
Project Roadmap 2010 – Did it Meet its Expectations?

- Presentation -

Prepared on behalf of

CEI-Bois
Brussels, Belgium

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Roadmap 2010 evaluation – What’s it all about?

- ◆ 2003 CEI-Bois: major analysis of WWI, main conclusions were:
 - ✦ Demand forecast to 2010 is unsatisfactory (1% growth per year)
 - ✦ Stronger cooperation within WWI necessary
- ◆ Roadmap 2010 project started in 2004:
 - ✦ General vision:

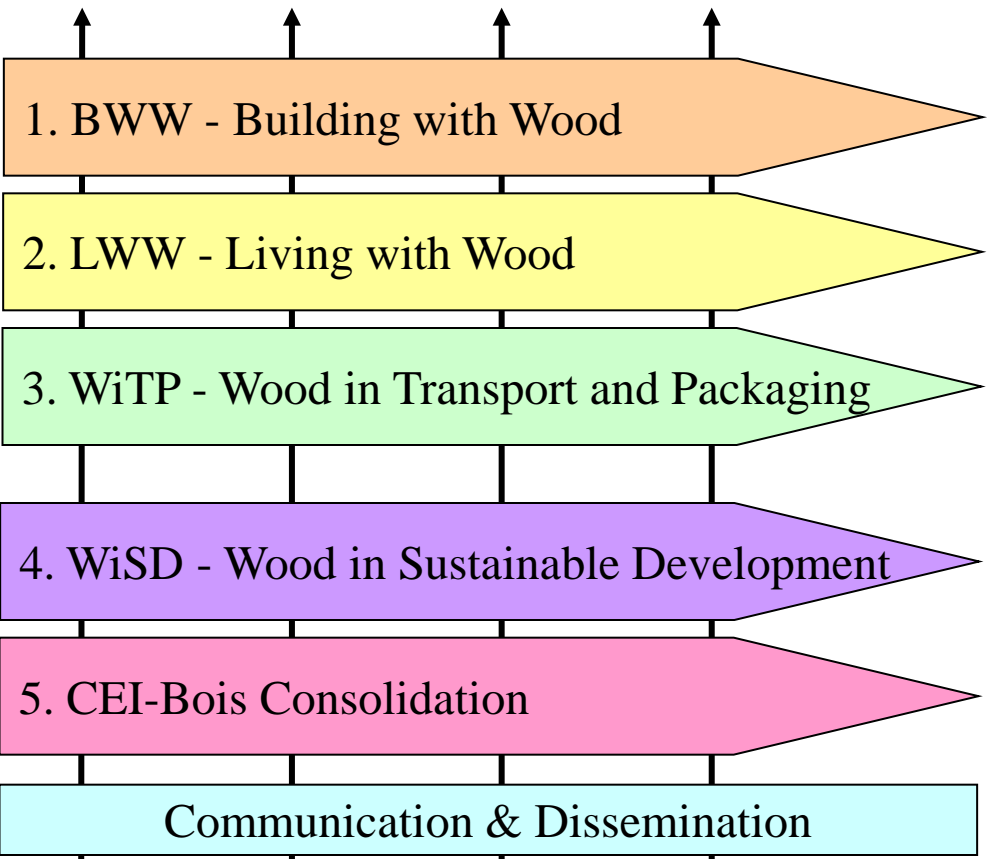
Wood and wood products to “become the leading material in construction and interior solutions by 2010”
 - ✦ Quantitative ‘stretch goal’:

to increase annual demand growth from 1% to 4% p.a.
- ◆ Now evaluation of RM2010 results

RM2010 actions gathered in three core and two support processes

STRATEGIC PROCESS

CORE
SUPPORT

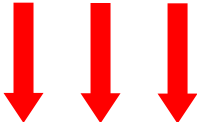




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Action area: Lobbying Promotion R & D Innovation Competence

Drivers 2003 – 2010(f): mostly a negative impact on demand development → more difficult for RM2010 to deliver on its goals

Drivers' impact on the RM2010 goal to increase wood products demand growth from 1% to 4% p.a.

