

Presentation to FIAT Board

6th March, 2015



**Forest & Wood
Products Australia**
Knowledge for a sustainable Australia



HIGHLIGHTS – 2013/14

- Secured changes in the Building Code of Australia for 3-storey construction for hotels and motels (i.e. class 3 buildings).
- Developed the conceptual framework for a new cooperative research centre (i.e. CRC for Transforming Woodfibres).
- Launched the statistics data portal and expanded the statistics aggregation service.
- Expanded the WoodSolutions program and our partnerships with building specifiers.
- Expanded the teaching resources available on the Forestlearning website.
- Improved community understanding of the environmental credentials of wood products through our partnership with Planet Ark and the Wood. Naturally Better.™ TV advertising.



Building platforms for growth

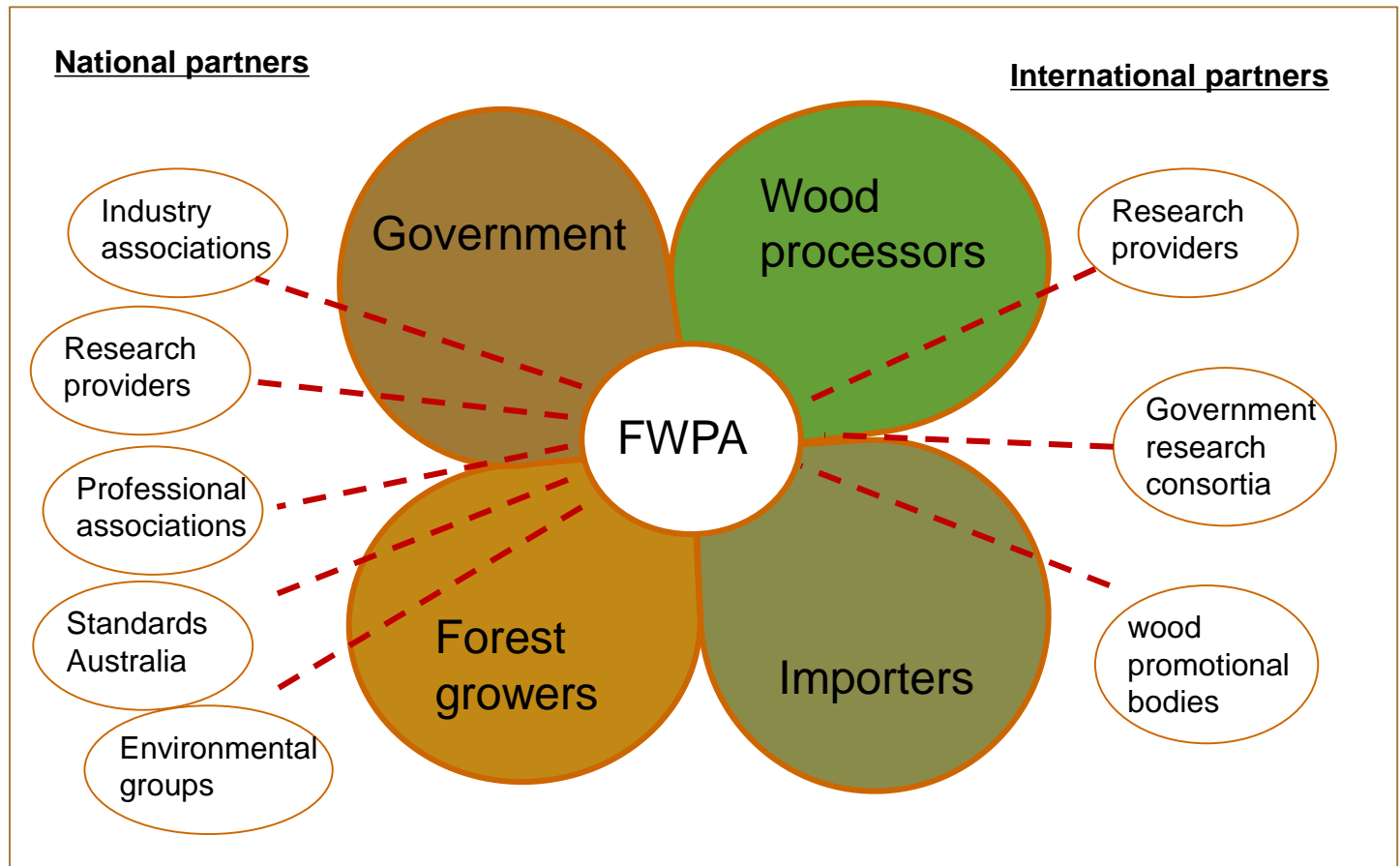
VISION

To ensure that forest and wood products are the preferred, sustainable material that meets the Australian market needs.

