

CLEARCUTTING

FREE SPEECH:

How Resolute Forest Products is going to extremes to silence critics of its controversial logging practices



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GREENPEACE

The parties to Resolute Forest Products, Inc. et al. v. Greenpeace International et al. and Resolute Forest Products, Inc. et al. v. Greenpeace Canada et al. have announced the conclusion of these long-running litigations.

<Please see the joint statement>

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INTRODUCTION

Canada's Great Northern Forest is an ancient forest, shaped by forces of nature and stewarded by Indigenous Peoples since time immemorial. Also known as Canada's boreal forest, it has some of the last large expanses of undisturbed natural forest, is home to threatened species, and is one of the world's largest terrestrial stores of carbon. Resolute Forest Products, one of the largest logging companies in North America, is destroying key areas of this magnificent forest. And has abandoned sustainability efforts.

Because of the high conservation value of this great forest, its beauty and unique ecological features, Greenpeace has been speaking up and raising awareness of Resolute's controversial forestry practices with the public and buyers of Resolute's products for years. But this campaign has now become a battleground over free speech and advocacy itself. Instead of working collaboratively with Greenpeace and other stakeholders to find lasting solutions for the forest, workers and local communities, Resolute has filed a \$300 million Canadian dollar (CAD)¹ lawsuit against Greenpeace USA,² Greenpeace International, Stand.earth and individual activists,³ as well as a separate CAD\$7 million lawsuit against Greenpeace Canada and individual activists.⁴ With these lawsuits,

and with its public attacks against other prominent environmental organizations, Resolute is attempting to silence legitimate public concerns, all the while ignoring scientific recommendations for the health of the forest and thus the longevity of the forest products industry.

The \$300 million CAD Racketeer Influenced and Corrupt Organizations Act (RICO) lawsuit that Resolute has filed in the US, uses a set of laws designed to prosecute the mafia, to sue environmental advocates. Resolute essentially argues that environmental advocacy constitutes criminal behavior. By delegitimizing essential advocacy work for forest protection, which provides important oversight on corporations like Resolute, and by imposing harsh financial penalties on protected free speech, this lawsuit could have a chilling effect on freedom of speech in general. **ULTIMATELY RESOLUTE'S MERITLESS LAWSUITS AGAINST GREENPEACE COULD IMPACT INDIVIDUALS AND GROUPS ACROSS CIVIL SOCIETY THAT SEEK TO MAKE POSITIVE CHANGES BY MAKING IT TOO EXPENSIVE AND RISKY TO ENGAGE IN FREE SPEECH, ADVOCACY, INFORMED EXPERT OPINIONS, AND EVEN RESEARCH.**

Free speech is not just foundational for environmental advocates, it is also vital for some of Resolute's current customers. A new Greenpeace investigation reveals that many companies that rely on free speech and transparency as a core part of their business, who should be natural allies of advocacy and expression, are among Resolute's customers. This investigation showed some of the largest global book publishers, including Penguin Random House, HarperCollins, Simon & Schuster and Hachette, are buying paper from Resolute and thus supporting the very company that is actively threatening a right which is fundamental to their own existence and essential to us all.

The campaign to conserve Canada's Great Northern Forest is now a battleground for free speech, and the way that this story plays out could have far reaching ramifications. Fortunately, solutions are available today. Not only can publishers stand up for free speech and forest solutions, but Resolute too can embrace a path toward truly sustainable management of forests for future generations.

1. Resolute claims at least CAD\$100 million in damages (the full amount "to be proven at trial" but said to be "far in excess" of this minimum), tripled to \$300 million under RICO, together with interest, costs, and attorneys' fees. Resolute Forest Products, Inc. et al v. Greenpeace

International et al.

2. Greenpeace USA consists of two separate legal entities: Greenpeace, Inc. and Greenpeace Fund, Inc. Both parties are named defendants in the US lawsuit.

3. Resolute Forest Products, Inc. et al v. Greenpeace International et al. (2016): Document 63-1

4. Resolute Forest Products (2013): Resolute Statement of Claim

SLAPP'ING CRITICS

Resolute has been at the center of a growing controversy for years. Facing a mounting storm of public attention to its unsustainable and at times destructive practices, and with numerous major environmental groups publicly distancing themselves from Resolute over poor practices and unwillingness to collaborate, Resolute began launching legal attacks against its critics in a deliberate effort to silence them. The forest products company first sued Greenpeace Canada and two of its staff in 2013 for CAD\$7 million for defamation and economic interference.⁵ Resolute was trying to silence the organization's longstanding campaign to protect the boreal forest, which had called on companies like Resolute to reform their irresponsible practices.⁶ In 2014, Resolute also filed a lawsuit against Rainforest Alliance,⁷ an independent auditor that was about to publish an audit that found some of the company's operations noncompliant with the leading forest certification scheme, the Forest Stewardship Council's (FSC), standards.⁸ One legal expert noted that, rather than participate in a formal dispute resolution process set up within FSC, Resolute's "strategy appears to be ... to suppress these facts."⁹

