

Abimci (Brazilian Association for Mechanically Processed Timber) assesses agreement made by the U.S. Structural Plywood Integrity Coalition and the certifier PFS-TECO

The Abimci (Brazilian Association for Mechanically Processed Timber) represents more than 100 wood mills, among them, manufacturers of plywood, sawn wood, doors, laminates, moldings, floors, pellets, among other products. A large portion of the volume produced, in modern industrial facilities, which are a result of investments made by the sector throughout the last decades in Brazil, is shipped to more than 40 countries, including the U.S. The Association acts in the institutional representation of the member companies and promotion of Brazilian wood products nationally and abroad, in addition to encouraging member companies to invest in actions that provide broad control in their production line and product quality.

Over the last 20 years, several Brazilian mills have shipped plywood panels to the U.S., which shows the long-lasting and reliable relationship between Brazilian manufacturers and U.S. importers and resellers. The Brazilian mills have been considered excellent suppliers for relevant retailers and importers in the U.S. and other markets worldwide. In addition, it has been proving itself to be a safe product, of recognized quality and in compliance with the technical requirements demanded by the applicable rules.

On May 24, 2022, Abimci had access to public information that the U.S. Structural Plywood Integrity Coalition and PFS-TECO settled a lawsuit before the Federal District Court in Ft. Lauderdale (Florida) in which PFS-TECO agreed to end its activities in the Brazilian market after May 31, 2022.

While the Federal District Court approved the settlement executed by plaintiffs and PFS-TECO, the Court has neither made any determination on the merits and accuracy of plaintiffs' claims nor any finding regarding the quality of the Brazilian plywood panels or its compliance with the existing PS-1 certification rules that were questioned.

In fact, the injunction signed by the Judge does not prohibit, limit, or restrict the sale and/or use of plywood panels produced and stamped with the PFS-TECO mark until May 31, 2022, as well as does not order the removal or destruction of any Brazilian product that has had the certificate granted by PFS-TECO on or before May 31, 2022, and does not refer to any other certification mark.

Any statement affirming that the Court has made any determination regarding the quality of Brazilian plywood panels or prohibiting wholesalers and retailers to use and sell PFS-TECO produced and stamped panels until the date mentioned, is wrong and consists of misrepresentation of the settlement and the Court's decision.

The Brazilian plywood mills will continue to maintain their position in the market, offering products that meet the quality requirements established by the rules in effect, as well as seeking continuous improvement of the commercial relationships consolidated more than two decades ago.

June 02nd, 2022.