



INSIGHTS



PHOTO: DAVE PUTNAM

SALES QUARTERBACK: iLevel Strategic Sales Rep Lovell Williams believes his job has been transformed — giving him a big advantage over the competition.

■ The old-fashioned image of a salesperson has been put to rest by iLevel. The new Strategic Sales Rep isn't just pushing product — he or she is acting as a business consultant or trusted advisor, helping customers meet their goals. The result? A new way of doing business and a total redefinition of the sales process.

'SALES' TURNS INTO PARTNERSHIP

What do you think of when you hear the word “salesperson”? Perhaps you imagine someone with what the Irish called the “gift of the gab” — an outgoing, slap-you-on-the-back kind of person who is cheerful and has a ready joke.

Or maybe you visualize an individual who's a bit more annoying — someone who talks too much, doesn't listen and is constantly pushing the product, refusing to accept that you don't want or need it.

While these images may be real, it's important to know that neither of them would ever survive as a Weyerhaeuser Strategic Sales Rep (SSR).

That's because, with the advent of the iLevel brand, Weyerhaeuser has totally redefined what a salesperson is and does. And nowhere is that more obvious than on the front lines.

“My responsibilities have really shifted,” says California-based SSR Lovell Williams, who has worked for the company for 12 years and experienced the transition firsthand. “I'm doing more education and spending more time talking about the products.

“And my audience has changed too. I'm not just selling to a dealer or lumberyard. Now I call on architects, engineers and specifiers. It's not just a transactional business

— it's more of a partnership, more of a relationship.”

That kind of talk is music to the ears of Carlos Guilherme, who as iLevel's vice-president of sales has helped lead the charge for change.

“The term we're using now is consultative selling,” he says. “Historically, both within Weyerhaeuser as well as in most traditional companies, the salesperson was thought of as the lone ranger who was armed with products to sell.”

“WE ARE TRAINING THEM SO THEY CAN BE BETTER CONSULTANTS TO OUR CUSTOMERS.”

But the new concept, Guilherme says, imagines the SSR as more of a quarterback: that is, a person who is part of a team and, above all, someone who is following a play or a strategy.

“We are training them so they can better understand our products and be better consultants to our customers,” Guilherme says. “Their job is no longer just selling product — it's to understand the customers' needs and to become business advisors.”

CONTINUED ON PAGE 2

iLEVEL VALUES — INNOVATION

Four key values drive iLevel: integrity, innovation, being market driven and performance. In this issue of Insights we focus on innovation with a message from Lee Alford, senior vice-president of residential wood products.

Weyerhaeuser launched a new Roadmap in March highlighting the company's vision, goals and measurements of success. On the roadmap are four targets: lead, perform, invent and grow.

This builds on the work we started when we developed iLevel a year ago. One of our main goals is to invent new products and

solutions. We're about developing safe and productive solutions for our associates and customers. We're about progress. We're about innovation.

Because customers look to us to help them work more efficiently and profitably, we develop services that go beyond the traditional role of a manufacturer. We offer groundbreaking engineering, education, software, logistics, and business management services that reduce waste and inefficiency while increasing home quality, job site safety, and product reliability.

Innovation is part of everyone's job here at iLevel. We reward innovative thinking and we do this through our iLevel Innovators program. You will learn more about Innovators on the next page.

The company has asked us to lead, perform, invent and grow. We will do this by continuing to live our four key iLevel cultural values: **integrity, innovation, being market driven and performance.**

This is how iLevel and Weyerhaeuser will succeed in a challenging marketplace. It all starts with the work we do every day. ▲

INNOVATION

SMART THINKING GETS SPOTLIGHT

Innovation is one of iLevel's four key values. But how do we bridge the gap between idea and execution? That's where the Innovators program comes in.

Designed to encourage new ways of doing things, the program helps shepherd ideas — for anything from new products to new processes — through the iLevel system.

In doing so, it ensures the ideas are seen by people who can make a difference, properly tracked and acted upon.

At the program's core is an innovative piece of software that tracks ideas so that they never get lost or forgotten. "It makes it really easy to collaborate," says iLevel Ideation Manager Melissa Johnson.

"It ensures review time and it really closes the loop. You put an idea in and you get an e-mail back."

The program, which was launched in June 2006, is built on the principle that money is not the prime motivating factor for most innovators. Instead, they want recognition and the chance to make a difference.

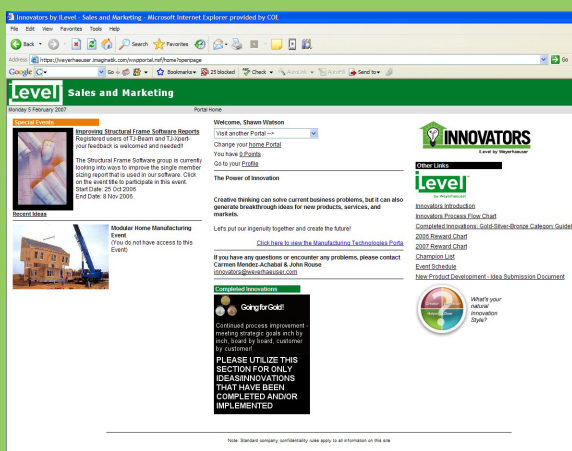
But does it work? The proof is in the results.

Johnson says that in 2006 more than 3,500 associates participated in the program. This generated more than 1,000 ideas and resulted in almost 500 completed innovations, representing a financial benefit of more than \$18.5 million to iLevel.