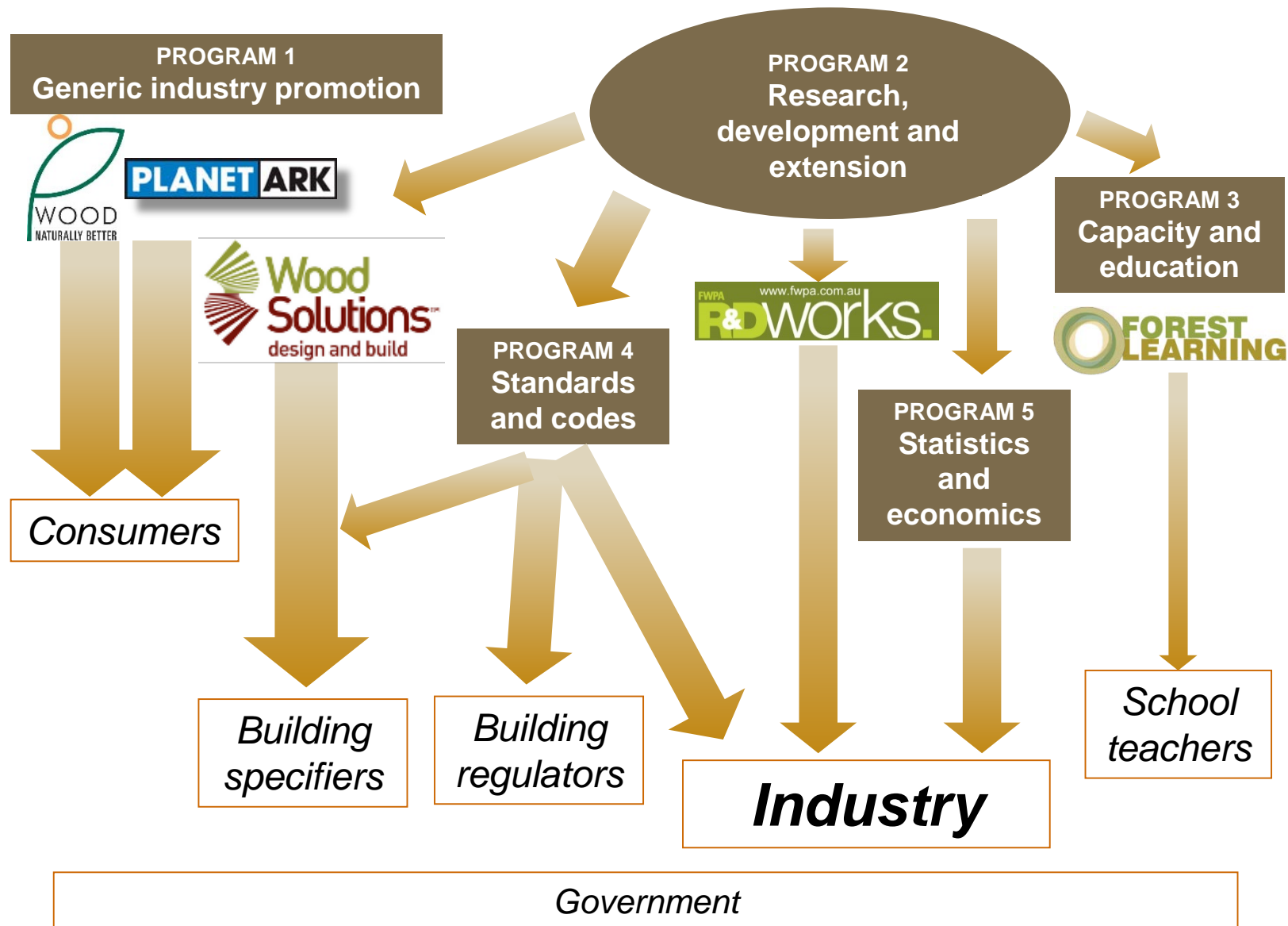
MISSION

To work with stakeholders to identify and deliver collaborative programs that improve the competitiveness, and market and community acceptance, of forest and wood products.

Working collaboratively



R&D findings drive programs





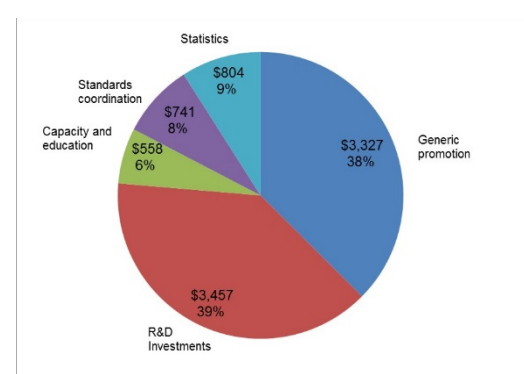
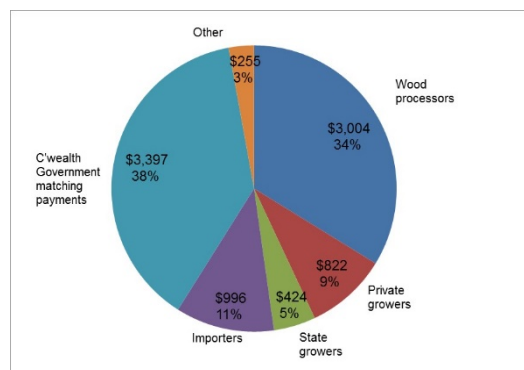
Unprompted top 5 issues vs prompted issues

Priority	Unprompted top-5 issues	Prompted top-5 issues
1	Innovation in products or processes	Innovation in products or processes
2	Resource scarcity	New investment
3	Workforce skills	Improvement in production
4	Competition	Resource scarcity
5	Increased domestic demand	Increased domestic demand

Highlighted issues are being addressed by FWPA programs

Financial position

	2014-15 Forecast \$'000	2013-14 Actual \$'000	2012-13 Actual \$'000	2011-12 Actual \$'000	2010-11 Actual \$'000	% Change TY vs LY
REVENUES:						
Processors levy	\$ 3,004	\$ 2,783	\$ 2,535	\$ 2,773	\$ 2,964	7.9%
Growers levy	\$ 822	\$ 763	\$ 600	\$ 673	\$ 596	7.7%
State Growers levy	\$ 424	\$ 412	\$ 474	\$ 481	\$ 677	2.9%
Importer charge	\$ 996	\$ 929	\$ 843	\$ 870	\$ 958	7.2%
C'wealth Government Matching Payments	\$ 3,397	\$ 2,915	\$ 2,684	\$ 3,903	\$ 4,416	16.5%
Other revenue	\$ 255	\$ 387	\$ 454	\$ 455	\$ 610	-34.1%
TOTAL REVENUE	\$ 8,898	\$ 8,189	\$ 7,590	\$ 9,155	\$ 10,221	8.7%
EXPENSES						
Generic Industry Promotion	\$ 3,327	\$ 3,073	\$ 2,419	\$ 4,189	\$ 4,977	8.3%
R&D Investments	\$ 3,457	\$ 3,116	\$ 3,537	\$ 5,517	\$ 5,104	10.9%
Tech Transfer and Education	\$ 558	\$ 470	\$ 727	\$ 1,383	\$ 2,072	18.7%
Standards Coordination	\$ 741	\$ 452	\$ 268	\$ 342	\$ 295	63.9%
Statistic & Economics	\$ 804	\$ 593	\$ 637	\$ -	\$ -	35.6%
TOTAL EXPENSES	\$ 8,887	\$ 7,704	\$ 7,588	\$ 11,431	\$ 12,448	15.4%
NET SURPLUS / (DEFICIT)	\$11	\$485	\$2	(\$2,276)	(\$2,227)	

