

- Clear timber from SCA for the window industry
- Deck in a box for the British DIY market
- SCA keeps stocks for Danish VTI

Magnet emphasises  
core values for success



Bob Bastow, Business Development Manager, SCA Timber Supply, and Gary North, Director, Magnet Joinery. Cover photograph: Anna Gullmark

# A brave, new world of products

Years ago, SCA and the majority of other timber companies processed logs. The raw material determined whether the timber was classed as U/S or sixths. We often had an unclear idea of what it would be used for. Since then, we have worked intensively to get to know our customers and understand their needs. The world of timber has become much more exciting, but also more complicated.



Lennart Wilhelmsson, Development Manager, SCA Timber. Photograph: Ingela Johansson

**W**e have come a long way in our development of products and services. We have signed agreements with large DIY chains making us their major supplier of wood based products. One customer explained that they now expect two new products each year that will appeal to the consumer and increase sales. New products? What did they mean by that? Their answer was: 'That's up to you. Our lawnmower supplier doesn't come to us asking what next year's lawnmowers should look like.'

Today we not only need to understand our direct customers, we must also understand their customers at the end of the chain. And further to tailoring products to the customer's needs, we must now take the initiative and develop totally new products.

The products we develop may vary greatly. For DIY stores, one of the first new products was the decking system presented in this issue of Timber News. Other consumer products being launched include an easy-fit wainscoting system and wooden skirting that hides leads and cables.

For the continued success of the wood-using industries, we must develop products that are ideally matched to further processing, as well as offer cost-effective logistics and high delivery reliability.

We have, with enthusiasm and delight, stepped into this new world, where we no longer just cut

logs. We manufacture products for customers of flesh and blood, with needs and preferences that we must get to know and fully understand. And we're loving it!

Count on SCA Timber launching a range of new, exciting products for our customers over the coming years.

Lennart Wilhelmsson  
Development Manager, SCA Timber

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SCA Timber, SCA's solid wood operation, covers seven sawmills and six planing mills. The total annual volume of solid wood products amounts to 1.5 million cubic metres. Solid wood operations are included in SCA's Forest Products business area.

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# Clear timber from SCA

## for the window industry

SCA Timber has started to manufacture and sell knot-free window components. Selected raw materials, finger joints and laminating guarantee a product of the highest quality.

A window is situated in a very difficult environment. Variations in temperature and humidity are large between the inside and outside. The making of wood-framed windows was once an art that required great craftsmanship. Immense care was taken in the selection and treatment of the wood. Window making, as so many other processes, has been industrialised and it is no longer possible to put the same care into each window. This has resulted in windows that are not up to the task, providing an insufficient barrier between indoor and outdoor environments, and often rotting and deforming. To avoid these problems, some manufactures have chosen to switch to other materials.

“But wood is still an unbeatable material for window frames,” says Urban Wikström, production engineer at Munksund Sawmill. “However, since we can no

longer count on our customers selecting and processing the materials correctly, we must be able to deliver products that meet these demands and are ready for use.”

“The window industry has also gone from a wood processing industry to an assembly industry, where finished components are put together. Therefore, we not only have to deliver the right materials but also exactly the right dimensions.”

Pine from northern Sweden is a perfect raw material for window frames. The wood has grown slowly and has close annual rings. The timber offers high natural rot-resistance. Slow growth however also means that the wood contain knots, which is a problem since high homogeneity is required.

SCA Timber has therefore started to produce clear timber window components. Blanks are

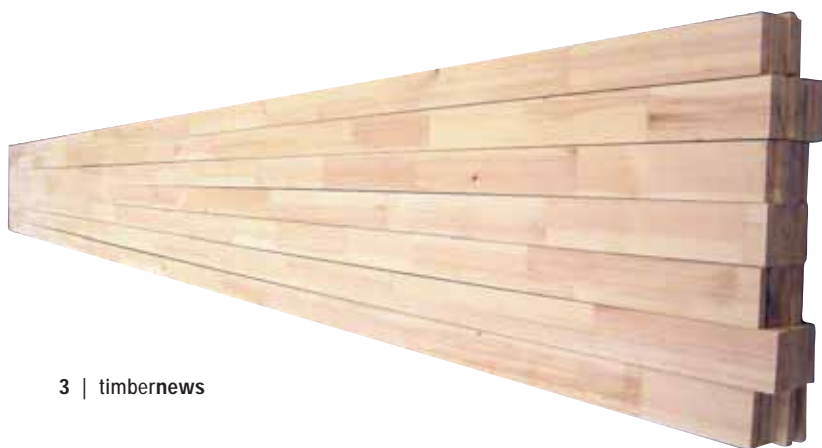
sawn from selected wood, planed and dried to 12% moisture content. The knots are cut out and the pieces finger jointed. Finally, two or three layers of laminations are glued to the desired dimensions and cut exactly to size. The customer gets clear timber, sturdy window components.

