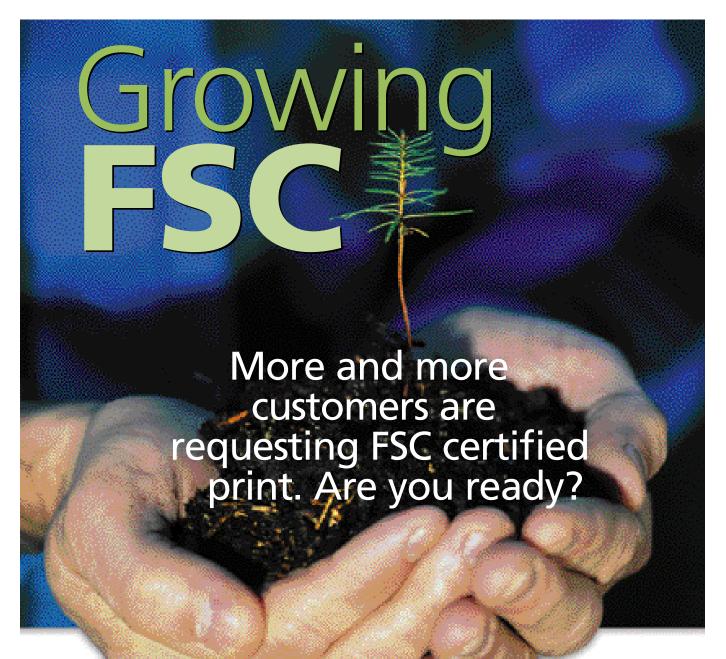
feature



here's a rule in journalism: if something happens twice, it's a coincidence, if it happens three times, consider it a trend.

How about when something happens more than thirty times and increases more than 100% in the space of two years? That's the rise in the number of printers in Canada who have recently become Forest Stewardship Council (FSC) certified. In 2003, 11 printers in Ontario and Quebec had FSC certification and by

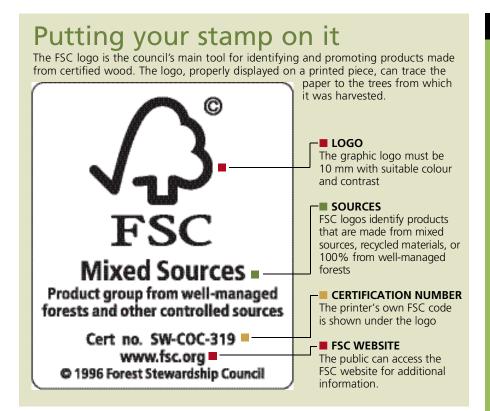
By Kate Calder

October 2005, the number had risen to 40 across the country. The FSC process, in which the paper used to print jobs can be traced back to environmentally managed forests, is becoming something of a quiet phenomenon in printing and may soon become a necessity for any printer who wants to stay competitive.

"2005 has really been the turning point. This year, three printers became certified in Calgary and four in B.C. By the end of

October, four more were certified, and by end of this year, four more will be. This is compared to one [in Western Canada] at the beginning of 2005," says Antony Marcil, president and CEO of FSC Canada.

Marcil was on hand to speak at an information seminar last summer put on by FSC Canada and Coast Paper. More than 40 printers gathered to learn about forest certification, policies, costs and the auditing process. Though not many printers know about the FSC yet, awareness is spreading. Heightened social consciousness about environmental practices is one factor that's helping to spread the word, but really it's driven by the number of large corporate customers requesting printing pro-



duced on FSC certified paper. And so, the number of printers who are adding FSC certification to their repertoire will grow.

What is FSC?

The Forest Stewardship Council is an international, non-profit organization founded in 1993 to support environmental, social and economic management of the world's forests. For example, forestry companies must involve local communities and Indigenous peoples in the development of forest management plans, and respect their rights and beliefs. The FSC strives to increase public awareness about the best use of forest products, reducing damage and waste, and avoiding over-consumption and over-harvesting.

At the beginning of the year, fewer than five million hectares of forest were certified in Canada. By the fall, there were 16 million hectares and by the end of the year, the number is expected to rise to almost 20 million hectares. This includes 5.5 million hectares of Alberta-Pacific's forest management area in northeastern Alberta, the largest FSC-certified forest in the world.

