



Creating forest sector solutions

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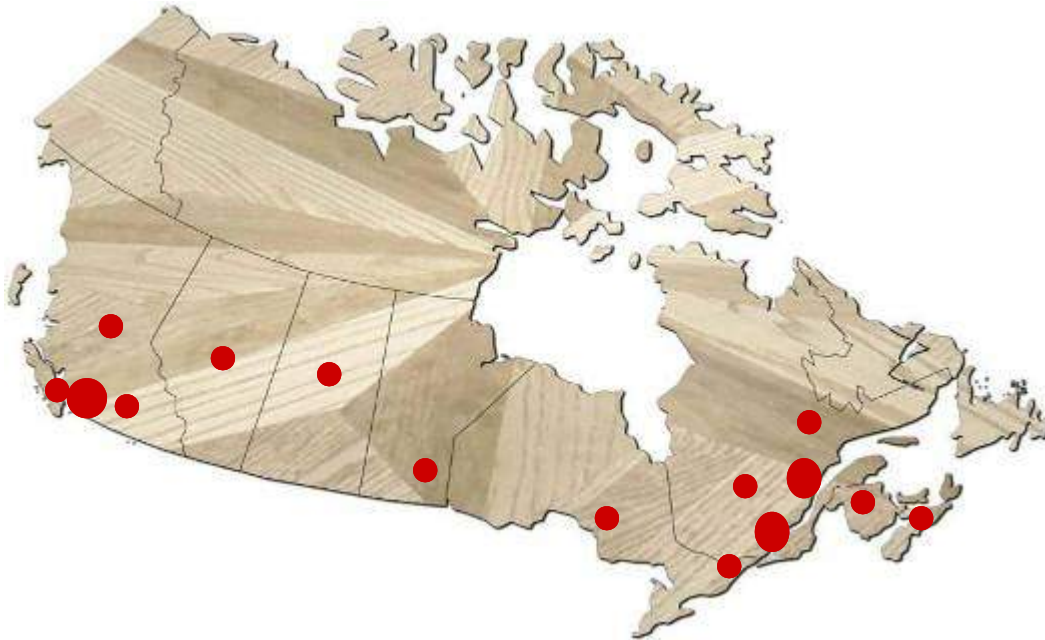


# BCCF AGM Forest Sector Technical Services

**Dave McRae**  
**Building Wealth With Wood**

# FPIinnovations' Partnerships

Shared Priorities, Shared Risks,  
Shared Benefits, and Shared  
Costs



● Industry - 315 Companies

● Provincial Governments

➤ British Columbia

➤ Alberta

➤ Saskatchewan

➤ Quebec

➤ New Brunswick

➤ Nova Scotia

➤ Newfoundland

➤ Manitoba

➤ Yukon

● Federal Government

# FPIinnovations - A Global Innovation Organisation

- A unique, not-for-profit forest sector R&D centre that can offer full value chain solutions – from forest management through to consumer products
- More than 500 dedicated employees:
- Many partnerships with universities and other institutions in Canada and abroad



# Value Proposition

1. Communities are taking on greater ownership and management of the forest resource within BC.
2. The forest sector represents an area of growing economic development opportunities for communities
3. FPIinnovations has (technical) experience in helping to:
  - Increase the value derived from the forest resource
  - Increase productivity in harvesting, transportation and manufacturing
  - Improve processes, product attributes and quality
  - Support product and market diversification
  - Foster entrepreneurial investment





# Needs

Communities and entrepreneurs need to:

- Create viable & sustainable business
- Develop jobs within their community
- Develop technical and business capacity
- Maximize the value from the forest resources



# Approach

1. Respect community forest sector values and develop relationships at all levels:

- National
- Provincial
- Community & Businesses



# Approach

3. Understand needs & identify business opportunities
4. Identify Champions and utilize FPInnovations as a third party provider of technical and strategic business advice
5. Identify needs and scope of work, project by project
6. Work with partners that have complementary expertise
7. Measure and report the impact of the projects



# Priorities for communities

- “Local” economic growth
- Job creation
- Self-sufficiency
- Promote innovation in the forestry sector
- Increase efficiencies and benefits to communities with regard to forestry-related matters...