Driver	Impact	Comment
Macro-economy		GDP nosedived starting 2007 and turned substantially negative for 2009
Housing		Housing starts in West Europe slashed in half from 2006 to 2009
Wood supply		Several major wind storms flooded the market with logs, while Russian log exports tax acted in opposite direction
Environment		The most debated topic past few years – our industry has a good story to tell
Bio-energy		Some sectors of the forest industry benefit while others face increased competition for raw material
Association structure		Several important organizations have disappeared

Strategic core process: BWW – 1(2)

Strategic Core Process

1. Building with Wood

- ◆ Main responsible country / organization:
 - + Austria / Fachverband der Holzindustrie Österreichs
- ◆ Achievements to date:
 - + Five main R&D projects have been started to date:
 - 1) Fire in Timber; 2) Wood Exter; 3) Gradewood; 4) Improved moisture;
 - 5) Mechwood
 - + In addition:
 - 1) Website; 2) CEN TC350; 3) Qualification;
- ◆ Plans for the future:
 - + Four projects are in the process to start up:
 - 1) Health; 2) Low energy housing; 3) Acoustics; 4) Eurocode 5

Goal by 2010

Double wood based materials' market share in construction

Strategic core process: BWV – 2(2)

- ◆ Evaluation / opinions about activities to date
 - ✦ The biggest RM2010 process
 - ✦ A most energized work process
 - ✦ Skilful in getting access to 3rd party financing
 - ✦ Bought industry, associations, scholars and scientists together across country borders
 - ✦ Significant achievements despite a surprisingly lean and loose structure
 - ▲ Imaging what could be accomplished with a dedicated structure put in place!
 - ✦ Strong buy-in from funding partners
 - ✦ Once results available 2H/'10; huge input for Lobbying, Competence
 - ✦ Could most likely serve as a 'role model'

- ◆ Successful or not?
 - ✦ Yes!

Strategic core process: LWW – 1(2)

Strategic Core Process

2. Living with Wood

Goal by 2010

To achieve a substantial and sustained change in attitudes towards wood & wood products, leading to an increase in wood consumption.

- ◆ Main responsible country / organization:
 - ✦ Spain / Confemadera
- ◆ Achievements to date:
 - ✦ European high profile design award project
 - ✦ Producing & distributing promotion pamphlet (Spain + distrib. to CEI-Bois mbrs.)
 - ✦ Press campaigns (Spain only)
 - ✦ Taking press/media to the forest and wood industries (Spain only)
 - ✦ Project 'Health and Wood' (Results distributed to CEI-Bois members)
 - ✦ Wood info broadcasted in TV (Spain only)
 - ✦ Analyses
- ◆ Plans for the future:
 - ✦ Info campaigned aimed at Spanish architects

Strategic core process: LWW – 2(2)

◆ Evaluation / opinions about activities to date

- ✦ A significant amount of activities have been carried out with Spain as the focus market - Pan-European aspect of the process stalled early on
- ✦ As a concept: 'too fluffy', needed focus
- ✦ EU furniture industry did not lend its support
- ✦ Fading financial support undermined the pan-European intentions

◆ Successful or not?

- ✦ Successful in Spain – no doubts!
- ✦ Invisible on the pan-European level → failed the original intentions

Strategic core process: WiTP – 1(2)

Strategic Core Process

3. Wood in Transport & Packaging

- ◆ Main responsible country / organization:
 - + FEFPEB
- ◆ Achievements to date:
 - + Limited budget (€100,000) → two projects:
 1. “Fragile” - a promotion film
 2. Market analysis
- ◆ Plans for the future:
 - + None (under the umbrella of WiTP)

Goal by 2010

Create conditions for a better and increased use of wood-based products for packaging and transport purposes.

