

Western Regional Meeting President's Remarks

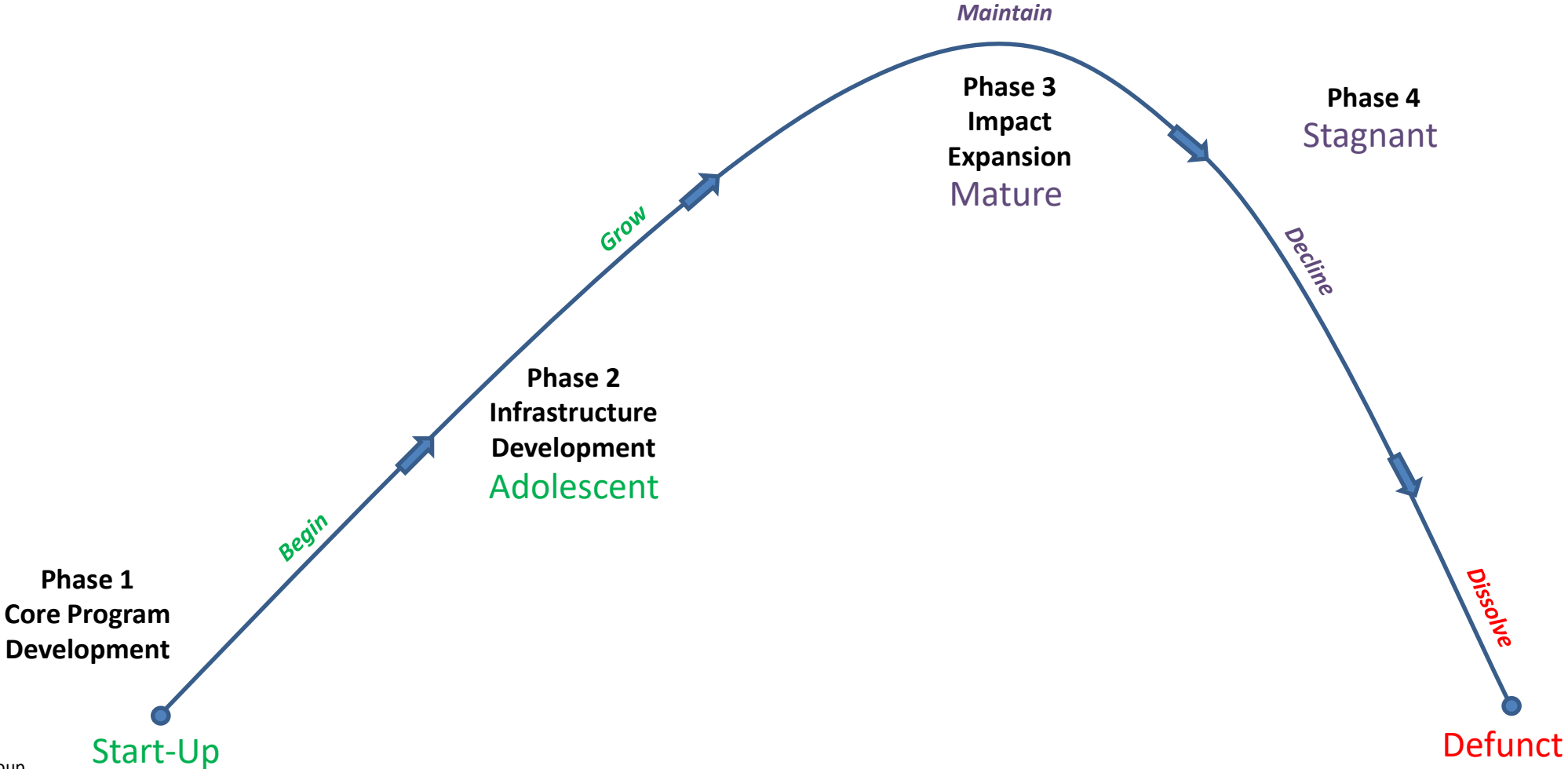
Dirk J. Krouskop
September 27, 2016

THE CHALLENGE

Forest Product Industry Challenges

- Bankruptcies
- Mergers
- Consolidation
- Fragmentation
- Shutdowns
- Declining margins
- Global competition