“We have noted that demand for this product is high,” says Urban Wikström. “We count on marketing it first and foremost in Scandinavia, Italy, Great Britain and France.”

The first trial consignments have been made and regular deliveries will be established shortly. SCA Timber forecasts a production of up to 10,000 cubic metres clear timber window components in 2005, a volume that we hope to grow to 30,000 - 50,000 cubic metres in three years.



Urban Wikström (right), responsible for clear timber window products, and Bengt-Sture Skånehult, head of logistics at Munksund Sawmill. Photograph: Eivon Carlson



Finger jointing and laminating enable the manufacture of clear timber, robust window components. SCA Timber forecasts producing 10,000 cubic metres in 2005.

# DIY decking kits come to the UK

'Deck in a Box' is a brand new product from SCA that makes it simple for UK DIY enthusiasts to build their own garden decks. Deck in a box has been launched nationwide, through Focus (DIY) Ltd. "This is a product with an enormous potential for the Focus gardening market," comments Andy Rhodes, Garden Architecture Buyer for Focus.

The market for consumer friendly and easy to use, timber products is steadily growing in the UK. SCA Timber Supply in Stoke-on-Trent regularly delivers goods from SCA's sawmills and collaborative partners, to hundreds of Builders Merchants and DIY stores throughout the UK. SCA Timber's larger English clients include Focus (DIY) Ltd which has over 240 stores throughout the UK.

"It was during a meeting between SCA Timber and Focus, where

the management of Focus appealed for new products for their stores, that the concept of an easy-to-assemble, modular system for decking began to take shape," describes Lennart Wilhelmsson, Development Manager for SCA Timber.

There is a growing demand for different styles of decks in the UK. An increasing number of home owners are entertaining more outside and the trend is forecast to continue. The emphasis on outdoor entertaining has increased the interest and use of

the garden as 'the room outdoor'. Decking gives the customer a flexible option for barbeques and garden parties.

However, for the average DIY enthusiast, building your own deck can mean biting off more than you can chew. In a large number of cases, a professional installation company is usually contacted to design and install the deck. The result is great, but can be rather expensive.

"We asked ourselves if we could design and provide a product that was both inexpensive to purchase and easy for the consumer to assemble," remembers Lennart Wilhelmsson.

An intense, innovative and unrestricted development project was undertaken in co-operation with three local subcontractors close to SCA's Bollsta sawmill. The objectives were that the completed product should include a minimum number of components and be easy to transport in a car and fix together using only a screwdriver, spirit level and fixing instructions. Furthermore, it should be FSC certified and use a pressure treatment solution with a low environmental impact. The price would also need to be kept in



The modular system is not restricted to level patio surfaces. Customers can also choose fencing, steps, pergolas and other features they want for a complete outdoor sitting area.



Photo: Ingela Johansson

"The purpose of the modular system is to fill a need that we identified through contacts with our customers in the UK," says Lennart Wilhelmsson, Development Manager, SCA Timber.



The homebuilder can choose exactly the size and model of outdoor area required, then assemble the precut components using only a screwdriver and a spirit level.

line with the corresponding price of purchasing individual components.

After just six months, a finished product was ready for presentation to the market and customers. The result was an innovative modular system named 'Deck in a Box'.

"Deck in a Box answers our needs of an easy to shop, easy to take home and easy to assemble system. Our customers want to undertake projects themselves and this system gives them the confidence to do it. The system is competitively priced and we are sure it will lead to increased sales for our stores", states Andy Rhodes.

