

Global search for specialties

Architects and designers often have their own special tastes and are always searching for that extra something.

Danzer Specialty Veneer (DSV) in North America provides products for people with extraordinary tastes. These customers will find

veneers that meet the requirements of North American customers, which are frequently quite specific.

“In some cases our clients have very special wishes,” Nuppnau explains. “But they can order from DSV ‘à la carte’ and we are able to obtain 99 percent of these veneers.”

The many years of experience and know-how among DSV purchasers and their personal contacts worldwide are particularly valuable. This



Specialties like this Khaya crotch are part of DSV's extraordinary offering.

150 veneer species – from Anigre to Zebano as well as absolute specialties such as burls and mahogany crotches – made from African and European species.

DSV offers a wide range of products at eight North American outlets in the U.S. and Canada. The company provides comprehensive service to customers at all locations. “We are well-equipped to satisfy very specific demands from architects and designers,” says Michael Nuppnau, Manager of Specialty Veneers at DSV. Because DSV attaches particular importance to worldwide procurement, the company can meet practically any customer need. A number of DSV employees use their long-established contacts and detailed market know-how to track down special veneers. These employees operate at the local level in Europe and Africa. They are on the lookout for precisely those

been procured, DSV employees ensure that deliveries are sorted and prepared in accordance with each customer's needs. Besides offering a broad selection of products – DSV markets Alpi goods in addition to its own products – the company adheres to strict environmental standards. DSV outlets and production facilities will be chain-of-custody certified in accordance with FSC in summer 2007.

Bradford Forest plant completes dry kiln and boiler system upgrade

Final modifications to the Bradford Forest plant in Bradford, PA, have brought kiln-dried lumber processing capability up to its ultimate design capacity objective of 50,000 MBF (117,000

cubic meters) annually. This equipment overhaul and upgrade at the North American Danzer Group subsidiary began several years ago. The upgraded facility considerably enhances product quality for customers.

The project includes a number of individual elements. Each is designed to bring every aspect of the process into balance at this high level of output, including: doubled boiler capacity for additional process heating; expanded wood residue storage and handling capacity; and expanded green and dry lumber stacking, sorting and packaging capacity.

The final element has been a combination overhaul/upgrade of the subsidiary's original 15 dry kilns with increased airflow, heat transfer and venting capacity. An additional eight kilns were modified to the same specifications three years ago.

While this project has expanded output capacity, an even greater benefit to customers is the drying system's enhanced quality standard. More precise and rapid control of heat, airflow and humidity conditions during the drying cycle has made it possible to dry lumber at the same rate as before or even faster. This method, which uses lower temperatures, results in a lighter, more true-to-nature wood coloration.

This is a most desirable characteristic for today's consumer, especially those preferring Cherry and Maple – the two signature species of Bradford Forest. The enhanced quality of this system, combined with excellent process control and experienced operators, results in a superior product.

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Veneer quality assured by strict controls

Veneer sheets with inconsistent thicknesses can cause headaches for users. Such quality defects are unacceptable and, thanks to Danzer Group's high quality standards, practically unheard-of at American and European production facilities.

“With our state-of-the-art machinery, we achieve consistency within the tolerances set forth in DIN and ISO standards,” stresses Jürgen Trost, Vice President of Engineering at North American Danzer Services, Inc. In any bundle, flitch or production run, each sheet has precisely the same thickness. The customer benefits from these high standards in a variety of ways: users need not worry about delays when splicing veneer, because all sheets match one another precisely. Optimal utilization ensures cost-efficient production. The consistent thickness of the veneer guarantees smooth – and efficient – processing when surfaces have to be sanded.

To achieve this objective, Danzer Services, Inc. in North America and Danzer Services Europe GmbH are constantly improving machinery and manufacturing processes. Quality control throughout the manufacturing process is of the highest priority. “The primary objective is to ensure process reliability and continually meet the high standards we have set for ourselves,” explains Wolfgang Lacroix, Technical Director at Danzer Services Europe. “Through the implementation of innovative manufacturing technology, we have enhanced the quality of our products. In doing so, we provide our customers with process reliability.”

