SMALL AND COMMUNITY LABEL OPTION (SCLO)

Introductory Guide for Retailers
Who we are

FSC® is a global, not-for-profit organization dedicated to the promotion of responsible forest management worldwide.

We enable businesses and consumers to make informed choices about the forest products they buy, and create positive change by engaging the power of market dynamics.

For more information, visit www.fsc.org.
FSC is the highest forest certification standard in the world.

We bring together environmental, social, and economic organizations and individuals to seek consensus on how to define responsible forest management. The aim is always to achieve the mission of promoting environmentally appropriate, socially beneficial, and economically viable management of the world's forests. We do this in order to meet the social, ecological, and economic rights and needs of the present generation without compromising those of future generations.

Through independent, third-party auditing, consumers can be assured that the FSC certified products they purchase have been sourced from well managed forests. By seeing the FSC label on your company's product, consumers are also assured that your brand is making the highest commitment possible to responsible use of forest resources.
Welcome to the SCLO Introductory Guide for Retailers. This guide is designed to help retailers understand the Small and Community Label Option, how to use it, and the benefits of sourcing and marketing products from the well managed forests of small and community producers. It includes:

- A description of the Small and Community Label Option and benefits to your brand
- How it works with the supply chain (producers, traders, and retailers)
- Description of supply chain support
- Basic components of the ‘Made with Heart’ campaign
- How to create your own campaign
- How to get started
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What it is
The Forest Stewardship Council® is committed to helping small and community producers benefit from their FSC certification in the marketplace.

We do this by helping these producers distinguish themselves and products from their forests through:

• a new label option and

• through in-store and online marketing campaigns.

This initiative is known as the Small and Community Label Option (SCLO).

The term ‘label option’ refers to new text options on FSC on-product labels. Instead of saying ‘from well-managed forests’, products that come from the forests of eligible small and community producers will have the on-product label you see here.

The Small and Community Label Option also includes a marketing campaign. Through the SCLO Marketing Toolkit, retailers can build campaigns where producer stories are told alongside the sale of products from their forests. This creates a connection between consumers and the prosperity of local communities.
Benefits for producers

• Producers who use the label benefit from higher visibility in the marketplace. They see more demand for products from their forests—especially from retailers aiming to show their sustainability credentials.

• Producers also gain new and better market relationships to traders and retailers through supply chain support.

• Smallholders also can apply to the Smallholder Fund—a competitive grant scheme where they can seek financial support to make investments in their forest practices, processing, and marketing.

• Finally, producers get a chance to tell their story alongside the sale of products from their forests, giving them more opportunity to benefit financially from their efforts to use their forest resources responsibly.
Benefits for traders

- Traders form an integral part of the success of the SCLO by bringing products to market from the forests of small and community producers.

- Traders can introduce a new service to existing customers by providing buyers with FSC certified products that carry the small and community label option.

- In addition, traders can attract new customers by distinguishing themselves in business to business (B2B) marketing as a reliable source of products from small and community producers.

- Finally, trading companies are able to show their commitment to responsible forestry and support for the livelihoods of small and community producers.
Value for retailers

- Retailers have the opportunity to use the stories of small and community producers in their marketing to increase sales, to show their commitment to responsible forestry, and to promote small and community producers.

- By using the SCLO, retailers can educate their customers about the value of the company commitment to FSC. The story of responsible forest management is complex and the SCLO offers the chance to tell that story in a simple way.

- Employees and in-store staff can similarly be trained to communicate how the company and FSC are helping small and community producers prosper.

- The SCLO Marketing Toolkit provides in-house marketing staff and/or creative agencies with a solid base from which to launch a campaign that can help increase sales of the products sourced from the forests of small and community producers (See ‘SCLO Marketing Campaign’ on page 18 for details).
How it works
Steps to labelling products with the SCLO (for producers and traders)

Check your eligibility against the Advice Note by contacting your CB

1. Determine your product groups

2. Decide whether your product is FSC, non-FSC, or FSC SCLO

3. Include a special statement in your sales documents for those products that can carry the label option. The statement should be clearly linked to the product being sold.

