



SFI BRIEFING NOTE: Status on USGBC/LEED and Green Building

With the growing prominence of the US Green Building Council (USGBC) and increased acceptance of the Leadership in Energy and Environmental Design (LEED) Green Building Rating System™, sales people are often asked to provide FSC certified wood because currently that is the only forest certification program recognized by LEED, but that's changing and SFI currently has a solid chance of recognition within LEED. This brief will help you understand where SFI fits into the LEED tools today, how the USGBC is changing their forest certification credit to increase opportunities for SFI recognition, and how SFI is recognized by a growing number of green building programs that compete with LEED.

HOW DO WE PREVENT THE LOSS OF CONTRACTS FOR A LEED PROJECT WHEN WE HAVE SFI WOOD INSTEAD OF FSC WOOD TO SELL?

One of the most important points to remember in this time when SFI is not fully recognized by the USGBC, is that out of 69 points available in a LEED project, only one is for the forest certification credit. Therefore, the sales rep should be focused on convincing the buyer of the following:

- **LEED is changing** –The existing LEED green building rating tools only recognize FSC for the forest certification credit; however, the **new draft** forest certification credit language in the LEED rating tools strikes out the FSC text and opens up the forest certification credit to any forest certification standard that USGBC recognizes as conforming to its forest certification benchmarks. SFI will be given the chance to show it conforms to those benchmarks when LEED is ready to assess these later this year.
- **FSC or SFI** - Your company has considered FSC certification but believes that SFI certification provides the strongest assurance that the products come from well-managed certified forests in North America and responsible sources of supply. Furthermore, by specifying FSC, a system with variations used around the world, you might actually be outfitting your US or Canadian green building with products from China, Russia, or Brazil. You feel it is important to provide forest products grown and certified in North America where we have strong social, environmental, and economic underpinnings.
- **Bike Rack to Buy SFI** - Your organization could remind the buyer requesting FSC certified that they can buy SFI wood and get the one credit they were seeking for the FSC certified wood by installing a bike rack and showering facilities instead, which is recognized for an equal point under the SS Credit 4.2 in the LEED rating tools. After all, isn't it best to use SFI certified wood that is available, instead of shipping FSC wood from potentially as far away as China or Russia. This is a win-win for the environment, and nobody loses a credit if a simple bike rack is installed.

"The wood products sector is the only building material sector that has voluntarily taken on and is subject to third-party environmental certification."

WHAT ARE THE DIFFERENT LEED GREEN BUILDING RATING SYSTEMS?

There are several LEED green building rating systems including LEED for New Construction, Existing Buildings, Commercial Interiors, Core & Shell, Schools, Retail, Healthcare, Homes, and Neighborhood Development. Generally speaking, most inquiries are interested in LEED for New Construction (LEED NC). However, given the use of forest products in home construction, there is an expectation that many builders will be taking a serious look at LEED for Homes.

Currently, LEED NC, Version 2.2 is in use and offers a total of 69 possible points. The number of points achieved determines the claim that can be made upon successful project certification, i.e. LEED Silver (33-38 points), LEED Gold (39-51 points), LEED Platinum (52-69 points.)

HOW IS FOREST CERTIFICATION ADDRESSED IN THE LEED STANDARD?

The forest certification credit appears in the LEED rating tools under Materials & Resources (MR). Under *MR Credit 7: Certified Wood*, the USGBC has exclusively recognized FSC since its inception in 2000. That's changing. For almost two years now, USGBC has been engaged in an open and public process to revise the MR Credit 7. The latest draft has struck the FSC language and opens it up to any forest certification standard that USGBC recognizes as conforming to its forest certification benchmarks. This is a very positive development.

WHAT ARE THE PROPOSED CHANGES FOR THE CERTIFIED WOOD CREDIT UNDER LEED VERSION 3?