Nonprofit Lifecycle Model



Source: TCC Group

Challenges for Nonprofit Associations

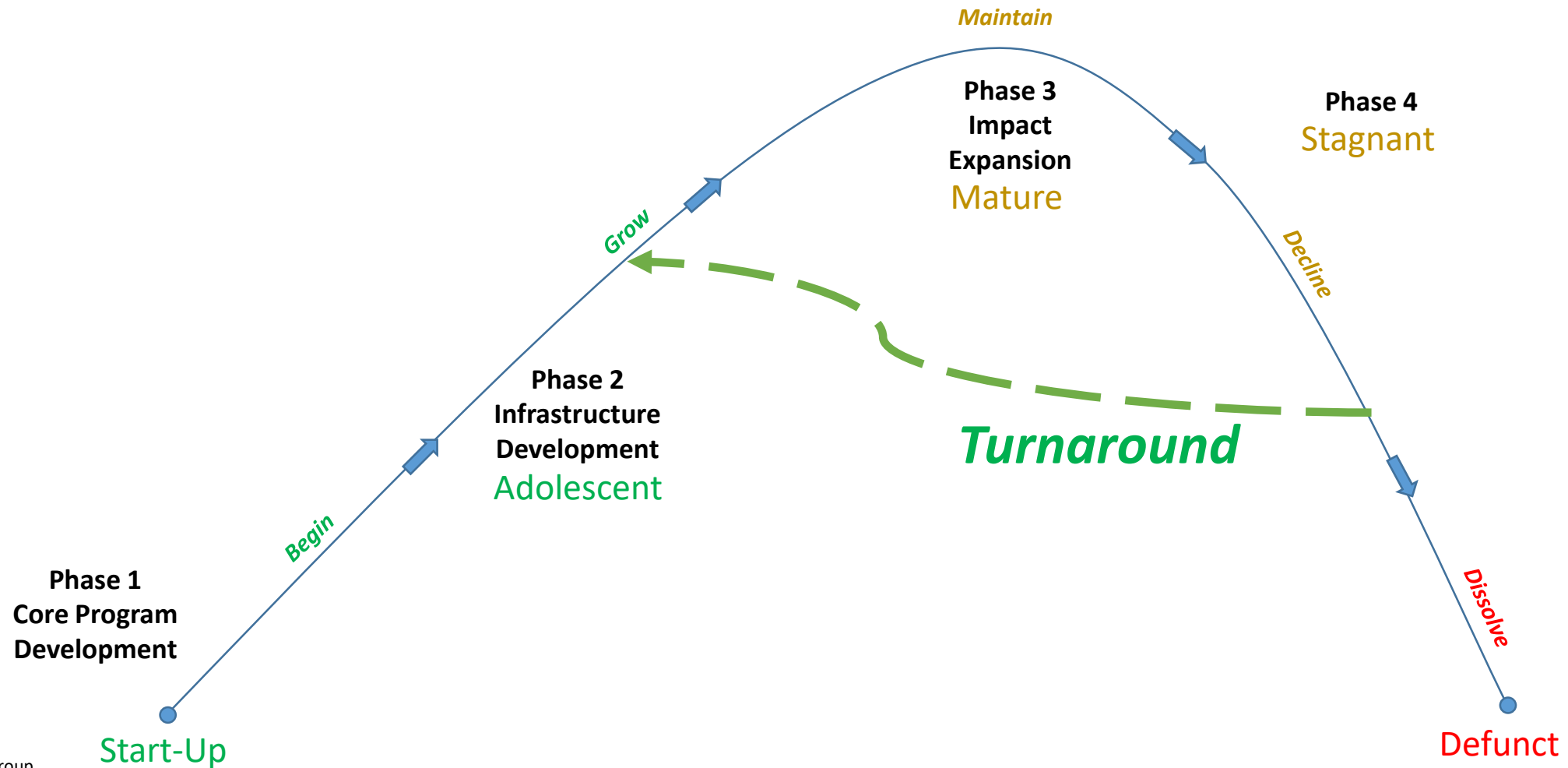
- Member companies demand demonstrated return on their investment
- Reduced time for Member Representatives to participate
- Competing programs and services
- Diverse and conflicting interests and wide variety of Member needs and expectations
- Technology provides alternatives to traditional products and services
- Result – difficulty in delivering demonstrable value; loss of market share and influence

