

NHLA IS THE VOICE OF THE HARDWOOD INDUSTRY; COMMITTED TO SUSTAINABILITY, EDUCATION, AND ADVOCACY. BY ENSURING THAT NORTH AMERICAN HARDWOODS ARE ABLE TO MEET THE NEEDS OF TODAY WHILE CONSERVING THE RESOURCES THAT WILL BE NEEDED TOMORROW — SUSTAINABILITY IS DEFINED.

A recent independent research study,* commissioned by the American Hardwood Export Council (AHEC) and conducted by a team of international experts led by Alberto Goetzl, of Seneca Creek Associates LLC, confirms that:

- U.S. hardwoods derive from legal and well managed forests.
- Hardwood procured from anywhere in the hardwood states could be considered Low Risk in all five Forest Stewardship Council (FSC) controlled wood risk categories (with only minor and occasional instances contrary to this finding identified).
- There exists a low risk that
 U.S. hardwoods are produced
 from controversial sources as
 defined in the Chain of Custody

- standard of the Program for the Endorsement of Forest Certification (PEFC).
- The U.S. hardwood-producing region can be considered low risk for illegal and non-sustainable hardwood sourcing as a result of public and private regulatory and non-regulatory programs.
- And given the safety net of national and state regulations and programs that address unlawful conduct and faulty forest practices, the need for traceability, independent chain of custody and/or controlled wood certification to demonstrate legality should not be a crucial consideration for U.S. sourcing of hardwood products.

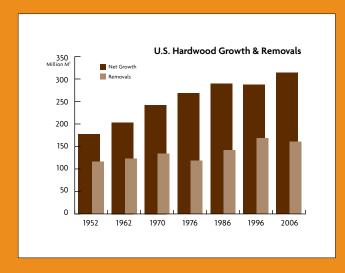
*The full report can be found at www.ahec-europe.org

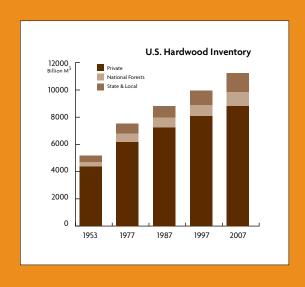
NORTH AMFRICAN HARDWOOD TREES ARE SUSTAINABLE, BIODEGRADABLE & RENEWABLE.

THE U.S. HARDWOOD INVENTORY NOW STANDS IN EXCESS OF 10,000 MILLION CUBIC METERS AND IS GROWING AT A RATE OF 40 MILLION CUBIC METERS PER YEAR AFTER HARVESTING.

Annual hardwood tree growth exceeds removals in each of the 33 hardwood producing states by a substantial margin – nearly two to one – and the hardwood inventory has consistently increased during the past five decades. Since 1953, the amount of hardwood growing stock – all live trees greater than five inches in diameter – in U.S. forests has grown 97.8 percent while the amount of hardwood sawtimber – large trees – has more than doubled. Hardwoods

account for 39 percent of all trees harvested annually. There are approximately 10 million nonindustrial private landowners in the United States. These landowners hold 58 percent or 291 million acres of the total 504 million acres of timberland. Hardwood forests are most abundant east of the Mississippi River and dominate the northeastern United States and Appalachian Mountains.





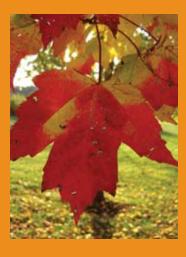


TREES PRODUCE OXYGEN, REMOVE CARBON DIOXIDE AND STORE CARBON, THUS REDUCING GREENHOUSE GASES. ONCE THEY ARE CUT AND MADE INTO A PRODUCT, THAT CARBON IS CAPTURED.

Trees sequester carbon as they grow, more so when they are young. As trees mature, they sequester less carbon and some old growth forests (for example in California) can actually put carbon back into the atmosphere. According to the U.S. Environmental Protection Agency, it is estimated that each year,

forests in the United States remove the greenhouse gases emitted by 139 million cars. Some consumers fear that using more wood will lead to deforestation. While tropical deforestation is a significant contributor to greenhouse gas emissions, deforestation is not an issue in the United States.

