



Expanding Into the Canadian Market With Sustainably Certified Veneer

Ukrainian veneer company PJSC Euroshpon-Smyga has realized that being environmentally friendly is good for both the planet and for business.

Euroshpon-Smyga produces veneer for wood product manufacturers. Veneer is a thin strip of wood that is glued onto core panels such as doors, cabinets, and furniture. The company processes approximately 1,500 cubic meters of wood each month produced from such raw materials as oak, beech, alder, ash, and birch. They supply both the domestic and international markets.

The company has learned from experience that sustainability can offer a competitive advantage, especially in developed markets. Their first Canadian buyer, Armoires Fabritec Ltée, requested that they obtain Forest Stewardship Council Chain of Custody (FSC-CoC) certification, an industry standard

providing credible assurance that products bearing its label come from environmentally and socially responsible sources. In order to maintain its Canadian partnership, Euroshpon-Smyga adopted FSC-CoC standards and practices in their production process and successfully passed the certification assessment in 2017.



Profile wrapping veneer produced by Euroshpon-Smyga.

Canada

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However, the recertification process is costly and includes regular audits to ensure that companies maintain environmentally and socially responsible practices. The Ukrainian company had made it pretty far on their own, but needed a little push to get them to the next level.

So when, in July 2018, the company heard about the CUTIS webinar “FSC Certification and its Prospects in the Canadian Market,” they signed up without hesitation. The webinar, one of a series, outlined the economic prospects of voluntary sustainable certification in international trade, especially with Canada.

From the webinar, they learned that Canadian buyers increasingly require sustainable supply chains, and leading North American retailers such as Home Depot, Lowe’s, and Rona give preferential treatment to FSC-CoC certified products. If Euroshpon-Smyga intended to expand its Canadian market presence, it needed to maintain that certification.



FSC Certificate received by Euroshpon-Smyga with funding support from CUTIS.

“The Canadian market is concerned with sustainable business practices. At a certain stage of our development we understood that further progress depends on our meeting international standards, in particular standards on wood chain-of-custody oversight. Market trends and our own evolution brought us to this decision.”

— Anatoliy Sergiyovych Kovbasiuk,
Director, PJSC Euroshpon-Smyga

The company found out that CUTIS had helped other Ukrainian companies access the Canadian market, including providing direct subsidies for environmentally sustainable certification. They sought out CUTIS support and were thereby able to complete their FSC-CoC recertification, paving the way for the company to sign an additional C\$300,000 contract with their Canadian buyer.

Euroshpon-Smyga also asked for further CUTIS support to learn more about the wood furniture market in Canada. CUTIS provided them with a file of current, accurate market information and presentations on the Canadian wood furniture market outlook and trends. This helped the company strengthen its position as a reliable and sustainably sourced veneer supplier, and they continue to build strong commercial relations with Canadian partner Armoires Fabritec Ltée.

With sustainably certified products and increased knowledge of market preferences, Euroshpon-Smyga is well-positioned for further opportunities to export to Canada.