

## Organization Nominated: Weyerhaeuser Company

### The Issue: Northern Spotted Owl

#### 1. Description of The Issue:

In the early 1990s the timber harvest restrictions to protect habitat for the northern spotted owl (a threatened species under the Endangered Species Act) began to have a dramatic impact on private timberland owners in the Pacific Northwest.

#### 2. Importance:

As the largest private timberland owner in the Pacific Northwest, Weyerhaeuser Company has tremendous financial and public stakeholder risks:

- Over 400 northern spotted owls inhabit our tree farms.
- Proposed 1992 federal rules would restrict our ability to harvest on over 400,000 acres of our private tree farms.
- In excess of \$1 billion of assets were at stake.
- Several sawmills were at risk, with corresponding risks to employees and rural communities.
- Other groups were setting the agenda – we were on the defensive with our long-term image and integrity at risk.

#### 3. Levels of Organization Participating in Issue:

- President, chairman, and senior management team:
  - Set policy; e.g., what is an acceptable level of financial impact
  - Meeting with top White House officials and key members of Congress
  - “Town Hall” meetings within affected communities.
  - Allocate resources.
- Vice president of staff organizations (research, law, communications, government affairs, office of environment):
  - Approve plans/strategy and help implement
  - Direct organizational support
- Business vice presidents:
  - Recommend policy, consider alternatives, document financial impacts.
- Issue manager and cross-functional issue team (12).
- Project administrative support.
- Public survey coordination.

#### 4. Constituent Groups:

- Internal
  - Employees
  - Retirees
  - Stockholders
- External
  - Various environmental groups.
  - Others in industry without similar research capabilities.

- A few others in industry with similar capabilities and motives.
- Others in industry, dependent on public timber purchases who desire “pain” to be shared between public and private lands.
- Small non-industrial tree farmers.
- Communities and community groups.
- Elected official at *all* levels.
- Agency officials at *all* levels (U.S. Fish and Wildlife Service, National Marine Fisheries Service, Environmental Protection Agency).
- \*\* Policy makers
- \*\* Biologists
- \*\* Attorneys
- Customers
- Suppliers
- Media

## 5. Constituent Concerns—Strategy:

During this period, Weyerhaeuser Company embarked on an aggressive program to better understand public perception of the company how it could do a more effective job of communicating with selected audiences what we were in doing in our forests and in our facilities. The findings of that research project *dramatically* altered what we communicate and how we communicate. It also underscored the need for to break from the industry-wide approach on issues like the northern spotted owl when we can provide leadership to forge a win-win solution.

Initial issue-related strategies focused on: 1) improving our relationships with key agency biologists and attorneys; 2) building a climate of goodwill and trust with key policy makers in multiple federal agencies selected state agencies; 3) packaging our internal research on the northern spotted owl (the most thorough and long-standing of anyone, anywhere) into a “bullet-proof” and easily understandable package (including white papers, brochures, papers, 3-D computer modules, videos, etc.); and 4) keeping our employees fully informed about what was at risk and what we were doing to find solutions.

## 6. Issue Management Objectives:

A system was created, sponsored by the company’s corporate issue management program, to provide adequate resolution to the Northern Spotted Owl issue, including:

- **Revising habitat management requirements** - The federal agencies’ recommended steps to protect the owl were based on outdated information. Weyerhaeuser supports a process where science-based information leads to site-specific prescriptions beneficial to the species – an approach similar to that taken with the bald eagle.
- **Limiting critical habitat areas to federal lands** – Private lands should not be designated as “critical habitat” (under the Endangered Species Act). There is more than enough sufficient habitat on federal forestlands to sustain a viable spotted owl population.
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- **Revising the owl-circle “guidelines”** -- While Weyerhaeuser is willing to protect spotted owl nesting sites on Weyerhaeuser land, the proposed owl-circle requirements threaten to restrict harvesting on up to 10 percent of the company’s timberland in Oregon and Washington. Revised regulations are needed to both protect owl habitat and allow private landowners the flexibility to operate in owl-habitat areas.
- **Compensating private forest landowners** - The government’s plan to protect the owl is placing unprecedented restrictions on private forestland management. If federal

or state governments need to restrict private forestland management in order to protect threatened or endangered species, landowners should be compensated for any losses they are required to bear.

## **7. Issue Management Contribution – Overall:**

Weyerhaeuser's corporate issue management process works to ensure issues of corporate-wide significance are addressed:

- Identify and determine priority issues.
- Ensure a structured and efficient process is in place to manage our participation in these issues.

Success measures include:

- Establishing public policies that enhance the company's bottom line.
- Modifying adverse regulations or legislation.
- Aligning internally diverse business interests.
- Managing our external "capital" (public, political, media, regulatory, etc.).
- Allocating resources to the "vital few" issues.
- Accomplishing documented issue-related objectives and desired outcomes.
- Managing through-put time.
- Cultivating a high degree of teaming.
- Ensuring a unified Weyerhaeuser speaks with one voice to the external world on priority issues.
- Celebrate successes and learn from short-comings.

## **8. Issue Management Contribution – Northern Spotted Owl Issues:**

Through a three-year long effort, Weyerhaeuser Company:

- Dramatically reduced the financial impact on the company (by over 90%).
- Created a cooperative relationship with agency personnel built on trust.
- Established a sound, science-based recovery plan that will help to reestablish the northern spotted owl in the Pacific Northwest.
- Timber supply for the affected mills has been secured, eliminating the need to curtail or close operations.
- Redefined our relationship with key agencies that will have long-term beneficial impact. (Note: We have just filed, with agency support, a multi-species habitat conservation plan for our Western Oregon timberlands as a way to prevent similar problems in the future.)

Nomination Submitted by:  
Weyerhaeuser

Issue Management Council (IMC)  
207 Loudoun Street S.E., Leesburg, Virginia 20175-3115  
United States of America  
Telephone: (703) 777-8450 • Fax: (703) 777-8484  
E-mail: [Info@issuemanagement.org](mailto:Info@issuemanagement.org)