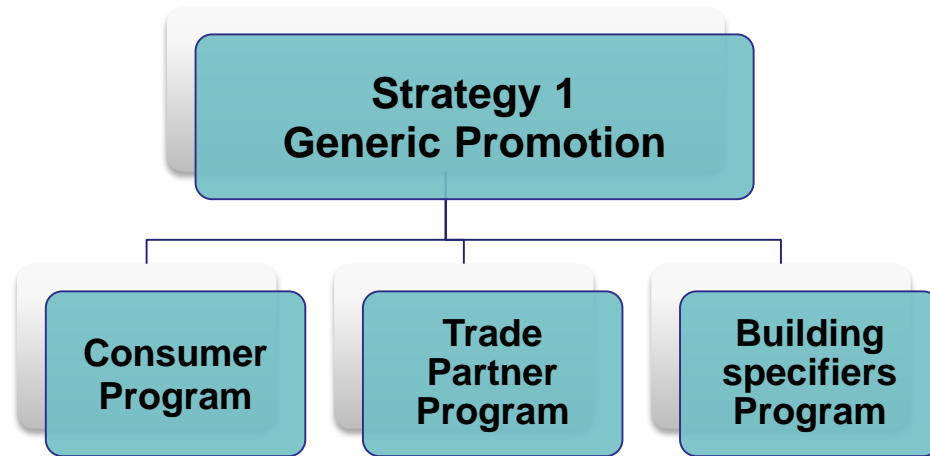


Program 1

Generic Industry Promotion



Generic marketing has breadth and depth of activities



**Why
wood?**



**How
wood?**

TV Advertising – Peter Maddison

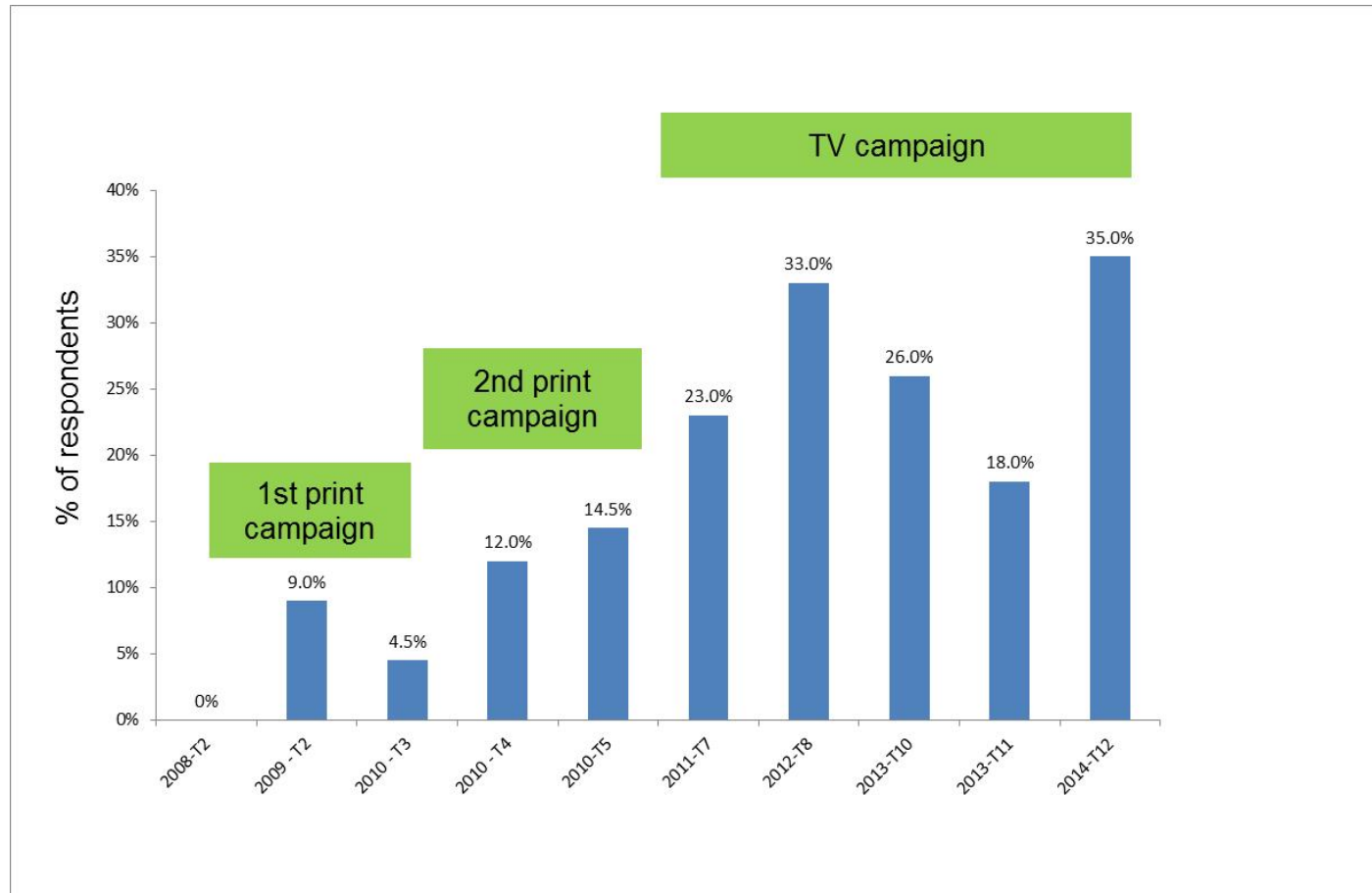
Environmental Edge TV Commercial

- Excellent research results
- Positive trends regarding perceptions of the benefits of wood



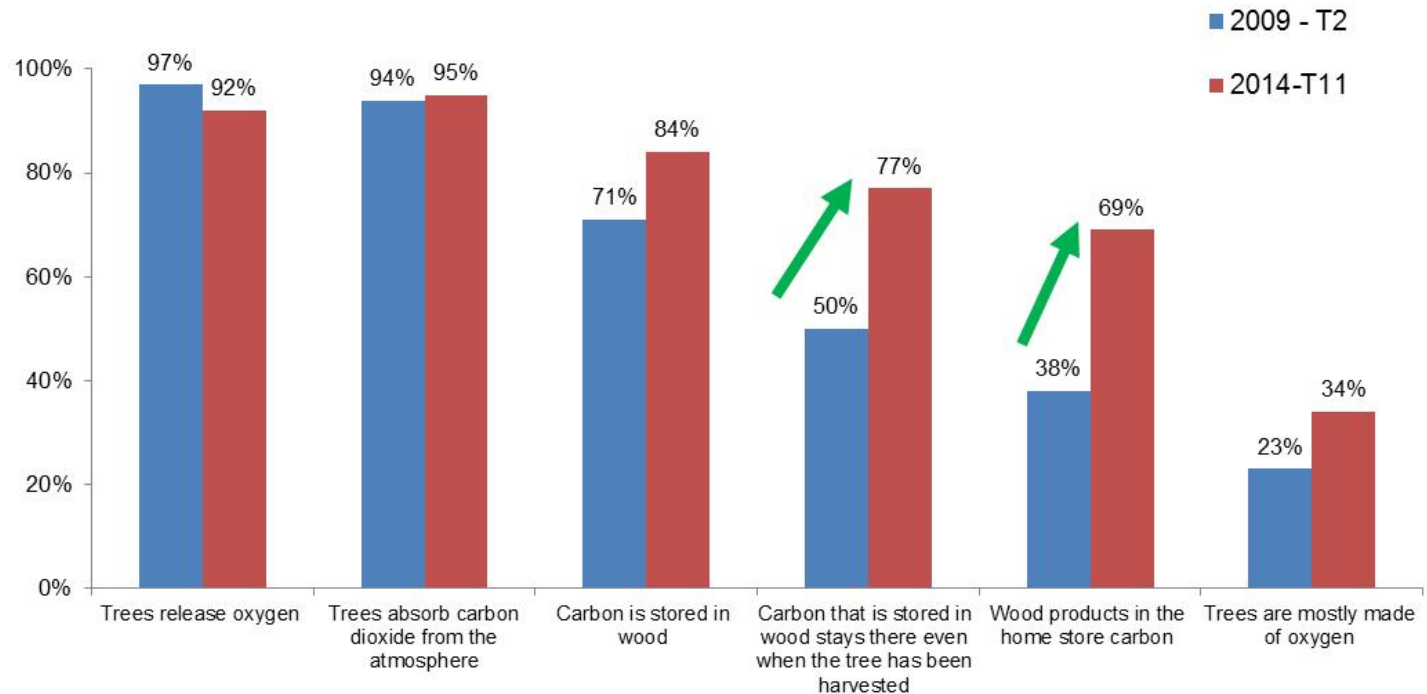
Peter Maddison, Host of Grand Design Australia

