



**Stimson Lumber Company
2014 Public Summary Report
Sustainable Forestry Initiative® (SFI) Standard [2010-2014 Edition]**

Project Scope and Objectives

PricewaterhouseCoopers LLP (PwC) completed a SFI Re-Certification Assessment of Stimson Lumber Company's ("Stimson" or "the Company") fee lands (the Lands) and procurement programs. The report was dated July 30, 2014. The Lead Assessor was Dan O'Brien, EMS (LA).

The primary objective of the assessment was to evaluate Stimson Lumber Company's implementation of the SFI Standard and assess the SFI management system on the Lands.

Indicators

The scope of the assessment was Objectives 1-20 with the exception of Objectives 11, 12, 13 and 18. Stimson Lumber Company does not manage public lands, and they do not source fiber from outside of North America. There were no substitute indicators.

Assessment Process

The assessment team conducted interviews with staff, contractors, government agencies and other stakeholders as appropriate. Documents were reviewed at the Forest Grove, OR office.

Summary of Conformance and Good Management Practices

Stimson conducts long term (50 year) harvest level planning based on regular inventory updates and appropriate growth modeling. Inventory growth and yield models are based on a combination of permanent sample plots and cruise data. The forest inventory is updated annually following regeneration and stocking adjustment surveys. An annual summary of forest practices and inventory is prepared and reported to the Company's Board of Directors and administrative reviews occur annually that compare planning vs. actual to ensure consistency and continual improvement in harvest planning and forest practices.

Stimson's Western Division has formalized a program for evaluating its silviculture and tree growing initiatives, which include a fertilization study to increase productivity, seedling quality assurance trials, and chemical brushing trials designed to minimize herbicide application while maximizing regeneration success and stand productivity.

Stimson has integrated State-level assessments of biodiversity and landscape level assessments of habitat distribution into their planning processes. A synthesis of key habitat elements and potential impacts of forest management have been listed along with mitigation strategies/ management strategies. This list is consulted by Stimson's foresters when developing harvesting plans. Stimson's approach effectively integrates landscape-level biodiversity planning with site-level harvest planning.

Stimson has implemented a number of regulated visual specifications and has categorized other areas of their lands as visually sensitive along the coast and in other areas. Foresters address visual objectives in the harvest planning on a unit by unit basis.

Stimson's foresters visit field sites on a regular basis to supervise harvest operations on fee lands and stumpage sales and have a good level of communication with the contractors. Stimson only contracts certified logging professionals who have received logger training that covers key issues such as fire preparedness, spill preparedness, endangered species, BMPs and SFI principles. Roads are well maintained to current best management practices. Stimson has a policy for operating in Adverse Weather Conditions, and foresters monitor weather and send out updates and recommendations to their suppliers. Stimson's mills maintain adequate inventory in the mill yard to ensure that loggers can shut down deliveries if necessary during wet weather events.

For procurement in Oregon, Stimson conducts onsite monitoring of all stumpage sales. For gatewood sales, Stimson conducts land owner inspections on 1 in 20 sales. Stimson has demonstrated good follow-up, tracking and documentation of their actions regarding suppliers that received "an unsatisfactory condition", including a letter summarizing monitoring results that is sent to landowners. The Western Division sends out SFI-related information with a focus on different topics through an email distribution sent to all suppliers approximately every two months. Stimson's website also contains a good collection of forest management information and links to other resources, including lists of qualified loggers and consultants.

Stimson continues to use a variety of integrated pest management techniques including: prompt planting of high quality tree stock, animal browse control, brush assessments to prescribe chemical treatments and use of the minimum amounts of herbicides to meet management objectives.

Stimson has conducted assessments of climate models to evaluate effects of climate change on Stimson's land holdings, including forest health implications, changes in growth and yield and mortality. The results of these assessments have been integrated into forest management planning. Stimson continues to support a wide variety of research initiatives, including: cooperatives for tree improvement, growth and yield, assessments of effectiveness of forest management practices, and NCASI. The Company also supports land conservation through deals with conservation organizations.

Stimson's staff all have SFI-related responsibilities and these are well communicated throughout the organization. SFI audits are well attended by forestry staff members who are continually involved in the program.

Specific good management practices are noted below:

- Stimson's Tree Growing Initiative is indicative of the Company's commitment to continual improvement in silviculture practices.
- Stimson benefits from bringing in specialists to speak with company staff on discussion topics that are focused on operational issues.
- Stimson has implemented a Standard Operating Procedure for their internal audit which formalizes processes and procedures.

- Stimson's foresters are experimenting with lower application rates for herbicides and have implemented a new database to track information and relationships between treatments and resulting stand characteristics.
- Stimson has developed an effective Integrated Pest Management program for Elk browse, involving a combination of larger planting stock, habitat manipulation, and avoiding removal of browse species from older stands that can withstand elk browsing.
- A culvert replacement project to enable fish passage included installation of an access ramp alongside the embedded pipe culvert to provide access for clean-out with minimal stream bank disturbance.

Summary of Findings

There were three Opportunities for Improvement and no non-conformities identified during the Assessment.

Opportunities for Improvement:

- Stimson could consider reviewing its SFI principles document to ensure the wording around the program for use of certified logging professionals is consistent with actual policy and consistent with terminology in the standard.
- Stimson could be more proactive in terms of implementation of BMPs during road construction on State stumpage sales by implementing the same standards they are applying to work on their own lands.
- Stimson could consider including a specific reference to exhibits covering adherence to best management practices in its standard contract.

Conclusion

Stimson Lumber Company operations are certified to the SFI Standard. The Certificate can be obtained by contacting Ray Jones of Stimson Lumber Company at 503-306-4654. More information on Stimson Lumber Company's sustainable forestry program can be found at www.stimsonlumber.com.