

Case Study: Is CMS a fit?

Chemical Management The Weyerhaeuser Journey

Marilyn Johnson

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Overview

Who we are

What we set out to do

What we found

What we are doing

Where we are going

Who We Are

One of the World's largest forest products companies

34+ million acres of managed forests

Lumber, panels, pulp, packaging and paper

One of the largest homebuilders in U.S.

Third largest North American recycler

~50,000 employees, 18 countries

250+ manufacturing facilities

\$22.6 Billion in revenues (2005)



What we set out to do

Evaluate the CMS opportunity in the Forest Products Industry

- Risk and cost reduction through improved chemical management

Chemical Strategies Partnership 'deep dive' of six representative facilities

Focus on Maintenance, Repair and Operations (MRO) chemicals (non-process only)



What we found

MRO chemical management opportunities

- Chemical inventory and data management
- Substitution for less toxic alternatives
- Cost reduction, product standardization

CMS solution too extensive based on level of risk and need

Opportunity for Weyerhaeuser: Pursue ‘internal enhancement’ of existing programs and systems

Opportunity for the Sector: CMS still viable, focusing on higher risk operations with more chemicals

Other influencing factors re: CMS

Bulk and water treatment chemicals were not part of our ‘opportunity analysis’

Portfolio changes – sold composites business (2006), paper and related assets will no longer part of company (2007)

Belief that we can improve internally through committed program management

What we are doing

FOCUS: Chemical inventory management and risk reduction

Internal process improvements

- On site physical inventories at all sites using Dolphin™ Portable Inventory Assistant
- Elimination of unneeded chemicals
- Improved data accuracy
- Finding less toxic alternatives
- Metrics linked to performance



Focus: chemical data and inventory management

Where we are going

Significant reduction of chemicals

Reliable inventory and data management

Cost and risk reduction



Reduced Risk

Reduced Cost

