

Date: 7/2/2009
To: All Associates
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Subject: Q&A about McKillican selling FSC materials / FSC COC shops vs. non-FSC shops / LEED MR7 as I understand it

Q: Can McKillican sell our FSC materials to non-FSC shops?

A: Yes, we do every day

Q: Does this break the FSC chain of Custody?

A: Depends, here are clarifications by USGBC LEED and then FSC

USGBC LEED: memo 4-7-2008 <http://www.usgbc.org/ShowFile.aspx?DocumentID=4027> states:

"ALL vendor invoices for permanently-installed wood products, certified and not, purchased by the project contractor and subcontractors must be complied. Vendors are defined as those companies that sell products to the project contractor or subcontractors". THIS IS US.

FSC: "FAQ regarding LEED Certified Wood Credit" http://www.fscus.org/green_building/leed_faq.php

"Prior to the adoption of this revised language, FSC rules and LEED requirements were out of sync... For individually-labeled products, the manufacturer's COC number was required; for products that were not individually labeled, the required COC number was that of the company supplying wood products to project contractors and subcontractors.

FSC does not make this distinction; it requires that all companies that take legal ownership of FSC products and produce, sell, promote, or trade them be certified for COC....

In addition, according to previous LEED requirements, the only required documentation was a COC certificate number, but that alone is insufficient to demonstrate compliance with credit requirements.... because the credit calculation is based on the cost of both FSC and non-FSC products, itemized cost information was needed. The revised language therefore focuses on vendor invoices that show both a valid COC certificate number and line items indicating which products are FSC-certified.

Q: For Our Customers - What does this mean?

A: Customers who sell permanently installed wood products may not need to be FSC COC (unless there are other contractual requirements). Yet there will be a BIG difference between the FSC COC shop vs. NON FSC shop when it comes to their scope and a project achieve the LEED MR7 credit. This is because their scope is calculated in \$ VALUE. Here is the LEED spreadsheet used for MR7:

Products	Vendor or Mfg Name	Material Value	% Wood by weight	Value of wood \$	% certified wood (by weight)	Value of certified wood \$	FSC COC number
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Q: What is the Difference NON FSC Shop vs FSC COC Shop for MR7 Calculation?

NON FSC Shops provide value of materials (purchased McKillican) and our FSC COC certificate number.

FSC COC Shops provide value to cabinets (from them – includes value added) and their FSC COC certificate number.

When a project fails to achieve the MR7 credit because the shop was not FSC COC (having to use the cost of materials vs. the cost of casework) it gets ugly. This has happened more than several times with customers. I suggest customers understand the projects expectations and requirements with respects to their scope of work in achieving the MR7 credit. No one likes this, but getting FSC COC shop certification is not difficult – yet there is an expense. Many customers have already done this and are using it to their advantage. If they have any questions about this (above) or shop certification (they will need our vendor information which I will provide) - pass on my contact information.