Connecting the Dots

Landmarks in the Timber Industry’s 15-year Quest to Get Wood from Status Quo Forestry Accepted as a Green Building Material
Landmark: 1993

Environmental groups, forward-thinking companies, social interest groups and others form the Forest Stewardship Council (FSC) with the goal of promoting responsible forest management globally.

Initially, FSC-certified forest lands in the U.S. and Canada grow slowly, reaching 12 million acres by 2003.

Backstory

FSC’s basic purpose was and is to set high environmental and social standards for forest management and use these as the foundation for a credible eco-label for forest products, driving market transformation to sustainability in the forest products industry. From the beginning, two ideas at the core of FSC—1) that wood is only as “green” as the forest practices that stand behind it, and 2) that standards for truly responsible forestry should be significantly more rigorous than legal and regulatory thresholds—encounter profound resistance from mainstream timber interests. For example, an industry white paper published in 1997 by the American Forest & Paper Association argues that FSC rules that prohibit labeling of wood from the harvest of primary/old growth forests or of wood from forest lands that are converted to non-forest uses are “not scientific.”

Landmark: 1994

The American Forest & Paper Association (AF&PA) launches the Sustainable Forestry Initiative (SFI). All AF&PA members are required to join the new certification system, resulting in automatic growth: within ten years, SFI certified forest lands exceed 100 million acres, growing nearly ten times as much as FSC in its first decade.

Around the same time that SFI is created, similar industry-supported initiatives are launched in Canada (under the auspices of the Canadian Standards Association or CSA) and in Europe (the Pan European Forest Certification scheme or PEFC). The PEFC later evolves into the Programme for the Endorsement of Forest Certification, an umbrella system and mutual-recognition framework for industry-originated forest certification systems around the world.

Some years later, the American Tree Farm System (ATFS) administered by the American Forest Foundation updates a 50-year-old certification system for family forest landowners in the U.S. and affiliates with both SFI and PEFC.

Backstory

Critics accuse AF&PA of creating SFI to co-opt FSC (the above-mentioned white paper urges the forestry community to spurn FSC and “work to expand the practice of sustainable forestry through programs like the AF&PA Sustainable Forestry Initiative…”). They argue that it is a classic case of the fox guarding the henhouse, saying that SFI’s rapid growth is easily explained because it requires minimal changes to participating timber companies’ practices prior to certification.

Further, they contend that SFI’s environmental and social standards are loosely-worded window dressing aimed to disguise its central purpose—not simply to defend, but to legitimize business-as-usual industrial forestry (the maximization of fiber production and short-term profits through large clearcuts, monocultures, and intensive chemical use) as “green” and sustainable.

FSC supporters note with dismay that competing forest certification systems are working in tandem to keep FSC locked in a boutique box, confusing the market, curtailing the growth of FSC certification of forests, and keeping the network of companies trying to bring FSC-certified products to market small, fragmented, and relatively non-competitive.
Landmark: 2000

The US Green Building Council (USGBC) releases the first version of the LEED green building rating system. LEED contains a Certified Wood Credit (Materials and Resources Credit 7, or MRc7) that only recognizes FSC-certified wood.

From the beginning, USGBC and LEED show impressive growth, certifying 34 buildings totaling nearly 5 million sq ft in 2000 and 131 buildings totaling 18.2 million sq ft in 2001, with significantly more registered and in the pipeline. LEED's growth continues unabated until 2008, when it begins to flatten out. The total floor area for all LEED-certified new commercial construction now equates to roughly 17 percent of all U.S. commercial real estate. See Fig. 1

Backstory

LEED's rapid growth and recognition of FSC create strong market demand for FSC-certified wood products. Through LEED, a large number of architects and designers become accustomed to specifying FSC. As LEED grows, so too does FSC: the total area of FSC-certified forests in the U.S. and Canada reaches 111 million acres by the beginning of 2010, representing nearly 14 percent of North America's working forests, and continues to climb steadily. See Figs. 2 (below) and 3 (page 4)

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**Fig. 1**

<table>
<thead>
<tr>
<th>Year</th>
<th>LEED Certified</th>
<th>LEED Registered</th>
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<tr>
<td></td>
<td># of Buildings</td>
<td>Gross Sq. Ft.</td>
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<tr>
<td></td>
<td></td>
<td>(millions)</td>
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<tr>
<td>2003</td>
<td>339</td>
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<td>2010</td>
<td>230</td>
<td>25.7</td>
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**Fig. 2**

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Area Under FSC Certification (in millions of acres)</th>
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<tr>
<td></td>
<td>U.S.</td>
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<tr>
<td>2003</td>
<td>9.0</td>
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<tr>
<td>2004</td>
<td>13.0</td>
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<td>2005</td>
<td>22.0</td>
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<td>2006</td>
<td>22.7</td>
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<td>2007</td>
<td>23.3</td>
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<td>2009</td>
<td>29.6</td>
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<tr>
<td>2010</td>
<td>34.9</td>
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</table>

* Includes U.S. and Canada
Fig. 3

FSC Share of Working Forests in North America

0.0% 2.0% 4.0% 6.0% 8.0% 10.0% 12.0% 14.0% 16.0%
2002 2003 2004 2005 2006 2007 2008 2009 2010
Green Globes and the National Green Building Program are intended to siphon support from LEED and LEED for Homes respectively—just as SFI is intended to undercut FSC. The strategic template is the same: create your own system that rubber stamps what you are doing already, and then pretend and demand equivalence with more rigorous standards.