Organizational Announcement

- Relocation of analytical lab from Corvallis to Gainesville (Newberry)
- Downsize Western Regional Center office
- Close Northern Regional Center
- Eliminate Regional Manager Positions
- Reduce the Technical Studies Program by approximately 12% to balance effort with resource availability

THE PATH FORWARD

Non-Profit Lifecycle Model



Build on our Strong Foundation and Tradition of Excellence

- NCASI is unique
- Provides significant return on investment
- Dedicated and extremely knowledgeable staff
- Highly credible – science based
- Global reputation

How do we build on this foundation?

Leverage our tradition of Excellence?

Achieve growth?

Expand our influence?

Extend our “brand”?

Steps To A Turnaround

- Focus on Vision and Mission
- Maximize delivery of value
- Focus on meeting Members' needs

ncasi Vision and Mission

Vision

To be a globally recognized preferred provider of relevant environmental science and data that promotes the sustainable use of earth's resources, informs regulatory policy, educates, and optimizes operations.

Mission

Helping Members cost-effectively meet their environmental and sustainability goals through basic and applied research, technical support and education.

ncasi

...adding value through science, communication, support, education

Industry-Specific Science that Positively Affects Policy, Regulations, and Acceptability

Expert Analysis and Communication of Current and Emerging Issues

Exceptional Member Support to Enhance Performance and Minimize Cost

Employee Development and Education

Air Quality

Water Quality

Aquatic Biology

Forest Environment and Sustainability

Sustainable Manufacturing & Climate

Chemical Reporting

Technical Analysis of Proposed/Promulgated Regulations

Engagement with Regulators, Policymakers, and Other Stakeholders

Compilation, Analysis and Reporting of Industry Data

Publications and Technical Reports

Support on Compliance Strategies, In-House Studies/Tests, Permitting, Reporting, and Benchmarking