The FSC timbers for the modular system consists of specially selected redwood from SCA's Bollsta sawmill. The timber is cut into the required lengths, machined and pressure treated. These decking components are then sent to SCA's distribution

centre and warehouses in Stoke-on-Trent.

The 'Deck in a Box' product offering, provides a number of decking models for small, medium and large gardens. A number of innovative solutions and metal brackets allow for a slimmer construction and lower volume of wood than for the same product built using solid timber.

The customer decides on the model and size of the required deck and selects the appropriate modular box. The box comes complete with all the necessary screws and brackets to fit the deck. It includes easy-to-follow instructions and a checklist that indicates the exact number of components that should be taken home. Once the consumer has got the decking home, the actual installation should take a couple of hours.

"I have put together a deck in an hour – without really reading the instructions," says Andy Rhodes contentedly.

Lennart Wilhelmsson claims that up to now the most common reaction from DIY enthusiasts has been that you can't go wrong.

"There are no similar systems on the market," he says. "Everyone that has tried it up till now has been surprised at how simple it is. This is a prime example of how a project for processed timber should be carried out."

From March Focus has launched 'Deck in a Box' to stores. The launch is exclusive and first to the UK market. SCA Timber Supply ensure that the shelves are always well stocked.

"Deck in a Box will open up a completely new market for us," summarizes Lennart Wilhelmsson. "We expect that all parties will be able to share an appreciable increase in sales and profitability."

Mats Wigardt

# SCA and Severn Timber join forces

SCA Timber and Severn Timber in the UK join forces in order to meet its growing demand on machined solid wood products on the British market. The two companies will cooperate in sales, as well as the production of machined goods.



Severn Timber has been an SCA customer since the early 1980s. Here's in the front Alun Gape, Owner of Severn Timber products Ltd. visitig Munksund sawmill.

Severn Timber is a profitable private company located at Welshpool, Wales. It's mill currently producing and delivers more than 40,000 m<sup>3</sup> of machined packs to the Builders Merchant (BM) Customers. Investment plans are now well underway and during 2005 the capacity of the planing unit will rise to a capacity of 70,000m<sup>3</sup>. Severn has earned a well-deserved reputation for producing a top quality product, delivering a fast and reliable service to many builders' merchants in the North of England and Wales.

"Through increased cooperation we can strengthen both companies" says Rob Simpson, Managing Director of SCA Timber Supply UK. "With some planing capacity at SCA's Mother sawmills in Sweden we can take the large volume runs of a few items and supply these machined goods to the quay in Britain and combine them with the vast and specialised product range provided by our partners."

With the well respected SCA name heading up the partnership, SCA and Severn Timber can now take on large national supply contracts with the large BM groups and offer a fast nationwide service and a full portfolio of locally produced products. The customer now

demands a full supply chain solution and several hundreds of products, so partnering with Severn Timber will strengthen both companies and their respective parts of the BM supply chain platform.

"For many years now we have been working closely with our main supplier SCA and it seems only natural that our company now looks to formalise our activities with a partnering agreement" says Alun Gape, Owner of Severn Timber products Ltd.

Through cooperation in sales and marketing, Severn Timber and SCA will empower both their companies to work profitably and at full capacity in the UK BM market. Production planning will now be coordinated mutually between Severn and SCA planing units.

SCA Timber's business in the UK has developed strongly. Sales have more than doubled in the last eighteen months and partnerships has been established with several key customers. Rob Simpson adds "There has been a void in the ability to supply BM goods nationally in the UK and we now have a true, tried and tested national service.

SCA with its partners now offers this total service. SCA Timber Supply can expect to see continued growth as it develops this strategy and offers more supply chain solutions to the UK BM customers during 2005."

The best way for SCA to meet this growing demand is to join forces with regionally strong partners and combine the individual strengths of that partner in the supply chain solution. SCA's strength lies in outstanding FSC accredited timber quality and large cost efficient sawmills in Sweden. In the UK SCA already has a very well developed distribution network supplying the DIY markets and 80% of the BM supply chain needs are the same as the DIY retailers needs. By partnering with strong regional planing importers SCA will have the last piece in the jigsaw and now offer 100% supply solutions to the BM customers. This is achieved by having all the right quality products, available for fast delivery, all of the time.

