

From Forest To Furniture

Presentation by: Tony Judge, Quality Assurance Controller, Kingfisher Asia Limited, HK.



Background of KAL

Kingfisher Asia Limited

Regional Sourcing Office for Kingfisher plc

Head Office in Hong Kong

Representative Offices in Shanghai and,

later this month, Shenzhen



Background of KAL

Employing over 120 staff and sourcing products for:

- B&Q
- Castorama
- Brico Depot
- Screwfix
- Comet / KESA
- Woolworths
- Superdrug



Background of KAL

Last Year Kingfisher Asia Limited sourced products worth:

Over US\$ 340,000,000

More than 80% from China



KAL's Business

Products sourced include:-

- Tools
- Power Tools
- Wooden Garden Furniture
- Bathroom Accessories (including wooden)
- Toys & Stationery
- Home Products
- Audio / Video Equipment
- Household Electrical Items



Wood Business

Garden Furniture:-

- Currently source over US\$ 25,000,000
- Over 50% is made from independently certified timber
- Most of the certified timber products go to B&Q UK



Wood Business

- Sustainability is an important part of how Kingfisher businesses operate.
- It is now becoming an integral part of how all our Operating Companies do business.
- Wood is seen to be probably the most important resource that needs and can relatively easily be planted and harvested in a sound, sustainable manner.



Wood Business

- B&Q was the first Operating Company to take the lead with a policy of sourcing certified (FSC) timber whenever possible.
- Other Kingfisher companies have followed B&Q's lead, with Castorama launching its timber policy at the end of last year.



Why have a timber Policy?



Why have a Timber Policy?

'To build our customers trust that all our wood products come from well managed forests'

'B&Q do not want the business to be associated with illegal logging and deforestation'



B&Q's first environmental statement published.

Timber suppliers asked to identify all timber sources



'Tropical Deforestation: the DIY perspective 'published B&Q helped create FSC, B&Q begins to audit timber sources'



'Virtually all timber now comes from known sources'

B&Q



B&Q announce 1999 Target:

'that all timber must be FSC certified by 1999'



'Virtually all timber is now independently certified'

B&Q





Launch of revised B&Q Timber Policy:

'We will make wood from well managed forests more competitive than wood from poor or unknown forestry'



Current B&Q Timber Policy

Schemes B&Q accept:

FSC

Schemes working with FSC:

- LEI (Indonesia)
- MTTC (Malaysia)
- FFCS (Finland)
- UKWAS (United Kingdom)



Current B&Q Timber Policy

We will buy from forests and suppliers showing commitment to FSC certification

B&Q



Current B&Q Timber Policy

B&Q (UK) buy timber products from:

Indonesia, Malaysia, Vietnam, New Zealand, Brazil, Costa Rica, Canada, New York State, Bolivia, S. Africa, Solomon Isles, Latvia, Portugal, Poland, Finland, Norway, Denmark, Germany, Spain, Belgium, United Kingdom and China.



B&Q (China)

Importing only FSC timber from 2002

Introduced FSC own brand flooring in Yanpu Store, Shanghai

Working with vendors to develop sustainable timber products



The Future

2002/2003

Kingfisher will more than double its direct sourcing programme from China