

## Introduction to Chain of Custody Certification for Forest Owners




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## Types of Certification

### Forest Certification

FM (forest management) certification means that the forest is managed to a set of standards of a certification system. For family forests in the U.S. this is generally American Tree Farm (ATFS) and Forest Stewardship Council (FSC).

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### Wood Certification

Is a general term meaning that wood or wood products are produced in whole or part from timber or fiber that is grown in a certified forest.

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## Forest Certification provides a source of certified timber and fiber for industry.

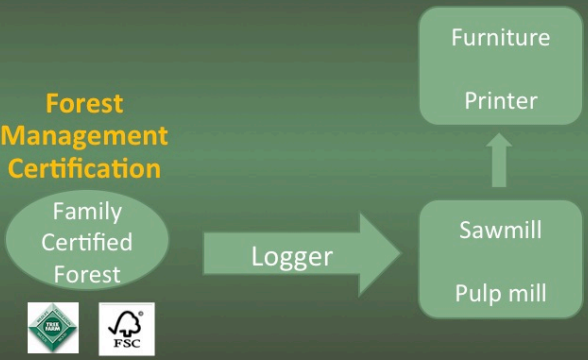
Industry uses certified timber and fiber to make certified wood products:

- chips, lumber, etc.
- paper, furniture, cabinetry/trim, flooring, etc.

If there is enough demand for certified wood products there is a preference for certified timber and fiber.

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## Certified Wood Requirements



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## Certified Wood Requirements

### CHAIN OF CUSTODY



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## Chain Of Custody (CoC) Certification

Certifies that there is a clear separation of certified and uncertified timber or wood at all stages of handling:

- Forests
- Processing
- Shipping
- Manufacturing
- Wholesale and distribution stages

## Chain of Custody

Requires : Everyone that owns the wood must have a chain of custody certificate

- Forest Owner (FM certificate – includes CoC)
- Logger if purchasing the timber
- Timber Buyer or Broker
- Primary Mill
- Secondary Mill
- Manufacturers, Builders, Printers

Retailers NO because the product has a label attached

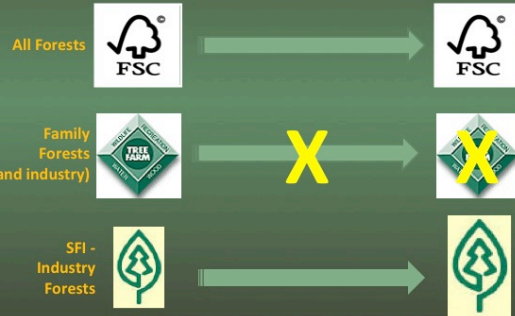
## FM + CoC Certificates

Ensures credible documentation of proof of ownership and source of wood products

## Certified Wood Requirements

Forest Management Certification (FM)

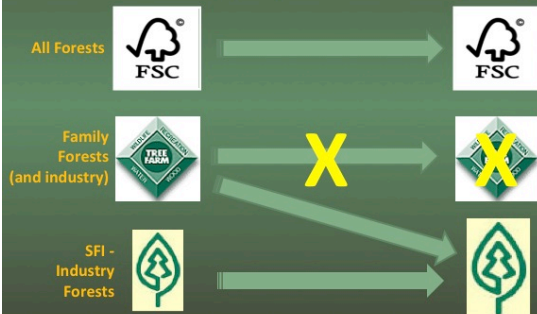
Chain of Custody (CoC)



## Certified Wood Requirements

Forest Management Certification (FM)

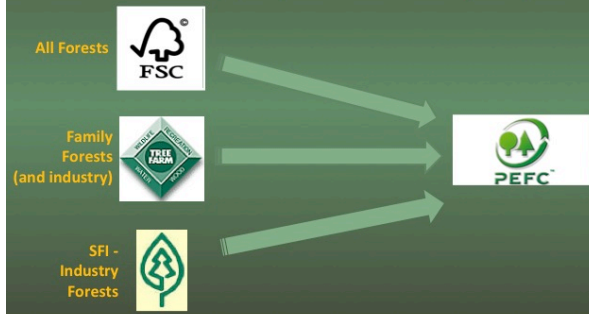
Chain of Custody (CoC)