# Core values: core business

For an 85-year-old, Magnet Joinery is still as vigorous as ever. Formed in 1919, today it is one of the largest producers of windows and doors in the UK market, producing thousands of units each week. Focusing on its core value of excellence, Magnet pursues a 21<sup>st</sup> century agenda which stretches from world-class manufacturing to environmental sourcing and employee involvement.

**"**You can't divorce these three factors," says Magnet Joinery's Director Gary North. "Your staff must be well motivated and feel they have a personal stake in the progress of the business. This leads to better product quality and a concentration on continuous improvement. The environmental card is an essential selling tool in the UK joinery sector. It gives our staff confidence in their product and it gives our customers their reason for buying. Combining environment, involvement and manufacturing excellence gives us a brand reputation second to none in the market," Gary North asserts.

Magnet Joinery's sourcing policy is the central platform for its development of world-class manufacturing. "If a supplier's offering does not conform to our environmental standards we simply won't look at it," Gary North states firmly. "Where we feel we can benefit from outside expertise we're not shy of seeking out the knowledge we require. We could see a profitable future for FSC-certified win-

dows and it made business sense to ask SCA's expert Bob Bastow to look at our systems and help us prepare for certification. We are now the only major manufacturer offering FSC certified windows and therefore the only destination for local authorities, specifiers and housing associations requiring FSC products."

Magnet and SCA have also been co-operating closely on Magnet's development plans. "We require our suppliers to work with us on improving manufacturing processes, such as SCA's assistance in developing timber components to increase our yields," Gary North says. SCA has studied Magnet's future manufacturing requirements, and has developed products to provide 'best fit'. Research involved helping to identify efficiency gains which could be achieved by utilising SCA's new greensplit window components, produced at its Munksund sawmill. Detailed specifications on the range and sizes of cross-cut green split products have been agreed between the two companies. Trials of the products have gone well and their regular use in production is about to commence.

Magnet's Technical Manager and buyer recently visited SCA Munksund sawmill to satisfy themselves on SCA's product quality and performance capabilities. Producing and grading components for specific purposes such a window manufacture is part of SCA's product development service for manufacturing customers. Modern window manufacturing methods required a new approach from sawmillers in order to reduce moisture-related problems sometimes revealed when traditional sawn timber was converted to components.



Working with SCA, Magnet achieved its long-cherished ambition of FSC certification for softwood windows. Left to Right: Bob Bastow, Business Development Manager, SCA Timber Supply; Gary North, Director, Magnet Joinery; Vanessa Linforth, UK Certification Schemes Manager, Soil Association.

Photo: Magnet Joinery

SCA has been at the forefront of producing fit-for-purpose components which are split, graded and kilned to requirements before leaving the sawmill. This reduces conversion costs for the manufacturer, limits wastage and reduces the time and cost factors associated with remedial work in the window manufacturing process.

"SCA's approach to product development ties in with our core value of excellence, and will help Magnet Joinery towards its world class manufacturing targets. Core values are the basis of a successful core business," Gary North affirms.

Camilla Hair

## Magnet Joinery

is part of Magnet Limited. Magnet Ltd. employs over 1,700 employees in the UK and is part of the Nobia Group, Europe's leading kitchen company.

Its operations include both Magnet Retail and Magnet Trade in the UK.

Magnet Trade is one of the largest joinery and kitchen suppliers to small local builders in the UK with over 180 branches.

Product range includes: kitchen, doors, hardware, joinery, windows and bedrooms.

# SCA keeps stocks for VTI

SCA Timber and the Danish edge glued panel manufacturer Vinderup Traeindustri A/S have furthered their collaboration. SCA is taking over a large proportion of responsibility for VTI's raw material stock by establishing a stock yard on VTI premises. SCA therefore ensures that the range of timber VTI needs is always available on site.



In practice, this means that SCA Timber keeps a stock of the products that VTI needs for manufacturing, according to agreed specifications. SCA and VTI have also agreed on minimum and maximum quantities for these products.

SCA is constantly updated over the Internet as to the pace of VTI production. Accordingly, SCA can ensure that deliveries to the stock match VTI's needs. Pine goods from Munksund, with occasional deliveries from Bollsta Sawmill, are the main products in question.

"VTI will no longer have to spend any time making sure they have the input goods they need," says Bengt-Sture Skåneshult, head of logistics at Munksund Sawmill.

