

# Lacey: Legal and labels

## What green really means to the hardwood industry

By Amy Joyce Rush

Eco-friendly, organic, natural, green, sustainable and compliant. These are just some of the words used frequently and often interchangeably to describe hardwood flooring. While some are clear cases of green washing, other terms are used as stylistic references. More important are the words that make hardwood flooring legal and Lacey compliant.

Exhibitors at this year's Surfaces ensured customers of their compliance and environmental stewardship. Eco organizations abound and suppliers took the opportunity to talk to their customers about alliances, partnerships and what it all means.

Pinnacle, for example, devoted the center of its booth to its environmental message. "We are actively involved," said Brenda Cashion, vice president of operations. "We market our product and spend money on product and the legal acquisition of product." Cashion added that having its own factory in Shanghai gives the company the upper-hand when it comes to control.

Dan Natkin, director of hardwood business for Mannington Mills, said, "The majority of our products are domestically manufactured, which is a critical detail that we stress to our customers. We do import some of our hardwood products, and for those contract manufactured products, we have been working diligently with our suppliers to ensure Lacey compliance. All internal audits of our suppliers are now complete, and we've started third-party verifi-

cation audits of all of our key hardwood suppliers. We notified our distributors and retailers mid-year 2009 regarding our status and efforts to ensure the legality of our wood products."

"There were two concerns based on channel," noted John Himes at Wood Flooring International (WFI). "The commercial channel is most interested in products that will help them achieve LEED certification at costs they can afford. The residential channel is most concerned with legal, Lacey Act compliant products."

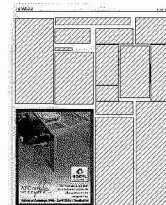
### Legal and Lacey

The 2008 Lacey Act amendment bans commerce in illegally sourced plants and their products, including timber and wood products. Penalties for not complying range from confiscation of materials to large fines. Red flags include wood from high-risk areas and goods priced below typical market value.

As chairman of the National Wood Flooring Association's (NWFA) environmental committee, Shaw Hardwood CEO and Anderson president and CEO Don Finkell has been a strong voice guiding the industry toward Lacey compliance. Speaking at the FCW-sponsored Sustainability Stage during Surfaces, Finkell said, "There is no prescriptive



At top: ARK is a member of WWF and the China Forest & Trade Network (CFTN) as well as other environmental groups. Above: Mullican's expanded Green Haven Collection of engineered and solid wood is all about FSC certification.



to follow. Lacey is fact based, not document based.” He offered a due care checklist that includes identifying countries of high risk and asking for third-party verification.

Anne Middleton, outreach coordinator for the Environmental Investigation Agency (EIA) and also a speaker at the FCW Sustainability Stage, said that some 15 percent of hardwood is illegal or from suspicious markets. Enforcement of Lacey “levels the playing field for people doing legal and sustainable business,” she said.

“For a lot of people, this is not on their radar,” Finkell added. “Some distributors are in a bad position and a lot of people are concerned with price.”

Some have or are seeking third-party verification such as Forest Stewardship Council (FSC) certification. FSC is a non-profit organization that encourages responsible forest management and uses third-party certifiers to track forest management activities and chain of custody.

At Surfaces, Cikel’s entire new product was marked FSC certified. Lacey, noted George Celtrick, director, holds people accountable. “Most people understand that the rainforests around the globe have been damaged, but now the discussions with U.S. buyers involves the sweeping change of perspective the Lacey Act brings,” Celtrick said. “It’s the most progressive illegal lumber legislation in the world — bringing responsibility right to the buyer. Saying ‘I have a letter from my supplier stating its legal’ to a judge is the equivalent of saying ‘my dog ate my homework.’ There is still a lot of education ahead, but I believe the industry is learning the realities and risks at an accelerating rate.”

The NWFA Responsible Procurement Program (RPP) is another way to be certain of Lacey compliance and environmental responsibility. RPP is a progressive three-tiered program that recognizes and promotes environmentally and socially responsible forest management.

“The primary concern being voiced is how to verify legality via a third party,” Mannington’s Natkin said. “To assist in this process, we have joined the NWFA-RPP program being administered by Scientific Certification

Systems (SCS) and have recently completed the audit phase of the program. The program has two components — sustainably harvested (for domestic production) and verified legal (for imported products).”

“We initially had many questions from our customers about the basis of the law and its enforcement, the compliance procedure and more specifically, what each of our roles are in this process,” said Ira Lefkowitz, CEO of ARK Floors. “To help, we sent out an FAQ update from the U.S. Department of Agriculture. While we explained that not all the points were applicable to our customers, we wanted to keep them informed on the entire process.”

Jason Strong, executive vice president of BR-111, said, “Brazilian laws are more stringent than the harvesting laws here in the U.S. The guidelines that we’ve always had to abide by are now being enforced on the domestic suppliers and the ones from Asia and Russia.”