Answers to Technical, Scientific, and Regulatory Questions

Access to Technical Reports, Databases, and Reporting Tools

Handbooks on Regulations, Environmental Control, and Chemical Reporting

Webcasts on Current and Emerging Environmental and Sustainability Issues

Regional Meetings and Workshops

Company-Specific Staff Training

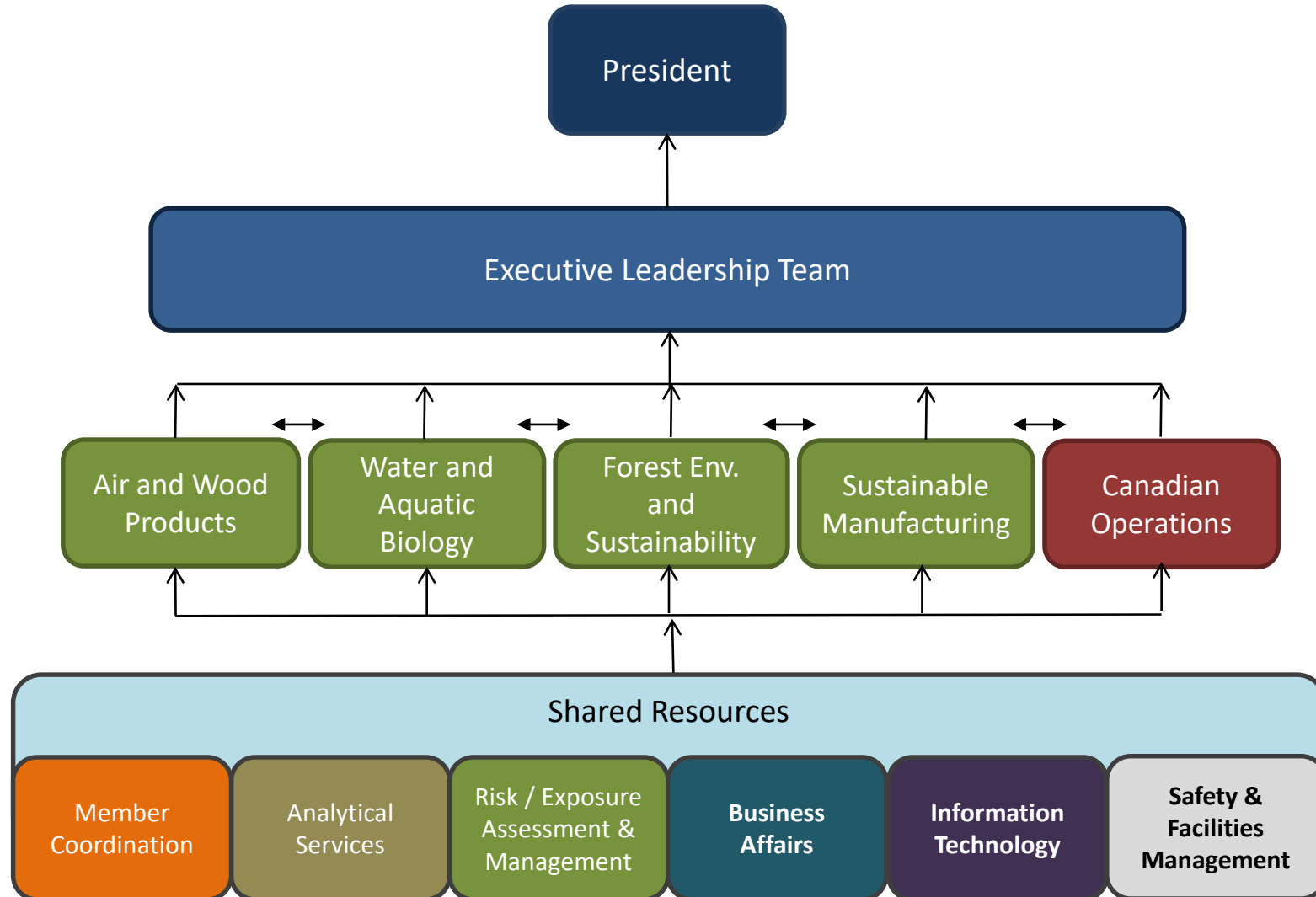
Organizing to Meet the Challenges

The New NCASI Organization

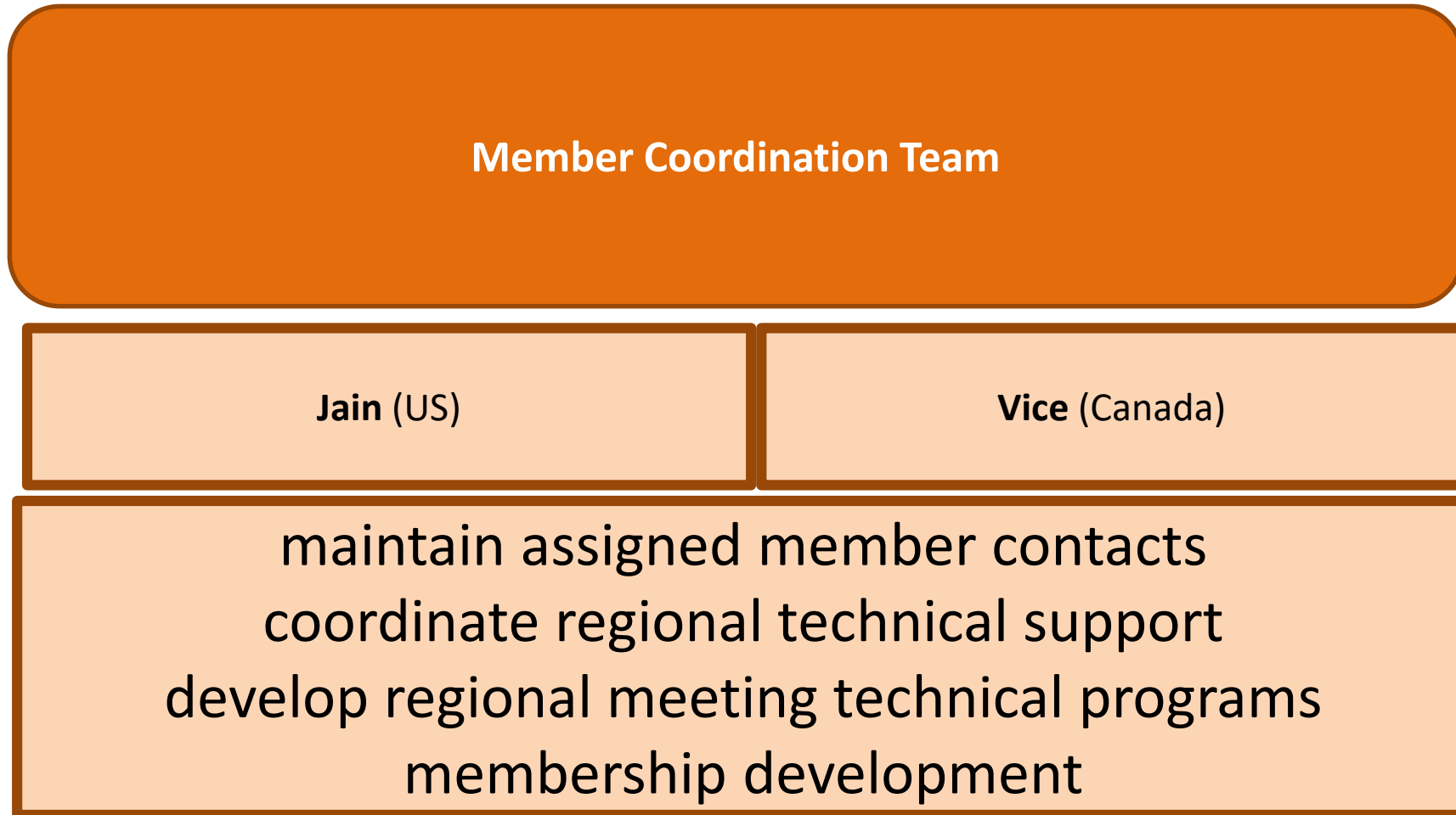
- Focused on maximizing value delivery to Members
- Matrixed/Team Based
- The Organization Design:
 - Leadership Development
 - Functional Alignment
 - Learning Organization
 - Collaboration
 - Geographically Distributed
 - Adaptable

Provides Outstanding Member Support and Organizational Excellence

NCASI Functional Team Charts



Member Coordination Team Structure



Member Support Team Leaders

- Pulp and Paper Mills

- Diana Cook
- Zach Emerson
- Ilich Lama
- Barry Malmberg
- Van Maltby
- Jim Palumbo
- Derek Sain
- Brad Upton

- Wood Products

- Rob Crawford

- Forestry

- Eric Vance
- Jake Verschuyt
- Darren Sleep

CLOSING COMMENTS

Reflections on the Journey We Are Undertaking

- Essential to our collective success today and in the future
- All the new processes, all the new ways of working and interacting are in place and being refined
- We need feedback; critical evaluation of what is/what is not working; patience
- We need to work together to transform NCASI to get back on the growth curve; deliver greater value to you our Members; create new successes; identify and execute on new opportunities

Let Me Hear From You

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