

INTERNATIONAL ACCREDITATION SERVICE, INC.

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July 18, 2008

TO: IAS-ACCREDITED INSPECTION AGENCIES, PRODUCT CERTIFICATION AGENCIES AND OTHER INTERESTED PARTIES

SUBJECT: Accreditation of Lumber Grading Agencies, Subject MISC1-0908-0908-R1 (PVM/CPR)

Hearing Information:

Thursday, September 18, 2008

8:00 a.m.

Minneapolis Convention Center

1301 Second Avenue South

Minneapolis, MN 55403

Dear Madam or Sir:

IAS has received a request from an IAS-accredited inspection agency for accreditation as a product certification agency for lumber which would involve lumber grading. While IAS can move forward to accredit this organization under ISO Guide 65 as a product certification agency for lumber, Section 2303.1.1 of the International Building Code (IBC) requires that lumber grading or inspection agencies be approved by an accreditation body that complies with Voluntary Product Standard PS-20, the American Softwood Lumber Standard (PS-20), or *equivalent*.

PS-20 is written entirely around the existence of the American Lumber Standards Committee (ALSC). It has several provisions for Agency Procedures (Section 7.0), Inspection and Re-inspection (Section 8.0), and specifically names the American Lumber Standards Committee as the body to consider proposals for revision of the standard and charges the Department of Commerce to provide a Secretariat and to appoint a chairman for its Standing Committee. The members of the Committee are appointed by the Secretary of Commerce. Grading agencies populate this committee which is required to be balanced and not dominated by a single interest category.

This item is being brought before the IAS Accreditation Committee to seek input from the Committee and interested parties and to determine if there is industry support or concerns as regards IAS establishing an accreditation program for lumber grading agencies equivalent to that of ALSC. Attached are two letters from Keith Anderson of the National Inspection Association in this regard.

You are cordially invited to submit written comments, or to attend the committee hearing and present verbal comments. Written comments will be forwarded to the committee, **prior to the hearing**, if received by **August 28, 2008**. As stated in Section 4.0 of the Rules of Procedure for Accreditation Committee Meetings (Rules) (copy enclosed), all written communications and submissions shall be delivered at least ten days before the scheduled Accreditation Committee meeting if they are to be forwarded to the committee.

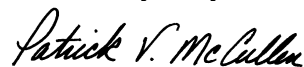
Any written material submitted for committee consideration will be available for public distribution as set forth in Section 4.0 of the Rules.

Visual aids (including, but not limited to, charts, overhead transparencies, slides, videos, or presentation software) for viewing at meetings will be permitted only if the presenter provides to IAS, before the presentation, a copy of the visual aid(s) in a medium that can be retained by IAS with its record of the meeting, and that can also be provided to interested parties.

Your cooperation is requested in forwarding to the Whittier office all material directed to the committee. Parties interested in the deliberations of the committee should refrain from communicating, whether in writing or verbally, with committee members regarding agenda items. The committee reserves the right to refuse communications that do not comply with this request.

If you have any questions, please contact the undersigned at extension 3309. You may also reach us by e-mail at info@iasonline.org.

Yours very truly,



Patrick V. McCullen
Vice President

PVM/cjm

Enclosures

cc: Accreditation Committee

INTERNATIONAL ACCREDITATION SERVICE, INC.



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RULES OF PROCEDURE FOR ACCREDITATION COMMITTEE MEETINGS

1.0 PURPOSE

The purpose of the Accreditation Committee and its meetings is to monitor the work of and to develop accreditation criteria for International Accreditation Service, Inc. (IAS).

2.0 MEETINGS

2.1 The Accreditation Committee shall schedule meetings that are open to the public in discharging its duties under Section 1, subject to Section 5.

2.2 All scheduled meetings shall be publicly announced.

2.3 Two-thirds ($\frac{2}{3}$) of the voting Accreditation Committee members shall constitute a quorum. A majority vote of members present is required on any action.

2.4 In the absence of the nonvoting Chair-Moderator, Accreditation Committee members present shall elect an alternate Chairman from the committee for that meeting. The alternate Chairman shall be counted as a voting committee member for purposes of maintaining a committee quorum and to cast a tie-breaking vote of the committee.

