From Forest to Furniture: Shanghai, China

Paul Fuge, PLAZA HARDWOOD, Inc
Special Opportunities & Hidden Advantages

• Chinese furniture manufactures are enjoying a significant increase in demand for Chinese made furniture in the USA.

• In May of this year, HardwoodSite.com reported that “Chinese furniture imports increased by 37% over 2000.”

• US manufacturers are forming alliances with Chinese partners to stay competitive in a global market place.
Special Opportunities

• Think of certified wood as your tool for market access and your long-term strategy for marketing and quality control.

• A commitment to certification is major first step in differentiating your business from your competitors.
Hidden Advantages

• Preference for certified timber goes deep into the hidden advantages of certified forest products.

• Enhanced opportunities for quality control
• Commitment to high technical standards
• Supply chain problem solving with partners
• Greater loyalty from your customers
• Greater timber utilization for higher profits
Hidden Dangers

• Mismatch between supply and demand

• Illusion of premium prices

• Lack of distribution channels

• Requires personal commitment from senior management
Special Opportunities

- A special opportunity available to furniture manufacturers committed to certified timber is the technical and marketing assistance paid for by governments and foundations.

- In many cases the initial costs of certifying timber sources is subsidized.

- USA companies may be slow to take advantage of the opportunity to supply retailers with FSC certified furniture.
Special Opportunities

- Sustainable forestry requires a commitment to more efficient timber utilization

300 Cubic meter installation of decking panels

Strawberry Mansion Bridge Philadelphia, Pennsylvania USA
Tabebuia, spp
Special Opportunities

• The small pieces left over from making the bridge deck project become residential deck tiles and furniture for greater long term profitability.

46 CM x 46 CM Deck tiles
*Tabebuia, spp*

Cassatt Armchairs
*Tabebuia, spp*
Roble
Hidden Advantages

• Retailers in the USA require reliable supply.

• Certified forests have stable supply based upon known inventories.

• Reliable supply is important for success.
Special Opportunities

• International furniture retailers are opening stores in China.

• A special opportunity possible with certified furniture is establishing beneficial relationships now with large retailers in the USA and Europe, which will lead to future business in China.
Helpful Organizations in the USA

• Certified Forest Product Council

• FSC-US

• SmartWood

• Scientific Certification Systems

Forest Certification in Your Future

Presented by:

Paul Fuge
Chairman - Board of Directors
Certified Forest Products Council

September 12, 2001
Certification: It’s All Around Us

Certification provides assurance of conformance to a quality or performance standard.
Why is Certification Growing?

Society growing more concerned about safety, health, human rights & the environment

• What products are made of
• How they are made
Why is Certification So Prevalent?

- Increases perceived value in the marketplace
- Aligns product/manufacturer with accepted standard or code
- Differentiates product/manufacturer from competition
Forest Certification: A Global Movement

Who Are the Drivers?

• Architects & Specifiers & Their Clients
Forest Certification: A Global Movement

Who Are the Drivers?

• Major Retailers the World Over

OBI  Praktiker  B&Q

THE HOME DEPOT  Carrefour  Lowe's

castorama  Sainsbury's
Forest Certification: A Global Movement

Who Are the Drivers?

• Practitioners of Corporate Responsibility
Forest Certification: A Global Movement

Who Are the Drivers?

- National & International Manufacturers of Wood Products

[Logos of AssiDomän, Norske Skog, Domtar, Andersen, Tembec, Anderson Tully, and IKEA]

Forest Certification In Your Future
A Global Response: GFTN

Forest Certification In Your Future
How to Get Started

• Learn all you can

Certified Forest Products International Conference & Showcase
September 26-28
Atlanta, Georgia

www.cfpconference.org
Forest Certification In Your Future

www.certifiedwood.org