Reduced media spend is impacting on ad awareness



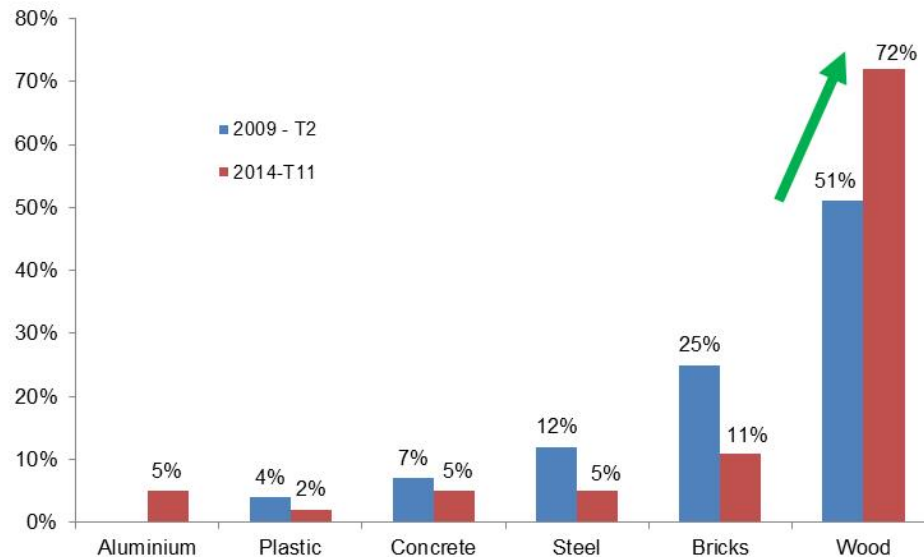
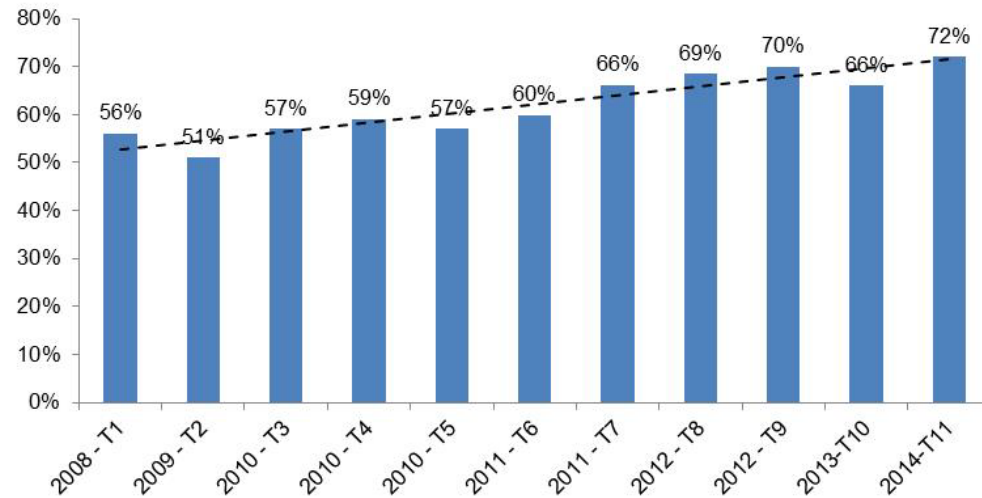
The TV advertising campaign has been extremely successful even at a reduced budget

Understanding about wood products and carbon have improved




Source: Internet surveys (n>=1000)
Sample reliability is 95% confidence interval +/- 3%

Wood now “owns” the term environmentally-friendly



Source: Internet surveys
(n>=1000)
Sample reliability is 95%
confidence interval +/- 3%

[Home](#)[Inspiration](#)[Why Wood](#)[Species/Materials](#)[Applications/Products](#)[Resources/Events](#)[Suppliers](#)

Villa Storingavika, Bergen, Norway 



WoodSolutions

Australia's natural resource for timber design

[→ Cross Laminated Timber](#)[→ WoodSolutions Presentations](#)[→ Technical Design Guides](#)[→ WoodSolutions Tutorials](#)

Latest Inspiration



- A Basis of Why
- The Butler House
- Sneeoosh Cabin

[View all »](#)

Latest News & Blogs



- UTAS: Specialist Online Timber Electives
- WorldGBC The Business Case for Green Building
- Timber Engineering Network - LinkedIn

[View all »](#)

What is ?



- Wind Bracing
- Electrodes
- Temperate Forest

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What WoodSolutions provides



Alliance & Sponsorship



Events



Technical Design Guides



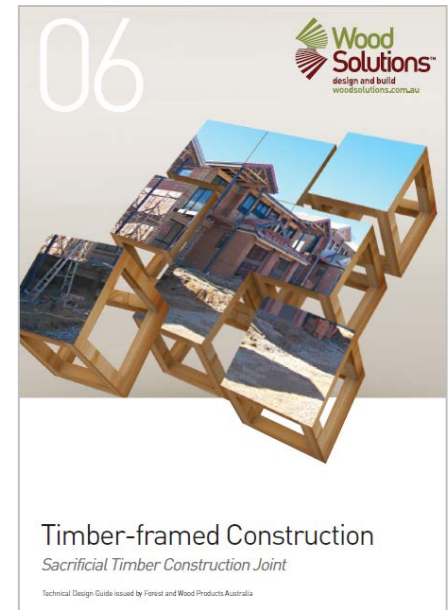
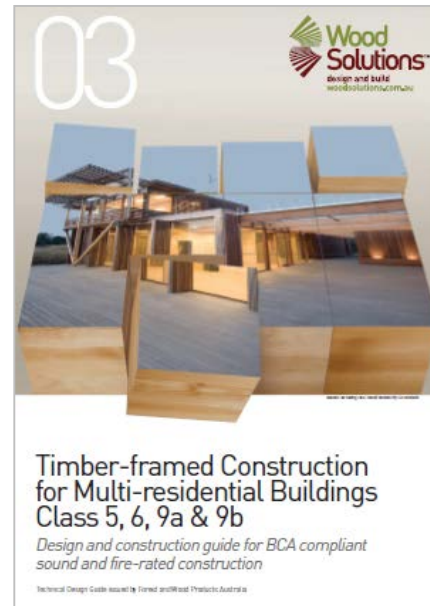
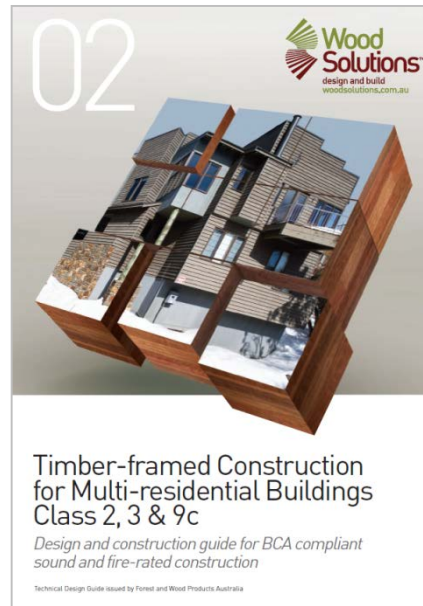
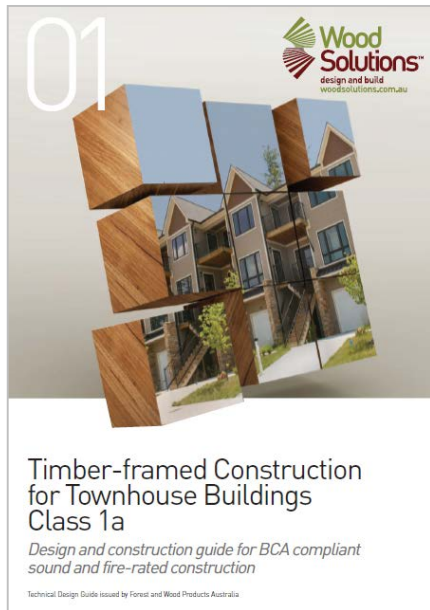
Technical Tutorials/Seminars



