

DeckReport

 McFarlandCascade.com

BUILDING PRODUCTS AND INFORMATION TO MAKE LIFE OUTDOORS BETTER

FIRST QUARTER 2007



XTENDEX

Made for **THE GREAT OUTDOORS** and your lifestyle.

Good for your environment
Made with rice hulls—a renewable agrifiber
No harmful chemicals to leach into soils

A beautiful look and feel
Hidden clip system means no visible screws
Scratch, stain and fade resistant
Great wood grain and feel minus the splinters
Cooler under foot on hot summer days

Less work—more enjoyment
No lost weekends staining or waterproofing
No worrying about insects or mold
Rich built-in oils, boards harder and stronger
For a longer lasting deck with less hassles

1x4 boards: Architectural in Traditional profiles in Cedar, Redwood and Grey

1x4 boards: Classic profile in Contemporary grain in Cedar, Redwood and Grey

1x4 boards: Architectural in Traditional profiles in Cedar, Redwood and Grey

The new Xtendex Show Booth is designed to target the high-end deck market with a rich upscale look.

Introducing the premiere edition of Deck Report and a sneak peek at our new look for 2007.

In our continuing effort to deliver the best to retailers and builders, this quarterly newsletter will fill you in on our latest products and services, the people behind them and any relevant market trends that might help you plan for the future.

The outdoor lifestyle building and product market is showing signs of becoming the next big boom in home improvement. It has been a strong market for a while, but with the huge new interest in outdoor cooking and outdoor entertaining, we could be on the verge of the biggest growth this market has seen in a while.

Obviously the economy plays a role in this equation, but from our perspective it is better to be ready than left behind. The booth above is one way we are thinking ahead. It takes advantage of our superior composite decking and uses rich graphics to target people who are interested in premium quality over the cheapest price.

In upcoming issues we'll give you the inside track on some of the newest innovations in deck building materials and practices. We also invite you to join in and give us your feedback on what's working for you and what could be improved.

ON DECK

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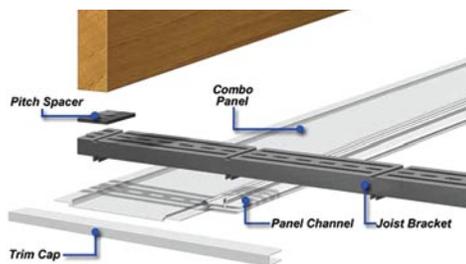
BUSINESS BUILDERS

- Your next job could come from a referral. Referral leads have a higher closing percentage and cost less than generating cold leads in a crowded marketplace. A simple way to earn that referral is to clean up the job site at the end of each day. The woman of the house typically makes the referral. The extra time is well worth the effort.

Featured Product



DrySnap—a new retrofit ceiling turns rainy days into an excuse to enjoy life down under.



This retrofit product is the perfect way to create new business by offering your customer an easy way to maximize their outdoor living space. With minimal labor, you can quickly transform previously unusable wet spaces into rainy day retreats. And better yet, this under-deck drain system works even with imperfect joist spacing.

The product is the first flush mount rain water drainage system to eliminate the time consuming task of trimming panels because of inconsistent joist spacing. Anyone who has tried to install anything to an existing deck frame will appreciate the design and simplicity of our patented joist bracket. This unique five component system makes quick work of your job.

Once you attach the joist brackets to the bottom of the joist, just snap the vinyl ceiling-drain panels into place, snap on

the trim caps, install the gutters and downspouts and your job is done.

DrySnap goes beyond easy installation to deliver a clean, sleek, leak-proof design. Instead of rain drops and cobwebs, your customers can enjoy a new porch or gain some dry storage space for lawn and gardening equipment, bikes, and more.

Affordable pricing, reduced labor and time, the durability of vinyl construction, a ten-year limited warranty and beautiful results all add up to make DrySnap a great value for the builder and the homeowner.

To review an installation guide, visit mcfarlandcascade.com.

FEATURES

- Durable Vinyl Construction
- Snap-together Design
- Foolproof Retrofit Installation
- 10-Year Limited Warranty

BENEFITS

- Maintenance Free
- Affordable
- Watertight, Worry-free Protection
- Easy, No-hassle Installation
- Beautiful New Under-deck Space

Starlene Tobin joins the team.

