

December 16, 2011

To: The Board of Governors of the Southern Pine Inspection Bureau  
cc: David Bagwell, Jim Loy, Bob Browder

The *Southern Pine Design Value Forum* included representatives from a wide cross-section of stakeholders, including lumber producers, component manufacturers, builders, lumber dealers and technical experts. Enclosed is the final report.

The findings and recommendations in this report were developed with considerable time, effort and due diligence by three task groups established at the forum. They represent the collective consensus of the task groups, but may not represent each individual's point of view. Findings & recommendations for the SPIB Board of Governors' consideration include:

- Adopt the recommended standard change management process and apply it to the proposed design values currently under review.
- Complete the remaining testing of additional Southern Pine grades and sizes as required by ASTM D1990 before making any design value changes.
- Re-visit and expand the No.2 2x4 sampling and analysis.
- Consider additional data and remaining and/or additional technical questions.
- Analyze and evaluate other grade rule alternatives with an expanded SPIB Technical Committee including other key stakeholders.
- Publish a visual dense grade option with associated higher design values.
- Revise the resource monitoring protocol to ensure more timely detection of smaller incremental changes in design values.
- Change ASTM D1990 and related documents, as well as SPIB's procedures and policies, as needed.

These recommendations are supported by two papers included within the enclosed report: "A Review of the Margin of Safety for In-Market Lumber" and "Proposed Process for Evaluating Existing Design Values".

We are aware of the December 9 letter from Jim Loy stating that SPIB has no plans to withdraw the new design values for visually graded Southern Pine lumber as submitted to the Board of Review of the American Lumber Standard Committee. However, **we respectfully request the SPIB Board of Governors meet prior to December 22 (the deadline for comment to ALSC) to reconsider SPIB's position based on the findings and recommendations presented in the enclosed report.** As shown, an adequate margin of safety exists with in-market lumber such that existing or in-progress structures do not need re-evaluation. Consequently, there are no compelling barriers to completion of the full ASTM D1990-mandated test program prior to proposing revised design values for consideration by the ALSC Board of Review.

The forum participants welcome questions from the SPIB Board of Governors. Please feel free to contact Adrian Blocker or Cathy Kaake from the Southern Forest Products Association who can direct your questions to the appropriate person for response.