

Sustainable Forestry Initiative Inc. (SFI)

Quarter 3 Report

July 1 – September 30, 2015

Delivered November 2015

Methodology

Objective

Edelman Berland conducted targeted research on media coverage related to SFI Inc. and FSC. This research explored the quality and quantity of the coverage within traditional news outlets, with the intent to demonstrate to SFI the successes and opportunities for improvement in its communication programs and set a benchmark regarding perceptions among key media.

Time Frame and Content Sources

This analysis is based on a statistically-significant sample of traditional online news items that appeared from July 1, 2015 through September 30, 2015.

- Coverage was sourced using standard Edelman Berland tools and represents online versions of daily newspapers, wires, local media, trade publications and additional key online properties in the U.S. and Canada. Note, the report does not capture radio and/or television placements.
- For the SFI Q3 2015 Report, Edelman Berland collected **661** traditional news articles from online sources for SFI and **2,215** articles for FSC. This reflected a total volume of 2,658 articles, allowing for some coverage to include both organizations. These volumes have been used for the share of voice and volume over time charts.
- While market research industry's standard is to sample to a 95 percent confidence level with a five percent margin of error, we improved on this margin. We set a minimum sample size of 651 to ensure that there was a broad cross-section of coverage. This translated to a 3.34 percent margin of error. In reality, we coded 196 relevant articles for SFI and 515 for FSC based on random sampling techniques. In addition, we included some smart searches to ensure some validation to our findings.

Article Type

Each article was assigned an article type – press release (including syndication) or non-press release reporting.

Mention Type

Each article was assigned a mention type for SFI and FSC, including:

- Feature – SFI and/or FSC was the main point of discussion within the article.
- Partial – SFI and/or FSC was detailed in the article but was not the primary focus.
- Passing – SFI and/or FSC was mentioned in passing within the article and was not heavily detailed.

Methodology (cont.)

Tone

Each article was assigned an overall positive, negative or neutral rating based on the language used surrounding the portrayal of SFI and/or FSC.

Publication Tier

Each publication was assigned a tier based on the following specifications:

- Tier 1 – Top 25 DMA according to [Burrelles Luce](#) Top Media List 2014; top national and trade publications according to Edelman
- Tier 2 – Local news affiliates and online news sources
- Tier 3 – Trade publications including Beltway, Biofuels, Printing, Packaging, Conservation & Environment, Forestry, Green Building and additional trade sources

Topic

Each article was assigned one or more topics. Topics include:

- Market Access – Products using certified materials
- Standard for Responsible Forestry – Proof point for responsible forestry
- Sustainable Communities and Forests – Community engagement, youth outreach, First Nations discussion
- Forest Conservation – Conservation efforts
- Organizational Independence – Independent status recognized
- Opposition Groups – Negative campaigns and organizations that work to undermine SFI and/or FSC

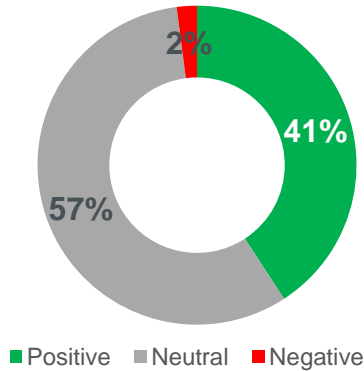
Notes

***Percentage point:** Percentage point data is the comparison of percent to percent. This is different than “percent” data points, which are calculated based on raw numbers. Due to the application of data sampling techniques used throughout the majority of the report, most data points will be “percentage point” changes rather than “percent” comparisons as we are comparing percent changes.

Executive Summary

Key Findings & Recommendations

Favorability of SFI Discussion



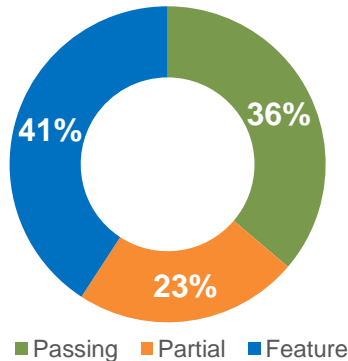
Drivers of conversation

- The Guinness World Records tree planting initiative contributed to positive conversation both through syndication of the official press release as well as original reporting on outlets such as Inquisitr and William Lakes Tribune.
- The Muckleshoot Tribe press release encouraged long term sustainability and strengthening ties to tribal communities, leading positive conversation.

