

The California ATCM for Composite Wood Products

WVC FPS-OWIC Public Workshop

Meeting the Challenges of Compliance

July 10-11, 2007
Valley River Inn
Eugene, Oregon

California Dreaming

- Total Furniture Sales for 06 = **\$34.8 billion**
 - California = \$4.6 billion
 - Represents 13.2% of total US furniture sales
 - \$3.9 billion in furniture stores
 - Los Angeles, San Francisco, and San Diego rank in the “Top 20” of total furniture sales and represents \$2.8 billion or 61%
 - 20% sold in non-store retailers
- California is the industries largest market!

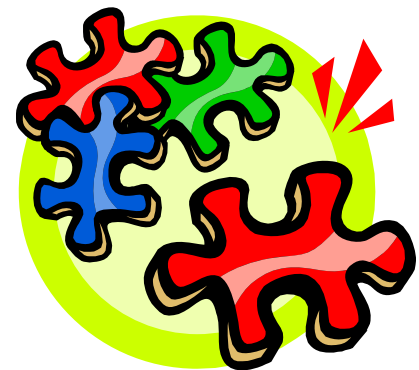
A Challenging Landscape

- 60-70% of the furniture sold in the US by AHFA members is manufactured off-shore & imported.
 - China
 - Vietnam
 - “Other Asian” Countries
 - Brazil
 - Italy
 - Canada
 - Mexico



Putting the Puzzle Together

- The model has changed ... our members are retailers, distributors, importers and fabricators.
- All finished product will have composite wood component parts.
- Most will have multiple types of composite wood products.
- Plywood frames for upholstered Furniture.



A Proven Path

- Chain of Custody
 - Supplier Notification
 - Labeling ... just a small sticker!
 - Letter of Certification
 - Supporting Lab Data
 - Registered 3rd Party Certifier
- This applies to each composite wood product “type.”
- It does not apply to individual component parts.



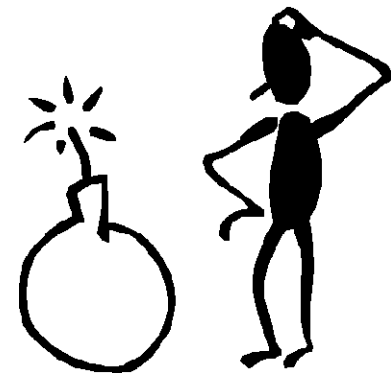
Under Development

- Field Screening Method
 - Pass-Fail Only ... not for compliance!
 - Looking for the most obvious offenders
 - Triggers chain of custody review
- “Deconstructive” Small Chamber Test
 - How will you deconstruct?
 - Correlation is key!
 - Reproducibility a must!



The Conundrum

- 3rd Party Certification
 - Domestic – CPA, PSI, HPVA
 - Canada & Mexico – CPA
 - South America – PSI
 - Europe – WKI
 - Asia???
 - No Testing Capabilities
 - A Joint Partnership
 - Asian World Trade Congress
 - A Good Example - Bernhardt



Economic Impact


- Testing, Certification and Legal
- Materials Cost
 - Composite Wood Products
 - Glues
- We will meet the challenge – California is too important a market.
- Cost of Non-Conformance???
 - Recalls, seizure, in route product
- Capital Cost



The Tool Box

- Joint AHFA/CARB Webinar
- AHFA Membership Workshop
- Asian World Trade Conference
- Information Bulletin & Member Outreach
- AHFA Web Site & Newsletter
- AHFA Environmental Affairs Committee
- Compliance Manual
- 3rd Party Certification
- Continued Partnership with CARB





“The men and women who have the right ideals ... are those who have the courage to strive for the happiness which comes only with labor and effort and self-sacrifice, and those whose joy in life springs in part from power of work and sense of duty.”

-Teddy Roosevelt



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