

# A career in forestry and wood products

Linda Sewell

## Australian/New Zealand venture

The company of which I am CEO, OneFortyOne, was formed in 2012 by a consortium of investors to purchase the South Australian Government's radiata pine plantation. Five years later the company simply exploded. We bought a large sawmill in Mt Gambier, one of the largest sawmills in Australia. We then bought a very large forest (and mill) in Nelson, New Zealand.

For many in the industry we came from nowhere. As CEO, I was the first and only employee back in 2012, with just one forest in one region and one country. We are now over 500 employees, across two countries, in two parts of the supply chain, and have tripled in value since inception. We are now the largest trans-Tasman vertically integrated company in the industry.

## No grand plan

It's an extraordinary growth story. I am often asked, 'How did you get to where you are?' I never set out to be a CEO. I certainly never set out to be a CEO of a forest and wood products company. I am not a forester or an engineer. In fact, when I was in my second year of my science degree at Auckland University we were taken on a field trip to a forest. After four days in the cold and damp forest measuring trees I vowed that forestry, and in fact science, was not a career for me.

I chose a science degree simply because I thought it was the only degree you could do at university. I finished my science degree (Botany) and promptly went and studied commerce (Accounting). So, it is somewhat ironic that I have forged an executive career in forestry and wood products.

I was all set on a career in finance, not realising that it simply wasn't for me. I was talented at maths at school and at university and so assumed a career in finance was 'my calling'. I knew no different. I came from a working-class family, none of whom went to university or had a professional career, so I was not guided well in those early years. I worked hard and was successful, but it is fair to say my heart was not in it.

I strongly believe that this factor is one of the key reasons for my unconventional career path. I did not have a set idea of where I was heading, I had no 'grand plan'. This allowed me to be open to anything that came my way. It is a way of thinking that has also served us well at OneFortyOne.



## Catalyst for change

One of those 'light bulb moments' came in 2000 when I was working in a corporate finance role at Carter Holt Harvey. I was comfortably settled, overweight, unfit, uninspiring and was the person who entered the office without acknowledging the people around me. My 360° feedback made for woeful reading.

One year later, I was a driven, motivated and people-focused CEO.

The catalyst was a decision to enter a half marathon, which led to life-changing impacts both personally and professionally. I was watching an Ironman competition from the comfort of a café, took a good hard look at myself, and decided something had to change. After not being able to run to the end of the street, I ran my first half marathon just 12 weeks later. I lost weight, worked less hours, but was more productive and had more energy and a much more positive outlook.

For the first time I focused on output not input, set audacious goals and had a work-life balance. I became a zealot and shared my enthusiasm by inspiring an entire workforce to re-think their health and fitness. I took my personal example into the workforce, creating the CHH Fitness Challenge – an extensive programme to encourage, motivate and support employees in the challenge of completing a half marathon. Within five years we had 1,000 employees taking part and had created the largest off-road half marathon event in New Zealand.

## First CEO role – CHH subsidiary

My efforts at inspiring and engaging the staff would become transformational in the workplace, instilling the board of directors with the view that 'here was a CEO in the making'. Any thoughts of pursuing fitness and life coaching fell to the wayside when I was told I could positively influence the lives of many more people as a CEO. Advice I now know to be true.

At the very young age of 34 I was asked to be the CEO for a trans-Tasman laminated veneer lumber business, a subsidiary of CHH, one of the largest companies in New Zealand at the time. Many people within the company felt I was too young and uncredentialed for the role. However, the company was looking for a different style of leader for this brand new business within CHH. One who was creative, innovative and willing to step outside the norm.



#### OFO Nursery

The first day on the job was the official opening of the company's new \$130 million greenfield laminated veneer lumber (LVL) plant in Marsden Point, north of Auckland. Helen Clark, the Prime Minister at the time, was cutting the red ribbon. The mill was the new shiny toy for the company and there was a lot riding on its success. I had no idea what I had let myself in for – if I had, I might not have accepted the role for fear of failure. The mill was flawed from the start. It was the first of its kind in the world, the largest capital project in the CHH portfolio, but the project team had only been able to secure markets for 20% of the mill's capacity by the time it opened.

We had to find customers, and quickly. We also had to hire 200 people in the region who invariably had no experience in manufacturing LVL. We had to teach chefs, cleaners and teachers how to work in a factory environment. The investment was a very big risk for CHH. And they had a greenhorn for a CEO. It was a huge risk.

Under pressure to drive results early on, the obvious action would have been to replace the mill manager when things weren't going to plan and save my job at the expense of his. Instead I followed my instincts – taking the view that the task to bring a new mill on-stream was just too big for one person. I did not believe that making someone a scapegoat was the way to fix it. Instead I invested more resources into solving the problem and brought in a second experienced mill

manager to work alongside the first. Two heads are better than one and the decision was the right one. Within six months, we had turned the operation around, and within three years the mill was out-performing the original business case.

After the challenges at Marsden Point started to settle, the issues for the business in Australia were increasing and I found myself travelling there over 60% of the time. I made the decision to relocate to Australia and manage the business from Melbourne. It was an opportunistic decision to address the challenges of the day – again, not a grand plan for my career. However, again it was the right one.

#### HVP Plantations CEO

When CHH was sold to the Rank Group and delisted I was one of the many senior executives now without a job. What better place to find a new job than in Melbourne? I was fortunate to be offered the role of CEO of HVP Plantations, the largest plantation company in Victoria. They were looking for diversity of thought in the leadership of the company and were attracted to the idea of a customer leading the company. My career was moving 'upstream'.