"This means that VTI avoids tying up capital in raw material stocks but instead receives an invoice from us for the material used. We also stand to gain. We can provide a high level of service without having to keep on standby to send, or even to manufacture, products at short notice when customer needs may change."

VTI is a leading supplier of edge glued panels to the European furniture industry. Despite extended tough times for wood processing companies and increasing competition from manufacturers in low-cost countries, VTI has gone against the grain. The company has invested and grown while maintaining good profitability. VTI presently turns over DKK 200 million and has 120 employees.

"For us, this is a step towards better cost control," says Flemming Nielsen, owner of Vinderup Traeindustri. "Our total

costs are the important issue, and depend on factors other than simply price. A constant supply of input goods of the right grade and dimensions reduces waste and therefore also costs. When our supplier takes full responsibility for the availability of raw materials, we can cut back on the resources required for raw material procurement and inspection, further reducing our costs."

"This collaboration is still in its infancy, though I envisage no problems with completely outsourcing raw material supply, so long as the supplier can live up to our requirements regarding quality, flexibility, delivery reliability, FSC certification and deepened collaboration."

"We work actively with developing partnerships with our customers. If each player in the manufacturing chain takes full responsibility for their area, every one gains, and the end consumer gets a better product at a lower price. It also allows us, along with our partners, to develop products or streamline costs along the entire chain up to the finished product for the end customer. This improves profitability and competitiveness for all parties in the chain," says Flemming Nielsen.

"We concentrate on our core business and outsource what we are less good at," explains Flemming Nielsen, owner of Vinderup Traeindustri and CEO Bjarne Andersen.

Photograph: Jan Høst-Aaris

## Facts on VTI, Vinderup Traeindustri A/S:

### Principal products:

Pine edge glued panels for the furniture industry

### Production capacity:

2.5 million m<sup>2</sup>/year

### Raw material requirement:

68,000 cubic metres

### Number of employees: 100

[www.vti.dk](http://www.vti.dk)

# Proactive link between sawmills

At a time when processed timber is becoming an increasingly expansive and financially attractive area of sawmills' production, SCA has decided to establish a new business unit solely for processed timber products.

Three individuals with an overview, know-how and contacts in the industry – Inge Fredriksson, Henrik Bennmarker and Magnus Svensson – will act as a proactive link between SCA sawmills, and between the sawmills and the market.

Their tasks include swiftly compiling complicated specifications that a single sawmill cannot handle by itself, but on

which several mills can collaborate – backed up if necessary by of subcontractors – to meet customer demands.

“Most often it's also a question of prioritised customers who shouldn't need to wait for a response or deal with several different sawmills,” says Inge Fredriksson, who will be business unit manager.

Creating a network of subcontractors and following up the profitability of individual products are other assignments for the new business unit.

“It's an exciting concept that gives the marketing organization an new, important co-ordinating role,” Inge Fredriksson sums up.



Inge Fredriksson, Henrik Bennmarker and Magnus Svensson (inlay) are responsible for the new business unit for processed wood products.

Photograph: Per-Anders Sjöquist

## SCA and Norrbottens Skogsägare sign collaboration agreement

A forest-owner association in the county of Norrbotten, Norrbottens Läns Skogsägareförening, will process considerable quantities of sawn pine products from Munksund Sawmill.

The agreement covers the subcontracting of dried, planed and impregnated products. The assignment of the sawmill in Boden will be manufacturing impregnated outdoor products for a British DIY chain.

“The agreement with Norrbottens Läns Skogsägareförening greatly improves our ability to manufacture and sell value-added products,” says

Anders Nordmark, manager of Munksund Sawmill.

The sawmill in Boden, owned by Norrbottens Läns Skogsägareförening, has for a long time had financial problems.

The mill, which had an output capacity of 70,000 cubic metres, was closed down on 1 January and dissolved.

The trimming saw, drying kilns, planing mill and impregnation plant will be used for the commissioned processing of products from Munksund.

The forest-owners association has also agreed to deliver sawlogs to SCA sawmills.

## Bois de la Baltique now SCA Timber France

During the late 80s, SCA, Iggesund and Graninge became joint owners of a sales company in France called Bois de la Baltique. Since then, large quantities of sawn spruce timber have passed via Bois de la Baltique out onto the French timber products market.