Strategic core process: WiTP – 2(2)

- ◆ Evaluation / opinions about activities to date
 - ✦ Two important tools which are used in everyday life
 - ✦ The least well-known process
 - ✦ Ambition to develop the process stymied due to no additional funds
 - ✦ Importance for sawmills & plywood manufacturers + threats from alternative materials + phytosanitary issues → appropriate w. larger budget → more ambitious work plan

- ◆ Successful or not?
 - ✦ Successful, but marginally
 - ✦ Industry is satisfied

Strategic support process: WiSD – 1(2)

Strategic Support Process

Goal by 2010

4. Wood in Sustainable Development

- ◆ Main responsible country / organization:
 - ✦ European Panel Federation
 - ✦ European Organisation of the Sawmilling industry
- ◆ Achievements to date:
 1. The Publication – ‘Tackle Climate Change: Use Wood’
 2. The Exhibition
 3. Club du Bois
- ◆ Plans for the future:
 1. A game aimed at kids, distributed to schools
 2. Renew the Exhibition

Sufficient knowledge and awareness created among stakeholders on the sustainable development contribution of enhanced use of wood.

Strategic support process: WiSD – 2(2)

- ◆ Evaluation / opinions about activities to date
 - ✦ Fact book; eleven languages, 65,000 printed copies, backed by fact sheets and short movie
 - ✦ The Exhibition; innovative attempt
 - ✦ Club du Bois; channel for continued lobbying
 - ✦ Conference: important example of high-level & far-reaching lobbying
 - ✦ A well-recognized process within the wood-working industry
 - ✦ Time period characterized by extreme societal focus on environmental issues
 - ▲ Once in a lifetime opportunity?
 - ▲ Did it do enough?

- ◆ Successful or not?
 - ✦ After BWW the second-most successful process

Strategic support process: CEI-Bois Consolidation – 1(1)

Strategic Support Process

5. CEI-Bois Consolidation

- ◆ Main responsible country / organization:
 - + -
- ◆ Evaluation/opinions about activities to date
 - + An invisible process
 - + Time consuming process, CEI-Bois gradually developing as a pan-European umbrella organization
 - ▲ Too much of a 'discussion club', too little accountability for decisions made
 - ▲ Partly a function of mostly weak and under-financed member organizations
 - + RM2010:
 - ▲ Demonstrates the need of a 'CEI-Bois'
 - ▲ Brought CEI-Bois closer
 - ▲ CEI-Bois taken a stronger/leading role in financing/coordination

Goal by 2010

By 2005; a restructured CEI-Bois which is the owner of an ongoing strategy process for the European woodworking industry; coordinate, monitor & up-date.

A tiered system with clearly defined tasks by organisational level and a flourishing co-operation between all actors.

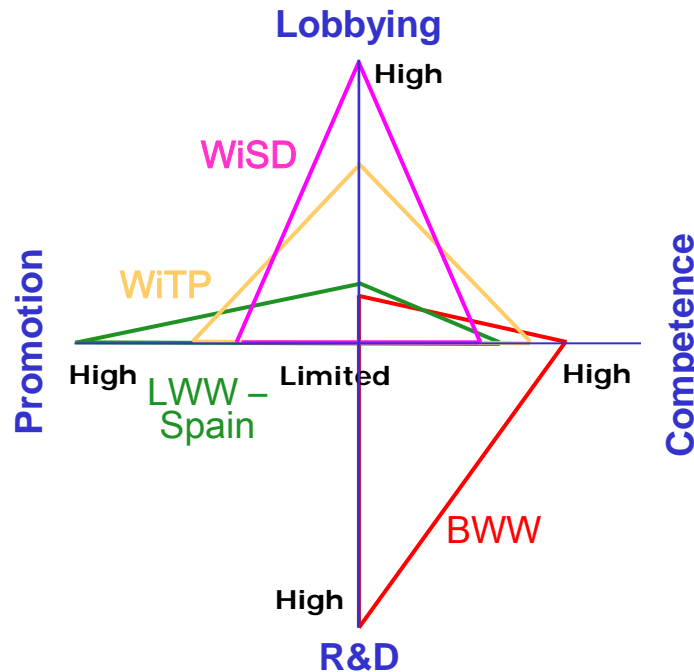
Summary - Achievements to date – 1(3)