HARDWOOD FACTS...

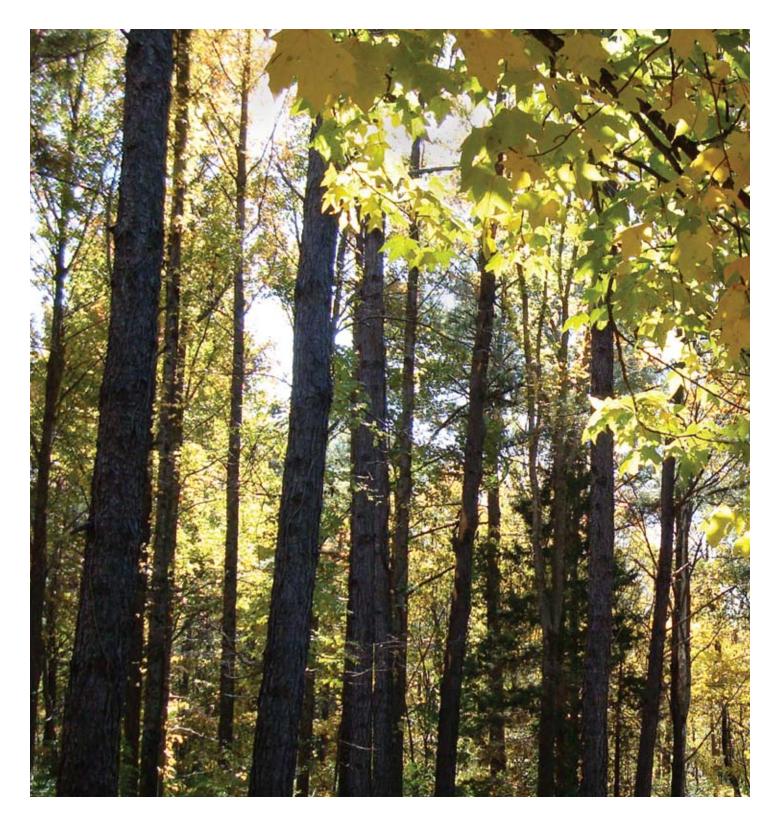


- To grow a pound of wood, a tree uses 1.47 pounds of carbon dioxide and gives off 1.07 pounds of oxygen.
- Wood is grown by harnessing solar power, but more than 60 percent of wood processing is powered by biofuels.
- All wood doors, cabinets, flooring, molding and furniture store carbon dioxide
- Hardwoods include: alder, ash, basswood, beech, birch, cherry, cottonwood, elm, hackberry, hickory, maple, oak, pecan, poplar (tulipwood), walnut and willow.
- Harvesting large mature trees in a hardwood forest allows sunlight reach the forest floor to stimulate new growth.
- Wood represents 47 percent of all raw materials used in the United States but the energy used to produce wood products accounts for just 4 percent of the energy used to make all manufactured materials.

- Choosing North American hardwood species gives customers assurance that the trees have been legally harvested.
- North American hardwood forests are not uniform plantations or even-aged, single species mono-cultures.
- Hardwood forests reproduce naturally and prolifically. Such hardwood forests maintain wildlife biodiverstiy as opposed to tree plantations.
- Wood is energy-efficient.
- An acre of trees can remove about 13 tons of dust and gases from the atmosphere.
- Each year, there are more hardwoods growing than harvested, lost to fire, lost to insects and lost to disease.
- The predominant harvesting methods for hardwoods are singletree selection or select harvesting as opposed to clear-cutting.

SOURCES – American Forest and Paper Association | "Assessment of Lawful Harvesting and Sustainability of U.S. Hardwood Exports" Research Study | California Forest Products Commission, The Wood User's Guide for Green Building | Engineered Wood Association, "Engineered Wood and the Environment," www.apawood.org (September 23, 1996) | The Environmental Protection Agency | USDA Forest Service, Forest Inventory and Analysis National Program.

SUSTAINABILITY MEANS MEETING TODAY'S NEEDS WHILE CONSERVING THE RESOURCES NFFDFD TOMORROW.







National Hardwood Lumber Association