

LEADING BUILDING MATERIALS DISTRIBUTORS JOIN FORCES TO ESTABLISH ONLINE MARKETPLACE

(Redmond, WA September 22, 2000)

Self-Funded Venture Would Seek Standardization of Product Descriptions and Transaction Communications; Would Help Supply Chain Participants Increase Productivity and Reduce Costs ~

(CHICAGO– Sept. 19, 2000) – Builders FirstSource, Inc., Building Materials Holding Corporation (Nasdaq:BMHC), Carolina Holdings Inc., 84 Lumber, Lanoga Corporation, Payless Cashways, Inc. (OTC Bulletin Board:PCSH), and Wickes Inc. (Nasdaq:WIKS), today announced that they have signed a memorandum of understanding to explore the development and launch of an online marketplace serving the building materials industry. The seven companies, which according to industry sources together sold more than \$9 billion in building materials in 1999, primarily serve the professional homebuilder and contractor as opposed to the do-it-yourself or retail market.

The founding companies intend to establish this new electronic marketplace as a self-funded venture open to all companies in the supply chain. It is expected to facilitate process related cost reductions for marketplace members and customers and enable improved supply chain management. Initially, the founders plan to work with supply chain members to establish communication and identification standards for lumber and other commodity wood products. Services and benefits of the online marketplace are expected to include automation of procurement processes, reduction of errors and associated costs in procurement, improved information flow between all supply chain members and participants on a particular construction project, and better inventory management for building materials distributors and their suppliers and customers.

The value of the marketplace will be realized by the marketplace members through the resulting increased efficiency within their respective operations. The founding members intend to establish and operate the marketplace as a self-funded venture and do not plan to raise capital from non-members. The costs to develop and operate the marketplace will be absorbed by the members of the online marketplace, which will be neutral and open to any company in the building materials supply chain.

Commenting on their efforts, the founding companies stated, "We are delighted to partner together to explore the development of this new online marketplace for the building materials industry. Using today's advanced Internet technology, this exchange could enable us to make significant enhancements to our businesses. Through features such as standardized product descriptions and communications, we expect to streamline our industry's procurement process and improve project management. This also offers a tremendous opportunity for cost savings within our respective operations that we can, in

turn, share with our customers and ultimately the homebuyer, as well as increasing the value to our shareholders."

The initial development phase of the marketplace will focus on the procurement of lumber and related commodity wood products, which account for a substantial portion of each founding company's purchases. A key aspect of this phase will be collaborating with supply chain members to establish a set of appropriate, open standards for the industry regarding product descriptions and communications. Future planned phases are envisioned to include the procurement of additional products, expanded membership to additional dealers, mills and other suppliers, the addition of value-added services, and the creation of an interface with builders and contractors, focusing on builder functionality and potentially including sales transactions and job site scheduling. Potential technology partners that can provide the appropriate operational platform and capabilities are being evaluated and are expected to be selected in the fourth quarter of 2000.

Builders FirstSource, Inc.

Builders FirstSource is one of the nation's largest distributors of building products to professional homebuilders. Through acquisitions and internal expansion the privately held company has grown to \$1.9 billion in sales in just over 2 years. Builders FirstSource, headquartered in Dallas, Texas, has 80 distribution centers and 55 manufacturing operations in thirteen states. Additional information on Builders FirstSource can be found at its website, located at www.buildersfirstsource.com.

Building Materials Holding Corporation

Building Materials Holding Corporation, through its wholly-owned subsidiaries BMC West and BMHC Framing Inc., is a leading provider of building materials and services to professional new residential, commercial and industrial contractors and builders as well as professional repair and remodel contractors. The Company currently operates 53 building materials centers in California, Colorado, Idaho, Montana, Nevada, North Carolina, Oregon, Texas, Utah, Washington, and Wyoming. In addition, BMHC Framing Inc., owns a minority interest in framing and distribution businesses in Arizona, California and Nevada. Additional information on Building Materials Holding Corporation can be found at its website, located at www.bmhc.com.

Carolina Holdings, Inc.

Carolina Holdings, Inc., headquartered in Raleigh, NC, is the nation's largest distributor of building materials and services to professional homebuilders. Carolina Holdings produced sales in excess of \$1.8 billion during the fiscal year ending July 31, 1999. Carolina Holdings, founded in 1922, has over 220 operations in 22 states, trading under the following names; Carolina Builders, Denlinger Building Materials, C.C. Loose Lumber, Columbia Lumber, Crissey Fowler Lumber, Delaware Lumber, Stuart Lumber, McGinnis Lumber, ErbLumber, Stock Lumber, Inter-State Lumber, DenPak Building Materials, Kroonenberg Lumber, Fairfax Lumber, Terry Lumber and Anderson Lumber.

Carolina Holdings is a wholly owned subsidiary of Wolseley, PLC, based in Droitwich, England. Wolseley sales were approximately \$8.4 billion worldwide for the fiscal year ended July 31, 1999. More information about Carolina Holdings can be found on its website at www.carolinaholdings.com.

84 Lumber

84 Lumber Company, based in Eighty Four, Pennsylvania, is one of the largest suppliers of home building materials in the United States. Founded in 1956, 84 Lumber has more than 400 stores in 30 states from coast to coast. Through its well trained sales force of more than 1,000 associates, 84 provides a variety of services for professional builders, including manufacturing, installation, and financing. 84 is expanding, opening more than 30 stores in 2000. For more information, visit us on-line at www.84lumber.com

Lanoga Corporation

Lanoga Corporation is a leading supplier of quality building materials and related products and services to professional builders, remodelers and project-oriented do-it-yourselfers. Lanoga currently operates 193 retail locations in 18 states, primarily west of the Mississippi, which generate in excess of \$1.25 billion in annual revenues. Lanoga's operating divisions include United Building Centers (Winona, MN), Spenard Builders Supply (Anchorage, AK), Lumbermen's Building Centers (Olympia, WA) and Home Lumber (Littleton, CO). More information about Lanoga may be found on the Web at www.lanoga.com.

Payless Cashways, Inc.

Payless Cashways, Inc. is a full-line building materials and finishing products company focusing on the professional builder, remodel and repair contractor, institutional buyer, and project-oriented consumer. The Company operates 150 stores in 18 states located in the Midwestern, Southwestern, Pacific Coast and Rocky Mountain areas. The locations operate under the names Payless Cashways, Furrow, Lumberjack, Hugh M. Woods, Knox Lumber, Contractor Supply and PCI Builders Resource. Additional Company information can be found at www.payless.cashways.com.

Wickes, Inc.

With annual sales over \$1 billion, Wickes Inc. is a leading distributor of building materials and manufacturer of value-added building components in the United States, serving primarily building and remodeling professionals. The company distributes materials nationally and internationally, operating more than 100 building centers and 26 manufacturing plants in 24 states in the Midwest, Northeast and South. The company continues to expand its building component manufacturing facilities, which produce value-added products such as roof trusses, floor systems, framed wall panels, pre-hung door units, and window assemblies. Wickes Inc.'s web site, <http://www.wickes.com>, offers a full range of valuable services about the building materials and construction

industry. The company is traded on the Nasdaq stock market under the stock symbol WIKS.

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