Recommendations:

- SFI should continue to amplify visible events similar to the tree planting initiative, which was well received for its conservation awareness objectives.

SFI Discussion by Mention Type



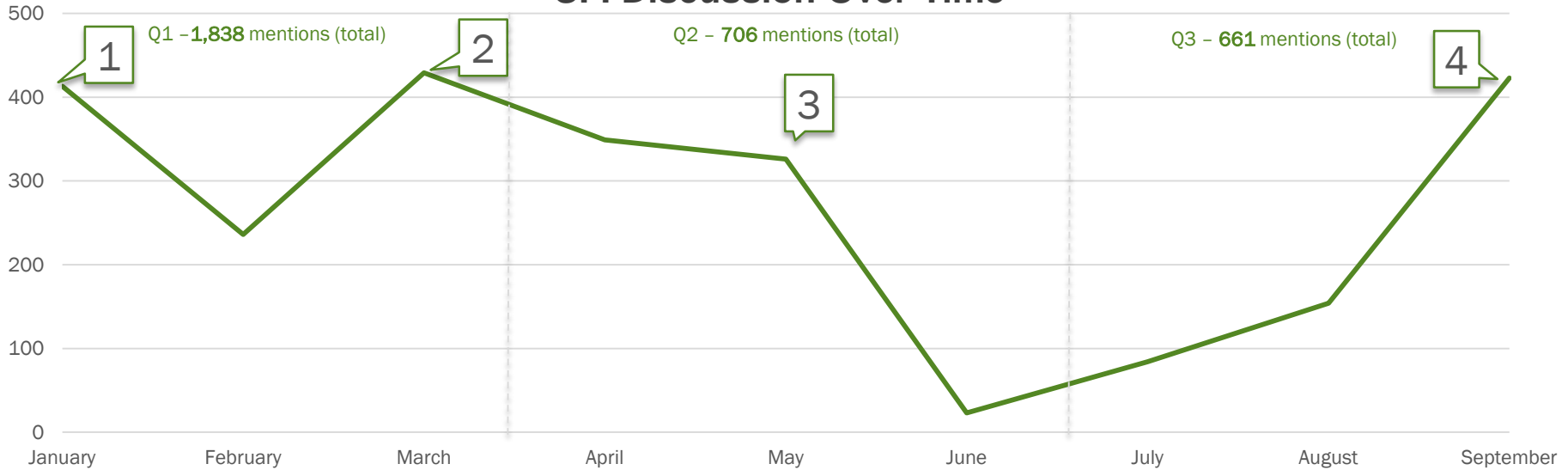
Drivers of conversation

- SFI issued four press releases in September, including the partnership between SFI and NWTF for forest health, which detailed SFI's conservation efforts at length and drove feature coverage.
- Press releases also highlighted SFI's certification of the Tate's Hell State Forest and Blackwater River State Forest in Florida, contributing to feature coverage. The topic also saw feature, non-press release reporting.
- KapStone Paper's 2014 Sustainability Progress Report detailed its SFI certification, resulting in a high share of partial mentions.

- Outside of press releases, executive op-eds present an opportunity to continue to drive feature coverage. While SFI's President and CEO Kathy Abusow has been previously published in top-tier outlets, there is an opportunity to engage SFI's executive leadership team on relevant topics to help establish SFI as an environmental thought leader.