**The green mile**

Some suppliers are addressing additional environmental issues. “We partner with the Hardwood Forestry Fund on tree planting and forest management activities that promote natural regeneration of hardwoods,” said Daniel Call, vice president, wood product management, Armstrong. “Each project has a land management plan to ensure the highest likelihood of success.”

Mannington’s Natkin added, “Our domestic plants are FSC-chain of custody certified and have the capability to produce any of our offerings in an FSC pure format (custom orders). We also have FloorScore certification, which speaks to good indoor air quality characteristics, for all domestically produced hardwoods, and anticipate the remainder of our wood products will be certified by year’s end. We are actively involved with the NWFA, HPVA, are longtime members of the U.S. Green Building Council (USGBC), and support the Hardwood Forestry Fund.”

Standards such as Phase 2 CARB (California Air Resources Board) which limits formaldehyde emitted from composite wood panels; GreenGuard, a third-party certification program run by the Environmental Institute that addresses indoor air quality; cradle to cradle, which looks at a product’s

lifecycle; and Leadership in Energy and Environmental Design (LEED), a point system developed by the USGBC, are also areas of interest for hardwood suppliers.

Anderson, for example, holds cradle-to-cradle certification as well as GreenGuard certification. Noted Finkell, “We have GreenGuard certification from the subfloor to wood floor to how it is cleaned.”

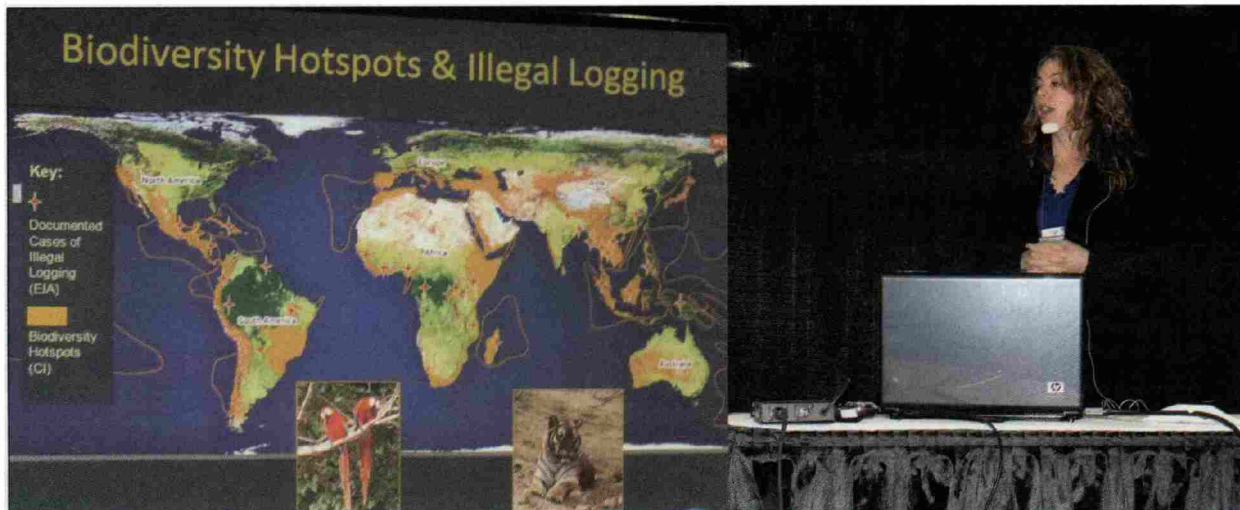
Armstrong has worked with the Tropical Forest Foundation to establish supply chain management systems and education and outreach programs with offshore suppliers, according to Call. It has FSC-certification at three engineered plants and enables its customers to utilize ecoScorecard, “a software solution that allows clients to search for green products and evaluate their sustainable attributes through a range of programs, including LEED,” added Call. “All Armstrong domestically produced engineered hardwood meets Phase 2 of CARB composite wood standards.”

Johnny Xu, marketing manager at Johnson, said, “We are all 100 percent Lacey compliant and all our wood is engineered Phase 2 CARB compliant. That will eventually

become nationwide.” **FCW**



**Pinnacle highlighted its commitment to the environment with a dramatic “pinnacle” at the center of its Surfaces booth.**



**EIA outreach coordinator Anne Middleton spoke at the FCW-sponsored Sustainability Stage during Surfaces. The government organization also had a booth — sponsored by Anderson — making themselves available to talk about Lacey protocol and compliance.**



In addition to holding cradle-to-cradle certification, Anderson is GreenGuard Air Quality Certified and committed to products that are "Made in the USA."



Cikel clearly outlines its commitment to FSC certification. The vertically-integrated company uses labels that specify the FSC certifications from forest management to chain of custody.