



**Bureau Veritas Certification
North America, Inc.
SFI and/or PEFC Audit Report**

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Company Name:	Bennett Lumber Products, Inc.
Contact Person:	Mike Kerttu
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PEC Code:	01E

Contract Number:	HQ15986	Certification Audit:		Re-Certification Audit:		Surveillance: (Indicate visit # or Pre-Assessment)	2
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Audit Summary

- Audit scope and objectives:** The scope of the certification audit, which was updated in March 2008, is “Bennett Lumber Products, Inc. forestry operations on 60,000 acres in the State of Idaho and Washington. Wood procurement system supplying sawmills in Princeton, Idaho and Clarkston, Washington”. The objective of the surveillance audit was to verify the ongoing effectiveness of Bennett Lumber Products, Inc. SFI program and to demonstrate conformance to the policies and procedures on its Idaho and Washington lands. Bennett Lumber Products, Inc. owns two processing facilities: Bennett Lumber Products, Inc. in Princeton, ID and Guy Bennett Lumber Company in Clarkston, WA. The headquarters and corporate officers are located at the Princeton, ID facility. Bennett Lumber Products, Inc. owns and manages approximately 63,700 acres in Idaho and Washington.

The surveillance audit included a visit to headquarters and field inspections of sites associated with forestry and procurement operations of the Guy Bennett Lumber Company Clarkston, WA facility. The Clarkston forestry staff manages approximately 10,463 acres of fee land in Washington which over 50% has burned since 2006 in two large wildfires.

The audit focused on Objectives 1, 3, 7, 8, 9 and 13; however, all objectives were subject to review. Prior to the audit, the Lead Auditor selected sites from a list of sites which had a management activity conducted in the past year. Sites selected focused on those that had management activities specific to the objectives being audited. A variety of sites and management activities were identified. Dave Fritts, Resource Manager at the Clarkston facility did a nice job of preparing the field audit plan to visit sites selected in a timely and efficient manner.

- Audit Plan and Time Period:** The surveillance audit of the Clarkston, WA source area was conducted on July 9, 2008. The following is the audit plan.

Wednesday, July 9, 2008

7:00 a.m. – 7:30 a.m. Opening meeting at the Princeton, ID facility (Headquarters).

7:30 a.m. – 10:00 a.m. Document review for Objectives 1, 3, 7, 8, 9 & 13 (Lead Auditor in-training)

7:30 a.m. – 4:30 p.m. Field audit of Fee land sites in Washington (Lead Auditor)

10:00 a.m. – 4:30 p.m. Field audit of gatewood sites in Idaho and Washington (Lead Auditor in-training)

4:30 p.m. – 5:00 pm. Auditors meet at Clarkston, WA facility – Review and discuss findings

5:00 p.m. – 5:30 p.m. Closing Meeting at Clarkston, WA facility

- **Audit Process:** Bennett Lumber Products, Inc. was audited to the Sustainable Forestry Initiative Standard (SFIS) 2005-2009 Standard. Standard Bureau Veritas Certification protocols and forms for SFI audits were used. The audit began with a document review at the Princeton, ID headquarters office and following the document review, the lead auditor in-training travelled to Clarkston, WA for a field audit of the gatewood operations for the Clarkston, WA facility. The opening meeting was held at the Bennett Lumber Products, Inc. office in Princeton, ID on July 9, 2008. Mike Kerttu, SFI Program Coordinator; Dave Fritts, Resource Manager – Clarkston; Tom Biltonen, Forester; Myron Emerson, Forester; Lisa Rode, GIS Specialist; Hali Hemingway, Forestry/GIS Analyst and Greg Bassler, BVC Lead Auditor in-training were in attendance. A conference call with Scott Bruce, Forester; Mike Miraglio, Forester and Vincent Corrao, BVC Lead Auditor at the Clarkston, WA facility was attempted however, communications failed. The Lead Auditor in-training, Greg Bassler introduced the audit team and reviewed the audit plan. The logistics of the plan were discussed and the sites confirmed to conduct the field portion of the audit in a timely manner. Non-conformances and the requirements for clearing them, opportunities for improvement, and notable practices were also discussed. The one day field audit of the Clarkston, WA facility covered a total of 10 sites, 8 fee land parcels and 2 gatewood sales. The closing meeting for the first portion of the surveillance audit was held on July 9, 2008 at the Clarkston, WA facility conference room. Mike Kerttu, SFI Program Coordinator; Dave Fritts, Resource Manager – Clarkston; Scott Bruce, Forester and Mike Miraglio, Forester were in attendance. The audit findings were presented and discussed at the closing meeting.

- **Review of previous non-conformances, verification of effectiveness of corrective action** Bennett Lumber Products, Inc. did not have any substitution or modifications to any of the Indicators. A review of previous audits was conducted to verify the effectiveness of previous audit findings and to evaluate Bennett Lumber Products, Inc. past performance. There were no trends in the SFI implementation of the field audit or document review that would indicate that any particular area needs special attention. A SF 61 has been completed and contains specific information and audit notes.

- **Audit findings and conclusions:** The audit findings included:

Non-conformances issued: No non-conformances were issued during the audit.

Opportunities for Improvements: OFI's are weaknesses in the program that may lead to a non-conformance in the future if activities are not monitored for effectiveness. No Opportunities for Improvement were identified during the surveillance audit.

Notable Practices: NP's are practices and actions that are exemplary and indicate a strong commitment to the SFI intent and to continual improvement of their program. No Notable Practices were identified during the surveillance audit.