“Our long-term objective remains unchanged: we want to deliver a product to our customers where 100 percent of the sheets are usable and fall within certain quality parameters,” adds Hans-Joachim Danzer, Danzer Group CEO. “This is only achievable when automatic, high-tech quality control systems are in place that check each and every sheet in the production process. These quality control measurements are



High-tech systems check the quality of each and every veneer sheet in the production process.

Unvarying thickness is just one of many criteria that define the quality of Danzer veneer the way for further straightforward processing by users. At Danzer Group, a team of highly qualified engineers and production managers are dedicated to ensuring all-around, 100-percent quality.

the top priority for our engineering teams.” Even minor errors can have serious side effects during further processing. This can result in delays, waste and extra costs. Danzer Group's quality control specialists ensure that all such errors are eliminated at the manufacturing stage.

Did you know ...

... that that wood makes an important contribution to protecting the climate? Each tree removes considerable amounts of the greenhouse gas, carbon dioxide, from the atmosphere during the course of its life. This ability decreases as the trees get older. Using wood as a material for construction or other purposes shifts this storage effect.

Whether it is used in a wooden house, in designer furniture or window frames, one ton of dry building timber stores roughly 1,011 pounds (510 kilograms) of carbon, corresponding to 1.8 tons of carbon dioxide, which would otherwise augment the greenhouse effect in Earth's atmosphere.

... that the world's forest area amounts to around 10 billion acres (4 billion hectares)? This corresponds to roughly 30 percent of the world's land area. Tropical forests account for approximately 48 percent of the forested area, boreal forests for 30 percent, and temperate forests – such as those in North America and Europe – for 22 percent. Here the forested area grew by 72 million acres (29 million hectares) in the 1990s. In the same period, stocks of timber in these forests grew by 27 billion cubic yards (21 billion cubic meters). Danzer Group covers 80 percent of its raw materials requirements with wood from temperate forests.

... that each year, Danzer Group harvests only 0.16 cubic yards (0.3 cubic meters) of timber per hectare from its own 7.9 million acres (3.2 million hectares) of concessions in Africa's Congo Basin?

In terms of forest area, this is only one-eighth as much as is harvested in the temperate forests of North America and Europe.



Dear Readers,

No one knows better than our customers that a success-oriented company can have only one supreme goal – namely, to satisfy the needs of its customers as well as possible.

It's important to know what customers want and to offer products that meet their needs. This is one of the most important challenges in the business world.

Our effort to offer customers new developments is also reflected in the latest product from Danzer Group: Vinterio, the first product on the global market to combine the qualities of real wooden surfaces with the properties of foil-type surfaces. Vinterio offers all the characteristic features of a real wooden surface. At the same time, the properties of Vinterio can be fixed in the same way as those of a foil-type surface.

Our company has also made progress in another area. Danzer Group has implemented comprehensive measures worldwide to assure customers that its wood procurement is responsible and sustainable. Danzer Group's cooperation with the World Wide Fund for Nature (WWF), which is aimed at promoting sustainable forest management in Africa, is the latest step.

I hope you enjoy your reading.

Hans-Joachim Danzer

We owe customers responsible procurement

The demand for timber products originating from environmentally and socially certified forests is increasing. In particular, architects and prestigious furniture manufacturers demand such proof. Certification confirms for customers that a forest is managed in an environmentally and socially responsible manner in accordance with forestry law. In addition, it ensures that forest management has undergone an independent third-party audit. “These are the principles of responsible forest management”, says Carl Ulrich Gminder, Danzer Group's Environmental Management Coordinator.