The proposed changes include a revision to the "MR Credit 7: Certified Wood" language which would strike the FSC-only language from the requirements as well as the potential technologies and strategies. The new credit proposal sets benchmarks/criteria against which SFI and other certification programs including FSC would be evaluated. It is important to know that

MR Credit 7: Certified Wood

1 Point

Intent

Encourage exemplary environmentally and socially responsible forest management.

Requirements

Use a minimum of 50% (based on cost) of wood-based materials and products, which are certified in accordance with forest certification systems that USGBC recognizes as conforming to its Forest Certification System Benchmark, the Forest Stewardship Council's (FSC) Principles and Criteria, for wood building components. These components include, but are not limited to, structural framing and general dimensional framing, flooring, sub-flooring, wood doors and finishes.

Only include materials permanently installed in the project. Furniture may be included, providing it is included consistently in MR Credits 3–7.

Potential Technologies & Strategies

Establish a project goal for FSC-certified wood products certified by a recognized forest certification system and identify suppliers that can achieve this goal. During construction, ensure that the FSC-certified wood products are installed and quantify the total percentage of FSC-certified wood products installed.

Source: www.usgbc.org

the forest certification credit (MR Credit 7) is undergoing a separate development process and will be balloted outside of the LEED 2009 Rating System as a single credit. As a clarification, LEED 2009 will contain the previous version of this credit until the revised credit is approved by USGBC membership. Once the revised forest certification credit is approved it will apply to all of the LEED rating tools.

WHAT IS THE LEED CERTIFIED WOOD CREDIT REVISION TIMELINE?

USGBC, the parent of the LEED green building program, has offered these targets for 2009:

- End of March – Technical Advisory Group (TAG) has completed 80% of the forest certification credit language.
- Mid-April – the new credit language (benchmarks) will go to the LEED Steering Committee.
- May-June – the new credit language (benchmarks) will go for 2nd public comment.
- From there, there are two things that have to take place: ballot vote of the credit language (benchmarks) and a conformance assessment against those benchmarks.

The fact that SFI is part of the revision process, and being considered for inclusion in future LEED releases speaks to the validity and credibility of the SFI program. Becoming a fully independent program in January 2007 has driven our rapid growth. The designers and builders who want to build to a particular program, such as LEED, can do so with or without the use of FSC certified wood, and many do.

CAN A LEED BUILDING USE SFI WOOD?



Yes - builders and architects around the continent can build a LEED building with SFI wood! There have been many high profile “platinum” level examples of this, such as the NRDC building in California, and a Parks Canada building in British Columbia. The reason for this is that just one point is actually available under certified wood credit out of a possible 69 in LEED-NC v2.2 (and a total of 110 points in the revised structure of LEED-NC v3). Many projects forgo this point and build with their preferred supply. In practicality, rating systems can become an exercise in numbers: a point lost for not using FSC wood could be gained from installing a bike storage rack and showering facilities, following SS Credit 4.2.

WHAT IS SFI DOING TO ENCOURAGE THE USGBC TO RECOGNIZE SFI?

SFI maintains ongoing efforts to monitor developments in the LEED program and ensures our position is thoroughly understood with the USGBC executive and relevant committees or task groups. We provided detailed comments on the draft language which can be seen on our website on the green building page¹.

Our on-going communication efforts with the USGBC are based on powerful messages and thought-provoking questions. We ask the USGBC and those pursuing LEED to consider and reflect upon the following points:

- There is only one point available for certified wood does which essentially places the forest products sector at a disadvantage - especially when you consider that substitute products do not face the same requirements.
- Only 10% of the world’s forests are certified, and as demand increases, so too will the level of certified forests. By recognizing multiple certification systems, the USGBC will be taking steps to proactively influence the other 90%.

“SFI Inc encourages inclusivity in green building programs because the reality is that 90% of the world’s forests are not certified to any system. Rewarding the leaders in this field will promote uptake of certification and strengthen the supply chain and improve forest management globally.”

WHY IS IT IN USGBC’S INTEREST TO RECOGNIZE SFI?