To ensure that the paper maintains the integrity established in the forest management, the FSC has established a certification process called Chain of Custody which tracks the supply chain from forest to end user. Each company on the supply chain is responsible for tracking FSC products within its own operation.

The accreditation process starts with forest owners and managers who hire third-party accredited certifiers to inspect their operations, certify their forests are managed to FSC standards, and issue FSC certificates. (For a list of third-party certifiers, see sidebar on pg. 42.) The trees then follow a tracking process through manufacturing and distribution channels, including sawmills, lumberyards, manufacturers, timber brokers, carpenters, and in the printing industry, pulp and paper producers, paper merchants, brokers and printers. The printing industry is the fastest growing segment of FSC in Canada, according to William Timpano, a representative at SmartWood, an exclusive Ontario-based FSC certification company.

Chain of Custody printers

Being an FSC certified printer means that you have a process in place to use FSC certified paper that originates from certified forests. This FSC fibre content is specified on each package or roll of paper that comes into a print shop.

Andrew Smellies is the owner of Smellies print shop in Bracebridge, Ont. With a staff of five, his shop is possibly the smallest in Canada to be FSC certified. "The whole theory is that [a client] should be able to grab a printed piece of paper that's done on FSC, look up that Chain of Custody number in the logo to see who printed it, and within a few minutes the

CANADIAN FSC STATS

OUR FORESTS

of forests in Canada are FSC certified

of Canada's 0 managed forests are FSC certified

of Canadian certified forests are in Ontario

CHAIN OF CUSTODY

of chain O of custody certificates are in Ontario

 $\bigcirc \bigcirc \bigcirc$ of chain of custody certificates are in **British Columbia**

Statistics as of September, 2005

FSC certified forests protect wildlife habitat and endangered species, respect natural waterways, and are not planted with genetically modified trees or converted into plantations.

printer should be able to tell you where they bought the paper. Then you should be able to go to the paper merchant and find out where they bought it and from there, find out what mill it was made and at what time. The mill can then tell you that particular job of pulp was made from this series of trees and here are their numbers. And those trees identify the forest. Theoretically you should be able to hit the trees," says Smellies.

To use the FSC logo, printers must submit an application to one of five accredited certifiers in Canada. The certifier then completes an on-site audit to assess whether an adequate tracking and handling system is in place to ensure that the FSC-certified paper will not get mixed up with regular stock. Companies must prove that they can implement a documented control system, which includes procedures for tracking and handling the paper; appointing personnel who will be responsible for controlling the system; creating forms and records and determining how they will be used; creating procedures for labeling and logo use; and establishing a protocol for keeping records that pertain to certification. The process takes about four to six weeks from assessment to certificate. From then on, the certifier returns once a year for an annual audit, which usually takes a day, to make sure the shop is keeping up the standards.

"There's a fair bit of work in setting those processes up initially, but other than that, it becomes just business as usual," says Donna Roth of Speedfast Colour Press, a mid-size full-service shop in Edmonton. "We have to make sure that we can track the FSC jobs that are done and they can track the FSC paper that is used," she says. Speedfast uses green stickers to easily identify its FSC stock and sets FSC jobs apart with special docket numbers so they can be pulled up easily. The shop recently had its annual audit, which Roth says resulted in a few minor changes to keep their processes in line. "Sometimes these things get put in place and it's a lot of talk, but with this you walk the talk. This is not something that's taken lightly," says Roth.

Smellies in Bracebridge is a testament that small shops are just as adaptable to implementing an FSC process as large operations. "If you go to a large printer like St. Joseph, they have their processes all documented and set down. Up to this point we never did. Everybody here does everything from running a photocopy for one client to folding 10,000 maps in the middle of the night. So, for a small company, it took a bit of time to document procedures on how to run jobs...It was interesting to do and beneficial because it really made us think about