Worldwide measures

Danzer Group has implemented comprehensive measures worldwide to assure customers that it procures wood in a responsible manner. Procurement rules are applied to African, European and North American timber; the procurement rules for African and North American timber are certified according to the environmental standard ISO 14001. Recently, certificates for the chain of custody (coc) of FSC, PEFC and LVT (legality-verified timber) have been obtained. Consequently, the Group's sales outlets can offer certified veneer and lumber. All these efforts are systematically managed by Danzer Group's worldwide Environmental and Safety

Management Systems (ESMS) for Procurement and Production. “Overall, customers benefit from our responsible procurement. It offers high reliability and transparency as our systems are regularly audited by an independent inspection company,” says Carl Ulrich Gminder.

Cooperation with WWF

The recent decision of Danzer Group and the World Wide Fund for Nature (WWF) to work towards close cooperation is also aimed at promoting sustainable and socially responsible forest management in Africa. This cooperation will be rolled out within the framework of the Global Forest and Trade Network (GFTN) of the WWF (www.gftn.org). The cooperation with WWF covers forest management, procurement from third-party suppliers and trade in African timber. Danzer Group's strict Procurement Rules African Timber serve as an important basis for the GFTN. They comprise a risk assessment of third-party suppliers >>>



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and require a legal proof of origin as a purchase condition. Thus, it is ensured that wood comes from legal sources.

Moreover, legality-verified timber is provided by the forest concessions of IFO (Republic of the Congo) and SIFORCO (Democratic Republic of Congo). These Danzer subsidiaries manage a combined total forest area of 7.9 million acres (3.2 million hectares).

They have undergone legality verification audits by Société Générale de Surveillance (SGS), the world's largest inspection and certification company. FSC certification is scheduled from 2008 onwards. This is the largest concession area in Africa being prepared for FSC certification to date. "This means that both IFO and SIFORCO can supply their customers with wood of legality-verified origin today," stresses Gminder, "and in the near future also with the FSC label."

Markus Radday on the cooperation between Danzer Group and the WWF

“Danzer and the WWF subscribe to the same important objectives”

Mr. Radday, why did the WWF choose to cooperate with Danzer Group? ?

Most of the forests managed by Danzer African subsidiaries IFO and SIFORCO play an important role in protecting forests in this part of Africa. They comprise large, intact natural regions, and are inhabited by some of the Earth's most well-known and endangered animal species. The forests are home to forest elephants, gorillas and chimpanzees. Bonobos in a part of the Democratic Republic of Congo live in a preserve surrounded by two SIFORCO forest concessions. The IFO forest concession in the Republic of the Congo forms an important link between two expansive forest regions that contain national parks and forest preserves of global significance. The concession thus plays an extraordinarily large role in preserving biological diversity in this part of the Congo Basin.

How do Danzer Group's efforts help preserve forests in the Congo Basin?

Danzer Group and the WWF subscribe to the same important objectives: halting illegal logging and influencing companies to source products that originate from responsibly managed forests. The trading of illegal wood makes it difficult for responsibly acting companies to operate profitably, because the higher costs are not honored adequately in the marketplace. These companies will be supported by joining the WWF's Global Forest

and Trade Network (GFTN). GFTN's primary goal is the FSC certification of the concessions. Forest management plans such as those already drawn up by Danzer Group for its IFO subsidiary are of central practical importance here. These plans answer questions such as: how does logging affect animal life? In what way is the local population affected by logging? How do standings of wood species react in the long run to logging? Danzer Group and the WWF openly discuss these issues and much more.

Why will the certification process not begin until 2008 for IFO and 2010 for SIFORCO?

Certification takes time because of the enormous size of the concessions and the prevailing complex social and ecological conditions. After the civil war in the Democratic Republic of Congo, SIFORCO has only just begun working on its forest management plan, which is a prerequisite for certification. SIFORCO concessions total 4.7 million acres (1.9 million hectares). The management plan must contain more than just measures for dealing with the local population that must be approved by the people in advance. It must also address other concerns, such as the protection of habitats and animal species – therefore the animal population must be observed and the animals counted. Once this time-consuming task is finished, the government must approve the management plan. Based on our experience with other countries of the Congo Basin, this can take up to two years.