Key Findings & Recommendations

SFI Discussion Over Time



SFI Coverage Drivers

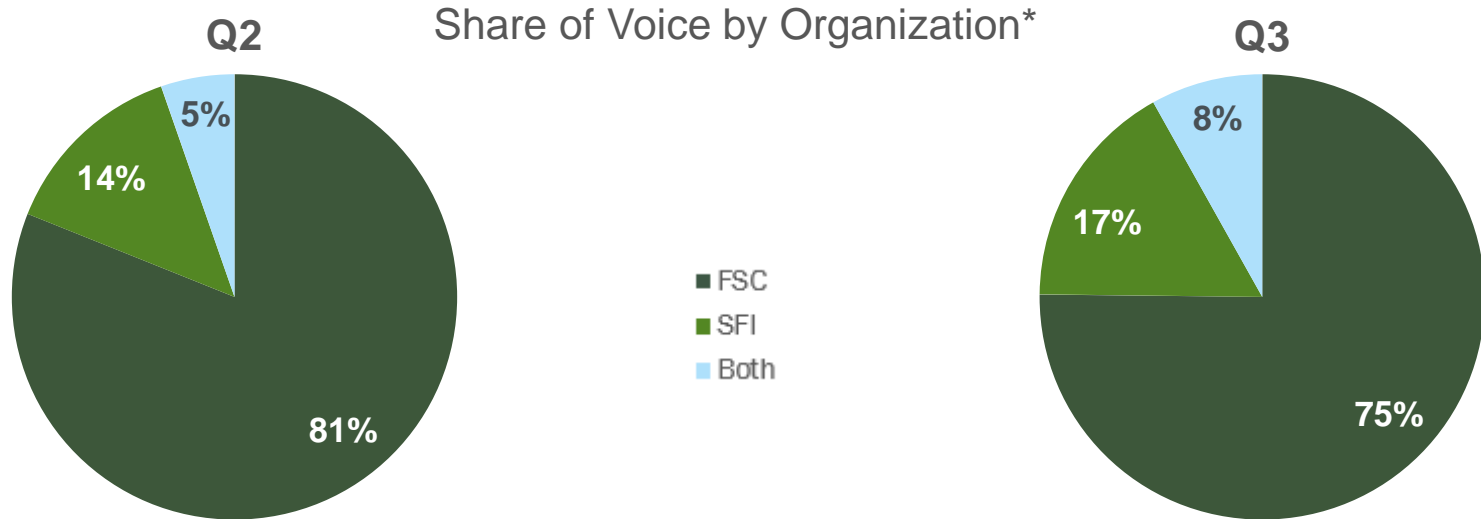
1. Official release of new 2015-2019 Standards drove positive coverage through press release syndication and original reporting in January.
2. SFI-certified materials in consumer products drove market access coverage, external press releases saw high levels of syndication.
3. SFI's attempt to set the new tree planting world record drove favorable conversation in May.
4. SFI-issued press releases announcing Muckleshoot Tribe certification and the official Guinness World Record for tree planting drove a spike in September.

Recommendations:

- To drive conversation in the summer months, there is an opportunity to not only leverage events and announcements but also proactively mine for unique story angles.

SFI and FSC Coverage Volumes

- SFI's share of voice increased three percentage points in Q3**, as did coverage mentioning both organizations. SFI saw considerably less reporting this quarter compared to the equivalent quarter in 2014 (661 mentions in Q3 2015 compared to 1,541 mentions in Q3 2014). Similarly, FSC saw significantly less coverage this quarter compared to last year (2,215 mentions in Q3 2015 compared to 3,762 mentions in Q3 2014).



Top SFI Coverage Drivers in Q2

- "Sustainable Forestry Initiative Brings Teams from Across North America to Break a World Record for a Cause"
- "Sustainable Forestry Initiative and Habitat for Humanity Partner to Provide New Home for Local Greenwood Family"
- "Staples Canada Releases 2014 Sustainability Achievements"
- "The Sustainable Forestry Initiative Welcomes Four New Board Members Representing Environmental, Social and Economic Interests"
- "White House Easter Egg Gift Box Certified to the SFI Standard"

