## Big timber payoff expected from US trip

**David Reade** 

Acute shortage of good-quality "clear" timber in the USA because of pressure from environmentalists, Cyclone Andrew and sheer overcutting is the economic background to the success of the recent marketing trip to the United States of members of the Radiata Pine Remanufacturing Association.

Most of the forest products major companies are among the RPRA membership, or like the FOA and TIF have a strong association with RPRA. Tradenz is a sponsor as well as being a partner in the joint action group. Thirty-four companies were represented on the visit to the USA which included a stand at the Atlanta International Woodworking Machinery and Furniture Supply Fair followed by widespread market liaison and educational visits both in Georgia, North Carolina, Wisconsin and a splinter group travelling to the West Coast.

The inquiry level at the IWMFS was about the same as last year at about 300-plus, but the quality of the inquiries was much higher, said RPRA chief executive Gerald Hunt. "So many people went through that stand we lost count," he said.

The RPRA stand was an outstanding feature on the 18 ha exhibition site, he said, and the Atlanta show was now probably as large as its German competitor Interzum. An array of logs and the wall area of the stand were backlit to show off components from New Zealand manufacturers.

Turned parts, window and door parts, moulding, cut length material, shelving and stair parts and a wide range of the products New Zealand is capable of producing in bulk, were on show. Five New Zealanders were kept busy on the stand right through the event, including Gerald Hunt, RPRA President Ken Dixon and Tradenz Market Development Manager John Stephens, all on "anchor-man" duty for much of the time.

Inquiries poured in for lumber, random sawn lengths, squares 4x4-in and 3x3-in from 20-in up to 47-in for turning, edge glued panels, cabinet doors, all in radiata pine which looked very good, said Gerald Hunt. Glulammed structural beams are also interesting to the American market.

"We're not looking to take lumber out of the country," he said. "We're interested in producing quality, consistently and to specification. We're not interested in supplying at the cheapest prices against each other or anybody else.

"There's no reason why we shouldn't get a raft of solid orders out of the event. Some of our members are already doing business in America and now it's a case of getting more of our members to get across the Pacific too. The market is solid there at present.

"We've also confirmed the view that New Zealand suppliers have some steps to take to make inroads into it. They've got to start using methods like straight line ripping, and panel glueing, to get lumber from the mill that is going to be suitable for the end manufacturer sawn to American specification. We've got to get more of our members used to American technique – inline ripping with flow patterns, and the dried lumber has got to be consistent."

Key people who attended from the NZ manufacturers and forest owners were Alan Larsen of Forestcorp, Peter McClay from Tasman Lumber, Thomas Song from Blue Mountain Lumber, and Tom Whitefield from Wenita. "They can see the potential there and they can see what can be achieved in New Zealand. But nothing can happen overnight," said Gerald Hunt.

"The whole key to remanufacturing

production relies on taking the lower grade log, defecting by using one of the established US techniques to get the best clears out of it, then using the rest of the material according to current market needs. You should then end up with very high utilisation. It is very much a retrieval market, getting the very utmost out of every log."

It was interesting to observe Chile's performance at the event, he said, as a major competitor also supplying radiata to the US market. "They don't have the long clears we have but they're doing a good job for the radiata name with what they've got, and we would do well to study their marketing techniques."

He concluded with a word of warning: "I think suppliers here have to be careful not to try and bite off more than they can chew, and be careful of the five containers-a-day business. They should be alongside Americans they can supply on a personal basis, get to know the end user, the agent they're working with. Travel is essential so that they know whom they're selling to, establish their credentials and make sure they stick to their consistency of quality. "People don't like mixing the species. We're talking niche marketing, of course."

- Reprinted from Export News

## **Indigenous Forest Policy update**

Mary Clarke Ministry of Forestry

## The Policy

The objective of Government's Indigenous Forest Policy is to maintain and enhance in perpetuity the existing area of indigenous forest in New Zealand. This is to be achieved through sustainable management, protection and reafforestation.

Progress towards the first of these objectives took a leap forward on June 30, 1992 when the Government introduced the Forests Amendment Bill. The Bill's purpose of sustainable management is promoted through a combination of export controls, sawmill controls, and a requirement for forest owners to have approved sustainable management plans where felling is undertaken for commercial purposes (refer to article in the August issue, "Indigenous forest policy", pp 7-8).

Other aspects of the Government's Indigenous Forest Policy are dealt with outside the Bill. In relation to protection, special funds are available – the Forest Heritage Fund and Nga Whenua Rahui – for gifting, covenanting and the outright purchase of high conservation value forests. The Resource management Act 1991 also has a role to play in protecting indigenous forests. With regard to reafforestation, the Government is considering measures to plant suitable land in indigenous species and rehabilitate degraded forest.

## **Progress**

The Forests Amendment Bill was introduced on June 30, 1992 and referred to the Planning and Development Select Committee. The Select Committee advertised for submissions on July 3,