Markus Radday is Officer Tropical Forests at WWF Germany.

Michael Engel on the new product, Vinterio, its innovative qualities and its benefits for customers

“Vinterio gives wooden surfaces a look that's never been seen before”

Mr. Engel, Danzer Group is launching a new wooden surface called Vinterio. What is so special about this product?

All Vinterio products are based on genuine, high-quality hardwood with many new qualities that offer our customers a number of benefits.

Vinterio, currently being launched on the market, is the first product on the global market to combine the qualities of real wooden surfaces and the properties of foil-type surfaces. Vinterio offers all the characteristic features of a real wooden surface: it is 100 percent natural and a high-quality, unique product. At the same time, the properties of Vinterio can be fixed in the same way as those of a foil-type surface. Customers can purchase the product in standard dimensions and repeatable patterns and always be sure of consistent quality. In particular, the unique look of the Vinterio surface allows for a wide range of decorative applications. Vinterio is also easy and cost-efficient to work with. The product, which comes as a cut-to-size product in standard specifications, offers a high degree of reliability, availability and product quality. In my opinion, the most important property of Vinterio is that it allows our customers to distinguish their products' perception from all the rest of the industry. Vinterio offers customers wooden surfaces with a look that's never been seen before. All product lines bring out the true beauty of natural wood in a totally new way. Wood becomes innovative!

What does Vinterio offer customers with respect to design and look?

Vinterio products are available in both single-

wood species and combinations of various wood species. Our “Vinterio Stratus” line offers a number of high-quality surfaces of elegant and decorative aesthetics made from one single species. It has a repeatable and consistent pattern and is



Michael Engel is CEO of Vinterio Europe. He joined Danzer Group in 2004. Vinterio is a newly developed, unique wooden surface manufactured and marketed by the company in North America and Europe.

readily available. The narrow components of “Stratus” offer a surprising effect: while characteristics of the species remain clearly visible, its overall appearance is very balanced. This makes “Vinterio Stratus” ideal for applications requiring a high-value, consistent wooden surface with a uniform look. “Vinterio Nimbus” offers unlimited design potential. This product line allows the combination of various wood species. Surface patterns can be wild and expressive, classically elegant or exclusively unique. Customers can use “Vinterio Nimbus” to create individual and exclusive designs totally different from conven-

tional wooden surfaces. We can guarantee exclusivity on customized “Vinterio Nimbus” designs.

Does this new wooden surface have other innovative qualities in addition to its appearance?

Depending on the nature of the application, Vinterio products offer various advantages. Unlike conventional wooden surfaces, Vinterio has significantly stronger glue joints. It is also suited for postforming that requires even the smallest radiuses. With stronger joints, Vinterio products don't break easily and disrupt downstream processing. Thanks to its standard dimensions, Vinterio is easy to work with. Its yield and material costs can be calculated accurately. Vinterio is thus cost-efficient to process. Customers also can depend on Vinterio's environmental friendliness. The glue joints of the wooden surface contain no formaldehyde and fulfill all requirements on emissions.

Is Vinterio a natural product through and through?

Absolutely. Vinterio is up to 100 percent natural with respect to the wood species used, its colors and its value. All product lines stress the characteristic properties of the species used. In this way, Vinterio enhances the natural beauty of the wood in an innovative way. We always treat our renewable raw material and our environment with the greatest care, and we have the appropriate documentation to prove it. Environmental and safety standards developed by Danzer Group are certified in accordance with the internationally recognized standard ISO 14001:2004. These standards apply to our Vinterio production facilities. The plants are also chain-of-custody certified in accordance with recognized standards such as SFI, PEFC or FSC. Our compliance is documented. We therefore ensure that all wood used to manufacture Vinterio can be clearly traced from a legally and environmentally sound origin to the final customer. >>>

What guarantee do customers have that they are getting a product with long-lasting quality and reliability?