BDB is since the autumn 2004 a fully-owned subsidiary of SCA. Operations primarily consist of wholesale selling to large joinery companies and wood industries. To a lesser extent, BDB acts as an SCA agent and broker of sawn and planed timber directly to customers.

Bois de la Baltique changed its name at the beginning of 2005 to SCA Timber France.

“Since we are now sole owners of BDB, it is only natural that we should use the SCA name and logo,” explains Anders Ek, Marketing Director.

Jacques Morand, head of SCA Timber France, also welcomes the name change. It is, according to him, significantly easier to act under a single banner with a strong, international brand name than with three owners each with their own preferences.



Jacques Morand, head of SCA Timber France.

Photograph: Magnus Falkehed

# Shorter hours boost sales of value-added products

There has been a marked shift in the French timber market. The demand for raw material to be turned into doors and shutters has declined in preference for ready-sawn components.

“Our product range has become more sophisticated and increasingly tailored to customers’ specific needs and wishes,” comments Magnus Svensson, Sales Representative for the French market.

French clients are demanding an ever-increasing degree of added value, such as profiled timber ready for surface treatment, assembly or packaging.

The primary reason is that working hours in France have been shortened to 35 hours per

week, which means that the industry must look for new production methods to keep pace with demand.

“If we can supply our French customers with finished components more cheaply than they can produce them themselves from raw material, there’s not much to argue about,” says Magnus Svensson.

Jacques Morand agrees:

“Developments paint a clear picture. More and more clients are buying finished components. Buying value-added products from SCA can save both time and money.”

Alongside the United Kingdom and Scandinavia, France is one of SCA’s priority markets. Regu-

lar as clockwork, a ship sets sail from northern Sweden headed for the ports of Fécamp and Rochefort. Package after package of sawn wood products from SCA are unloaded from the hold.

Since SCA became sole owner of distributors Bois de la Baltique, now called SCA Timber France, the volumes of timber arriving in France have risen further.

In 2002, 145,000 cubic metres of timber were shipped to France, and in 2003, 150,000 cubic metres. Last year this figure rose to 170,000 cubic metres, of which 40% went to building supplies merchants and 60% to industrial customers.

## Small kiln – big results

To meet demands from SCA’s customers for ever-increasing quality wood products, many new timber drying methods have been developed.



The problem has been testing the new drying methods at full scale. A kiln normally has a capacity for 160 cubic metres of timber, and if something goes wrong it could lead to a lot of money quite literally going up in smoke.

Accordingly, along with the four new compartment kilns at Bollsta Sawmill, a small test kiln has been installed. It behaves exactly as the sawmill’s other kilns but allows new methods of raising quality and lowering drying times to be tested under controlled conditions – on only

one cubic metre of timber. The results are then directly transferable to a large kiln.

“We can now let loose and try new, radical ideas without risking large economic losses,” explains Niclas Larsson, who is responsible for the kilns at Bollsta Sawmill. He considers that timber kilning has for far too long been a neglected area in the sawmill industry. Even recent trials to improve quality and efficiency have mostly been theoretical paper exercises without access to timber.

“We now hope to get even better at adapting the process to the characteristics of the timber,” says Niclas Larsson.

The test kiln at SCA’s Bollsta Sawmill is only the third to be installed in Sweden.

Niclas Larsson is responsible for the kilns at Bollsta Sawmill.

Photograph: Petra Jämbert



## Crafty board to hide cables

Whether at home or at work, we have all occasionally cursed over the growing nest of cables and leads trailed along the walls. Computers, printers and screens need power cables. Phone lines have to be run to modems and faxes. At home, the TV is plugged into a video, DVD, digibox and games console.

SCA Timber has the solution: wooden skirting board that can be mounted over existing skirting, and that provides a cavity for running cables. This new system, sold through a British national DIY retailing chain, is called Hide-Away Skirting.

“When redecorating, changing the skirting board is usually high on

people’s list,” says Lennart Wilhelmsson, head of development at SCA Timber, and the initiator behind the new skirting system.

“This system allows you to leave the old skirting in place and hide away electrical cables and leads.”

The top of the new skirting is reversible, which means it fits over all existing thicknesses of skirting board. Corner pieces make fitting easy and mean the new skirting only needs to be sawn with straight edges.