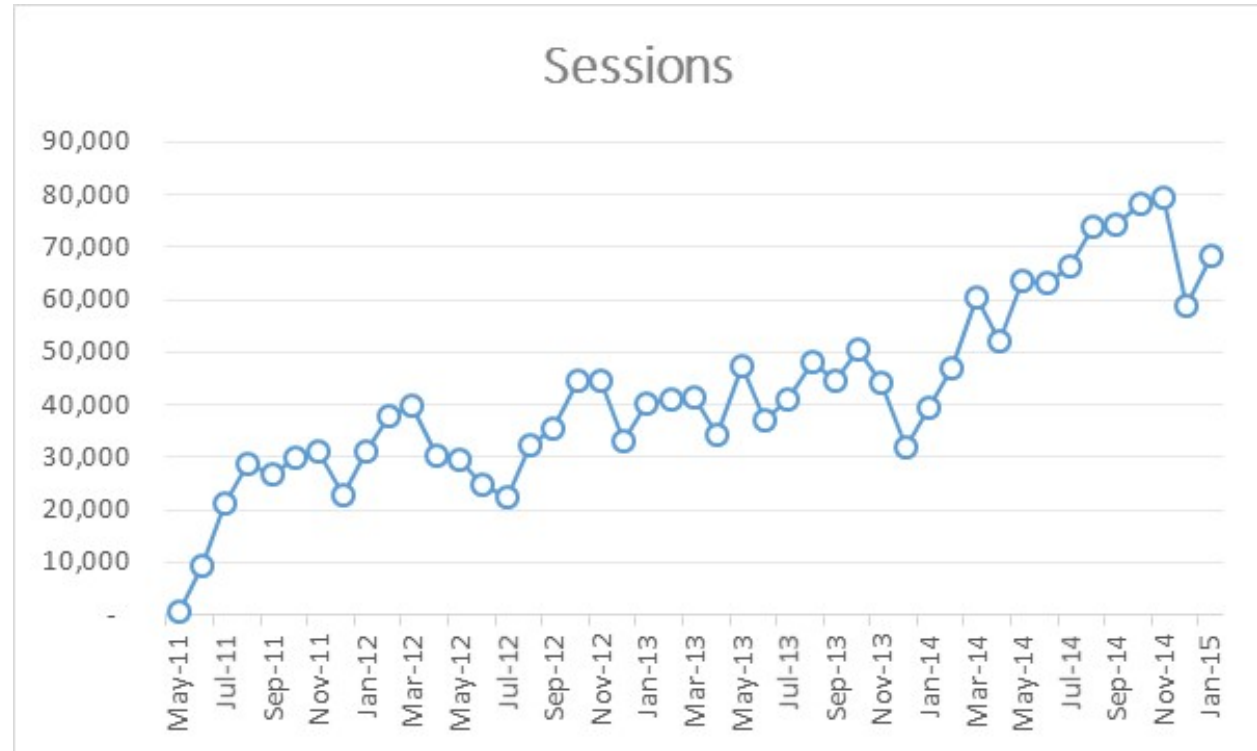
Interactive website & knowledge base

WoodSolutions™: Design Guides

- The following guides are related to Multi-storey Timber-framed Construction (MRTFC).



WoodSolutions website shows continued growth



WoodSolutions continues to rank as the most visited wood promotion site in the English-speaking world

	Global ranking
WoodSolutions	394,862
Bluescope steel	704,516
Wood Works (USA)	772,407
Trada (UK)	1,180,292
Steel Institute (AUST)	1,673,481
Thinkbrick (AUST)	9,135,559



Do your world some good

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[DEFINITIONS](#)

[PLANET ARK CAMPAIGNS](#)

[BENEFITS](#)

[CARBON CYCLE](#)

[CHOOSING WOOD](#)

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[MADE FROM WOOD](#)

[NEWS](#)

WOOD FIRST POLICIES

How governments
are leading the way

[Read now](#)

CHOOSE RECYCLED

[Read more](#)

Choose recycled wood

Recycled wood has a story to tell and it is beautiful too. By using recycled wood in buildings, and indeed for furniture, toys, and other uses, the carbon is stored in that wood for life.

As part of [National Recycling Week](#), we are bringing you inspirational [examples of the use of recycled wood](#).

Make It Wood TV CSA.mov



Recent News

- [Wooden chopping boards up for grabs](#)
- [Snap Some Wood To Win An iPad With A Wooden Cover](#)
- [Grand Designs Live - Free Tickets!](#)
- [Support Responsible Forestry to Win An Eco Getaway](#)

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Wood. Naturally Better

Trade Partner Program



Timber in it's purest form is beautiful and enduring - so when crafted into innovative functional furniture become timeless heirlooms of the future.

PWOOD
NATURALLY BETTER

Wayne Wide Board

A clean straight line, sturdy modern styled Furniture Collection, designed to feature the unique timber grain and colour of Re-milled Australian Mesquite. Built to last a lifetime, designed to complement a wide variety of home architectural applications. An inspired purchasing decision.

Features:

- Solid Mesquite Hardwood
- Re-milled Timber
- 225mm Wide Table Boards
- Hand crafted in Australia
- Made-to-order
- Choice of timber stain finishes
- AUSTRALIAN MADE

Select from made-to-order Dining Tables, Buffets, Occasional Tables and Lowline TV Units.

Wayne Wide Board Solid Timber Table, 2400 x 1000mm **\$2899.**
Wayne 3 door, 2 wide drawer Buffet, 1800 x 400mm **\$2999.**
Deposited Mesquite Solid Hardwood Timber Framed Chair **\$299ea.**



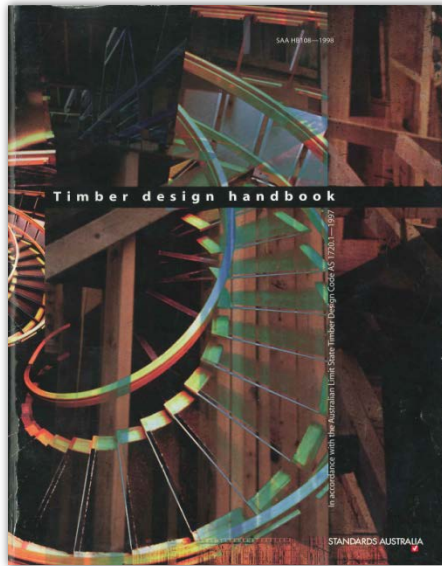
Wayne Wide Board Re-milled Mesquite Timber 3-door, Lowline TV Unit, 1800 w x 500 h x 400mm d. **\$2999.**
Accessories not included.

lifestylefurniture.au

 9 Moncrieff Road Nunawading
Phone 5894 2446
www.lifestylefurniture.com.au

Timber Educational Resources



Text Books



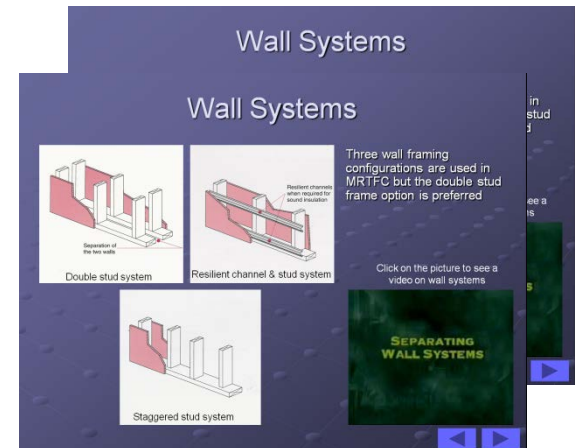
DVD's and CD's



Design Software



Interactive Games



Intranet based



Program 2 *Research, Development and Extension (RD&E) Investment*



Significant R&D Investment outcomes in recent years

- Genomic characterization of *E. nitens* and *E. globulus* – technologies readily transferable to other plantation hardwood species
 - 100 validated markers for growth*
 - 100 validated markers for microfibril angle*
 - 65 validated markers for kraft pulp yield*
 - Commercial screening service now available via CSIRO*
- Development of a reporting model for carbon associated with managed native forests. *Moroni*
- Field based measurement of carbon levels and changes within native forest landscapes managed for sawlog production. *Ximenes*