# Required process before starting:

- A local champion/entrepreneur
- Business Plan...
- Fibre supply analysis (identify the fibre quality, attributes, access and volumes)
- Market research (identify the attributes demanded in the market place)
- Integrated value chain opportunities:
  - Harvesting
  - Processing
  - Bio-fuel...etc...
  - Fall down items

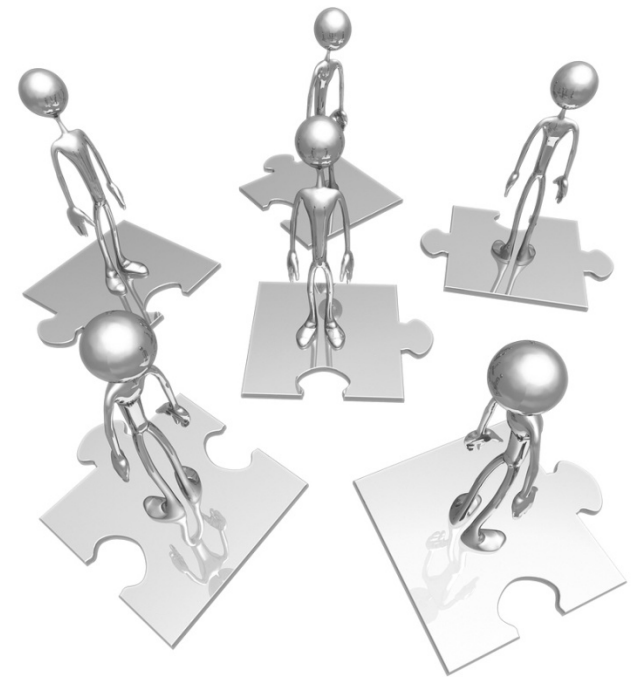
# Required process before starting:

- Supply chain needs and opportunities...
- Market demand/customer base information
- Knowing your competitors
- Financing/Capital
- Marketing and “Branding” your business and product(s)
- Value of product verses market demand
- Break even point/profit margin
- Location...location...location...transportation of resource and transportation to market
- Staff...available trained work force
- Technology...

...

# The Harvesting and Manufacturing Facility

- General Process...
- Site Requirements...
- Buildings...
- manufacturing Layout...
- Processing Equipment...
- Dry Kiln...
- Preliminary Cost Estimates...
- Improvements in operational efficiencies...
- Etc...etc...



## Vision and Objectives

### for a BC communities Forest Products Industry

#### The Vision:



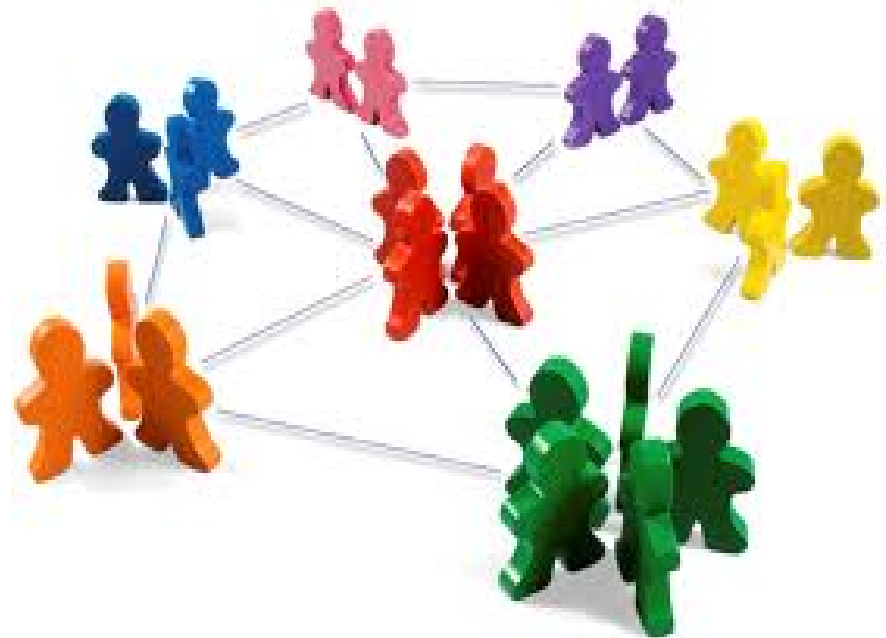
- To construct and operate harvesting and lumber manufacturing facilities to benefit communities by extracting more economic value from timber supplies and by creating and sustaining employment and business opportunities for members of communities.





# FPIinnovations involvement this past year with BC communities....

- Westbank
- Logan Lake
- Likely
- Lower North Thompson
- Campbell River
- Lardeau Valley
- Terrace
- Over 30 First Nation communities in BC through the BC First Nations Forest Sector Technical Support Program.
- Along with our traditional interaction with the Primary and Secondary Industries of BC.



# Potential For BC Community Forests



**FPIinnovations has a unique spectrum of independent expertise and a track record of innovation development & deployment**

Where do we go from here?

