



Softwood Export Council Newsletter

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Design Build Australia- Best Booth Award

SEC members from the Pacific Lumber Exporters Association (PLEA) under the American Softwoods banner exhibited in the Design Build Australia show during the second week of May. During the show the American



Softwoods booth was a main destination of the visitors and won the "Best Booth" design award among 300 booths with its Western Red Cedar multi-use theme.

American Softwoods booth promoted US species to the target audience of designers and architects. The main concern of the visitors was if Douglas Fir was still available in Australian sizes. In attending the show, SEC members reassured the designers and proved the quality and availability of the U.S. species.

Interzum Germany 2009



By Eddie Pearce

SEC members recently participated in the INTERZUM 2009 Furniture supply Trade show in Cologne, Germany, in mid May 2009. It is the largest show in Europe for manufacturers and suppliers of materials, hardware and components to the furniture industry, attracting around 100,000 visitors over 5 days. Timber and timber products are of high interest to interior and furniture designers in Germany and across Europe, and because of their importance, a hall is specifically dedicated to these products.

While Interzum has been the focal point for the suppliers and manufacturers of products for the German furniture industry, over the past few years, the show has become the focal point for international visitors from Europe, the Mediterranean and the Middle East looking for material and products for use in their own country. The diversity and range of visitors who came and visited the American Softwoods booth can be seen in the list of contacts. Interzum is the show at which companies have on display new products and innovations for use in furniture

Although the overall number of visitors to the show was lower compared with the show in 2007, it was interesting to note the high quality of enquiry that was made by the visitor. A large number were very specific as to what they were looking for, by providing sizes, volumes and species, grades and quality required. There is continued interest and demand for quality

softwood continues despite the fact a recession is taking place in many parts of the world. Based on the level of interest shown in US softwoods from Turkey, American Softwoods is considering participating at a trade show in there.

Does it pay to stay until the end? The answer is yes for one New England based trader on the SEC stand. During the waning hours of the last day he made contact with a customer from Pakistan and proceeded to negotiate a nice order, even as the staff begun to pack it in.

China Market Report

by Xu Fang

American Softwood Product used in interior applications

American softwood products have a long history of being used in China as structural as well as non-structural material in construction industry. Douglas Fir, for instance, has been used as construction material for posts, beams, and flooring ever since 1930's. With the development of marketing promotion conducted by US softwood industry over the past decade in China, US softwood products, in addition to various applications in structural market that have been recorded from time to time, have been identified in many interior applications over the past several years.

China's log imports drop, while sawn wood imports rise

In 2008, China's wood industry was strongly impacted by the international financial crisis. Based on statistics from China Customs, imports of logs dropped for the first time, while sawn timber imports continued to rise. A total of 29.57 million m³ of logs valued at USD5.182 billion were imported in 2008, down 20% by volume and 3% by value from 2007. These results, which have never been seen in the last ten years, largely resulted from low demand for international furniture and plywood. Another reason causing the reduction of imports was Russia's increased export tariff, which led to a sharp drop in China's imports of Russian logs. On the other hand, China's imports of sawn timber continued to increase. A total of 7 million m³ of sawn timber valued at USD2 billion was imported in 2008, up 9.6% by volume and 15% by value, respectively, from 2007. This was mainly caused by rising prices over the period. With prices of logs increasing, some manufacturers used sawn timber as materials instead of logs. As a large producer of wood-based panels, China had historically ranked first in the world in terms of outputs of plywood and fiberboard. In recent years, however, China's imports of wood-based panels have dropped. China exported 7.18 million m³ of plywood in 2008, down 18% by volume and 5% by value from 2007 levels. The country also exported 1.88 million tons of fiberboards in 2008, down 18% by volume and up 1% by value from 2007 levels. Due to the rapid economic development and improvement of living standards in China, imports of high-grade wooden furniture have been growing steeply, reaching a peak of USD 312 million in 2008, up 41% from 2007. However, due to the severely declining economic conditions in some developed countries, especially the US, exports of wooden furniture in China dropped 14% from 2007 levels.

The export value of China's wooden furniture rose slightly (3%) due to rising unit prices. Nevertheless, statistics from China Customs showed wooden furniture as the most important exported product in China's forest products trade, with its export value accounting for 36% of the nation's total export value of wood products in 2008.

China Announces Measures to Stimulate Wood Products Trade

Orders to China's enterprises for wood products exports have been falling as they struggle to raise revenues during the international financial crisis. The growth in total value of international trade in wood products grew only 9.6% in 2008, a year-on-year decrease of 13 percentage points. To respond to the effects of the international financial crisis and encourage wood products trade, China has taken the following measures: increasing the rates of the export rebate tax for 117 wood products items; actively negotiating with governments of importing countries/regions such as the US, the EU and Japan to improve market access for forest products; and encouraging a quick response to products manufactured by domestic forestry enterprises, increasing grades and specifications of products, as well as stabilizing wood products exports.

Volume of wood flooring declines for the first time

Impacted by the global financial crisis, China's export of wooden flooring suffered a severe setback in the fourth quarter of 2008. Due to lack of activity in the real estate sector,

domestic timber markets were also slack. The total sales volume of wooden flooring in the country dropped for the first time in 2008 after successive growth over a twelve year period. According to data from the Flooring Specialty Committee of China's National Forest Products Industry Association, the gross sales volume of wooden flooring in the country was about 344 million m² in 2008, down 4.8% from last year. Of the total, laminated flooring fell 10% to 198 million m²; solid wood flooring dropped 4.5% to 42 million m²; wooden composite flooring was down 4% to 78 million m²; bamboo flooring fell 20% to 24 million m²; and other types of flooring were down 10% to 1.8 million m².

Upcoming Trade Shows and Seminars

August

Tecno Meuble Guadalajara August 19-22

September

- FMC China September 9-12 Shanghai
- SEC China interior seminars
- USCB mission
- Vietnam Wood 2009 September 24-27 Ho Chi Min City

October

- EXPO CIHAC October 14-17 Mexico City
- Interbuild 2009 October 18-21, NEC Birmingham


November

- Maderalia November 3-6 Valencia Spain
- Japan Home and Building Show Novemebr 11-13 Tokyo

www.softwood.org/calender

Softwood Export Council- Promoting the expansion of export markets for primary and secondary softwood products manufactured in the United States.

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