Significant R&D Investment outcomes

- Tools and technologies developed and deployed in Solid Wood Innovations consortium
 - Optimised kiln scheduling – energy and water use
 - Log, stem and board segregation for warp free timber
 - Voice operated tally system to assist board graders
 - CantOpti pith and density detection system operational in 3 mills (all transverse systems), strong interest from further users once linear system has been developed.
 - All sawlog levy payers eligible to participate
 - SWI completing its 2 year (and final) extension in April 2016. At present no plans or discussion of a continuation.
- STIC technologies for commercial and multi-residential buildings – available via EWPAA.
 - Jargon free design guides highlighting STIC products currently under development



Current R&D Investments

- Guide to wood construction systems. CSAW
 - Information for designers/builders on how to specify and use wood building products with confidence.
- Panelised and off-site building systems. CSAW
 - Incorporation of wood building products into emerging construction systems
- Thermal performance of timber building materials. CSAW
 - Timber flooring and framing under 5 star energy requirements
 - Launceston test cells – expanded to include CLT products and insulation systems
- Other tools developed to support use of mass timber in commercial buildings
 - Published LCAs for Forte and Australand projects
 - Fully costed scenarios for the substitution of mass timber into contemporary building projects
 - Building design/decision making tree being developed for mass timber buildings



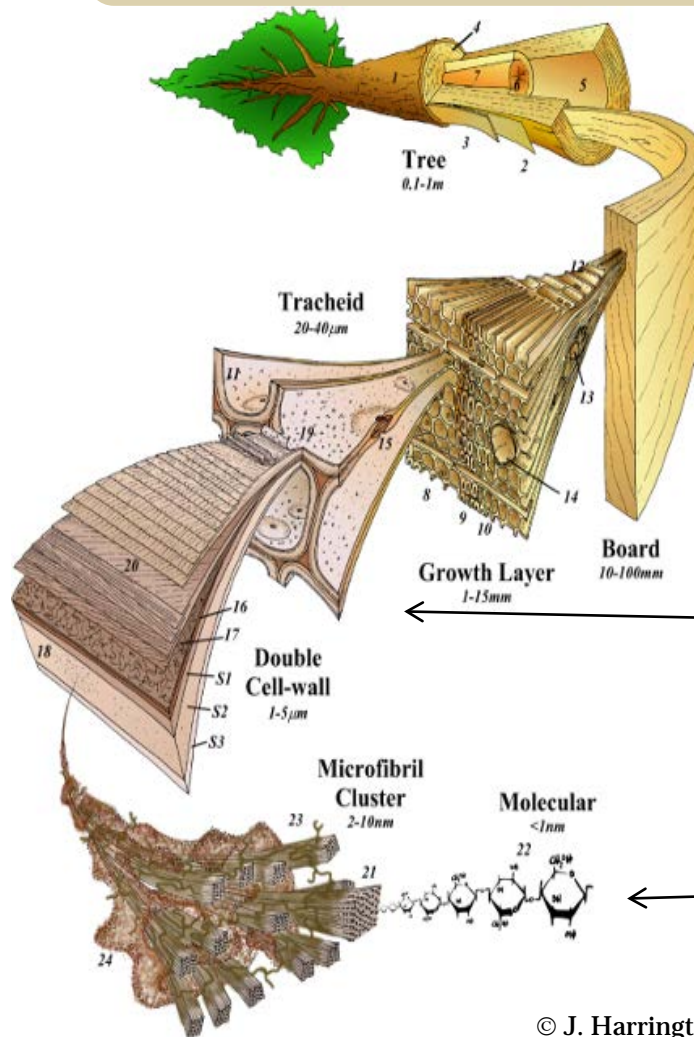
Quantifying returns on R&D investments

While quantifying returns on R&D can be difficult, the rural RDCs have established a rigorous protocol that seeks to estimate returns over a 20 year period.

	No. of projects	Total Value invested	Sample projects as % of total investment	Weighted Average Benefit-cost-ratio
Forest growing research	71	\$13.5 mil	6.6%	5.4
Processing research	49	\$11.2 mil	1.7%	1.6
Market development research	102	\$13.4 mil	3.4%	35.9

Note: BCR is based on 3-year rolling average

Proposed CRC for Transforming Wood Fibres



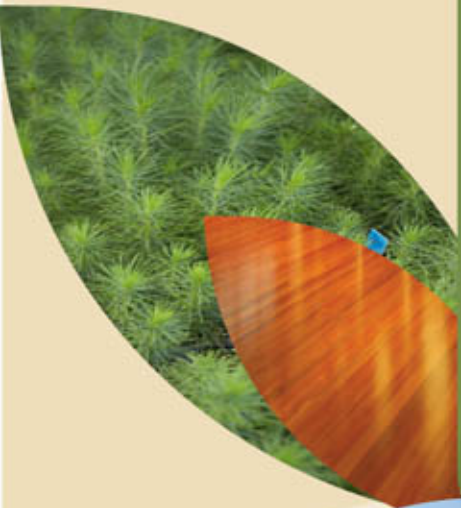
Next gen/value added structural products

Next gen/value added reconstituted fibre products

Value added residue producing platform chemicals from biorefineries

Program 3

Capacity and Education





FOREST LEARNING

www.forestlearning.edu.au

A teaching and learning resource on
Australian forests and sustainability for years 3 –12



PLAN • TEACH • DISCOVER • EXPLORE • LEARN

The objective is to embed forest and wood products into the teaching programs across Australian primary and high schools



Objectives

- Increase the uptake of education program activities by primary and secondary teachers across Australia.
- Increase the industry and government support of education activities.

Target

- Include forest and wood product topics in the national curriculum.



Benefits to industry

- Ensures understanding and awareness of the Australian Forest industry amongst future decision makers
- Develop future skills capacity within the sector

The program has been developed and implemented in key pillars

Influence National Curriculum

- Membership through the Primary Industries Education Foundation (PIEFA).
- Direct with submissions to ACARA
- Direct Influence on the Technology Curriculum
- Encouraging our Members

Develop and provide relevant resources

- 150+ resources on Forestlearning.edu.au
- Development of new resources including video and lessons
- Research with teachers directly on usefulness and gaps of resources

Create Awareness

- Quarterly newsletter to 8000 subscribers
- Participation at relevant teacher association conferences
- Advertising in Teacher magazine
- New Website launched late 2014.

Traction and success has been strong to date.

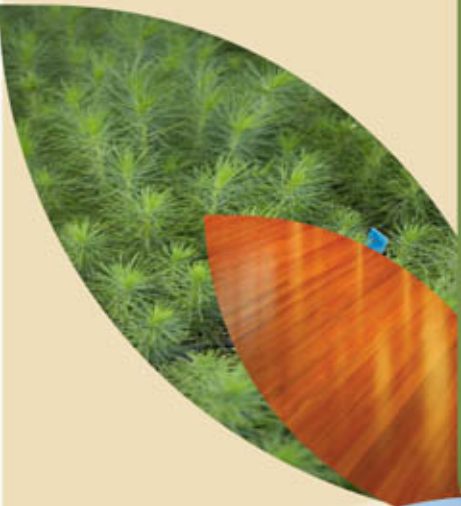
ForestLearning website is more recognized than other Primary Industry sites which has forestry information embedded.