PR firms like Porter Novelli play an important role in developing and implementing this strategy. For example, from its inception to the present, the public face of GBI is Ward Hubbell, a former executive of Louisiana Pacific. Hubbell is also the president of the PR firm Hubbell Communications whose specialty is “creating and mobilizing coalitions and grassroots efforts for the purpose of advancing public policy and business agendas.”

GBI’s Green Globes and NAHB’s National Green Building Program differ from LEED by giving equal recognition to wood certified under all forest certification systems (FSC, SFI, CSA, ATFS and PEFC).

In addition, Green Globes rewards the use of Life Cycle Assessment (LCA)-based tools like the Canadian timber industry-sponsored Athena EcoCalculator to evaluate building materials and assemblies. In general, wood fares well under LCA relative to non-bio-based materials like steel and concrete. This is because LCA accounts for only some of wood’s greenhouse gas emissions, energy use, fresh water use, and other impacts where wood performs relatively well, but it largely ignores the environmental and social impacts associated with logging. All wood looks the same when assessed by most LCA tools, whether it comes from large clearcuts or low-impact selective forest management.
Landmark: 2004

The Consortium for Research on Renewable Industrial Materials (CORRIM)—a group of academic researchers supported by the timber industry—issues a report claiming that using LCA, a typical American house built of wood has a lower carbon footprint than an identical house built of steel or of concrete masonry.

Backstory

Recent analysis of the 2004 CORRIM report by researchers from outside the timber industry suggests that logging site CO2 emissions were under-reported, wood sequestration was over-reported, and steel emissions were over-reported, thus calling into question the CORRIM researchers’ conclusion that wood has a lower carbon footprint than steel.

Landmark: 2006-2010

USGBC issues a press release in the summer of 2006 announcing that it will consider changing LEED Materials and Resources Credit 6 (MRc6) from a rapidly renewable credit into a bio-based materials credit that recognizes all legally-harvested wood, and proposing a mechanism—a forest certification benchmark—by which recognition under the Certified Wood Credit (MRc7) could be extended beyond FSC to competing forest certification systems.

USGBC’s announcement kicks off a highly contentious, multi-year process that culminates at the end of 2010 in the failure of the proposed forest certification benchmark in a USGBC member ballot. By default, the Certified Wood Credit remains FSC-exclusive—for the time being.

Backstory

As the decision on the forest certification benchmark draws near, FSC and SFI supporters pull out the stops in advocating for their side of the issues. The SFI camp leverages its influence at top levels of government, recruiting 14 state governors and 79 members of congress to publicly pressure USGBC to “accept all credible forest management systems for qualification under LEED…” For their part, 12 environmental groups that support FSC send an open letter to USGBC members urging them to maintain high standards for wood and forests in LEED.

After multiple drafts, USGBC winds up setting the forest certification benchmark at a level that is higher than SFI’s standards and lower than FSC’s. Both FSC and SFI oppose the compromise that USGBC proposes, surely contributing to its failure at ballot.
Landmark: 2009

The environmental group ForestEthics files two complaints against SFI, one with the Federal Trade Commission (FTC) and the other with the Internal Revenue Service (IRS). The FTC complaint claims that SFI engages in unfair and deceptive acts and practices, that they are not an “independent non-profit public charity,” and that their forest certification standards are “deceptive and misleading.” The IRS complaint argues that SFI’s structure and operation violates two provisions of the Internal Revenue Code: the requirement that 501c(3) “public charities” not serve “private interests” and that they demonstrate “substantial public support.”

Within two months, the Coalition for Fair Forest Certification—by their own description, a “group of forest product companies, family forest and other landowners, businesses affected by forestry certification, and trade and landowner associations…”—files a counter-complaint with the FTC, accusing the FSC in its turn of unfair and deceptive trade practices and stating that “USGBC and FSC operate in tandem to disadvantage wood products certified by SFI and other domestic certification programs.”

Backstory

From 2002 forward, SFI takes steps to distance itself from AF&PA, culminating in its achieving status as a non-profit 501c(3) charitable organization in 2007. However, ForestEthics points out that tax-exempt charities are supposed to serve the public good rather than the private interests of their members. In its complaints, ForestEthics contends that SFI cannot reasonably be characterized as balanced and independent in either its governance or its base of support, as representation of environmental and social interests on its board is very limited and nearly all of its funding comes from industry. In a letter to ForestEthics’ attorney dated April 23, 2009 SFI admits that the “vast majority of [SFI’s] financial support is provided by SFI Program Participants who use our forest management and fiber sourcing standards.” ForestEthics goes on to graphically illustrate SFI’s web of financial ties to industry in a 2010 report: “SFI: Certified Greenwash.”

