

# CITW Facts by Fax

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### ANNUAL GENERAL MEETING

The CITW Annual General meeting was a resounding success, drawing over 50 CITW members from across the country at the Renaissance Vancouver Hotel Harbourside from April 8 to April 10.

Good times were shared by all, particularly during the traditional Welcome Reception held on Sunday evening. But much was also on the agenda. A new president was elected, many motions passed by CITW committees, and an array of speakers brought to light invaluable insights on a wide range of topics, from hazardous waste to industry and market trends.

Congratulations are in order for Ben Lucas, the new CITW president. Lucas, Vice-President and General Manager, Western region, at Stella-Jones Inc., brings in a wealth of experience to the post, having been in the business since 1970. Environmental issues as well as SOP and TRD implementation rank among his priorities for the coming year. "Environmental issues will never go away," notes Lucas. "We just have to manage them properly and make people realize that if we get rid of treated wood it will have a major impact on our forests."

The environment was also on the mind of Herbert Estreicher of the Penta Task Force. He discussed hazardous waste issues with an emphasis on the development of Canadian regulations. The keynote speaker was David Baxter, an expert on population and economic change and the executive director of the Urban Futures Institute, and he brought attention to urban trends that

might have an impact on the treated wood market. Besides Chris Gaston, Group Leader, Markets at Forintek Canada Corp., other speakers include Wayne Stevens, the manager of the Canadian Housing and Construction Center of the B.C. Institute of Technology. Stevens spoke about Home 2000, a pilot project that received contributions in the form of treated wood from CITW members. Catherine Lalonde, president of the Canadian Wood Council, talked about CWC programs and their support for the use of treated wood while Dennis Hayward of the Western Wood Preservers Institute spoke about programs stemming from his organization. Trevor Bowles of Bowles & Associates provided an update on the Group Benefits Program for CITW members.

Meanwhile the committees were hard at work. The Technical Committee held an extensive caucus on changes over the National Building Code of Canada. Among the proposed changes that have been accepted but not yet been published will be a requirement to mark most pressure treated wood products, a development the Committee will monitor closely. Some amendments, however, are expected to boost the use of treated wood products, particularly in the construction industry. The Technical Committee is also closely following developments at the Building Envelope Research Consortium, a B.C. research-based organization financially supported by CITW. The organization published a "Best Practices Guide," a publication that provides recommendations and precautions that should be taken during the construction of condominiums. It also put together another guidebook

entitled "The Consultant Guide: Building Envelope Rehabilitation."

The Environmental Committee is in the midst of reviewing a draft of a CITW spill and fire contingency plan. It is also supporting two initiatives. Besides supporting the Tree Canada Foundation, the Environmental Committee is contributing financially to a North American wood products marketing initiative by the Wood Promotion Network.

Along with the North American Wood Pole Coalition, the Pole Producers Steering Committee is contributing as well as monitoring activities of the revived CSA panel on wood poles and piling.

The Promotion and Education Committee too had a busy itinerary, discussing the continuing evolution of the CITW's website and the further development of Forintek Canada's test site. The committee also deliberated about participating more extensively in trade shows such as the CWC's Wood Solutions Fair.

### STATE OF THE INDUSTRY

The Canadian pressure treated wood industry is ill-prepared to stare down the formidable challenges it faces from environmentalists, regulatory agencies and competing industries, warned George Kosanovich at the CITW's annual general meeting.

"We have to start mounting a defence or we'll be swept up by events," said former Stella Jones president.

The pressure treated wood industry, already under attack in Europe and the

U.S., will likely face threats from a number of fronts in Canada. A looming peril for pressure treated wood is being labelled as hazardous waste. The adoption of more stringent leaching requirements is another as are attempts to revise arsenic limits. A further vulnerability lies with the fact that recycling options are literally non-existent with pressure treated wood, leaving the industry exposed to pressure tactics from environmentalists, adds Kosanovich.

"We cut down trees to make our product so that makes us vulnerable to environmentalists," notes Kosanovich. "Then we attach chemicals to them and that makes us vulnerable to consumers as well as the regulatory agencies. And finally when our product comes out of service there is no lifecycle treatment of the product which us leaves with a further vulnerability that could end up being costly for us."