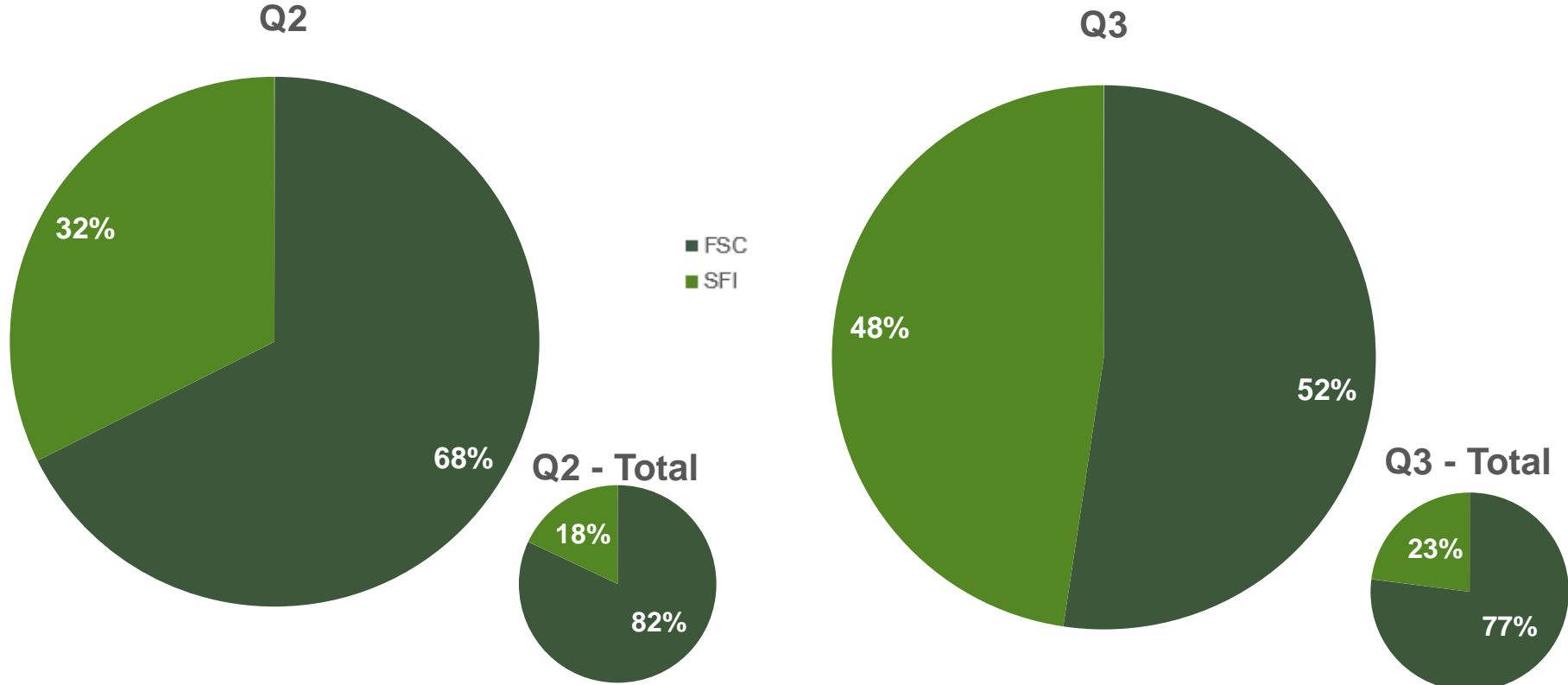
Top SFI Coverage Drivers in Q3

- "SFI Sets a GUINNESS WORLD RECORDS® Title One Tree at a Time: Officially Amazing"
- "Muckleshoot Tribe Chooses SFI Certification to Enhance Long-Term Sustainable Timber Harvest and Support Cultural Values"
- "KapStone Reports on 2014 Sustainability Progress"
- "Catalyst Paper Re-launches Oxford C1S and the Expanded Coated Paper Line-Up"
- "Twin Rivers Paper Company Launches Twin Rivers Offset 92 Stocking Program"

SFI and FSC Non-Passing Coverage Volumes

- When excluding passing mentions, SFI's share of the conversation increased from 23 percent total to 48 percent. In-depth SFI reporting included internal press release syndication as well as original coverage surrounding the tree planting record. Note, while it appeared that FSC had a higher share of voice than SFI in Q3, the bulk of FSC's coverage was passing mentions within external press releases mentioning FSC-certified products. FSC saw considerable less conversation when those types of mentions are removed.