The ForestEthics complaints, and the Coalition for Fair Forest Certification counter-complaint, have yet to be resolved.
Sometimes if you find yourself at the losing end of an argument, the best thing you can do is change the subject. The formation of the Green Building Strategy Group (coordinated by Vicki Worden of Worden Associates, a former VP of the Green Building Initiative) coincides with a subtle but significant shift in big timber’s strategy to get wood from status quo forestry recognized as “green.” While efforts to gain equal recognition for all forest certification systems continue, there is a growing commitment of resources to the development and promotion LCA.

Continued competition and debate over forest certification inevitably draws attention to the environmental impacts of forestry. On the other hand, as noted above, the virtue of LCA from the timber industry’s standpoint is that it accounts for nearly everything EXCEPT the site-specific impacts of logging, including harm to wildlife habitat, to soil and water quality, to local communities, etc. Under the lens of LCA, wood has no downside and looks very good relative to nearly all other building materials.

According to its 2010 Annual Report, APA–Engineered Wood Association leads “the development of the Green Opportunity Task Group, an industry coalition, in the development of a tactical plan for unified industry messaging and activities related to green building standards, advocacy, research, marketing and education. Working on behalf of the task group, APA secured funding from the U.S. Forest Service, Forest Products Laboratory, to proceed with the initial phase of...the plan. This included formation of a Life Cycle Assessment working group composed of representatives from industry, academia, research organizations, and government...Other components of the Green Opportunity Tactical Plan are being considered and addressed through a new industry initiative, the Green Building Strategy Group, which is working under the leadership of the American Wood Council and the American Forest Foundation. The U.S. Forest Service, Forest Products Laboratory, is providing financial support to this new group...” The Sustainable Forestry Initiative’s 2011 Progress Report notes that SFI chairs the Green Building Strategy Group’s Policy and Advocacy Committee.

Secretary of Agriculture Tom Vilsack commits the U.S. Forest Service and the entire U.S. Department of Agriculture to “preferentially select wood in new building construction...and demonstrate innovative uses of wood as a green building material,” noting that “Forest Service studies show that wood compares favorably to competing materials.”
Established by the 2002 Farm Bill, the USDA’s BioPreferred Program is run by a small staff out of the University of Iowa. The program is intended to promote “alternative” bio-based products by 1) certifying and labeling qualifying products to increase consumer recognition of bio-based products, and 2) designating categories of bio-based products that are afforded purchasing preference by Federal agencies. Currently, the program recognizes a wide variety of products, including bedding, carpets, cleaning products, automotive products, etc. in addition to a relatively short list of building materials. “Mature market products” – defined as those that existed prior to 1972 – are barred from the program, so common wood products like lumber, plywood etc. do not currently qualify. Many of the wood products that are now listed qualify because they use bio-based adhesives, not because the wood itself is bio-based.

American Forest & Paper Association, American Forest Foundation, American Wood Council, Sustainable Forestry Initiative and numerous other organizations send a thank you letter to Secretary Vilsack, congratulating him on his new green building strategy.

Among other things, the letter urges USDA to “adopt changes to the USDA BioPreferred Program…to allow recognition of forest products. Currently, products with ‘mature markets,’ which USDA has so far indicated includes forest products, are likely to be excluded from the program without consideration of the environmental benefits of these products…Slight changes to the USDA’s BioPreferred Program can make great strides for the promotion of forest products.”

USGBC releases the second draft of LEED 2012, with numerous credits across multiple rating systems that reward the use of LCA-based tools and of bio-based materials (among other things, the latter must be “documented in the US Department of Agriculture’s BioPreferred database”).

The credit language for bio-based materials in this draft of LEED 2012 references the USDA’s BioPreferred Program. At the present time, this would exclude recognition of most wood building materials. However, as the above-referenced thank-you letter notes, slight changes to the program would make all the difference…
The U.S. Forest Service releases a report entitled “Science Supporting the Economic and Environmental Benefits of Using Wood and Wood Products in Green Building Construction.”

In discussing the “Barriers to Increasing Wood Use as a Green Building Material,” the report cites confusion about the benefits of renewable (wood) versus recyclable (steel) materials; incomplete information on the life cycle environmental impacts of wood and alternative construction materials; lagging R&D for wood products and building systems; inadequate provisions to recognize the benefit of LCA to guide selection of building materials in codes and standards; and insufficient education, technology transfer, and demonstration projects.

Nowhere in this report is it suggested that the damage caused by business-as-usual industrial forestry might pose a barrier to the blanket acceptance of wood as “green,” or that a commitment to more ecologically sustainable and socially responsible forest practices by the mainstream of the U.S. timber industry might be what’s needed to achieve such acceptance. Instead, the report states that “USDA and other stakeholders must overcome existing misconceptions about wood... and help lead the research and development efforts on green building materials.”

What is next?