INVOICE
50 m³ of round logs from small or community producers

4. When passing on the claim, please note that it can’t be used with the credit system. If using an FSC mix label, the controlled wood in the mix must also be from controlled wood certified small and community sources.
Producers (forest management (FM) certificate holders) are eligible for the label option when they are:

- Small in terms of the size of their forest area and/or
- Small in terms of the volume of trees they harvest and/or
- Traditional or indigenous communities

Eligibility is determined using Advice Note FSC-ADV-50-003. The Advice Note and Guidance can be found in the Certificate Holders Kit or online at www.fsc.org.

When a producer uses the label option, they must keep their small and community supply separate from other sources, including other FSC sources. This must be indicated on invoices as the product travels along the supply chain.

If the producer is also the final manufacturer, they can download the FSC on-product label with the label option from the FSC Label Generator. If they don’t already use the Label Generator, they can ask their Certification Body for details.
There are 5 aspects of chain of custody that traders need to keep in mind:

1. **Product groups** – group FSC certified products from eligible small and community producers separately from products from other types of producers (e.g. FSC certified products from producers that aren’t small or community, as well as products that are not FSC certified).

2. **Sales documentation** – indicate specifically all products from SCLO eligible producers on invoices or other sales documents.

3. **System for controlling the claim** - only the transfer and percentage systems can be used. The credit system cannot be used.

4. **Eligibility for using a specific text option** - there are special requirements for using the MIX label with the label option. See the Advice Note and Guidance in the Certificate Holders Kit for details or find it online at [www.fsc.org](http://www.fsc.org).

5. **Use of the label option** - all trademark rules must be followed for the use of the new label option.

6. **Label Generator** - if labelling a final product, traders can download the 100% and mixed labels with the label option from the Label Generator. Questions regarding the Label Generator should be directed to the Certification Body.
• FSC certified products that carry the label option can be 100% or Mixed if they are wood products. If they are non-timber forest products (NTFPs) they can only be 100%.

• All of the forest-based materials in the product (excluding packaging) should be from FSC certified Forest Management (FM) and Controlled Wood (CW) small and community producers. No partial claims are allowed.

• Only controlled wood from small and community producers certified under FSC-STD-30-001 is allowed. Controlled wood identified through company evaluation (FSC-STD-40-005) is not allowed.

**Examples:**

− A composite product such as paper must wholly contain pulp from small and community producers who are certified to FM standards or FM and CW if using the percentage system. The credit system is not allowed.

− A product such as a musical instrument using the 100% on-product SCLO label must wholly contain forest-based materials sourced from FSC certified small and community producers.

− A product where there are several ingredients and only one is forest-based (e.g. rubber) can be labelled with the forest-based product indicated.

**Products that can be indicated on the label:**

- Rubber
- Essential oils*
- Bamboo*
- Bark*
- Charcoal*
- Cork*
- Paper*
- Syrup*
- Wood*

* Not currently available on the label generator. To request such a label, contact your CB
Retailers

Retailers can source FSC certified products from the forests of small and community producers and use the SCLO Marketing Toolkit to tell the story of the producers alongside sale of the product in store and online.

**Steps for retailers:**

1. Get the ‘Retailers Kit’ for the SCLO from an FSC Network Partner or online at [www.fsc.org](http://www.fsc.org)

2. Use your existing supply chain with a small and community producer or research products coming from small and community producers in the Marketplace website ([www.marketplace.fsc.org](http://www.marketplace.fsc.org))

3. Confirm with your suppliers that the producer and the product are eligible for the SCLO and that the product carries the label option.

4. Ensure you have a valid FSC trademark license and an active supply chain with a small and community producer. Details are in the Trademark Support section of [www.fsc.org](http://www.fsc.org).

5. Register with the SCLO Marketing Toolkit website (see 'Online registration for retailers' on page 33).

6. Download assets from the SCLO Marketing Toolkit at [www.sclo.fsc.org](http://www.sclo.fsc.org) and create your campaign.

7. Get approval from FSC on trademark and final campaign art work before launching the campaign.

8. Document the campaign and feedback to FSC on your success.
FSC is offering the following support for connecting SCLO supply chains:

- **FSC Marketplace** - search for SCLO eligible certificate holders and review their profiles - [www.marketplace.fsc.org](http://www.marketplace.fsc.org)

- **Map of Eligible Small and Community Producers** - click through the interactive map on the SCLO Campaign Website (see page 35) to view information on all of our SCLO eligible certificate holders, basic information about their forests, and a link to their profiles on the FSC Marketplace.