As the litigation against Greenpeace Canada proceeded, Resolute tried to broaden the scope of inquiries into the 45 year history of the organization and its international campaigns. A panel of appellate judges with the Ontario Superior Court granted the Greenpeace motion to strike out those parts of the company's pleadings, ruling that Resolute had attempted to "greatly expand the scope of the

litigation and transform the trial into an inquiry into Greenpeace," and pointing to allegations that were **"SO DEVOID OF PARTICULARITY AS TO BE SCANDALOUS AND VEXATIOUS."**¹⁰

In 2016 Resolute decided to pursue similar tactics outside Canada, filing a defamation and racketeering lawsuit against Greenpeace International, Greenpeace USA, Stand.earth (formerly ForestEthics) and five staff in the United States for CAD\$300 million.¹¹ In its latest attempt to bring a meritless defamation claim to a new jurisdiction, Resolute included allegations under the Racketeer Influenced and Corrupt Organizations Act (better known as RICO).

The use of RICO is particularly egregious because the act was originally conceived to prosecute the mafia, and, in allowing plaintiffs to recover triple damages, provides a uniquely powerful means to intimidate advocacy groups.¹² Civil RICO has a long history of abuse: as far back as 1985, United States Supreme Court Justice Thurgood Marshall warned that "many a prudent defendant, facing ruinous exposure, will settle even a case with no merit.

It is thus not surprising that civil RICO has been used for extortion purposes, giving rise to the very evils that it was designed to combat."¹³ Despite these dangers, Resolute argues in its complaint that RICO "is to be read broadly... [and] liberally construed to effectuate its remedial purposes."¹⁴ Resolute uses this broad reading to treat everyday advocacy activities as criminal: corporate communications, investigations, exposés, and petitions are all construed as criminal acts under RICO. Clearly **THE USE OF RICO TO TACKLE PUBLIC INTEREST ADVOCACY IN PARTICULAR, IS A DANGEROUS PHENOMENON.**

Resolute's claims have no legal merit and are archetypal examples of strategic lawsuits against public participation (SLAPPs) intended to silence Greenpeace and other critics of the company's irresponsible operations in Canada's Great Northern Forest.¹⁵ SLAPPs leverage the obvious economic advantage multi-billion dollar corporations have in the legal system. They can afford millions in legal fees in order to pursue their objectives, while small companies, nonprofits or community groups have a powerful disincentive to speak out publicly, because they simply cannot afford millions in legal fees to fight back. The intended result is that issues of high public importance never see the light of day. The historical effectiveness of this power dynamic in court highlights the seriousness of the current situation.

The litigious nature of Resolute's actions is not only of great concern to Greenpeace and the other

defendants of the lawsuits, but the increasing use of corporate **SLAPP TACTICS UNDERMINE THE FUNDAMENTAL VALUES OF DEMOCRATIC SOCIETIES AND ERODE CIVIL LIBERTIES FOR EVERY OTHER INDIVIDUAL AND GROUP** with legitimate concerns about corporate or governmental behavior. In consequence, over 100 independent nonprofit and media organizations¹⁶ have spoken out against Resolute's RICO lawsuit and the threat it poses to free speech, with some asserting that the "use of the RICO statute to target speech is clearly an attempt at an end-run around the protections of the First Amendment."¹⁷ Some 80 of these organizations even ran an ad in The New York Times to tell Resolute and the world that "free speech is not a crime."¹⁸ Greenpeace, Stand.earth and other advocacy groups not only have the right to free speech, they play a vital role in our society by speaking out on matters of public interest and concern.

By attempting to exact financial and reputational penalties on any group or individual who criticizes it, Resolute may in fact have a lasting impact on our cultural landscape, setting dangerous precedents on free speech through aggressive, unfounded and meritless lawsuits.