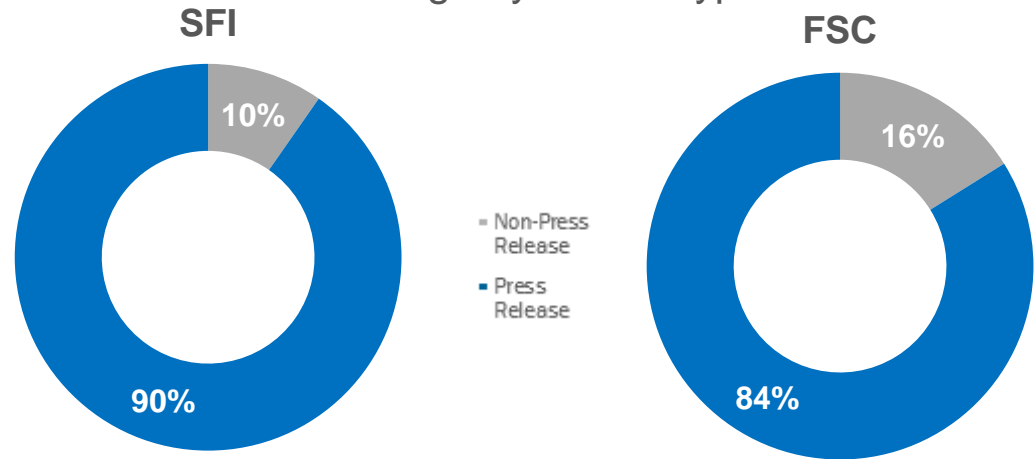
Share of Voice by Organization*



SFI and FSC Coverage Volumes

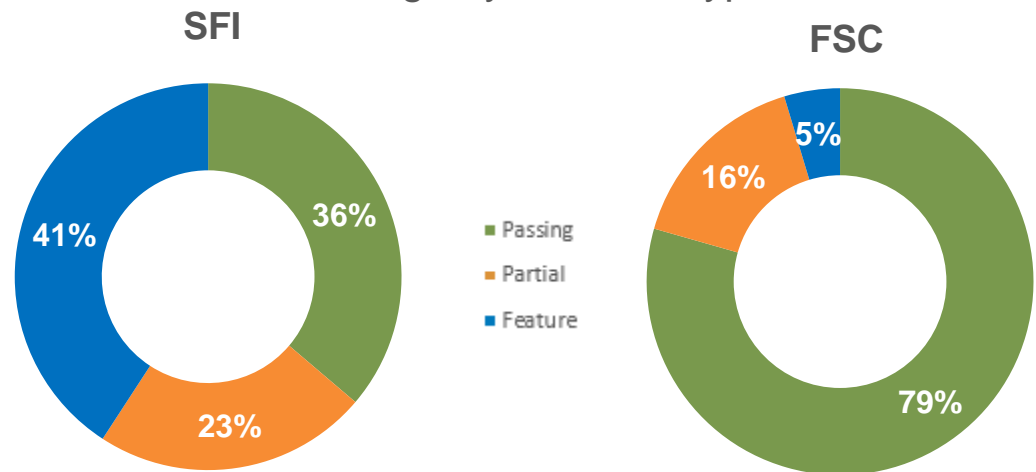
- SFI issued four press releases in Q3, accounting for 62 percent of total SFI coverage. External press releases included passing market access mentions of products with SFI certification. **Non-press release conversation highlighted the tree-planting world record and increased five percentage points when compared with Q2.**
- The majority of FSC press release coverage surfaced on external press releases, with FSC posting only two press releases in Q3. Notable original coverage included an op-ed by FSC President Corey Brinkema titled “Forests For All Forever,” which earned syndication across a number of environmental outlets.

Coverage by Article Type*



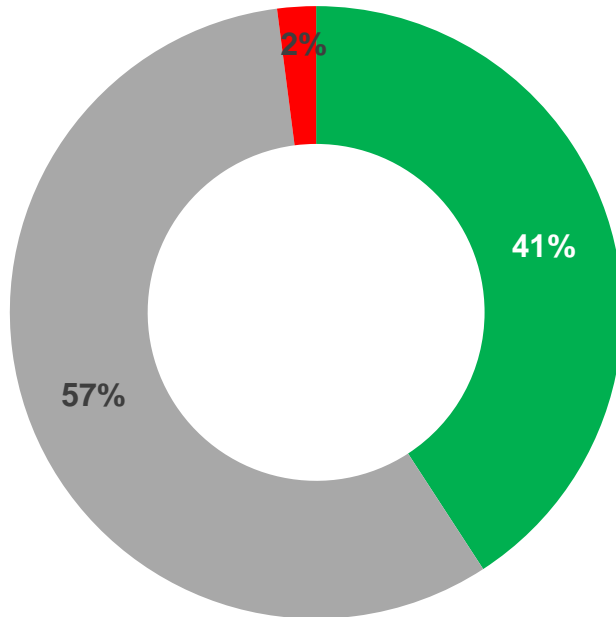
- When excluding passing mentions, SFI saw a 25 percent jump in share of conversation as 64 percent of coverage was non-passing.** Original feature conversation highlighted the tree-planting world record, new certifications that discussed objectives of the SFI standards in detail and general standards discussion. The Kapstone 2014 Sustainability Report drove the bulk of SFI partial mentions in Q3, which increased 22 percentage points from Q2.
- Passing market access mentions comprised the majority of FSC content (79 percent), increasing 11 percentage points from Q2. Partial coverage highlighted goals and objectives of FSC within announcements of new certified products.