During this summer's busy season, Starlene Tobin joined McFarland Cascade's Inside Sales team. We had no mercy throwing her in the middle of our busiest summer season! But Starlene didn't hesitate to get to know our products and our customers on a first-name basis. She performed beautifully!

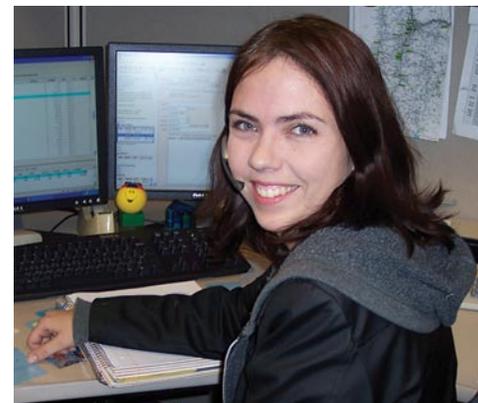
Starlene has more than 17 years of Customer Service experience, most recently in the distribution industry for the past five years.

"I enjoy working with our customers, and I like the people I work with," says Starlene. "They are easy to get along with, and they are experienced and very good at what they do. They make it easier for me to learn what I need to know to serve our customers better. My training was excellent, and I'm happy to be here," she says.

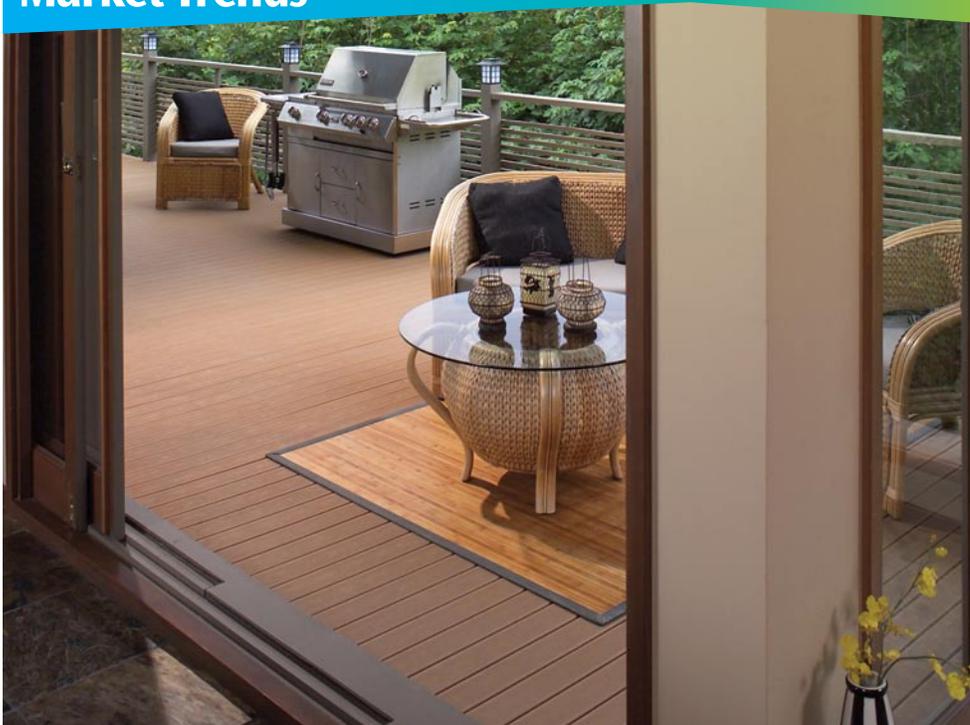
On a personal note, Starlene is a voracious reader who always has a book handy. She has two sons that keep her busy running to karate lessons on a nightly basis. She's always ready to share about their latest round of tournaments and events. And, thanks to a shortened commute, she now has more time to spend with her family.

Starlene has already spent some time with our Territory Managers visiting customers. She plans to spend more time in the field after the Holidays.

We are pleased to welcome Starlene to our Inside Sales team!



Market Trends



Click your way to Customized Marketing Materials.

Here's an easy way to get a head start on the job most builders would rather avoid—marketing. We developed our online shopping site to make this dreaded job just a little easier. It makes quick work of customizing and ordering promotional materials that are then delivered right to your door. We hope this kind of marketing support will save you time on the building-your-business side of things so you can spend more time building decks.