New site is very popular with teachers looking for specific resources



Program 4

Standards Coordination



Sector is highly reliant on standards and codes for market access and acceptance



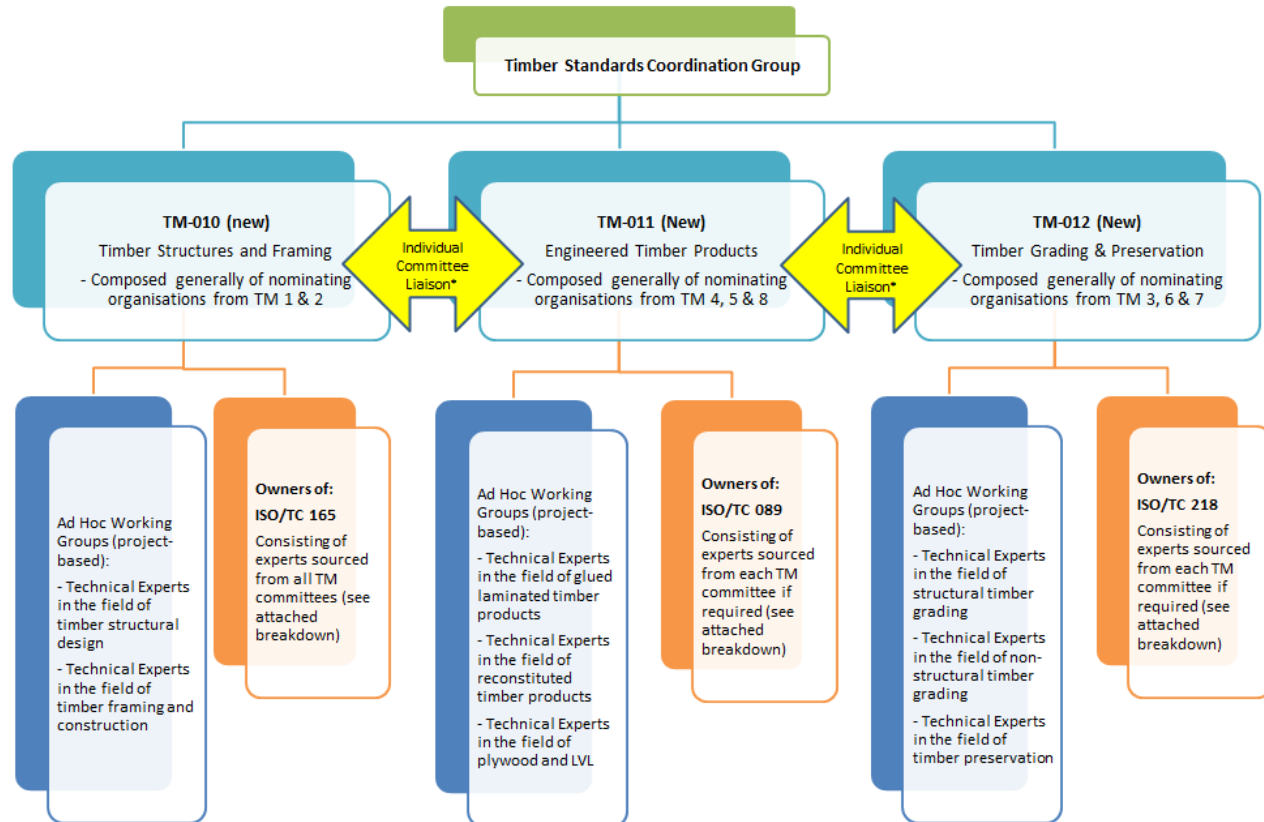
- Currently over 230 timber standards, standard's supplements, amendments, handbooks and handbook supplements.
- There are also over 20 building standards that directly impact on the use of timber and timber products in the built environment.
- A huge catalogue of publications for the industry to service.
- Industry has finite financial and human resources.

FWPA has implemented a strategic approach to standards

- FWPA is now a member of Standards Australia.
- Industry reference group has established a priority list of timber material standards.
- Only priority standards will be provided funds for maintenance and updates.
- Standards committees have been rationalised.
- Need to refocus resources on building codes to grow the market (rather than internal industry competition).

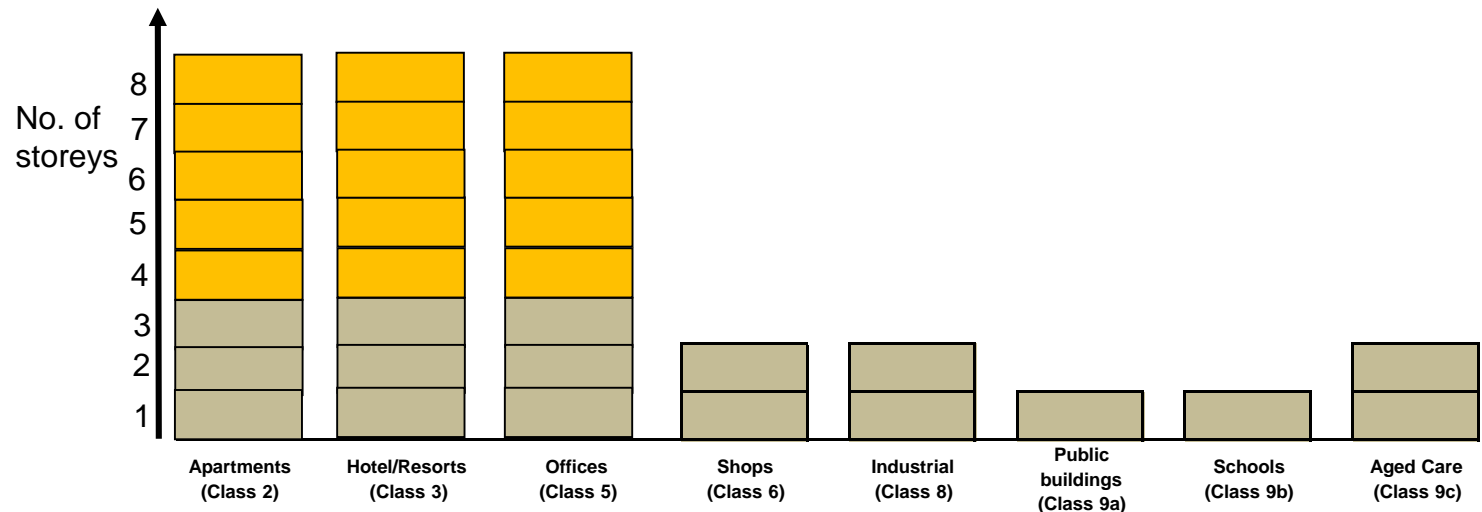
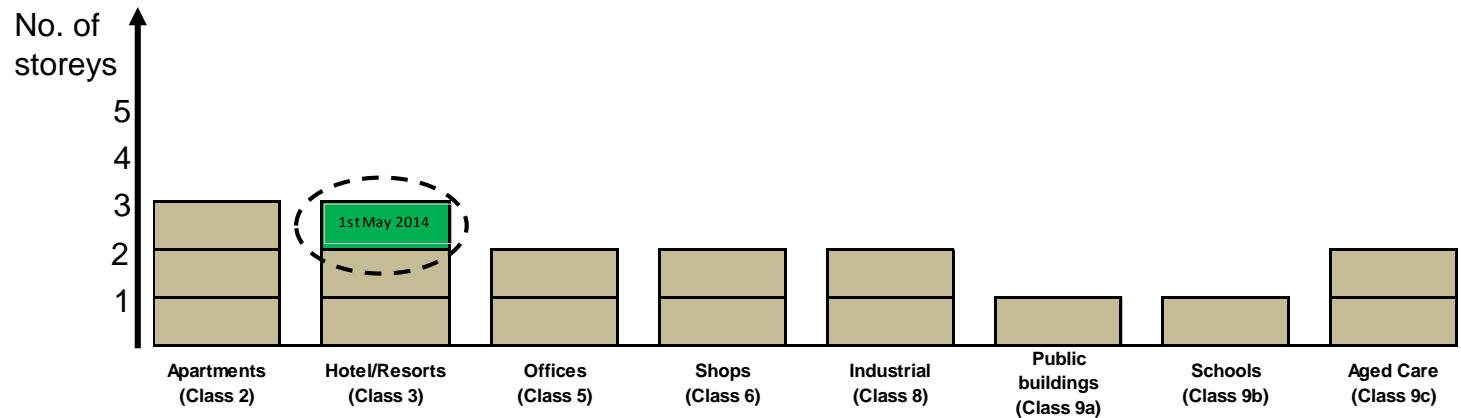