"RESOLUTE'S CLAIMS APPEAR TO HAVE NO LEGAL MERIT AND IF SO ARE ARCHETYPAL EXAMPLES OF STRATEGIC LAWSUITS AGAINST PUBLIC PARTICIPATION (SLAPPS) INTENDED TO SILENCE GREENPEACE"

— RODNEY SMOLLA, AN AWARD-WINNING AUTHOR, FIRST AMENDMENT SCHOLAR AND CURRENT DEAN OF WIDENER UNIVERSITY, DELAWARE LAW SCHOOL.¹⁹

5. Resolute Forest Products (2013): Resolute Statement of Claim
6. Greenpeace Canada (2013); Jacobsen, P, et al. (2013).
7. Resolute Forest Products v. Rainforest Alliance, Inc., et al. (2014).
8. Resolute Forest Products v. Rainforest Alliance, Inc., et al. (2014).
9. Delean, P. (2014).
10. Resolute Forest Products, Inc. v. Greenpeace. (2016).
11. Resolute Forest Products, Inc. et al v. Greenpeace International et al. (2016): Document 63-1
12. Redford, K. (2016).
13. Sedima S.P.R.I v. Imrex Co., Inc. (1985).
14. Resolute Forest Products, Inc et al v. Greenpeace International et al, (2016): Document 75, p.47
15. Reporters Committee for Freedom of the Press (2016); Swift, A. (2016).
16. The 101 are made up of nine nonprofit organizations in the Amicus Curiae Brief, twelve media organizations in the Brief of the Amici and 80 other organizations who signed onto a New York Times advertisement. Resolute Forest Products, Inc. et al v. Greenpeace International et al. (2016): Document 64; Resolute Forest Products, Inc et al v. Greenpeace International et al. (2016): Document 63-1; Stand.earth (2016).
17. Resolute Forest Products, Inc et al v. Greenpeace International et al. (2016): Document 63-1.
18. The 80 organizations supporting the New York Times advertisement: 350.org, Amazon Watch, Americans for Nonsmokers' Rights, Action on Smoking & Health, Asian Pacific Environmental Network, Avaaz, Bold Alliance, Breast Cancer Action, Breast Cancer Fund, Broadbent Institute, California Environmental Justice Alliance, Canadian Journalists for Free Expression, Canadian Parks & Wilderness Society, Catskill Mountainkeeper, Center for Constitutional Rights, Center for Environmental Health, Center for Media & Democracy, Center for Race, Poverty & the Environment, Chesapeake Climate Action Network, CIVICUS, Clean Air Council, Code Pink, Communities for a Better Environment, Connecticut Citizen Action Group, Corporate Accountability International, Corporate Ethics, CorpWatch, Council of Canadians, Courage Campaign, David Suzuki Foundation, Dogwood Alliance, Earth Economics, Earthworks, Ecology Action Centre, Ecojustice, Electronic Frontier Foundation, Environmental Action, Environmental Defense Canada, Equiterre, Food & Water Watch, Foundation Earth, Friends of the Earth US, GAIA, Global Exchange, Green America, Green for All, Healthcare Without Harm, Institute for Agriculture & Trade Policy, International Forum on Globalization, International Rivers, Labor Network for Sustainability, The Leap Manifesto team, Make the Road New York, Mining Watch Canada, Movement Rights, Movement Strategy Center, National Nurses United, Natural Resources Defense Council, Oil Change International, OneAmerica, Pacific Environment, Pesticide Action Network North America, People's Action, Pembina

Institute, Powershift Network, Presente.org, Public Citizen, Rainforest Action Network, RESources for Sustainable Communities, Rootskeeper, SmarterShift, Story of Stuff, SumOfUs, Surfrider Foundation, Texas Environmental Justice Advocacy Services, The Other 98%, Waterkeeper Alliance, West Coast Environmental Law, Wildlands League, Women's Voices for the Earth. Stand.earth (2016).
19. Personal communication

CANADA'S GREAT NORTHERN FOREST

The Great Northern Forest has many names.

Scientists understand the Great Northern Forest as the boreal forest ecosystem – the global forest blanketing the northern latitudes of the planet. If you look at the planet from above, it appears as a green wreath circling the Arctic, covering much of Canada, Russia, and the Nordic countries. In Canada in particular, this forest is known simply as the boreal forest, and for over 10,000 years it has grown and adapted. This ancient and living forest is a global treasure shaped by natural forces and stewarded by Indigenous Peoples. It serves as an important and stunning refuge for some of the world's iconic wildlife, while also protecting our global climate by storing tremendous amounts of carbon. For these reasons, Greenpeace has been proud to raise public concern for the protection of this forest for years.