A total of 10 sites were visited during the field audit of the Clarkston, WA facility operating area. BVC auditors found Mike Kerttu, SFI Program Coordinator, to be effective in managing the SFI program. The Clarkston forestry staff has done a good job of implementing the SFI standard and monitoring operations on the ground. The staff clearly understands the requirements of both the Idaho and Washington Forest Practices.

Salvage operations of trees killed from the two large wildfires was conducted very quickly and efficiently. Harvesting was completed in 12 months and the planting was completed within one year following harvest. The roads were well planned throughout the burn units.

The Clarkston forestry staff has aggressively planted the commercial forest lands within the fire salvage areas. Some of the areas are steep with shallow soils and have heavy grass competition. BLP is doing an excellent job of reforesting the sites and will need to monitor the site preparation and seedlings on the more difficult sites to insure that regeneration is establishing on these areas.

The implementation and effectiveness of Bennett Lumber Products, Inc. procurement system was found to be very good. Approximately 89% of all delivered volume last year was from Pro-logger certified contractors. All contractors working on fee land are Pro-logger certified. Thirty one percent of all wood suppliers for the Clarkston facility were inspected (OR, ID, and WA) with 45% of the gatewood suppliers in Idaho inspected by the Idaho Dept. of Lands.

Bennett Lumber Products, Inc. meets the SFI requirements and continues to effectively implement the 2005-2009 SFI Standards in their forestry operations. Bureau Veritas Certification recommends that Bennett Lumber Products, Inc. continue certification.

- **Schedule for surveillance and recertification**

The surveillance audit schedule has been discussed and has been documented on an SF 17 to insure that all Objectives will be completed for meeting certification requirements.

- **Verification that the Previous Audit Report was submitted and posted.**

During the surveillance audit, verification of the SFI website was completed to ensure that the previous audit report was submitted and posted.

- Use of Bureau Veritas Certification logo.

PLEASE SEE SF71 FOR AUDIT NOTES

Summary of Audit Findings:									
Stage 1 Audit Dates:	From:				To:				
Stage 2, Renewal or Surveillance Audit Dates:	From: July 9, 2008				To: July 9, 2008				
Number of SF02's Raised:				Major:	0		Minor:	0	
Is a follow up visit required:	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	Date(s) of follow up visit:				
Follow-up visit remarks:									
Team Leader Recommendation:									
All NCR's now cleared:	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	Proceed to/Continue Certification	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Date:	July 9, 2008								
Standard(s) audit conducted against:									
1)	SFI 2005-2009		3)						
2)			4)						
Team Leader (1):			Team Members (2,3,4...)						
Greg Bassler			2) Vincent Corrao						
			3)						
			4)						
			5)						
Scope of Supply: (scope statement must be verified and appear in the space below)									
<p>“Bennett Lumber Products, Inc. forestry operations on 60,000 acres in the State of Idaho and Washington. Wood procurement system supplying sawmills in Princeton, Idaho and Clarkston, Washington.”</p>									
Accreditation's:	ANSI		ANAB						
			X						
Number of Certificates:									
Audit Report Distribution									
Client: Bennett Lumber Products, Inc. – Mike Kerttu – SFI Coordinator - (mikek@blpi.com)									
BVC – Karen Rhodes-Customer Service Representative – Karen.Rhodes@us.bureauveritas.com									

Clause	Audit Report
Opening Meeting	<p>Participants: Mike Kerttu, SFI Program Coordinator; Dave Fritts, Resource Manager – Clarkston;</p> <p>Discussions: Tom Biltonen, Forester; Myron Emerson, Forester; Lisa Rode, GIS Specialist and Hali Hemingway, Forestry/GIS Analyst and Greg Bassler, Lead Auditor in Training.</p> <ul style="list-style-type: none"> ➤ Introductions ➤ Scope of the audit ➤ Audit schedule/plan ➤ Nonconformance types – Major / Minor ➤ Review of previous nonconformances - 0. ➤ Process approach to auditing and audit sampling ➤ Confidentiality agreement ➤ Termination of the audit ➤ Appeals process ➤ Closing meeting timing
Closing Meeting	<p>Participants: Mike Kerttu, SFI Program Coordinator; Dave Fritts, Resource Manager – Clarkston;</p> <p>Discussions: Scott Bruce, Forester; Mike Miraglio, Forester, Greg Bassler, Lead Auditor in-Training and Vincent Corrao, Lead Auditor.</p> <ul style="list-style-type: none"> ➤ Introductions and appreciation for selecting Bureau Veritas Certification. ➤ Review of audit process - process approach and sampling. ➤ Review of OFIs and System Strengths ➤ Nonconformances - 0 ➤ Date for next audit. ➤ Reporting protocol and timing



**BUREAU
VERITAS**

SF02/NA NONCONFORMITY REPORT

Company Name and Site:		<u>SF02#:</u>							
Contract #:	Department / Process:	Team Leader:							
Date:	Standard and Clause#:	Team Member:							
Major	Minor	Other Documents (if applicable):							
		Company Representative:							
REQUIREMENT OF AUDITED STANDARD:									
OBSERVED NONCONFORMITY:									
ROOT CAUSE ANALYSIS AND CORRECTIVE ACTION (to be completed by the Company)									
Proposed Completion Date:	Actual Completion Date:	Company Representative:							
Root Cause Analysis and Corrective Action Response:									
CLEARANCE REPORT (to be completed by BUREAU VERITAS CERTIFICATION)									
Corrective Action Accepted	Yes		No		Nonconformance Downgraded	Yes		No	
Follow Up Comments:									
Auditor:						Date:			