- **Early Adopters List** - FSC International have identified promising ‘early adopters’ amongst small and community producers and are targeting supply chain support for their products. This includes creating **Product Profiles** with market information on volumes, products, and species. Profiles will be available on the SCLO Campaign Website (see page 35). Early adopters will be profiled on the SCLO Campaign website and Key Account Management Programs at FSC International and National Offices will have a copy of the list.
SCLO Marketing Campaign
What it is

The SCLO Marketing Campaign encompasses the connection between the prosperity of local communities and the choices of consumers.

‘Made with Heart’ symbolizes the effort and ambition of small and community producers to practice forest management responsibly and to seek FSC certification for those efforts. Through real-life community stories, this message comes alive for the consumer when they are selecting forest products for purchase.

The SCLO campaign includes:

- Shopper touch-points such as **tags, posters, ads, flyers and banners that include the following components:**
  - The ‘Made With Heart’ story
  - Cycle of Community Prosperity infographic
  - ‘Intangible ingredients’ list
  - Stock producer and product images (for reference only)

1. **SCLO Marketing Toolkit**- addresses retailers and houses the campaign components as downloadable assets at [www.sclo.fsc.org](http://www.sclo.fsc.org)

2. **SCLO (Made with heart) Campaign Website**- speaks to consumers about the SCLO Campaign at [www.madewithheart.fsc.org](http://www.madewithheart.fsc.org)
The campaign shows us that products that come from FSC certified forests of small and community producers are more than they seem.

There is a ‘special recipe’- that includes **intangible ingredients** such as respect for human rights, protection of the environment, prosperity, care, and empowerment- that makes the product ‘made with heart’.

The **cycle of community prosperity** illustrates that consumers play an integral role in helping communities prosper when they choose products that come from small and community producers.

This is explained in our ‘**Made With Heart**’ story-available as tag copy and as a short animation.

FSC and the retailer play and important role too, in bringing the producer and consumer together for a brighter future for everyone.
A. ‘Intangible ingredients’ list

This product was made with:

- **Respect** for the rights of workers, communities and indigenous peoples
- **Protection** of the environment and endangered species
- **Prosperity** of families and businesses, now and future
- **Care** in using the best forest management practices
- **Empowerment** of local communities to control and care for their resources
B. Cycle of Community Prosperity
When you buy an FSC certified product from small and community producers, you're doing good.

FSC certified small and community producers include families, cooperatives, small woodlot owners, and indigenous peoples. They manage forests and produce goods in a way that respects human rights and protects the environment…all while helping their communities prosper.

It's a special recipe. With every purchase, you enable their ambitions and forests to grow. With every product, they contribute to a brighter future for us all. That's what happens when products are made with heart.

To learn more visit [www.madewithheart.fsc.org](http://www.madewithheart.fsc.org) and [www.sclo.fsc.org](http://www.sclo.fsc.org)
A special recipe
Respect, Protection, Empowerment, Prosperity, and Care— that’s what happens when products are made with heart.
E. POS example – Landscape banner

Beautifully crafted products from well-managed forests of small and community producers.
Campaign assets:

F. Campaign example – In store promotion
The SCLO Marketing Toolkit houses all of the assets of the ‘Made with Heart’ campaign. The website is public, but only registered retailers can download campaign assets to create their marketing campaigns. The toolkit also includes instructions on building a campaign and success stories from past campaigns. It is a one-stop shop with everything a retailer needs.

Check out the Asset Guide and Agency Briefing Guide for more details. Both can be found in the Retailer Kit or downloaded from www.sclo.fsc.org after registering.
The consumer campaign website is a source of information about the in store campaign, FSC, and small and community producers.

The site takes users through the campaign and explains FSC principles and what ‘Made with Heart’ means.

There are interactive elements such as:

- The Map of Eligible Small and Community Producers
- The ‘Made with Heart’ video
- An animated ‘Cycle of Community Prosperity’

In addition, there are real community stories on the website that illustrate who FSC small and community producers are and how they benefit from their certification.

Finally, consumers can find examples of products and where to buy FSC.