2.5 Minutes of the meetings shall be kept.

3.0 MEETING RECORDS

An electronic audio record of meetings shall be made by IAS; no other audio, video, electronic or stenographic recordings of the meetings will be permitted. Visual aids (including, but not limited to, charts, overhead transparencies, slides, videos, or presentation software) viewed at meetings shall be permitted only if the presenter provides IAS before presentation with a copy of the visual aid in a medium which can be retained by IAS with its record of the meeting and which can also be provided to interested parties requesting a copy. A copy of the IAS recording of the meeting and such visual aids, if any, will be available to interested parties upon written request made to IAS together with a payment as required by IAS to cover costs of preparation and duplication of the copy. These materials will be available beginning five days after the conclusion of the meeting but will no longer be available after 30 days have elapsed from the conclusion of the meeting.

4.0 WRITTEN COMMUNICATIONS AND SUBMISSIONS

Parties interested in the deliberations of the committee should refrain from communicating, whether in writing or verbally, with committee members regarding agenda

items. All written communications and submissions regarding agenda items should be delivered to IAS. All such written communications and submissions shall be considered nonconfidential and available for discussion in open session of an Accreditation Committee meeting, and shall be delivered *at least ten days* before the scheduled Accreditation Committee meeting if they are to be forwarded to the Committee. Correspondence received by IAS will not be released to any party, except to the Accreditation Committee, prior to the meeting without permission of the author. The committee reserves the right to refuse recognition of communications which do not comply with the provisions of this section. All such communications and submissions will be available from IAS upon written request and payment of costs associated with duplication. The materials will be available beginning five days after the conclusion of the meeting but will no longer be available after 30 days have elapsed from the conclusion of the meeting.

5.0 CLOSED SESSIONS

Meetings shall be open except that the chairman may call for a closed session to seek advice of counsel.

6.0 ACCREDITATION CRITERIA

Accreditation criteria are established by the committee to provide a basis for International Accreditation Service, Inc., accreditations. Consideration of accreditation criteria must be in conjunction with a current and valid application for an IAS accreditation listing or as otherwise determined by the Accreditation Committee.

6.1 Procedure

6.1.1 New Criteria

6.1.1.1 Proposed accreditation criteria may be submitted by interested parties to IAS, and shall be developed by the IAS staff and discussed in open session with the Accreditation Committee during a scheduled meeting.

6.1.1.2 Proposed accreditation criteria shall be available to interested parties at least 45 days before discussion at the committee meeting.

6.1.1.3 The committee shall be informed of all pertinent written communications received by IAS.

6.1.1.4 Attendees at Accreditation Committee meetings shall have the opportunity to speak on accreditation criteria listed on the meeting agenda, to provide information to committee members.

6.1.2 Existing Criteria

6.1.2.1 Changes to existing accreditation criteria may be submitted by interested parties to IAS, and shall be developed by the IAS staff. Existing accreditation criteria may be revised by the committee either (i) at a public meeting pursuant to the procedures set forth herein, or (ii) by postal ballot, provided public notice is provided as stipulated in Section 6.1.1.2.

6.1.2.2 The committee shall be informed of all pertinent written communications received by IAS. Parties interested in the proposed revisions to accreditation criteria may deliver communications and submissions regarding such proposed revisions to IAS within 35 days of the posting of the public notice regarding such proposed revisions to accreditation criteria. Such communications and submissions will otherwise be subject to the provisions of Section 4.0.

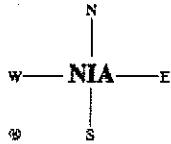
6.1.2.3 Upon an amendment to existing accreditation criteria, the effective date of the criteria shall be no earlier than 30 days after publication of the approved criteria.

6.2 Approval

Approval of accreditation criteria shall be as specified in Section 2.3 of these rules.

Approved by the Board of Directors

October 4, 2007



National Inspection Association, Inc.
Quality Systems Management, Inc.

Origination Date - 01-03
 Revision C Dated: 01-01-06
 AF-01

March 19, 2008

International Accreditation Service, Inc.
 % Mr. Chuck Ramani, President
 % Mr. Pat McCullen, Vice President
 % Mr. Raj Nathan, Accreditation Manager
 % Mr. John Pukianadan, Assistant Accreditation Manager
 5360 Workman Mill Road
 Whittier, California 90603

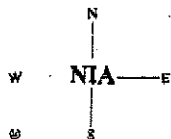
Re: Request for Product Certification Agency

Gentlemen,

Due to the passing of Mr. Carl Massie, former owner of AA-583, I seem to have this problem. Prior to, Carl Massie was inspecting and grade stamping lumber. The lumber companies since Carl's passing have begged me to find a way to continue on so that they have a means and alternative to the program under American Lumber Standards Committee. Many lumber companies have suggested that they would do most anything to have this alternative. They have expressed that they will not return to the ALSC program. I'm sure that any of these lumber companies would be more than happy to forward a letter to you asking that their industry have such an alternative. Information that I have obtained from the lumber industry is that they feel that it is not fair for one Accreditation Body to have a monopoly over their industry. It is not these lumber companies intention to belittle the American Lumber Standard Committee or their grading agencies, however, to be allowed a choice in Accreditation Body.