Coverage by Mention Type**



SFI and FSC Sentiment

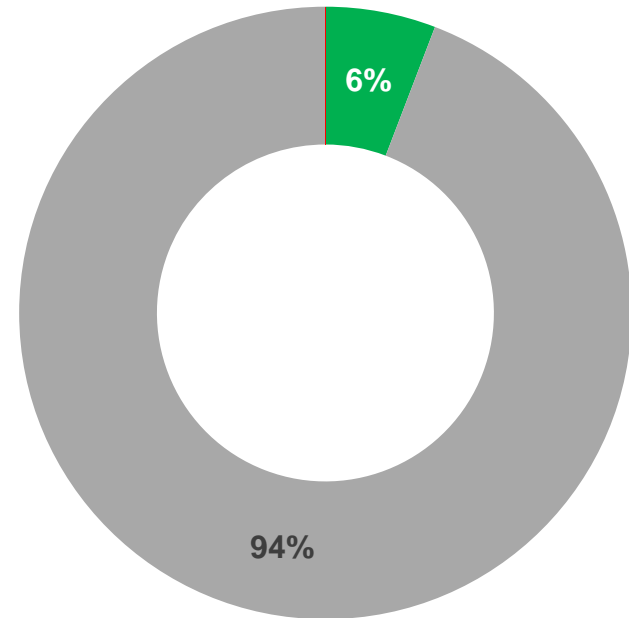
Favorability of **SFI** Discussion*



■ Positive ■ Neutral ■ Negative

- SFI issued press releases announcing the Guinness World Record and Muckleshoot Tribe certification, driving the bulk of positive coverage. Passing market access mentions in external press releases comprised neutral coverage, which increased 27 percent in Q3. Criticism from ForestEthics made up minimal negative coverage, which took aim at SFI's new standards.