McFarland Cascade Certified Contractors can order promotional postcards, door hangers, business cards and yard signs. If you're not a Certified Contractor, become one today at www.contractors.mcfarlandcascade.com (access code: M140).

Another benefit is to take advantage of our mailing services. You can choose from our mailing list acquisition services or you can upload your own mailing list. You don't even have to hassle with the actual mailing. We'll handle it for you.

If you are a Certified Contractor, visit www.smartstore.net today and you'll be able to:

- Customize and order marketing materials to promote your company and McFarland Cascade decking
- Save project for future orders
- Upload your image or logo to include on postcards, etc.
- Upload your mailing list and we'll mail postcards from our facility
- Mail postcards and other items directly to any location as needed
- Record ordering history automatically
- Inquire about purchasing the use of targeted mailing lists

This value-added service for McFarland Cascade certified contractors will save you time and money.

For any questions about the service, please call 480-991-1326.

Meryl on the Market.

Our lumber buyer Meryl Phillips keeps his thumb on the pulse of the lumber and housing market. He buys more Hemlock than just about anyone else in the nation! We hope his thoughts on the market will provide you some unique insight.

- The drop in the housing market nation wide has created a surplus in inventories at the mills and reloads.
- Lumber prices continue to be at low levels as the demand has decreased.
- Mills continue to get squeezed by high log prices and low lumber prices. This has caused many curtailments and some mill closures.
- Expect this pattern to continue until more curtailments decrease supply or demand increases in early spring.

Other Notes: Experts project that the U.S. workforce will decrease by nine percent during the next decade in the highly skilled 35 to 44 age category. Expect greater competition for good employees for the foreseeable future.

Builder confidence has leveled out and posted some modest gains of late. Mortgage interest rate decreases, energy price drops and positive consumer sentiment have lead to a firming of the National Association of Home Builders' Housing Market Index.



COMING EVENTS

Portland Home Show • February 21st - 25th

Spokane Yard and Garden Show • February 22nd - 25th

Job Site Buzz



Giving you the best quality

By Jeff Brown, Tacoma Plant Manager



To maintain our leadership position in lumber treating, McFarland Cascade regularly invests in the latest technology for our industry.

As scanning equipment continues to evolve, our Tacoma facility upgrades regularly to ensure we meet customer expectations for grade and consistency.

Why is scanning important? Scanning equipment takes a picture of every piece of lumber that goes through the machine and compares it to a certain standard. It's a critical part of our quality control efforts.

The Optimizer at Tacoma helps us to increase recovery of all grades and provides greater consistency in the final product. Geometric scanning lasers, high resolution digital cameras, and defect classification software are just some of the high-tech tools.

To further improve our reliability for optimum yield, we turn to the human factor. Trained staff members manually grade every board as part of our production process. We also use routine inspections downstream to verify that the scanning equipment is performing to expectations.

Experience has taught us it's the combination of technology and manual observation throughout the production process that insures precise grading, trimming, and sorting. It's one more reason you can expect the best from us.

Your inside sales representatives.

Teri Melton 800-416-2796
Melissa Page 800-416-2785
Starlene Tobin 800-841-7808
Julie Daniels 800-355-7563
Melisa Schmidt 800-841-7801

Dr. Decks' Jason Russell – Contractor of the Quarter.



Jason Russell has been building decks in the Puget Sound area since 1988. As owner of Tacoma, Washington-based Dr. Decks, Jason runs a small crew and believes in maintaining personal attention to the detail of every deck they build.

Jason prides himself on using quality construction methods and the best materials. When a customer is interested in composite decking, Xtendex® Architectural decking with its hidden Quick Clip fastening system is his decking of preference.

“Hidden mount systems for decks are usually very labor intensive, but this one was engineered to take a lot of difficulty out of the process,” he says. “It’s one of the quickest to use in the decking world. If you have a couple of people installing longer boards, you can stay in five foot radius instead of a 20 foot radius, which is very helpful when you’re laying 400-500 square feet”.

You can learn more about Jason’s work on the front page of our website under the Featured Project section.

If you or a contractor you know is interested in the free publicity we offer through the featured contractor program, please send pictures and descriptions of your project to our sales manager Phil Schumock at phils@ldm.com.