Joining HVP Plantations proved to me the benefits of diversity in the workplace, particularly with the CEO. Not just gender diversity but leadership style,



experience and perspective. I was young and female. I also came from the processing side of the industry, so was not a forester. I was fit and always had a negative annual leave balance. Yet I stepped into an organisation where there were only 10 women in the company and these were mainly in traditional roles. There was little experience in the industry outside of core forestry. And they were used to excessively early starts, around-the-clock demands, poor work-life balance and very large annual leave balances.

Their new CEO was a big contrast for them. I set about effecting a change in the culture and started focusing on the individual, not the worker. I encouraged them to reduce their working hours, created opportunities for staff to use their long service leave, and made it acceptable to take annual leave during the fire season to ensure they could have Christmas at home with their families. Longer hours do not mean better returns. The business transformed into a workforce with low turnover, high loyalty and improved productivity.

### Black Saturday bush fires

This cultural change was important when we were faced with the Black Saturday bush fires in 2009. HVP experienced the largest private loss – over \$50 million of forest lost in about eight hours of fire. Most of the employees were fighting a seemingly unbeatable fire for days on end, while at the same time their own personal properties were at risk.

What does a CEO do in a fire campaign? Lead by example. You stand alongside your team and you dig in as leadership gets turned on its head. I answered the phones, I did the lunch run, I was there at the 7am and 7pm shift changes, and I stayed at the same camp. But when day four hit and people's resilience started to wane, there was a growing sense that there's no point, we are going to lose it all anyway, including our jobs.

I needed to reach as many employees with a message of hope as quickly as I could. I spoke on the local ABC radio stations, speaking to our crew, all of who were listening for

fire updates on their way on and off-shift. I had to change the dialogue and give people perspective to help bring them out of one of the worst periods in their life.

I asked the board of directors to support an immediate re-plant to give hope for the future, to demonstrate confidence, and bring a focus back on positive action. Adversity brought our team together, but it was the actions in the days after the fire that cemented people's faith in, and loyalty to, the company.

Around this same time I went to a 10-day silent Vipassana meditation retreat. Like previous decisions in my life, it was not for a 'grand purpose' or part of my life's master plan. Rather, the opportunity presented itself to me and I decided to take it. And, like running, meditation has also had a profound impact on my life and career. I meditate for two hours every day and return to the meditation retreat every year for another 10-day course and have done so now for 10 years. My son says I am a better mum for doing so. My chairman considers me a better leader for doing so. It keeps me fresh, open to new ideas, intuitive and creative in a way I never thought a maths nerd accountant could ever be.

### OneFortyOne start-up

And that was exactly what I needed when I took the next step in my career. All good things must come to an end, and after seven years at HVP I was enticed to join a start-up company, OneFortyOne.

When the company acquired the first plantation asset back in 2012 there were no employees. The privatisation was deeply unpopular in the region, and so the Government decided to sell the trees but maintain a contract to manage the forest on our company's behalf for five years. They were worried the new owner would immediately make a lot of people redundant, making the sale even more unpopular.

I was initially very hesitant about joining a company with no employees. After all, inspiring the workforce was something that got me out of bed in the



Export logs



Planting



### Thinning logs

morning. However, one of the directors of my company said that I would find it liberating and that I would have time to build the strategy of the company without the pressures of a workforce. He was right.

Starting OneFortyOne was like a start-up company, but with a very substantial balance sheet and bank account behind me. I had to do everything from finding the office, designing the logo, establishing the governance/rhythm of the board, buying a computer – all things that as a CEO you take for granted. The experience was very similar to a meditation retreat. Remove all the noise. Remove the baggage, historical arrangements, processes and protocols and it allows you to create, build and focus on what's important.

Within six months we exported our first vessel of logs through the Port of Portland and then quickly went on to be Australia's largest exporter of logs. In two years, we found a way to convince the Government to hand back the management of our estate early, rather than have them wait out the five-year contract. And then, with the basics sorted out with the first acquisition, we went completely left field and bought our largest customer – a sawmill in the region owned by my previous employer CHH.

### Full circle

And, yet again, I have come full circle. The mill and the forest used to be both owned by the South Australian Government 25 years ago. We have put the mill and the forest back together again. Ironically, one of the first things I did when I joined the corporate team at CHH was to do due diligence when they bought the sawmill all those years ago.

In the middle of the purchase of the sawmill, Nelson Forests came on the market. It was a big challenge to consider another major acquisition so close to our first one, but our performance over the past five years gave our shareholders the confidence in the team and the strategy to pursue this unique asset.

There is some symmetry to the acquisition, with a top-tier forest estate and a mill on each side of the Tasman. Personally, it is interesting coming back into the New Zealand business environment after nearly 15 years of being away. Culturally the two countries are very different, and one of the challenges as CEO is to make sure we honour the respective cultures that have made both businesses so successful thus far.

We are five years into our journey at OneFortyOne, but for all intents and purposes we are a brand new company all over again as we digest the growth we have just been through and poise for our next step – the second chapter of our book, so to speak.

### Challenging career

As a CEO I have been challenged throughout my career for not leading in a manner dictated by history. In fact, my very existence as a CEO in a forest and wood products company goes against the norm – given my gender. I have encountered peer-to-peer bullying, the incorrect assumptions from some as to how I reached each role, questions about my credentials and the challenges of returning to work as a single mum. But the journey has been worth it.

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