New Standards Australia committees are now operating



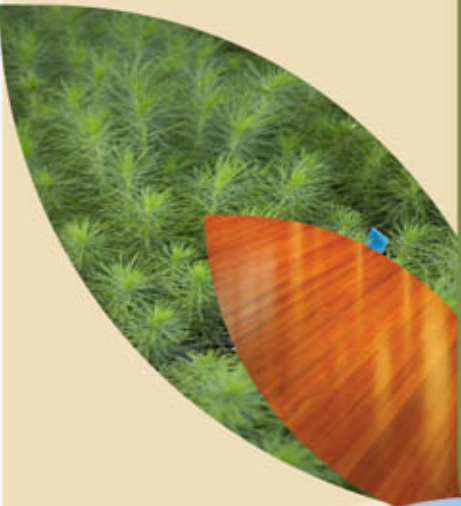
* Individual who sits on both committees to allow for transfer/sharing of information

Changes to national construction code can grow the market



Program 5

Statistics and economics



Building systems to share and understand key statistics

By industry sectors

Growers
Softwood sawmills
Hardwood sawmills
Panels
Importers

Industry confidential data

Type of data

Volumes?
Inventory?
Price indices?
Productivity?
OH&S

*Whatever data the sectors
are prepared to share!*

Industry
aggregated data

Public
industry data

Imports
exports
employment
forest area

Data portal
and
“dashboard”

Key economic
data

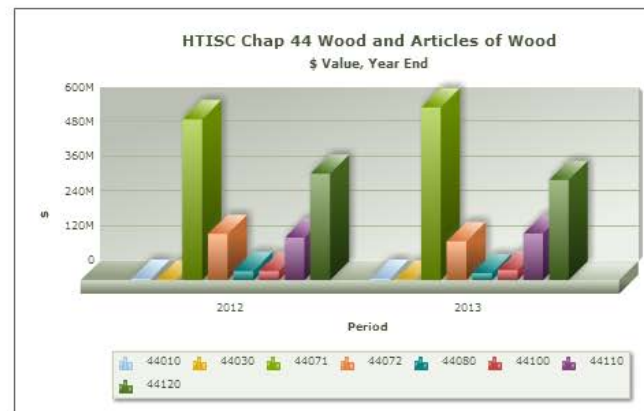
Housing starts
Approvals
Exchange rates
etc



Story Board Trade Data - Public Domain Access



\$ [IMPORT](#) [EXPORT](#) ☆ [...](#)
 FROM: 1 / 2010 TO: 1 / 2014 [Chart](#)



\$ [IMPORT](#) [EXPORT](#) ☆ [...](#)
 FROM: 7 / 2010 TO: 7 / 2010 [Chart](#)

	2012	2013
44010	\$3,811,862	\$4,030,834
44020	\$1,505,237	\$1,275,876
44071	\$556,211,395	\$597,245,658
44072	\$159,623,580	\$133,992,985
44080	\$21,127,282	\$23,627,002
44100	\$20,271,272	\$24,882,758



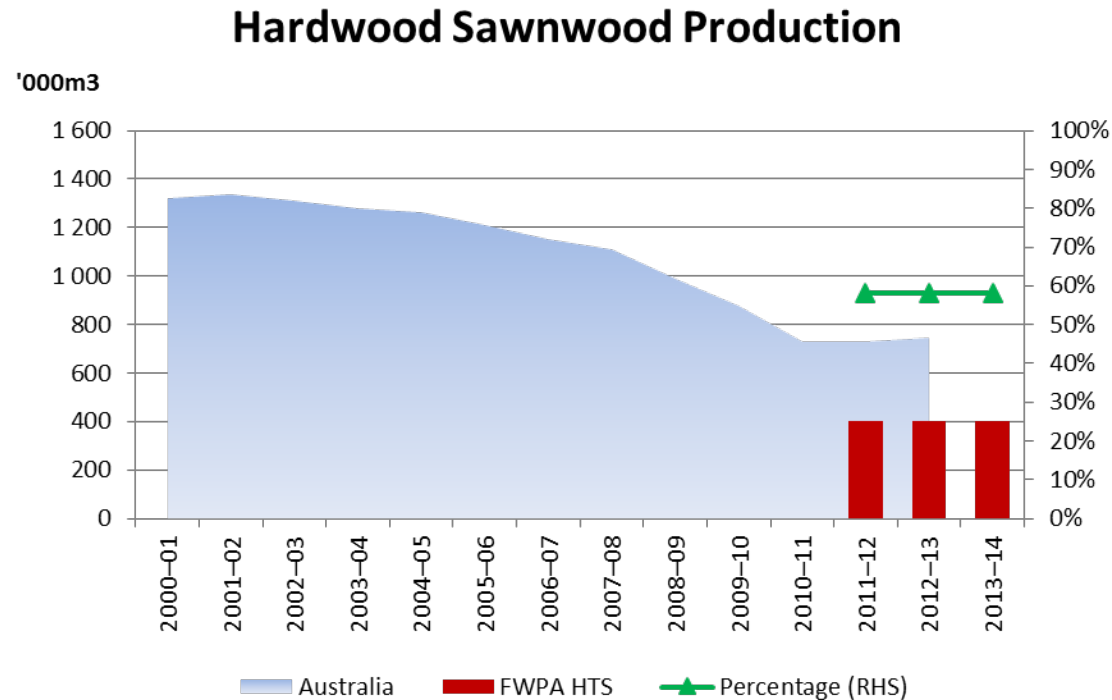
Hardwood Data Series

- 10 companies have completed protocol agreements covering about 50% monthly sales

Company	Protocol Agreement Status
McKay Timber	Returned
Brittons Timber	Returned
Neville Smith Timbers	Returned
Australian Sustainable Hardwoods	Returned
Ryan & McNulty	Returned
Auswest	Returned
Australian Solar Timbers	Returned
Boral	Returned
Notaras & Sons	Returned
Blue Ridge Hardwoods	
Parkside	Returned
DTM	

- Volume and weighted average price platforms developed
- Companies now inputting historical data. Series launch expected April/May 2015

Hardwood Data Series



Source: FWPS Table 11, FWPA Hardwood Timber Data Series

Data Availability

- Contributing Companies – 66 detailed product categories
- Industry (through FWPA log in) – 13 aggregate categories
- Public domain – 5 aggregate categories

FWPA

Delivering the results