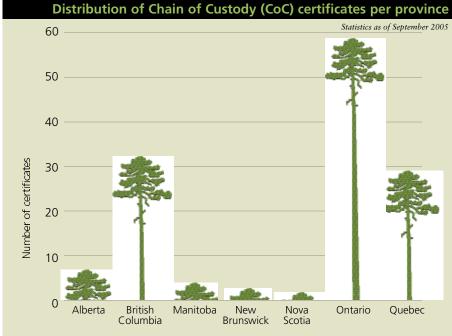


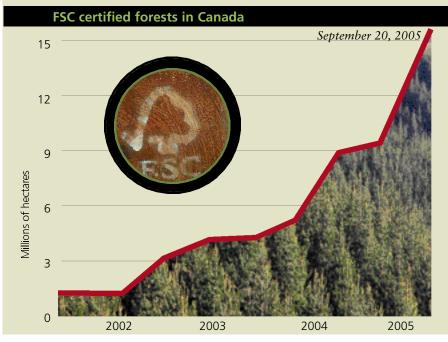
Examples of pieces printed on FSC paper from Speedfast Colour Press in Edmonton, the first FSC certified print shop in Alberta.

our procedures," says Smellies. "You can't get papers mixed up. That's the whole process behind it. They don't want the press guy to say, 'Oh well we were a little bit short, so use some of that other paper because it's the same colour.' Even our dockets had to be rewritten. We have special dockets for FSC jobs," says Smellies.

What it costs

According to Bill Timpano at SmartWood, getting your shop certified will run from \$2,500 to \$4,000 a year, depending on the size of the printer and the time and travel





involved for the certifier. "With one print job, obtained because somebody would like to put the FSC logo on their print material, that investment would be returned," says Roth of Speedfast. Fabrice Lantheaume of certification firm SGS International breaks the price down even further. He estimates a mid-size shop could get certified for a \$1,500 audit cost, with a fee to the FSC, calculated according to turnover, that can be up to \$1,000.

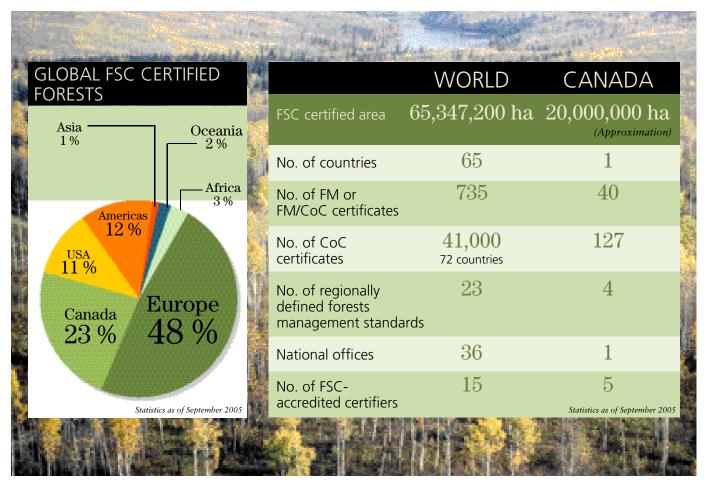
The most significant factor in the FSC cost structure, however, is the recent announcement that FSC certified papers are now priced on par with non-FSC counterparts. "That's one of the very first questions that people ask. What's the difference in cost? We saw that many years ago in recycled. You want to do it, but the cost becomes prohibitive. So, now it's competitive to any other paper," says Roth.



FSC certified papers are now priced on par with non-FSC certified papers. Certified merchants include Coast Paper, Unisource Inc., Buntin Reid Paper and Cascades Resources.

"They're [paper merchants] making it more effortless with the stocks that are available. Obviously you can't get onion skin, NCR, and pressure-sensitive stocks. It's not all out there yet. Although I'm sure at some point in time it will be," says Stephen Pugh of MPH Graphics, a midsized full-service commercial shop in Toronto. About six years ago, MPH was the first shop in Canada to become FSC certified. Pugh says back then the only FSC paper stock available was from a merchant in upstate New York. He's seen a big increase in the variety of stocks, but up until about six months ago availability was still an issue for him. Recently a rush job on FSC coated stock was going to have to wait for two weeks because the merchant's FSC coated paper was only stocked in Vancouver. "It's all supply and demand. Printers have to continue to talk to the merchants and say, 'Hey have you got any 80 lb. coated yet? Do you have a Cornwall, 10 or 12 pt coated two sides?' If the inquiries are frequent enough, it will get their attention."

FSC's executive director international,



Heiko Liedeker, says the size and location of Alberta-Pacific's forest area will have a ripple effect on the supply and demand for FSC-certified products on the global market.