I have expressed my willingness to help these lumber companies, however, in doing so, I must know that National Inspection Association is compliant with the Building Codes. The IBC 2003, section 2303.1.1 states:
Lumber used for load supporting purposes, shall be identified by the grade mark of a lumber grading or inspection agency that has been approved by an Accreditation Body that complies the DOC PS 20 or equivalent.
 The term lumber grading agency or inspection agency, clearly offers a choice.
 The term Accreditation Body, clearly offers a choice.
 The term, complies with the DOC PS 20, is not an issue as these lumber companies will follow the grade rules as set down by the standard.

I understand that Kurt Stochlia was or still is on the Board of Review or Board of Directors of the ALSC. I don't see this as being a compromise as Mr. Stochlia is with the ICC and you are a subsidiary thereof. National Inspection Association is comfortable that confidentiality could be and would be maintained.



National Inspection Association, Inc.
Quality Systems Management, Inc.

Origination Date - 01-03
 Revision C Dated: 01-01-06
 AF-01

In preparation for this request, National Inspection Association has readied, a PCA Manual that is cross referenced as follows:

*Rules of Procedure for Product Certification Agency
 Guide 65 First Addition, 1996*

AC 370 Criteria for Product Certification Agency

ISO/IEC 17020 latest revision

ILAC A-4

AC 304

AC 10

AC 98

Product DOC PS 20

It is important to Note the following:

Under the only Accreditation Body for the Lumber Industry at present, there is absolutely no In Process Quality Control program in any facility. Under the PCA, these Lumber Companies would be under a QSM AC 10 just as any ESR Report of the ICC or any FA Accreditation of the IAS. This will be a first for this industry and these lumber companies are actually excited about this. One remark from a lumber company was, "finally we will have something on paper".

It is also important to note my experience. I am from the family of founders of the largest lumber grading agency in this country. I have been around the lumber industry and grading lumber for thirty four years. I understand the old way of lumber certification, however, I also understand the new way and new opportunities that can and must be brought forth for this industry.

Gentlemen, in short, these lumber companies need an Accreditation Body so they can be compliant with the Building Codes.

Time is of the essence. National Inspection Association will begin labeling the lumber for these lumber companies as of April 1, 2008. I fully understand that the labeling of the lumber prior to the Accreditation Body Accreditation is in no way connected to the Accreditation Body until such accreditation is obtained.

Respectfully Submitted,

Keith Anderson
 Keith Anderson, Principal

National Inspection Association, Inc.

Pat McCullen

From: National Inspection % Keith Anderson [NIAgillette@vcn.com]
Sent: Friday, July 11, 2008 9:08 AM
To: NIST % David Alderman; Bruce DeMaine; John Pakianadan; Raj Nathan; Pat McCullen; Chuck Ramani
Subject: PCA Application Number 2008-03-05

Gentlemen,

I would like to thank you all for your time and consideration concerning this PCA application. I would also like to respond to Mr. Ramani's and Mr. McCullen's reply.

Mr. McCullen mentions in his reply, all about the PS-20 and the DOC's requirements. You mentioned that "if IAS elected to get into the business of accrediting grading agencies, it would be apparent that, according to the IBC, IAS would have to set itself up to meet the intent of the PS-20". I would absolutely agree with Mr. McCullen's assessment. However, this is not what we applied or asked the IAS for.

The PS-20, a voluntary product standard, is the standard set forth for the ALSC and their program. We were not requesting that the IAS become an IAS Lumber Standards Committee nor were we requesting that the IAS attempt to carbon copy the program of the ALSC or the PS-20. To be honest, this accredited agency would never ask the IAS to lower your standards to that of the ALSC. Mr. Ramani is absolutely correct and I am also appalled at the lack of technical and competence oversight of an accreditation body such as the ALSC. The ALSC is absolutely not accountable to anyone. This is the main problem and this is exactly why there are lumber companies looking for an alternative.