A multi-pronged communications strategy aimed at key stakeholders such as clients, consumers, and regulatory agencies emphasizing the scientific basis for the safety and efficacy of pressure treated wood products is instrumental, says Kosanovich. The Canadian industry must also begin to "take ownership" of pressure treated products coming out of service such as railway ties and utility poles even though none of the companies currently in business treated them. "We need to take ownership and start to put together alternatives for customers," says Kosanovich.

#### **PRESIDENT RESIGNS FROM STELLA-JONES INC.**

George Kosanovich, the President of leading Canadian producer Stella-Jones Inc., recently submitted his resignation and is now in the midst of looking at several business opportunities.

Under his helmship, Stella-Jones achieved record sales and shareholder value increased. Sales for the last fiscal year reached \$82 million compared to \$69 million the previous year. Stella-Jones is a leading producer of industrial structures and support components such as utility and telephone poles and railway ties.

Before becoming the President of Stella-Jones in November 1998,

Kosanovich was President, Chief Executive Officer and Chairman of the Board of ARC Resins International Corporation, a Canadian public company that manufactures resins for the wood industry and insulation applications.

#### **WOOD PACKAGING CERTIFICATION IN THE WORKS**

A working group with the Canadian Food Inspection Agency is now studying the possibility of adopting new regulations that would introduce a wood packaging certification program, reports CITW environmental coordinator Jocelyn Bougie after attending a meeting last March. The program would compel exporters to use certified wood crates in a bid to prevent insects from spreading beyond the Canadian borders. A similar wood certification program already exists in Europe.

Questions, however, remain about the most efficient and cost-effective ways to ensure that live insects are not embedded in wood crates ready for exportation. Kiln-drying and heat-treating are two possibilities. "We know that if we heat treat or kiln-dry wood after treatment, it kills insects but we do not know if the pressure process itself kills the insects" says Bougie.

The CITW will be monitoring the situation. Marcel Dawson of the CFIA is now in the midst of conducting overseas inquiries to determine if research has been conducted on this matter.

#### **MEDIA HARBOURING A HARSH SPOTLIGHT ON WOOD TREATED PRODUCTS**

A recent story in The Globe and Mail about pressure treated wood seems to be the latest in a series of negative attention spun by the media. In anticipation of the harsh spotlight, the CITW has produced a two-page Home Improvement Supplement that will be published across the country. The supplement addresses health and safety concerns about pressure treated wood.

#### **ALLIANCE FOREST RECEIVES NATIONAL AWARD**

The Forest Stewardship Recognition Award, sponsored by Wildlife Habitat Canada, was recently handed to Alliance Forest Products Inc. The Montreal-based firm earned the award for its extensive application of "mosaic" -- a forest harvesting method that divides annual harvesting of mature forest blocks into two successive cuts at different times and different areas. The approach reduces the impact of harvesting on wildlife and forest landscapes.

#### **ONTARIO COMPANY CHARGED WITH DUMPING WOOD WASTE**

After conducting aerial surveillance, the Ontario Ministry of Environment charged a manufacturing firm with dumping wood waste that was mixed in with garbage.

Ron Delmas, the owner of Madawaska Doors of Barry Bay, Ontario, claims he did not realize his company was discarding wood scraps along with garbage. The company manufactures, among other things, environmentally-friendly firewood briquettes.

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#### **CALENDAR OF EVENTS**

**American Wood Preservers Association**  
Annual Meeting  
May 20-23, 2001  
Minneapolis, MN

**International Research Group**  
May 20-25, 2001  
Nara, Japan

**Forest Products Society**  
June 24-27, 2001  
Baltimore, MD

**Canadian Wood Council**  
Semi-annual General Meeting  
October 18-19, 2001  
Montreal, PQ

**American Wood Preservers Association**  
Fall Technical Meetings  
September 16-21, 2001  
Rapid City, SD

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202-2141 Thurston Drive  
Ottawa, ON K1G 6C9  
Tel: 613-737-4337  
Fax: 613-247-0540  
Email: citw@fox.nstn.ca  
Website: www.citw.org*