Says Marcil "Paper companies initially thought, '[FSC] is going to be a bonanza: We're going to get a premium on this because there won't be very much of it and it will be so good in terms of risk management.' But it turns out that buyers aren't willing to pay a premium. So the paper folks have brought their prices down. You pay exactly the same for certified as the non-certified."

Benefits

Most certified printers would admit that they looked into becoming certified because one or more of their clients requested FSC paper. At the same time, most print buyers aren't aware of this trend yet. "It's still fairly new to customers. It's a grass roots thing. 99.9% of our customers have no idea what FSC is. But when you explain it to them, they're really interested in supporting it and doing it," says Smellies. But printers are cautioned to take notice sooner rather than later, because the number of companies who are requesting FSC paper is growing. In fact, enough companies are catching on to the trend that getting certified may eventually be necessary to hold on to customers, thanks in part to activities at the FSC.

"Our role at FSC for the last 10 years has been focused on getting standards in place. As of six months ago, we brought a whole new team on board and our role has been to go out and shake up the marketplace. That includes holding events all over the country," says Marcil. He says FSC Canada's strategy is to get a critical mass of known companies on FSC paper and then advertise their involvement to raise public awareness and entice other businesses. Nike, Home Depot, National Bank, Random House and Penguin Canada are a few that have signed on to print at least some of their materials using FSC paper. "We want to grow that list so much that people won't be able to ignore it," says Marcil.

As Lantheaume from SGS explains it, in the past you had to go to your local Home Depot to find specific wood products that had the FSC logo. Now, with some banks deciding to have all their material printed on FSC paper, the logo is coming directly into the homes of general consumers. It won't be long before the awareness of FSC products will be commonplace.

Marcil also believes that avoiding a negative brand image is a factor larger companies will have to consider. "There's a lot of activity in the marketplace from campaigners. For example, there was a recent campaign against Victoria's Secret. They published ads of a girl in a bustier with angel wings, and a chainsaw and trees in the background that had been cut down. [Protesters] lambasted Victoria's Secret for sending out a million catalogues a day on virgin fibre. So immediately the company came to the table and started discussing how they could move to a more forest friendly paper," says Marcil.

In the meantime, it's up to printers to make their FSC certifications work for them. "We've made a point of using it as a marketing tool. Besides being good for the environment, it's just good business sense," says Roth. Speedfast is an example of a shop on top of its marketing. Its sales department has gone out to the shop's biggest clients to bring them up to speed on FSC paper. The company has also targeted companies who support the FSC and sent out direct mail pieces to clients and potential clients. Roth also speaks at various events for associations such as Alberta Environment.

For Stephen Pugh, the choice to start a trail blazing FSC shop was just as much an issue of social responsibility as it was an opportunity for market share. "I don't think you can knock conscience into people. The more people hear about it, the more they will understand the marketing advantage. As their commercial accounts dry up, they'll need to look for additional business." ■

FSC accredited certifiers for Canada

■ Rainforest Alliance **Wood Program**

William Timpano; Gravenhurst, ON

TEL: (705) 746-6612

E-MAIL: wtimpano@smartwood.org WEBSITE: www.smartwood.org

■ SGS Qualifor regional office for North America **SGS Systems & Services** Certification

Fabrice Lantheaume, Pointe-Claire, QC

(514) 695-3310 TEL: (514) 695-9799 FAX:

E-MAIL: fabrice.lantheaume@sgs.com

WEBSITE: www.ics.sgsna.com

■ KPMG FSSI

(Forest Certification Services Inc.)

Andrew F. Howard, Vancouver, B.C. (604) 691-3000/3376 TFI · FAX: (604) 691-3031 E-MAIL: afhoward@kpmg.ca WEBSITE: www.kpmg.ca

■ Scientific Certification Services

Dr. Robert Hrubes,

Emeryville, California, USA (510) 452-8007 TEL: FAX: (510) 452-8001

E-MAIL: rhrubes@scscertified.com WEBSITE: www.scscertified.com

■ Soil Association, Woodmark

Ms. Ali Krimmer

TEL: (250) 851-0225

akrimmer@soilassociation.org

www.soilassociation.org/forestry

For a complete list of FSC certified papers visit

www.fsccanada.org