



PACIFIC LUMBER INSPECTION BUREAU



**RESPONSIBLY SOURCED – ASTM D7612
PUBLIC AUDIT REPORT**

Company	Freres Lumber Co. Inc. 40519 Cedar Mill Road, PO Box 276, Lyons, OR 97358
Mill Location	Lyons, OR
Products	Lumber, Veneer, Plywood, Mass Timber
Company Representative	Erik Anspach (503) 859-4225 eanspach@frereslumber.com
Audit Date	May 7, 2021
Report Date	August 25, 2021
Audit Scope	Implementation, Stage 2
PLIB Audit Team	PLIB: Ben Haynes, Margaret Wells
Observer(s)	Rob Brooks, RBA

¹ Conducted in accordance with the Oregon Department of Forestry 'Traceability Requirements for Responsible Sources' standard and ASTM Standard D7612-21 'Standard Practice for Categorizing Wood and Wood-Based Products According to Their Fiber Sources'.

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Audit Objectives

This stage 2 implementation audit of Freres Lumber Co. operations at Lyon, OR was conducted for the initial certification of a chain of custody system in accordance with the Oregon Department of Forestry 'Traceability Requirements for Responsible Sources' standard and ASTM Standard D7612-21 'Standard Practice for Categorizing Wood and Wood-Based Products According to Their Fiber Sources'. *The audit emphasis is to protect against illegal sourcing and to ensure that the Responsible Source claim and Chain of Custody procedures are accurate and effective, respectively.*

Completion of this stage 2 audit and resolution of any non-conformances identified in the stage 1 or 2 audits must be satisfied prior to PLIB authorizing Freres Lumber Co. to make a claim of "Responsibly Sourced" and begin product labeling.

Stage 2 Audit Findings: Observations, Interviews, Documentation

Documentation review:

The Freres Responsible Sourcing Program document was reviewed. Minor non-conformances and opportunities for improvement identified during the Stage 1 audit have been adequately addressed.

The FERNS notification numbers identifying the source of the logs and the chain of custody were verified and matched to randomly selected purchase orders. There are currently no logs sourced from federal or out of state sources. At the time of this audit, logs are being sourced within an approximately 150 mile radius of the mill.

The spreadsheet calculating the percentage of Responsibly Sourced was tested and verified using the amount of footage that could be tracked with a FERNS notification number as returned by the Freres database. It was determined that the proper sorting criteria is being used and the percentages are being calculated correctly. It was noted that the calculation for Responsibly Sourced excluded logs coming from out of state, federal forests or other legal noncertified sources.

Freres is seeking to utilize the mass-balance method to calculate their Responsible Sourced claim percentage. Initially, Freres plans to make a claim of 100% Responsibly Sourced on a percentage of the overall production. The spreadsheet for calculating the percentage is updated monthly and a rolling balance of Responsibly Sourced credits is tracked. The rolling balance of credits will balance out depending on the volume of credits added and subtracted each month.

Interviews:

Primary interview and review of documents was done with Erik Anspach, Chief Financial Officer.

During the interview process, the following items were discussed:

- the training that staff received for the Responsibly Sourced program

- the process of verifying the FERNs number
- the methodology for calculating the percentage of Responsibly Sourced volumes using information collected in the spreadsheet

Good Management Practices:

The Freres procurement practices demonstrate a commitment to follow the requirements of the Lacey Act and to ensure that there is adequate traceability to the notification numbers issued by the designated forest agency.

PLIB staff can say with reasonable confidence that based on the evidence presented and the interviews conducted, the risk of illegal sourcing is minimal.

Non-Conformities & Opportunities for Improvement (OI)

Nonconformities Identified During Current Audit

During the Stage 2 audit, one opportunity for improvement (OI) was identified.

Type: <input type="checkbox"/> Major <input type="checkbox"/> Minor <input checked="" type="checkbox"/> OI	Source:
Discussed the need for tracking any revisions made to the Freres Responsible Sourcing Program document and the spreadsheet used for calculating the percentage claim.	
Corrective Action Requested	Deadline
Implement an amendment policy.	May 7, 202

Summary of Audit Results

There was successful demonstration during the audit that the Freres Responsible Source management system meets the criteria for making a claim of “Responsibly Sourced” in accordance with the Oregon Department of Forestry ‘Traceability Requirements for Responsible Sources’ standard and ASTM Standard D7612-21 ‘Standard Practice for Categorizing Wood and Wood-Based Products According to Their Fiber Sources’, and the PLIB Audit Policy and Procedures of Responsible Sourcing.

Freres has an effective Responsible Sourcing chain of custody management system as determined from interviews, review of documentation and on-site observations by PLIB personnel. The management system has been found to be in substantial conformance and has fulfilled the audit objectives. A claim of 100% Responsibly Sourced on a percentage of the overall production is supported by the evidence reviewed. The claimed percentages may change over time depending on the resource.

PLIB staff can say with reasonable confidence that based on the evidence presented and the interviews conducted; the risk of illegal sourcing is minimal.

Auditors' Recommendations

Freres Lumber Co., Lyons, OR lumber manufacturing facility is recommended for certification under the Oregon Department of Forestry 'Traceability Requirements for Responsible Sources' standard. The audit results support an initial claim of 100% Responsibly Sourced on a percentage of the overall production.

Contacts for Additional Information

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