- Over 20 activities have been carried out to date

Status	BWW	LWW*	WiTP	WiSD	SUM
Ongoing or finalized activities	8	8	2	3	21
Planned activities	4	1		2	7

* Primarily aimed at the Spanish market

- Focus of activities by RM2010 process



Summary - Achievements to date – 2(3)

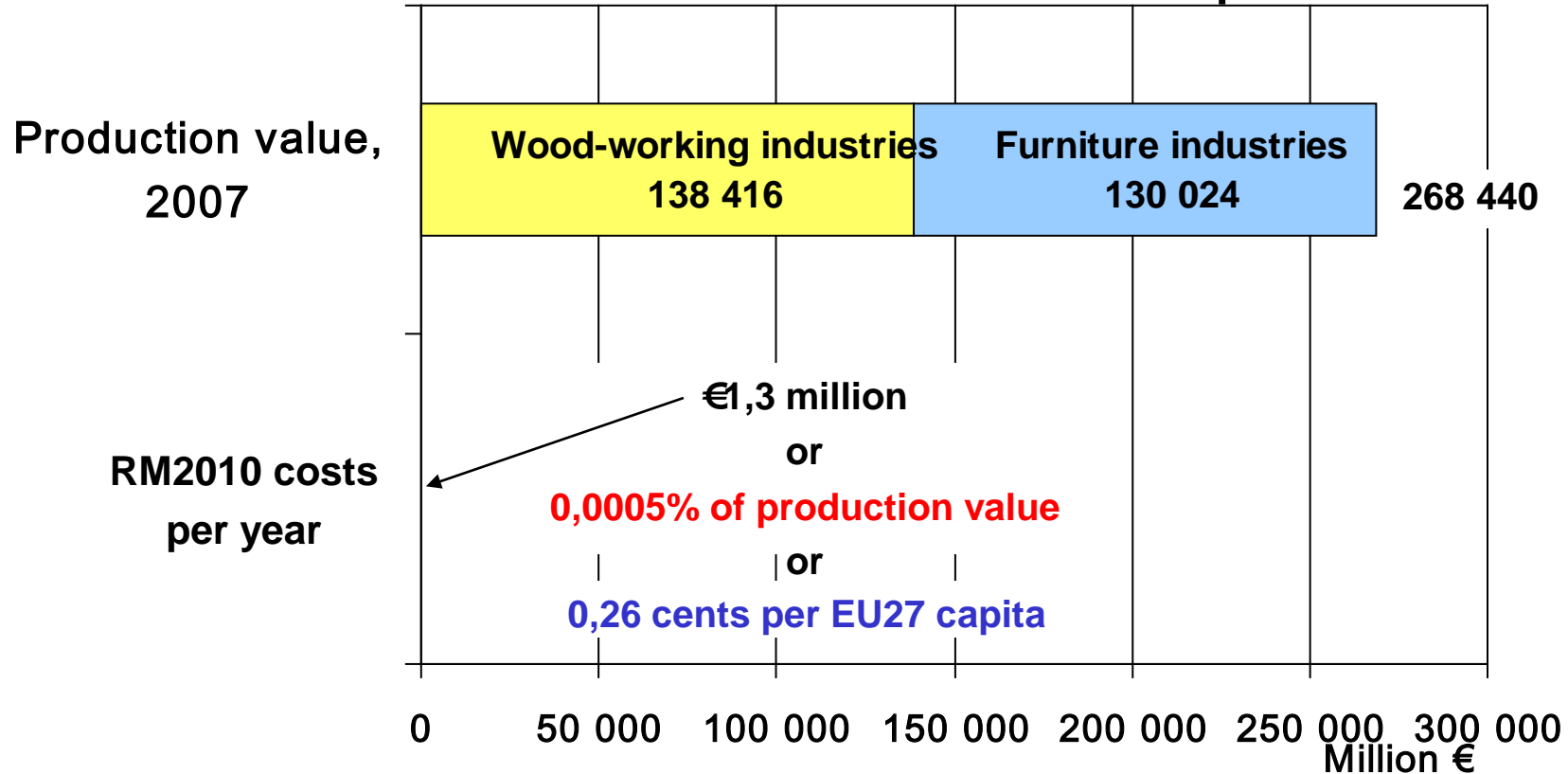
◆ Funding of RM2010 2004 – 2009

Funding organization	(million €)	BWW	LWW ¹⁾	WiTP	WiSD	SUM
Confemadera			3,3 ¹⁾			3,3
Austrian Federation		1,65				1,7
Swedish Forest Industries Federation		1,05				1,1
Finland (Finnforest, Stora Enso, UPM)		0,81				0,8
Holzabsatzfonds ²⁾		0,4				0,4
Nordic Timber Council			0,16		0,1	0,3
EPF		0,09			0,145	0,2
OES				0,05	0,145	0,2
FEFPEB				0,05		0,1
Sum		4,0	3,5	0,1	0,4	7,9
Third party funding		5,8				5,8
SUM		9,8	3,5	0,1	0,4	13,7
1) 2004 - 2008. In reality, these funds were in principle used only for Spanish activities.						
2) Due to the 2009 demise of this organization, this sum may not become fully available						

Summary - Achievements to date – 3(3)

RM2010 expenses are so 'small so they are important to remember'

EU27 Production value vs. RM2010 Expenses



Lessons learned from the RM2010 project – 1(2)

- ◆ Biggest mistake to date: poor feed-back
- ◆ BWW and LWW: benefited from a 100% devoted/committed leader
- ◆ Set realistic goals for the processes
- ◆ Focus each process on practical, manageable and useful activities
- ◆ An upfront firmer central steering
- ◆ LWW was a misconception
- ◆ Financial burden carried by only a limited number of CEI-Bois' member organizations
- ◆ Right approach to put the industry in charge as process leaders