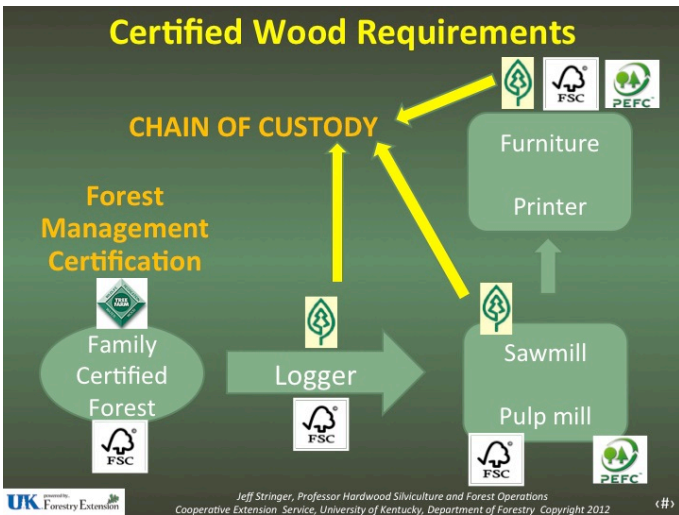


## Certified Wood Requirements

Forest Management Certification (FM)

Chain of Custody (CoC)





## Contrast Forest and Chain of Custody (CoC)

**FM** – set of standards that is required during the growing of the forest (governs management and operations - planting, herbicides, harvesting, etc.)

**CoC** – is NOT a set of manufacturing standards. It IS a set of standards for inventory tracking. Tracks the movement of wood from the stump to the retailer or final user.

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## Chain of Custody (CoC)

**Ensures**  
That the wood that the products were made from or represents wood that comes from a certified forest

**This Means**

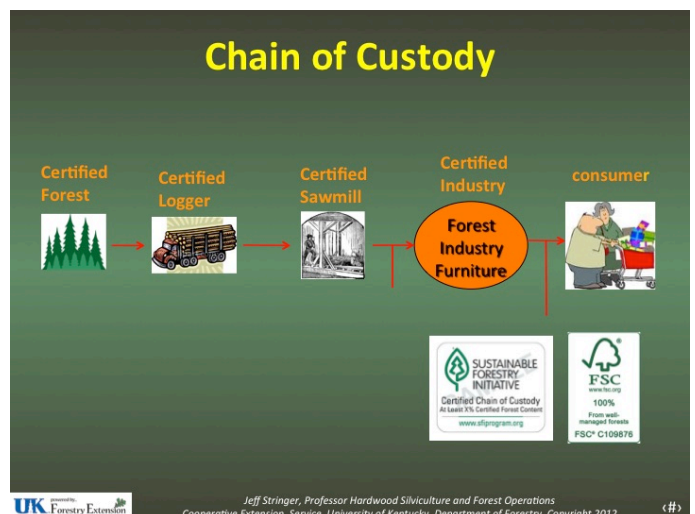
- Wood comes from a well managed forest
- Not Stolen, No Laws Broken, Safe, Environmental Protections in Place

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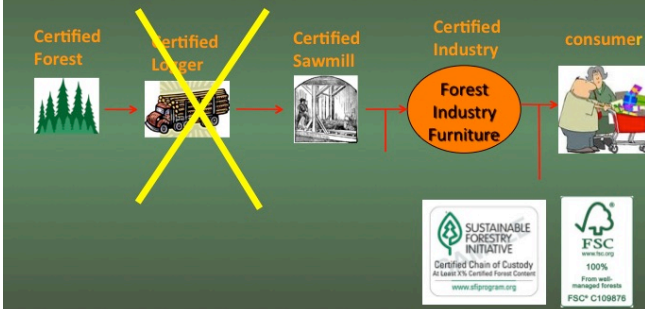


1. Forest had an FSC Forest Management (FM) Certificate
2. Logger carried an FSC Chain-of-Custody (CoC) Certificate
3. Sawmill carried a FSC Chain-of-Custody (CoC) Certificate (in this case a Domtar mill)

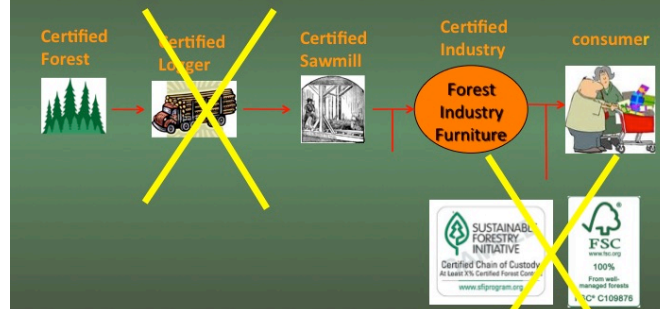
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## Chain of Custody



## Chain of Custody



## Chain of Custody (CoC) Standards

- Paper work that can be used to show where the wood came from and where it is going.
- Make sure that certified wood does not get mixed with uncertified wood.
- Every entity that has ownership of the wood must have a Chain-of-Custody certificate.