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## Production and consumption both increase

*A lively construction sector and associated high consumption of wood products in 2004 was accompanied by high levels of production in all areas. Production volumes increased in some cases by more than 10%. However significant structural changes are afoot in the international markets for wood products which eventually will bring about greater streamlining between production and consumption.*

Consumption is generally healthy, and the US construction market continues to top all-time highs. The Japanese market is slowly brightening, though from a low level. In Europe, consumption is generally good with France showing very positive figures, and there are improvements in the domestic Scandinavian markets.

Production in both Sweden and Finland continued to rise until the fourth quarter of 2004. The accumulated production in Sweden for 2004 was up +1% for pine and +2% for spruce. The equivalent figures for Finland were -2% for pine and -1% for spruce. In Finland, production ebbed 5% during the fourth quarter year on year. It is highly likely that Finnish production will continue to

decline during Spring 2005 due to announced restrictions to the production structure. The general supply of sawlogs is good, and this is partly due to the storm that struck southern Sweden. Other noteworthy developments internationally are production increases in Canada of +6%, USA of +5% and Germany of +10%.

Stocks at the sawmills are still high, which is depressing the market. However the state of the sawmills’ sales has improved. Swedish sawmills reported 40% more orders in January year on year. At the turn of the year, pine stocks in Sweden were 6% higher than the previous year. The equivalent figure for Finland was +2%. Spruce stocks in Sweden were up +2%, while stocks in Finland had dropped considerably by -9%.

### Structural changes - game of the day!

There are few players that would dispute that competition has become more intense in recent years. There are several contributing reasons for this. Many major investments have recently been made in modern production equipment in Europe, of which only a few large projects have been in Scandinavia. The North American duties on Canadian

products mean that many Canadian sawmills have become exceptionally efficient with almost 24-hour production. Further, Russia is starting to stir. Increased volumes from Russia are making the situation tougher in markets such as Britain and the Mediterranean.

Northern European distributors are implementing extensive structural changes. The companies are growing or joining forces in well-organised purchasing groups.

The wood industry is in turn streamlining processes and demand is increasing for more advanced input goods, such as components.

These developments are causing an awkward situation for many producers, but in the long run will undoubtedly benefit wood as a material. Streamlined manufacturing and more extensive co-operation between producers and customers leads to lower prices and better products. The losers are those who can’t keep up with pace of change. The developments in the wood sector also leave less scope for substitutes – and that can only be a good thing.

Anders Ek  
Marketing Director



Photograph: Mathias Lindqvist

The mobile weather-protection system on the wooden houses by Sundsvall's inner harbour improves the working environment for the builders, reduces the risk of damp and enables shorter construction times since several operations can be performed at once.

Photograph: Linus Wallin

# Indoor house construction

The largest ever timber-framed housing project in Sweden is presently underway in Sundsvall. Five six-storey houses with solid-wood frames are being built by the harbour. A prototype weather-protection system is also being tested. This system protects the construction workers from the elements, allowing the houses to be built more quickly.

They look like large, white tents pitched on the rooftops. But these are no ordinary tents. They are a mobile weather-protection system. The system comprises tent canvasses and a framework of beams that can be simply lifted, both up and to the side, as the building grows.

The system moves laterally along rails on the main body of the house and can be raised with electric motors. Repositioning the protection system takes only a matter of minutes.

There are several advantages to the system. First and foremost is an improvement in the work-

ing environment for the construction workers. They are protected from wind and rain, at times essential for this project. The houses are being built on the quayside by Sundsvall's inner harbour. The winds from the Baltic Sea can be both hard and icy cold. But the weather protection system will even cope with storms wind of speeds up to 38 metres a second. It can also be fitted out with floodlights and heaters on the inside.

The second advantage is that the system allows more rapid construction. Since the entire building is covered, several construction tasks can be performed

simultaneously. The system also reduces the risk of allowing damp into the building.

The construction project by Sundsvall's inner harbour is unique. These are the largest ever timber-framed residential buildings in Sweden, with 95 apartments in five six-storey blocks. Their design is unique, with solid wood frames and wooden facades. The wooden frames are visible from inside, such as in the floor and parts of the walls.

Around SEK 100 million has been invested in the project. The first house was due for completion in March.