INDIGENOUS PEOPLES

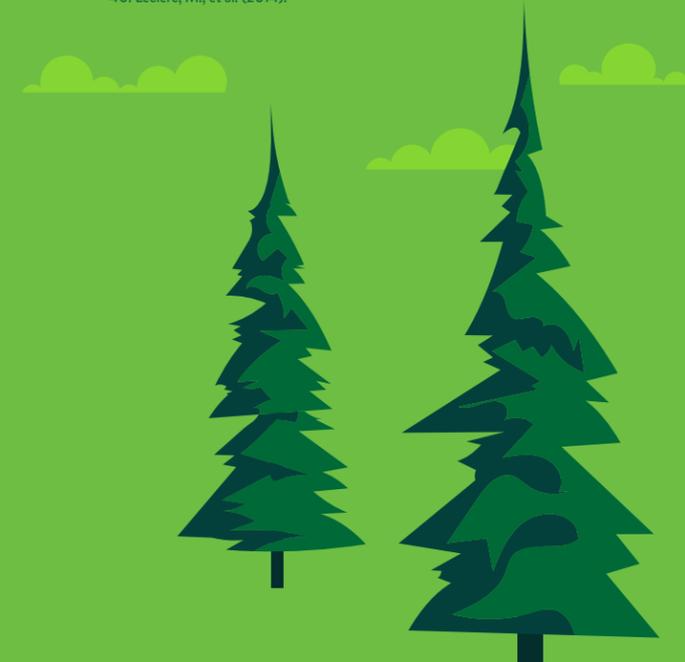
The vast landscapes of Canada's boreal forest include the traditional territories of some of the more than 600 individual First Nations in Canada,³³ who have been stewards of the land since time immemorial. Indeed, many of the boreal forest's features today reflect this human interaction, which has "... inextricably tied Indigenous Peoples to the landscapes that sustain and define the diverse Indigenous cultures in Canada."³⁴ **IN OTHER WORDS, THESE FORESTS ARE INDIGENOUS CULTURAL LANDSCAPES³⁵ (ICLS) OF DEEP SOCIAL, CULTURAL AND ECONOMIC VALUE. RESPECTING THE KNOWLEDGE AND RIGHTS OF THESE COMMUNITIES IS ESSENTIAL FOR LASTING FOREST PROTECTION.**



CARIBOU

The forest dwelling Woodland Caribou is one of Canada's most iconic animals. Listed on Canada's Species at Risk Act as threatened,³⁶ it is also seen as a key indicator for the health of the forest, a sort of "canary in the coal mine," because as the health and intactness of the forest declines, the caribou population does too.³⁷ Woodland Caribou require large areas of mature undisturbed forest for their survival, but each year the cumulative impact from industrial disturbances to their forest homes further threaten this species.³⁸

33. The term "First Nations" refers to the culturally diverse and geographically widespread Indigenous Peoples in Canada who are neither Métis nor Inuit. There are over 900,000 First Nations persons in Canada. Government of Canada (2014): First Nations People in Canada.
34. Forest Stewardship Council (FSC) (2016) p.2.
35. The term "Indigenous Cultural Landscapes" (ICLS) refers to "living landscapes to which Indigenous peoples attribute social, cultural, and economic value because of their enduring relationship with the land, water, fauna, flora and spirits, and their present and future importance to their cultural identity. An ICL is characterized by features that have been maintained through long-term interactions with the landscape based on land-care knowledge, and adaptive livelihood practices. They are landscapes over which Indigenous peoples exercise responsibility for stewardship." Definition adopted by Forest Stewardship Council. Forest Stewardship Council (2016)
36. Government of Canada (2017): Species at Risk Public Registry; Gunn, A. (2016).
37. Indian Country Media Network (2011)
38. Environment Canada (2012).
39. Defenders of Wildlife (n.d.); United States Forest Service (n.d.).
40. Leclerc, M., et al. (2014).



Woodland Caribou are members of the deer family but are unique in that both males and females grow antlers each year. They have adapted to harsh winter climates with semi-hollow hair that traps warm air next to their skin. Caribou also have large hooves that spread out when they walk, acting like snowshoes. When caribou run, tendons in their feet click, giving a running herd a signature sound. In winter, a caribou's diet consists almost entirely of lichen. No other large mammal can survive on this food source. Woodland caribou are particularly susceptible to habitat disturbance because it can take decades for a forest to grow enough lichen to support caribou,³⁹ and logging roads and clearcuts make adults and young calves more vulnerable to predation.⁴⁰



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Greenpeace is an independent global campaigning organization that acts to change attitudes and behavior to protect and conserve the environment and to promote peace.

Greenpeace is committed to stopping climate change.

We campaign to protect the world's remaining ancient forests and the plants, animals and peoples that depend on them.

We investigate, expose and confront the trade in products causing forest destruction and climate change.

We challenge governments and industry to end their role in forest destruction and climate change.

We support the rights of forest peoples.

Our effectiveness lies in our unique independence from government and corporate funding.