Lessons learned – 2(2)

- ◆ Should there be a “Roadmap version II”?
 - ✦ *“RM2010 and/or CEI-Bois = bundled power”* (‘Captain 1’ of the industry)
 - ✦ *“RM2010 is a good initiative – industry needs cooperation and development of a common agenda”* (‘Captain 2’ of the industry)
 - ✦ *“Pan-European focus is more important now than six years ago when RM2010 started; One Industry – One Voice. Reason; global warming is a driver that acts across country borders”* (Captain 3’ of the industry)
 - ✦ *“A continuation is needed. Focus on fewer projects, get professional coaching, win the support from industrialists - more important than support from the associations”* (‘Captain 4’ of the industry)
 - ✦ *“Yes - the first period has just been the beginning, it is far from the established goals”* (‘Captain 5’ of the industry)



All 29 interviewed were in favor for a continuation

Member organizations' opinions about CEI-Bois – 1(4)

◆ Constructive criticism:

- ✦ Brussels = close to the 'corridors of power', but CEI-Bois is too shy
- ✦ Focus work to fewer topics, measurable objectives, timelines, strict follow-up procedures
- ✦ Too many technical e-mails sent without commentary
- ✦ Too much colored by the Nordic members – miss a strong European image (said by a Nordic interviewee)
- ✦ Should act with a greater authority vs. its members
- ✦ Copy CEPI's competence building where it makes sense
- ✦ Difficult to get regular representation from the industry in work groups
- ✦ Staff spread thin and wears different hats
- ✦ Solid brand-name but is quite weak, partly due to complicated member structure