## Real World Example



Raybon Binkley  
Woodland Owner, TN




Dual Certified ATFS and FSC  
NSFS-ATFS-C0096467-FCI-1  
SCS-FM/CoC 00152G-1

Certified Through a Group  
CFWC  
Group Manager - provides certification for forests (FM) and Industry (CoC)

2020 NSF-ATFS-C0096467-FCI-1

Certifying Body NSF  
Certification System American Tree Farm System  
Group Manager CFWC certificate number  
Mr. Binkley's I.D.



**SCS - FM/CoC 00152G - I**

**Certifying Body**  
Scientific Systems

**Group Manager**  
CFWC  
certificate number

**Certificate Type**  
Forest Management and Chain-of-Custody

**Mr. Binkley's I.D.**

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**McQuire Logging Central, TN**

**NSF SFI COC C0096467 CC1**

**SCS CoC 004068 AS**

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**Group Manager**  
CFWC  
certificate number

**Certifying Body**  
SCS

**Certificate Type**  
CoC

**McQuire Logging I.D.**

**SCS CoC 004068 AS**

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### Chain of Custody

Real World Example

Certified Forest → Certified Logger → Certified Mill

NSFS-ATFS-C0096467-FCI-I


SCS-FM/CoC 00152G-1

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### Chain of Custody

Real World Example

Certified Forest → Certified Logger → Certified Sawmill



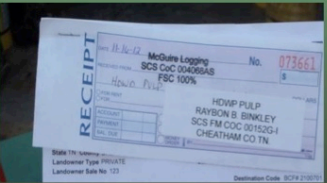
**Contract, purchase agreement with Landowners Certification # (SCS-FM/CoC 00152G-1) and Claim (100% of timber is certified)**

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### Chain of Custody

Real World Example

Certified Forest → Certified Logger → Certified Sawmill



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## Load Documentation

Loggers CoC certification #

Type of Claim 100%

Landowners Certification #

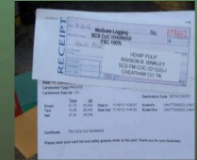
McGuire Logging  
SCS CoC 004068AS  
FSC 100%

No. 073661

HDWP PULP  
RAYBON B. BINKLEY  
SCS FM COC 00152G-I  
CHEATHAM CO. TN.

## Chain of Custody

Real World Example



## Mill Documentation

Loggers (loads) Certification #

### Scale Ticket from Mill

McGuire Logging  
SCS CoC 004068AS  
FSC 100%

No. 073661

HDWP PULP  
RAYBON B. BINKLEY  
SCS FM COC 00152G-I  
CHEATHAM CO. TN.

Tons	LB	Date In	ScalerIn
Gross 41.72	83,440	11/16/12	14:28:07
Tare 14.20	28,400	Date Out	11/16/12 14:44:03
Net 27.52	55,040		

Certificate FSC SCS CoC 004068AS

## Chain of Custody



## Invoice

CoC Code

Product Claims

CUSTOMER ID	CUSTOMER PO	PAYMENT TERMS		
011551	614321	2/10; n/30		
QUANTITY	ITEM NUMBER	DESCRIPTION	UNIT PRICE	EXTENSION
10	0805	4/4 FAS RO FSC 100%	.375	37.50
10	0818	4/4 FAS RO FSC Mix Chert	.75	7.50
10	0821	Physian FSC Mix 50%	11.50	115.00
10	0826	Physian FSC Controlled Wood	1.50	15.00

## Invoice

CUSTOMER PO	PAYMENT TERMS			
614321	2/10; n/30			
QUANTITY	ITEM NUMBER	DESCRIPTION	UNIT PRICE	EXTENSION
10	0805	4/4 FAS RO FSC 100%	.375	37.50