Favorability of **FSC** Discussion**



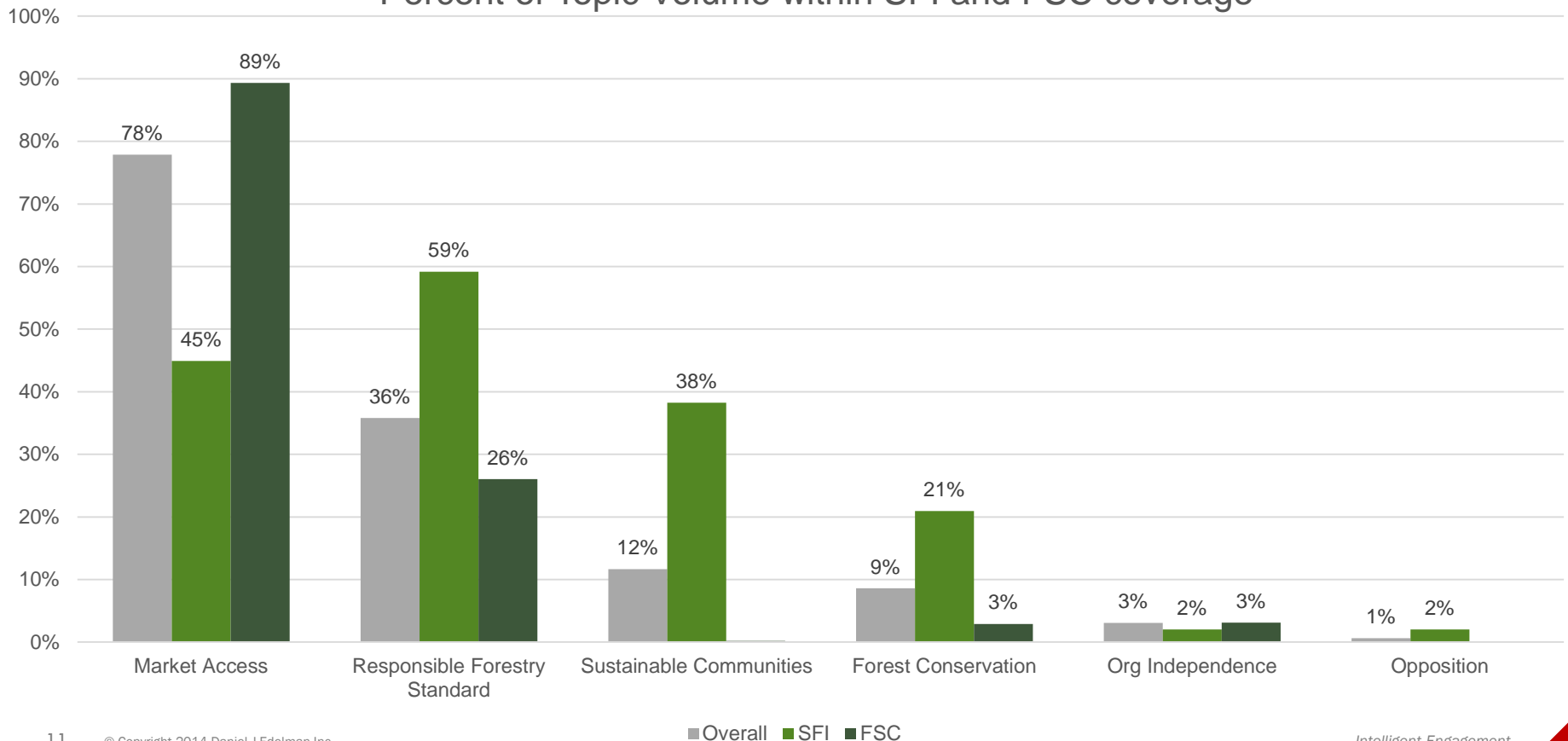
■ Positive ■ Neutral ■ Negative

- Passing market access mentions drove neutral coverage, which increased 23 percentage points over Q2. A Huffington Post op-ed by FSC President Corey Brinkema, praise from Greenpeace on African conservation efforts and AdvantageLumber earning a FSC certification drove minimal yet prominent positive coverage.

SFI and FSC Topic Volume

- SFI-issued press releases addressed multiple topics, giving the organization significant lead over FSC in a number of topics,** including responsible forestry standards, sustainable communities and forest conservation. FSC remained the most prevalent organization within market access space due to external press releases from mostly paper companies announcing FSC certifications. Manufacturing facilities, IKEA Canada and packaging companies also issued press releases noting FSC-certified products in passing. Market access coverage presents an opportunity for growth for SFI.

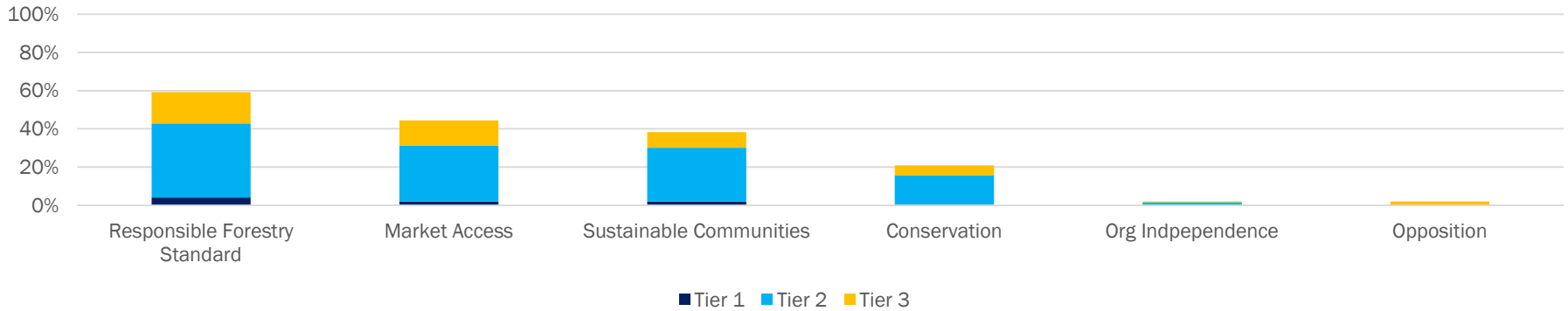
Percent of Topic Volume within SFI and FSC coverage*