[www.madewithheart.fsc.org](http://www.madewithheart.fsc.org)
Creating a Campaign
How to create a campaign

Steps to creating a campaign

1. Review the SCLO Marketing Toolkit Asset Guide and Agency Briefing Guide for more details on the campaign (which can be downloaded from the website [www.sclo.fsc.org](http://www.sclo.fsc.org) after registration)

2. Review the guiding principles (see page 31) of the campaign and contact FSC International or your FSC National Office with any questions

3. Read carefully about how assets can be used in campaigns (see page 30) and consult FSC International or your National Office if you have any questions

4. Download the assets made available on the [www.sclo.fsc.org](http://www.sclo.fsc.org) website. Assets are available in PNGs, EPS, and PSD file formats.

5. Create a campaign for the products you are selling in store or online that carry the FSC on product label with the label option.

6. Submit campaign artwork for review of trademarks and against the guiding principles of the campaign (see page 31)

7. Let us know when you are launching the campaign and keep in touch with FSC. We would like to profile the campaign on the SCLO Marketing Toolkit website as part of our success stories of companies who are working to support small and community forest producers.
We have 5 guiding principles that should be evident in a retailer’s campaign:

1. **Solidarity, not charity** - artwork that paints small and community producers as poor and in need of aid is not appropriate for the SCLO. Small and community producers are forest management heroes who deserve our support.

2. **Campaign should have a positive message** - artwork that tries to play on negative impacts if we don’t act (e.g. poverty, forest destruction, etc) are not appropriate. The focus should be on a brighter future.

3. **The story should be compelling and show the social side of FSC** - FSC is known as an eco-label. We want retailer’s campaigns to show the social side of FSC too.

4. **Don’t promote SCLO labelled products at the cost of other FSC labelled products**. The campaign should focus on the specific community or geographic area as much as possible, and avoid sweeping statements that paint other FSC products in a lesser light.

5. **We can all do our part!** Campaigns should connect responsible forestry to earth-smart shopping so consumers feel good about their forest product purchases.
How assets can be used

The components of the ‘Made with Heart’ campaign are fixed elements that are mixed and matched to create in store and online shopper touch points.

They cannot be used on their own or outside the approved layouts for shopper touch points, which include posters, brochures, flyers, and advertisements. These layouts are provided in the SCLO Marketing Toolkit Asset Guide.

Made with heart tags can only be applied to products that already have an FSC on product label that includes the Small and Community Label Option - e.g. the term ‘from well managed forests of small or community producers’. Any tag used on a product that doesn’t have this specific on product label is a violation of the FSC Trademark License Agreement.

Made with heart tags cannot be applied to places other than products that carry the FSC on product label with the Small and Community Label Option.
when you request registration on the sclo marketing toolkit website, you should show:

1. **Product sourcing**
   - You have a product that carries the small and community label option
   - You have sourced this product or are working to source it with the intention of selling it in store or online

2. **FSC trademark license agreement**
   - As a non-certificate holder, you have a valid FSC trademark license agreement for promotional use of the FSC trademarks and be registered in the TSP Database OR
   - you are a certificate holder

3. **Relationship to small and community producers**
   - If you have a story about connecting to communities or small producers, you can tell us at www.sclo.fsc.org. If not, you can describe the kind of relationship with producers that you would like to have as a company.
Artwork approval

Most retailers that want to use the SCLO Marketing Toolkit will not be certificate holders. You are eligible for registration on the SCLO Marketing Toolkit site if you are registered in the TSP database as carrying a valid FSC trademark license agreement for promotional use of the FSC trademarks and have an active supply chain with a small and community producer.

Retailers who want to use the same campaign in more than one country will need to work with a TSP who can approve trademark for more than one country. Retailers can find out who their TSP contact is by downloading the TSP contacts document from the Trademark Support section of www.fsc.org.

This flow diagram shows the basic process for approving retailer campaign art work in 6 easy steps! Average time for one round of approvals should be approx. 5-10 working days.

See ‘Guiding Principles of the Campaign’ on page 30 for guidance on creating campaigns.
Resources

• Retailers Kit
  • Introductory Guide to the SCLO for Retailers
  • SCLO Marketing Toolkit Asset Guide
  • Agency Briefing Guide
• Trademark Quick Guide
• Trademark standard for non-certificate holders
• Trademark Service Providers contact sheet
• Advice Note on Labelling Products from Small and Community Producers (FSC-ADV-50-003)
• Guidance on Advice Note FSC-ADV-50-003
• Certificate Holders Kit
• Smallholders Portal on www.fsc.org
• Consumer website: www.madewithheart.fsc.org
For more information

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