

BC Coastal Hem-Fir Initiative – 2012/13

Project Title	Cedar Competitive Sawmilling
Project Number	C.06
Project Leader	Bruce Lehmann
Project Team	Tim Caldecott, Bryce Granger, John White
Total Budget	\$125,000

Need(s)

- WRC is traditionally a high value component of the BC Coast harvest and the species of choice for cut block selection due to yields of historically high value products such as decking, siding and clears
- Demand for WRC has been in steady decline for most of the last decade. Traditional highest value products such as decking, siding and clear products have seen steady price and volume erosion and substitution other products such as plastic fibre composites. Price erosion of over 30% (adjusted for exchange and inflation) has seriously compounded the drop in volume
- Due to traditional high margins, the WRC industry nor its supply chain has significantly been able to adapt to market changes nor increased competitiveness

Objectives & Approach

Conduct barriers and opportunities review of the cedar sawmill sector and assist two sawmills with improvements

Leverage experience of the Hem-fir Initiative, this Initiative will identify barriers and opportunities to increase manufacturing competitiveness allowing increased agility to product new products and increased efficiency enabling cost competitive access to high value niche market products.

A key area of challenge is adjusting manufacturing handling since traditional machines can cause stains and discoloration from dirt, grease and other contaminants substantially affecting the appearance and reducing the value of products

Benefits

Reduce operating costs or increase value recovery from sawmill operations valued at \$10-\$30 MBF

Project Tasks and Outputs – Current fiscal year

Tasks / Outputs	Expected Delivery Date
Conduct barriers and opportunities assessments at 3 sawmills	November 2013
Implement short term opportunities for improvement at 2 sawmills	February 2013
Final report identifying barrier and opportunities and planning medium and longer term advancements for years 2 and 3	March 2013

Status and Major Accomplishments – Previous year

New Project

Performance Measures

Key Success Factor	Key Performance Indicator	Target	How the outcome of the Project supports the Program objectives
Short term competitiveness (years 1 and 2)	Short term improvements in mills	2 sawmills	Process improvements for sawmills
	Increased value recovery based on 2012 indicators and market conditions	\$10/ MBF	Increased margin and business economics
Long term competitiveness (years 2 and 3)	Increased value recovery based on 2012 indicators and market conditions	Up to \$30 / MBF	Increased margin and business economics

Communication Strategy for Information Dissemination

- Technical and product development at the sites
- Articles on improvements and opportunities in BC Coastal Bulletin
- Final report, covering short, medium and long term opportunities available through BC Coastal Initiative web site

Collaboration – Research Partners

- Western Forest Products
- Teal Jones