Ideas have included:

- A process for reducing or eliminating fires in OSB presses
- A short strand recovery system
- A wax reduction project
- A series of interactive training tutorials
- An automated board lifting device

Have an innovative idea yourself? Join the program. Just send an e-mail to innovators@weyerhaeuser.com. ▲



SCREEN TIME: The innovators website allowed 3,500 participants to contribute more than 1,000 ideas in 2006.

iLEVEL MAKES BUILDERS' LIVES EASIER

CONTINUED FROM PAGE 1

For SSR Mike Rasmussen, the change — along with his own hard work — has already led to a huge win.

He recently landed an exclusive agreement with the Denver-based company Shea Homes. A privately held developer that has built more than 52,000 homes — in California, Arizona, Washington State and North Carolina — the company now will be using iLevel products in all of their projects in the Sacramento area. This amounts to some 300 new homes in 2007.

Previously supplied by competitors, Shea Homes has agreed to switch to the iLevel floor system, Structurwood Edge Gold flooring, TJ shear panels and Certainteed fiber cement sidings.

"They really liked the fact that iLevel would make the builder's life easier," Rasmussen says. "In the past, they would have had several different products in their houses. But they could see the benefits of using one product throughout.

"They also liked our whole house design process — we can help them design the home to take advantage of our manufacturing strengths. They know that by getting us involved in the preliminary building stages they can choose their building materials based on our most efficient products. No one else can do that."

Rasmussen says that with this new sales strategy,

iLevel has succeeded in redefining the market. "Our competitors go in with a price page. But by the time we get done with our consulting, we take commoditization out of it."

And Lovell Williams agrees. "It's really an exciting time. I don't believe other people in the marketplace can do what we can do. That gives us a big edge over the competition."

So that means that sales will never look the same. Good-bye gift of the gab. Good-bye lone ranger. And hello business advisor. ▲



MEETING OF MINDS: Sales rep Mike Rasmussen (l) meets on the job site with Ray Ferrarini of Shea Homes, which is using iLevel material to build 300 new homes.

WORLD-CLASS MILLS SET TO OPEN IN 2008

Construction has begun on two new world-class sawmills for Weyerhaeuser in the Pacific Northwest.

Located in Longview, Wash., and Lebanon, Ore., the new sawmills represent Weyerhaeuser's commitment to improving efficiencies and better serving customers, according to Rob Taylor, iLevel's vice-president of lumber technologies.

"The announcement also indicates the level of confidence Weyerhaeuser has in the ability of these communities to provide the people and resources we'll need," he said.

"Both sites have good rail and transportation links, good proximity to customers, will be relatively easy to construct and will provide room for future growth," Taylor added.

When completed, the new Washington State operation will employ approximately 230 people, including lumber, finishing, shipping and related activities. It will produce lumber for West Coast and Northeast residential home building markets.

The new Oregon facility is expected to employ about 125 people and produce lumber for local and West Coast markets.

Lee Alford, senior vice-president of residential wood products, said the new mills will allow the company to be more competitive in offering value to customers. He said the new facilities will also make it simpler to do business with Weyerhaeuser, improve internal efficiencies and expand profitability.

Both facilities are expected to start operating in 2008. ▲

MILL STOPS CELL PHONES — FOR SAFETY

Never mind not driving with a cell — the Simsboro veneer mill has totally banned the devices at work

The recordable incident rate for iLevel in 2006 was 1.71, down from 2.14 in 2005, a 20 percent improvement. In this issue we feature a safety success story from the Simsboro iLevel Veneer Technologies facility.

Cell phone use is not allowed at the Simsboro, La. Veneer Technologies mill. But the safety rule was not a management decision. The recommendation and consent came from associates who recognized the hazards of using cell phones on the job.

Bill Fitch, an hourly associate and safety committee chair, admitted that it was a difficult decision to restrict cell phone use at work. "We all like using them," he says. "But after reviewing safety reports, we realized cell phones could create real hazards."

The safety committee brought the recommendation to management to curb cell phone use at workstations and throughout the plant. "Using cell phones on the job," the committee told management, "can cause serious distractions and lead to injuries."

"We reviewed this thoroughly before making a decision," says Mark Noles, mill manager. "After a conclusive review, our safety team and management decided to institute the policy in January 2006."

Fitch says they expected the ban to cause some complaints from associates, but so far everyone understands the reasoning. "I think we all understand that the phones can create safety issues," he adds.

The cell phone policy is just one of many practices the plant has in place to improve safety. Other programs at this site include safety committee meetings, a finger, hand and arm associate lead team, ergonomics teams, weekly housekeeping tours, personal protective equipment audits, lock out/tag out manual audits, and more.

"The communication flow along with management's open-door policy creates an environment that makes it easy and comfortable for every person to come forward with safety concerns," Fitch notes.

Because of these practices, the mill has operated with only two recordable incidents in the last five years. At one stretch the site went nearly three years without a recordable incident. ▲



SAFETY LEAD: Hourly associate Bill Fitch has been safety committee leader for five years at Simsboro Veneer Technologies, La., during which time the mill has had only two recordable incidents.

iLEVEL INSIGHTS

CHANGES TO YOUR MAILING ADDRESS?

- Employees or retirees should contact The Service Center, 1-800-833-0030. Changes may take up to six weeks.
- Non-Weyerhaeuser subscribers should e-mail dgg@telus.net or call 604-228-8818. Please provide your mailing label number, name, old address, new address and current phone number.

STORY IDEAS? COMMENTS?

Editor: Daphne Gray-Grant E-mail: dgg@telus.net
 Phone: 604-228-8818 Fax: 604-687-5345
 Address: 925 West Georgia St., Vancouver, B.C. V6C 3L2
 Design: Myron Balagno & Associates

Corporate website: www.weyerhaeuser.com