.lostrivercraft.com/
Wheeling Artisan Center	no	no	no	no	www.artisancenter.com/
Tamarack: The Best of West Virginia (15)	yes	yes	yes	no	www.tamarackwv.com/
Wyoming					
Wyoming First (25)	yes	yes	no	no	www.wyomingfirst.org/

*Approximate count of wood companies on each site.