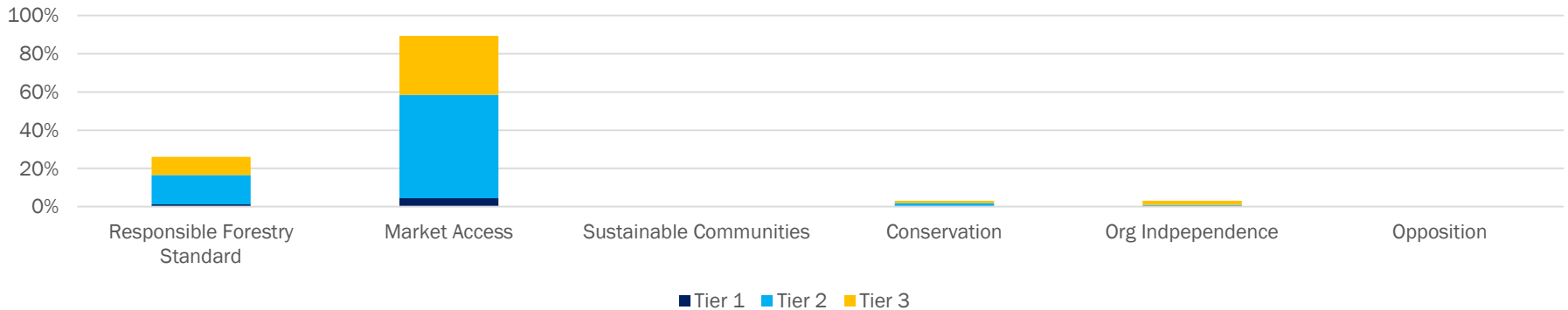
Topic Volume

- Press release syndication on tier 2 local news outlets made up the majority of SFI coverage. Select tier 1 outlets, including Yahoo! Finance, Bloomberg and Reuters, also published SFI-issued press releases, driving visibility of SFI's responsible forestry and sustainability efforts through its association with the Muckleshoot Tribe and TwinRivers Paper Company. Similarly, FSC saw external press release syndication on the same tier 1 outlets, as well as original content on Examiner, CBC News and Huffington Post.

Percent of Topic Volume within **SFI** coverage by Publication Tier*



Percent of Topic Volume within **FSC** coverage by Publication Tier*



Outlets Publishing Original Content

Outlet	Headline	Organization Mentioned / Context
Paper Specs	<i>"Conservation Through Research, Grants & Responsible Forest Management"</i>	SFI – Reporting on grant applications
Oyster Radio	<i>"The Tate's Hell State Forest and the Blackwater River State Forest have now been certified through the Sustainable Forestry Initiative"</i>	SFI – Reporting on new certification
Inquisitr	<i>"Sustainable Forestry Initiative: Non-Profit Organization Sets Record By Planting 200,000 Trees In One Hour"</i>	SFI – Reporting on tree-planting initiative
Williams Lake Tribune	<i>"West Fraser tree planting effort helps break world record"</i>	SFI – Reporting on tree-planting initiative
CKNI	<i>"NB Tree Planters Set Guinness World Record"</i>	SFI – Reporting on tree-planting initiative
Earth 911	<i>"Pet Food Co. Committed To Limiting Environmental Paw Print"</i>	SFI – Passing market access mention
Parsons Sun	<i>"Flesh Co. team improves Press 400 in Parsons"</i>	Both – Passing market access mention
RIS Info	<i>"Greatview Aseptic Packaging receives 100% FSC certification"</i>	Both – Passing market access mention