We believe that USGBC recognition of SFI is a win for everybody - for SFI, for USGBC, for builders and architects and for the forests of North America. With FSC exclusivity and a failure to recognize all credible certification standards, the USGBC (LEED rating tools) risk losing market acceptance to other inclusive green building systems such as Green Globes, the ANSI National Green Building Standard and the National Association of Home Builders (NAHB) Guidelines and their state-level green building programs that are being developed as an alternative to LEED. By not recognizing the SFI label, the USGBC is in effect saying “no” to products from more than 80% of the certified forests in North America and saying “yes” to forest products from offshore that are either FSC certified or are fast growing crops like bamboo which FSC certifies. SFI Inc. encourages your organization to reach out to USGBC and remind them why SFI should be included and ask these important questions:

- Is FSC wood from Indonesia better than SFI wood from Washington State?
- Is FSC wood from plantations in Brazil better than SFI wood from a southern yellow-pine SFI certified forest in Georgia?

¹<http://www.sfiprogram.org/greenbuilding/index.php>

- Is FSC wood from Russia better than wood from New Brunswick or a family forest owner in Maine?
- Are the numerous and differing FSC standards (13 in North America) preferable to SFI's single North American standard? After all, you know what you are getting when the SFI standard is used.

WHAT GREEN BUILDING PROGRAMS RECOGNIZE SFI IN NORTH AMERICA?

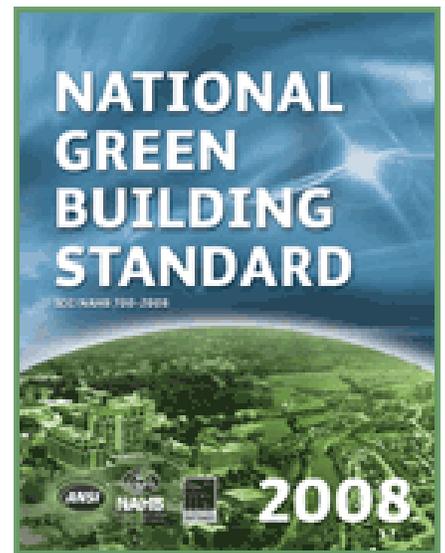
Right here in your own backyard there are both commercial and residential green building rating tools that can be used that recognize a variety of credible forest certification standards, including SFI. On the commercial side, Green Globes in Canada and in the US recognizes SFI; on the residential side, ANSI's recently released National Green Building Standard (ANSI/ICC 700-2008) recognizes SFI as well as other credible certification programs and is currently applied in the US.

WHAT ELSE CAN YOU TELL ME ABOUT GREEN GLOBES RATING TOOL FOR COMMERCIAL BUILDINGS?

The **Green Building Initiative (GBI) Green Globes**, a national commercial green building rating program, has recognized SFI from inception of the program in the US, as well as its Canadian counterpart and program founder, **Green Globes Canada**. The Green Globes system, which is web-based and cost effective, promotes a range of building practices that result in energy-efficient and healthier buildings. Learn more about the GBI and Green Globes at www.thegbi.org.

WHAT ELSE CAN YOU TELL ME ABOUT ANSI'S NATIONAL GREEN BUILDING STANDARD FOR RESIDENTIAL BUILDINGS?

The National Green Building Standard is not only one of the most inclusive green building rating systems when it comes to forest certification, it is also the first to be approved by the American National Standards Institute (ANSI). Now known as ANSI/ICC 700-2008, the standard – a joint effort between the International Code Council (ICC) and the National Association of Home Builders (NAHB) – applies to all residential construction work in the United States. It gives credits for wood and wood-based materials and products certified to all credible third-party forest certification programs, including the SFI program.