Member organizations' opinions about CEI-Bois – 2(4)

- ◆ Positive comments:
 - + Good team of people, small but effective
 - ▲ With more money they would achieve even more
 - + Done excellent work lately re. the wood-working industry's positions vs.
 - ▲ COP15 sustainable issues
 - ▲ EU due diligence legislation
 - + Modernized organization and communication skills past years
 - ▲ Possibly RM2010 been a catalyst
 - + Important meeting place for wood-working Europe
 - + Very important association for lobbying in favor of wood
 - + Current dues (and even higher) are not a problem for a sharp and useful CEI-Bois
 - ▲ Would generate a greater interest/following from the members
 - + Built a solid brand-name

Member organizations' opinions about CEI-Bois – 3(4)

◆ Focus for CEI-Bois during the next 3-5 years

+ General:

- ▲ New Presidency actively coach CEI-Bois to focus its work and represent the industry with greater authority

+ Work topics to focus on:

▲ # 1 topic mention:

- ▲ Climate & environment

▲ Other:

- ▲ 'Push-pull' activities in order to grow the consumption
- ▲ Follow-up "Tackle Climate Change: Use wood"
- ▲ Standardization on EU level
- ▲ Protect intellectual property rights of EU companies
- ▲ Develop a SWOT analysis of the European WWI
- ▲ Cooperate in employer related issues

Member organizations' opinions about CEI-Bois – 4(4)

◆ Focus for CEI-Bois during the next 3-5 years

+ Performance / process / organization related activities to focus on:

- ▲ Extend contact surface vs. EP and Commission
- ▲ Clarify and simplify membership structure; national or sectoral or both (as today)?
- ▲ Generate sympathy for the industry
- ▲ Sensitize CEI-Bois' members about CEI-Bois' work
- ▲ Simple monthly bulletin
- ▲ Work closer with other sectors of the WWI, e.g. trade organizations
- ▲ Integrate EU furniture industry
- ▲ 'Being closer' to smaller member organizations

Conclusions – 1(3)

Delivery on two key goals

1. Demand growth: from 1% p.a. to 4% p.a. by 2010?
 - + Unfortunately 'no'
 - ▲ Average for six major primary wood product lines;
 - ▲ CAGR '95-'02: 2,7%
 - ▲ CAGR '02-'10(f): -0,2%
 - ▲ RM2010 project is **NOT** to blame
2. Wood “become the leading material in construction and interior solutions by 2010”?
 - + Unfortunately 'no'
 - ▲ A 'stretch goal' - take more years to reach

Conclusions – 2(3)

RM2010 Summary

◆ RM2010 project:

- + A never before seen pan-European cooperation effort
- + Brings together companies, researchers, professionals and organizations
- + 21 activities carried out to date, 7 more planned
- + All processes have not been problem free
- + Total 04-'09 funding: equivalent to max. 0,26 cents per EU27 capita/year

- + Ranking of processes in descending order of priority:
 1. BWW; Broad EU approach, substantial, active, ongoing – results next year, great lobbying potential
 2. WiSD; Well-recognized Lobbying and Promotion activities to narrow audience
 3. WiTP; A one time shot covering two smaller activities – but industry is satisfied
 4. LWW; Didn't reach EU, but promotion success in Spain

Conclusions – 3(3)

RM2010: Was it worth it?

- ◆ RM2010 – was it worth it?
 - ✦ Without any hesitation: **YES!**
 - ▲ The strategic value beyond measurement
 - ▲ First time the industry comes together in such a broad effort
 - ▲ Despite
 - ✦ Complex and difficult project
 - ✦ Lack of prior experience
 - ✦ Loosely organized and weak financing
 - ✦ Lack of 100% success in all processes

Overall achievement must be viewed as most promising for
an even more successful follow-up

Thank you!

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