National Inspection Association applied for, and asked the IAS for, an Accreditation for Product Certification Agency under YOUR program set forth for proper accreditation under the Guide 65. This is a complete different program than that of the ALSC and the PS-20. Your program without having to make any changes in your procedures, would need to show an equivalency as the IBC Code requires.

Let's think about this quickly. The IBC Code for lumber requires an Accreditation Body. The IAS is such an accreditation body with accountability and a program under the Guide 65 that in my opinion, is not only an equivalency, but in excess of an equivalency to that of the ALSC, the PS-20 and their program. For one to create a legal problem for the IAS, they would have to show that the Product Certification Agency program is inferior to that of the ALSC program and I know that anyone would have difficulty achieving that.

Next, the IBC Code requires one of two entities. A lumber grading agency or an inspection agency. Again, we were not requesting to be a "grading agency under the PS-20". We were requesting to be an "inspection agency under your accreditation and the Guide 65". Two completely different programs here. I believe that a Product Certification Agency, accredited under an accreditation body utilizing the Guide 65 would not only be an equivalency to that of ALSC's grading agencies, but in excess of an equivalency.

Your program under the Guide 65 requires a documented in process quality control program within the facilities. The ALSC program has never had any requirement like this and the lumber companies under the PS-20 have absolutely no Quality Control program within their facilities. I'm not saying that the ALSC should have to. All I'm saying is that there are two different programs and the Guide 65 requires the Q.C. program within the facilities and the ALSC program does not. I believe that the Product Certification Agency under the Guide 65 is in excess of an equivalency to that of ALSC's lumber grading agencies.

Finally, we would need to show that the lumber companies that are grade stamping lumber under the Product Certification Agency has a final product that is equivalent or better than the final product under the ALSC program. The Product Certification Agency is required to evaluate the product prior to certifying the product.

Your comments in your reply ask that National Inspection Association consult with the Department of Commerce and raise our points and plead our case. I would very much like to, however, the Department of Commerce does not have a Product Certification Agency process under Guide 65. I do believe that the ALSC program would be better off if they were under the Guide 65 with an accreditation body that has accountability to someone, but they don't have what the IAS has to offer.

It is this agency's belief that the IAS is not accountable to the ALSC or the Department of Commerce for Product Certification Agency accreditation. Lumber is no different than any other product and should be able to be certified

7/21/2008

under the Product Certification agency process in the same manner under Guide 65 as any other product, in this case, as an Equivalency or Better as the IBC Code requires. It's this agency's belief that any entity would be very hard pressed to create a legal problem for the IAS as your program under the Guide 65 is so far more superior, much less an equivalency, to that of the ALSC program.

Mr. Ramani mentioned in his reply, "that by the saving grace is that we have not heard of any major failure of the current setup and therefore you saw no pressing need for the IAS to react". Obviously, if there are lumber companies requesting the Product Certification Agency alternative for their Industry, there must be a problem. We are not asking the IAS to react to anything. We are asking for an alternative to the ALSC program under PS-20 by utilizing the Product Certification Agency process under Guide 65 showing an Equivalency or Better to the existing ALSC program.

Mr. McCullen suggests that the IAS has decided not to embark on the establishment of an accreditation program that would be a carbon copy of the ALSC and the PS-20. If the IAS had to lower your standards to become an IAS Lumber Standards Committee, to have to match up to the exact replica of an unaccountable ALSC, then this inspection agency would not blame you at all for your decision. However, again, we are not asking you to do this.

I think Mr. Raj Nathan during a conference call between his-self, my-self, and Mr. Bruce DeMaine said it best. Mr. Nathan said that the IAS is in the business to accredit anyone they choose if the IAS were so inclined and willing to do so. The question is if the IAS would be willing.

I would ask that the IAS consider these comments and take another quick look at the actual application submitted by National Inspection Association. The application requested accreditation under a Product Certification Agency under the Guide 65. This is YOUR program, not the program offered by the PS-20 or the ALSC. This Accredited Inspection Agency and the Lumber Companies that I represent happen to believe that you have great accountability and a great program that very well could offer this part of the Lumber Industry the alternative that they are requesting. This agency and these lumber companies wish the ALSC, the Department of Commerce great success with their program, however, we are asking for IAS's program.

Again, Thanks so much for your time and consideration.

Regards,

Keith Anderson, Principal
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