Vinterio is a quality product manufactured by state-of-the-art equipment and processes that are standard for Danzer Group. Vinterio has access to the tremendous experience and worldwide resources of the Group. This means we can guarantee more than just consistently high quality. The Group's own forests, its large and widespread log and lumber procurement teams, its forest concessions and production facilities on several continents, mean that our customers can count on a reliable supply of products from reliable procurement sources.

Mr. Engel, you sound very excited about Vinterio. What makes you so optimistic about its acceptance in the market?

In the past, there has been very little to no innovation in the world of wooden surfaces. The times when new species were introduced are over, because all commercially viable species are already used in varying intensities. Most of the innovative ideas involved production issues. Vinterio is a highly innovative product: it is the first time a wooden surface with a new look, high value and quality has been introduced. Our customers seek opportunities to upgrade their offerings and create a unique quality product that differentiates from the competition. Vinterio offers exactly this value to our customers. We aim to continue the innovation processes of our wooden surfaces – under the brand-name Vinterio. I am convinced that we will be able to present further interesting news in the coming years.

Less outlay, more benefits

Danzer Group is taking a major step toward providing even stronger customer services by concentrating its veneer sales activities in Europe. The company will stock more species at fewer locations. Danzer will also provide even more market-responsive customer support and increase incorporation of customer requirements into the production process.

These steps are designed to create a more attractive offering and even closer partnerships with customers. “We will be offering our customers greater product availability, which means less outlay and more benefits for them,” says Hartleff Reschop, Senior Vice President Sales.

To this end, Danzer Group is creating synergetic effects not only in its product range but also in its sales structure. Customers will find a much wider selection of species, qualities and products at the company's different locations. Supply of the highly popular Sapele, for example, will be increased substantially. At the same time, sales will be less dependent on individual branches and will instead be geared to customers' markets and industries. “Our slogan for the future is ‘one face to the customer,’” Reschop explains. “A customer from a particular industry will have a single contact person with access to all our regional outlets and species.

These employees will process orders to suit each customer's needs.”

The European production sites, in particular, will stock a much wider range of goods in the future. This will especially benefit industrial customers, whose orders are to be processed exclusively at these locations. This ensures individual, user-friendly preparation of goods as well as close coordination between production and purchase operations. The wider product range at the veneer sales outlets will also be a boon for regional customers. They will save both time and money



Danzer Group's European production sites will stock a much wider range of goods in the future.

and have less distance to travel. The new sales structure has helped speed logistical order processing: delivery times are shorter and delivery costs are lower. Speedy and flexible order processing within the veneer plants and sales outlets improves transportation efficiencies.

European Veneer Facilities

More details: www.danzergroup.com

Location	Products
<i>DEV & Jura Placage, Souvans, France (Production and Sales)</i>	<i>European, American and tropical wood veneers. Stock availability: about 40 species. Market focus: Western & Southern Europe and N. Africa.</i>
<i>DEV & Danzer Bohemia, Melnik, Czech Republic (Production and Sales)</i>	<i>European, American and tropical wood veneers. Stock availability: about 60 species including specialties and burls. Market focus: Central and Eastern Europe.</i>
<i>Sydjfanér, Vaggeryd, Sweden (Sales)</i>	<i>European and North American wood veneer species. Stock availability: about 40 species. Market focus: Scandinavia, Finland and Baltic States.</i>
<i>DEV & Danzer Bielefeld, Bielefeld, Germany (Sales)</i>	<i>European, North American and African wood veneers. Stock availability: about 50 veneers. Market focus: Central, Western and Northwestern Europe.</i>
<i>Danzer Salzburg, Salzburg, Austria (Sales)</i>	<i>European, American, Asian and tropical wood veneers. Stock availability: about 90 species and specialties. Market focus: Central and Southeastern Europe.</i>