The approval of ANSI/ICC 700-2008 in early 2009 followed a stringent process involving an inclusive and representative consensus committee made up of builders, architects, product manufacturers, regulators and environmental experts. The committee deliberated the content of the standard for more than a year, held four public hearings, and evaluated more than 2,000 comments. For further information, visit <http://www.nahbgreen.org/Guidelines/ansistandard.aspx>. What's most interesting is that this is a recent ANSI standard with the latest thinking, and that latest thinking shows equal recognition for SFI and FSC. SFI Inc. is confident that USGBC through its revision process will move in this direction. However, until that process is finalized, USGBC risks losing market share to programs that say yes to certified wood in North America.

WHAT DO GOVERNMENT AGENCIES THINK ABOUT GREEN BUILDING?

While there are green building programs and government agencies the world over that recognize SFI - from the UK to Japan - there is also an increased interest in federal, state, provincial and local

government initiatives in green building. Some government agencies recognize LEED only, others recognize LEED and Green Globes and others still take their own path and recognize the need for the use of wood in green building and recognize SFI alongside FSC and other credible certification standards.

However there are two really important points here: 1) the latest government thinking at the US Federal level shows openness to all green building programs and therefore all forest certification standards including SFI (see the next section regarding Obama's Recovery and Reinvestment Act of 2009); and 2) States that produce a lot of wood clearly have a better understanding of the different forest certification programs and it is those States that tend to come out hard in favor of recognizing multiple forest certification standards including SFI, or they flat out come down hard on LEED bills that don't recognize their local certified wood basket. Some examples of this follow.

- Officials in the state of Maine have been directed to buy wood or paper products that come from forests 3rd party certified by ATF, FSC or SFI.
- California governor Arnold Schwarzenegger vetoed a bill that would require builders to reach a LEED "gold" rating for commercial buildings greater than 50,000 sq. feet. The Governor said "... if implemented provisions in this bill would create a bias for certain building materials over others without a clear benefit. For instance, the use of California wood building construction materials is highly discouraged in favor of foreign grown bamboo and wheatgrass."
- The governors of Minnesota and Washington have sent letters to the USGBC saying a more inclusive approach to forest certification standards has the potential to include more forest products from family forest owners in their states, and other small forest parcels. Minnesota Governor Tim Pawlenty said "With only 10 percent of forests certified globally, choosing one program over another does not encourage forest certification efforts or improve markets for certified forest products."
- Government agencies that regulate advertising and environmental claims in the marketplace cite SFI as a sound example for how to properly use eco-labels:
 - The Canadian Competition Bureau and Canadian Standards Association released the report Environmental Claims: a Guide for Industry and Advertisers which encourages consumers and businesses to look for forest products "that were certified to a sustainable forest management standard," and specifically cites SFI, FSC, CSA and PEFC.
 - The Federal Trade Commission (FTC) asked SFI to be a speaker at two of their Green Guides workshops in 2008, one dealing specifically with green building. SFI clearly stipulates that all SFI labels and claims must follow the FTC and the Canadian Competition Bureau's guidelines and requirements.

WHAT HAS PRESIDENT OBAMA PUT FORWARD ON GREEN BUILDING?

President Barack Obama's federal stimulus bill says a percentage of recovery funds must be used for work performed in accordance with green building standards that include Green Globes, which give credits for wood and wood-based materials and products certified to credible certification programs such as the SFI program.

The American Recovery and Reinvestment Act dated Jan 15, 2009 and signed by President Obama on February 17, 2009 states on page 183: "A percentage of recovery funds used for education facility construction and renovation (currently 25%) must be used for work performed in accordance with a green building standard such as LEED, Energy Star, or Green Globes."

SFI is currently being considered by USGBC (LEED), is co-branding with Energy Star and is recognized by Green Globes. It is noteworthy that even before Obama came to power, the United States Government Services Agency's (GSA) Solicitation for Offers requirement SFO Section 7.4 Wood Products (revised August, 2008) states: "For all new installations of wood products, the Lessor is encouraged to use independently certified forest products. For information on certification and certified wood products, refer to the Forest Certification Resource Center, the Forest Stewardship Council United States, or the Sustainable Forestry Initiative."