## Chain of Custody

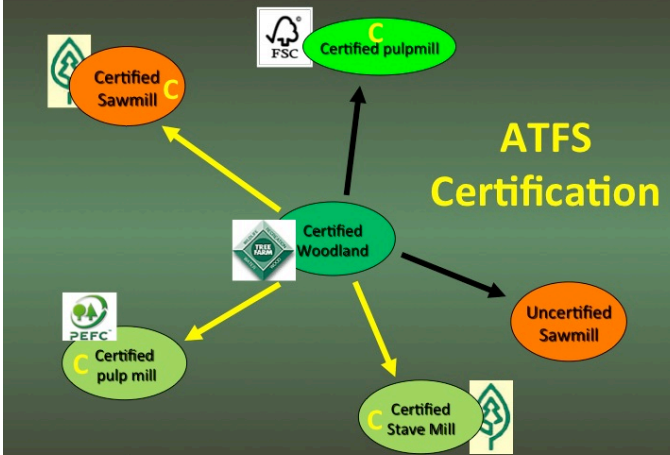


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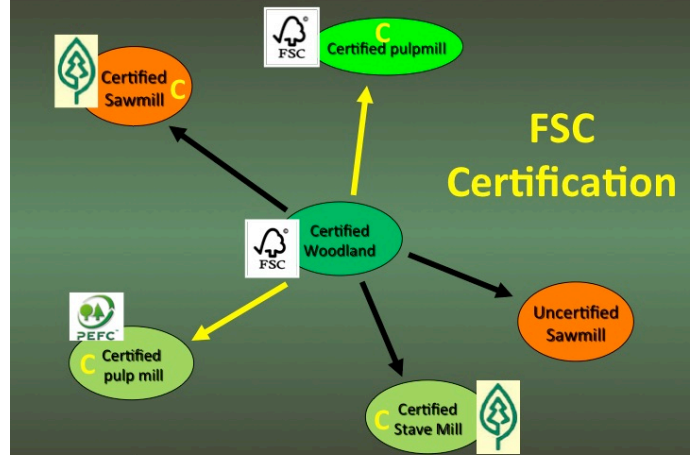
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## ATFS Certification



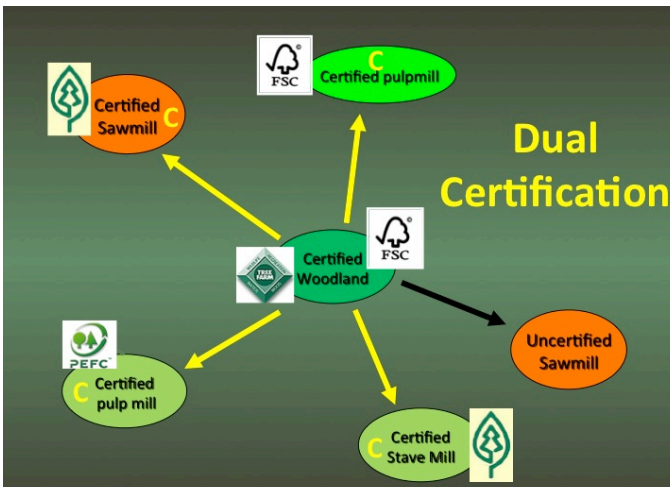
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## FSC Certification




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## Dual Certification



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## To Benefit Financially From Certified Timber or Pulpwood

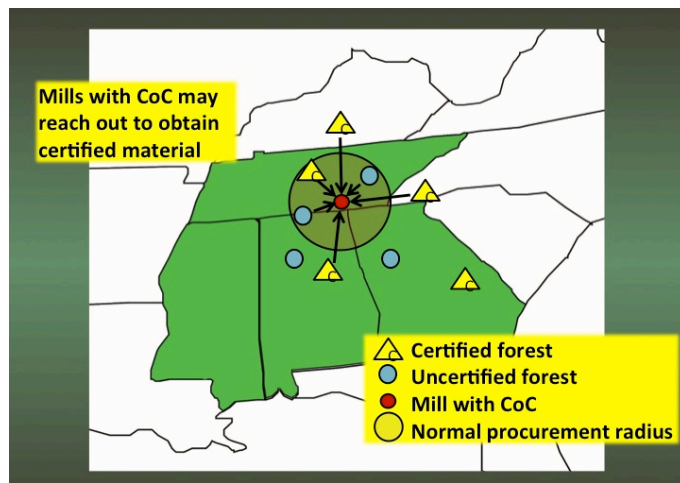
- Forest ownership must have an FM certificate that is required by  

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## To Benefit Financially From Certified Timber or Pulpwood



- Forest ownership must be in a CoC's normal procurement distance (zone) OR within a reasonable haul distance.
  - These distances are based upon:
    - produce being purchased (ex. Pulpwood vs. Veneer)
    - mills/buyers need for certified material (how much do they need it)



## To Benefit Financially From Certified Timber or Pulpwood

- If logger purchases, logger must have CoC certificate required by industry



## Current Status of Certified Markets

- Paper Industry – significant interest
- Cants / Cross Ties – limited to no interest
- Lumber – moderate to low interest (overseas EU, LEED)
- Veneer – moderate interest (overseas EU, LEED)
- Secondary Products (LEED Certification is the demand driver)

## Current Status of Certified Markets

- Interest is generally from obtaining more customers (market share) and potentially on price premiums.
- Premiums are starting to emerge in certain markets.
  - FSC tends to have highest price premiums due to lack of FSC ground in some regions of the U.S. and CoC mill customer demand.

## Current Status of Certified Markets

- Demand for Certified Timber has not developed as fast as expected
- Changing constantly



## Current Status of Certified Markets

- Foresters should know the demand for certified product and if price premiums are being paid
  - Foresters working for CoC Mills
  - Consulting Foresters
  - State Agency Foresters should know

## Questions

