

Wood Summit: Industry Groups Join Forces For Common Goals

Article Number: 3149

By Matthew Spieler

SHANGHAI, CHINA—Executives from three of the world's most respected wood flooring organizations came together with officials representing other facets of the category to form a cooperative dialogue in helping address the numerous challenges and opportunities facing the segment.



With the wood industry under attack on various levels and from all over the world, on such issues as deforestation, illegal logging, sustainability, intellectual properties, chain of custody documentations, and so on, participants felt the need to come together and see how, and if, they can find common ground related to the issues and what could be done to ensure all parties involved—down to the consumer—benefit over the long term.

The Sino-U.S.-Europe Wood Flooring Summit was held during the recent Domotex asia/ChinaFloor (DACF) show and was hosted by the China National Forestry Product Industry Association (CNFPPIA).

Also in attendance were officials from the National Wood Flooring Association (NWFA), the European Federation of Parquet Importers (EFPI), as well as manufacturer and distributor/importer and dealer representatives, and an invited group of international media that included Floor Covering News.

Zhang Sen Lin, CNFPPIA's president, opened the meeting by saying he hoped the summit would start a better dialogue among the interested parties, noting "up to now there has been a barrier."

Thomas Baert, co-founder of DACF and president of manufacturer Chinafloors, who moderated the open forum, said this was not meant as a slight to anyone in particular. Rather, it has to do with the various foreign entities not actually coming together due to constraints such as language, as well as getting caught up in their own internal, day-to-day affairs and not stepping back to look at the big picture. That is why he felt the summit was a positive first step because "we feel a real interest to meet and share experiences and find a common program to work on common interests and mutual benefits."

Baert said a number of positive things have happened in the past year that will help "act as a bridge for the future." Two of the major issues include "peace" on respecting intellectual property (IP) rights and the Canadian anti-dumping measure. Ed Korczak, NWFA's executive director, agreed, but added, "We need to come to a resolution on a global system. An important element is to make sure the world's forests are there for our children."

EFPI's Ruud Steenvoorden said that is a "must, no matter who the consumer is. We must assure the product (and process to produce it) does not cause harm to the environment." Part of the problem lies with the end user who is very confused about wood in general when it comes to things such as deforestation, sustainability, chain of custody, etc., and not to mention the ramifications of continually wanting the lowest price.

"The world wants to get the lowest price from China," Lin said, "but it also wants levels of environmental protection and quality that cannot be done at such low costs."

Eminent domain

While no one disputed this, everyone noted many of the overriding issues, such as illegal logging are “very complicated.” The gist of it has to do with one or more countries or parts of the world imposing their will on another country or region. Korczak said there is “no one standard to apply to each country. Each has a right to make its own laws to protect the livelihood of its citizens and businesses.”

Lin agreed, adding, “We should not impose our opinion on others and vice versa. Right now we have been observing other countries, but the law of one should not be applied to others as each has its own [cultural] references to work from.” He also mentioned how China as a whole is “still very young [on the international manufacturing stage], and we are still learning the different market rules of developed countries. We are very open to learn and obey them, but it may take some time. But we are getting better all the time.”

Jim Gould, president of the Floor Covering Institute, pointed out while there have been some governmental interventions, the green movement is coming from the consumer. But, because the industry has become global “we need to cooperate and come up with a common standard.”

Baert agreed and likened this to the U.S. carpet industry which has banded together to deal with issues such as environmental and health/allergies either before the government could force regulation or because there is no rule or law that could be imposed. “Can we do this on the wood side and create something that has a mutual benefit for everyone?”

The summit concluded with all parties saying yes to Baert’s questions. Korczak called this an “excellent opportunity because we are at a turning point in time in the Chinese wood manufacturing flooring cycle. It is no longer the place for just cheap goods. They are making top quality products and it’s obvious they are being held to stricter standards. And, just as important, they are willing to work with the rest of the world.”

To keep things moving, the three associations agreed to start meeting at least twice a year, with the next being in Hannover, Germany during the European Domotex next January, and to schedule it to focus more on a single topic and action item. Lin said, “While there is no simple solution between price and green when it comes to giving consumers what they want, we all reached a consensus that we need global cooperation.” Baert noted, “We are in the process of making some kind of international board that can continue to build this platform of discussion.”

In addition to himself, preliminary members include Korczak, Gould, Steenvoorden and someone from the Chinese association. They agreed as the process moves forward, the group can expand to include interested parties from other parts of the world. But it was best to keep it small before opening the doors to everyone. “This is purely about enhancing communications and not about promoting a personal agenda or one particular area of the world.”