Swinging with SFI Fun fact:

There's a new swing set outside the Oval Office – and it's made with redwood from northern California forests certified to the SFI Standard. President Barack Obama and his wife Michelle bought the swing set as a surprise gift for their daughters Malia and Sasha.

TELL ME MORE ABOUT SFI AND ENERGY STAR?

SFI Inc. believes that there are many ways to show an organization's commitment to green building. One of the most widespread ways is through Energy Star and another way that organizations are

Two ways to show your commitment to green building.

These days, more people are looking to build homes that save energy and help protect the environment. This idea gained visibility in 1992, when the EPA-developed ENERGY STAR® program began to identify energy-efficient products. Today, there's another symbol to look for when building a greener home: the symbol of the Sustainable Forestry Initiative®, an independent, third-party forest certification program. SFI®-certified building materials meet rigorous environmental standards to reforest areas harvested and help protect wildlife, plants, soil, and water quality. These materials are recognized by green building rating programs around the world. For more about the SFI program, visit www.sfi.org.

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increasingly aware of is SFI. In fact, some market research confirms that there is a real recognition and respect for Energy Star as well as SFI and that is why we decided to undertake a co-branding strategy and feature the SFI label alongside the Energy Star label. A study by Terrachoice Environmental marketing polled 336 customers and 91% felt that green-washing is a problem that needs to be address. 72% of the respondents agreed that eco-labels help purchasing decisions and the majority also felt that having a choice of eco labels was important. The Energy Star and the SFI Label were included in purchasers' top ten most used eco-labels.

Our new ad campaign features messaging that delivers on the promise of the SFI standard, and our recently re-designed website features a variety of timely and relevant content, including examples of advertising like the Energy Star ad. It is our vision that the SFI brand be held in similar regard as the ENERGY-STAR brand. In fact, we think we are headed in the right direction with other independent research that

showed SFI's growing recognition not just amongst large buyers but also across consumers. A recent survey by GfK Roper Public Affairs & Yale of 3000 consumers across North America found that consumers believe it is important or essential to have eco-labels that describe the environmental impacts caused by the manufacture, use and disposal of products. Of 10 eco-labels tested in the US, SFI had the highest familiarity rating of any forest certification program (SFI 19%, FSC 12%.)

WHAT ELSE IS SFI DOING TO PROMOTE ITS PROGRAM IN THE GREEN BUILDING COMMUNITY?



Brand awareness activities are critical to keeping the momentum of marketplace support strong and promoting the value of SFI within organizations like the USGBC. In 2009, SFI will continue with trade show participation, including the USGBC’s Greenbuild Expo in Phoenix, November 11-13. SFI will also be working with trusted trade publications, including ProSales and LBM Journal, as well as pursuing opportunities in mainstream media. An example of our efforts can be seen in a recent *Business Week* advertorial, entitled “Green is Good” making the case for sustainable construction. This was a joint advertorial with McGraw Hill Construction, and the USGBC, among others, and was featured at the USGBC’s own flagship Greenbuild Expo².

We are in the process of developing a Green Build Tool Kit which will include a PowerPoint presentation, key messages on green building, a brochure, and a series of FAQs. We value your insight and would like to hear from you on what you’d like to see in this kit.

HOW CAN SFI SUPPORT MY NEEDS?

The SFI team has grown to include a new Director of Green Building and a Director of Market Access for Canada, and have increased capacity to help the SFI community, which includes sales and marketing professionals like you. We are more than happy to assist with training and education opportunities and customer presentations, by providing background materials and graphics, conducting webinars on green building or scheduling in-person meetings.

We want to hear from you and help however we can, so please forward questions as they arise and we’ll respond quickly. Your feedback and market insight is valuable and will help inform future support materials, including the green building tool kit.

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²<http://www.sfiprogram.org/files/pdf/feature-businessweek-2008.pdf>

