



**Sechelt May 2008  
Wood Products Technical  
Support Program**

**Dave McRae / Jennifer Rice**

## The Forest

**A Sustainable  
Foundation for the  
Health and Wealth of  
communities**

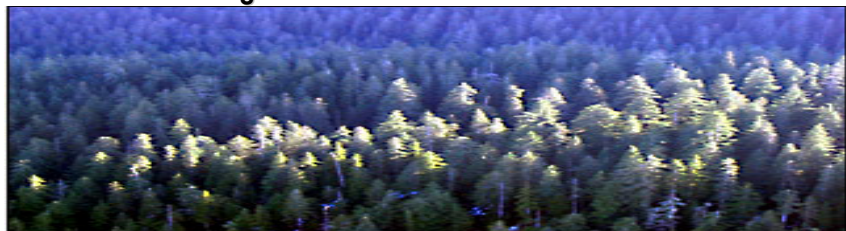
**An opportunity to  
address the many  
needs of  
communities**

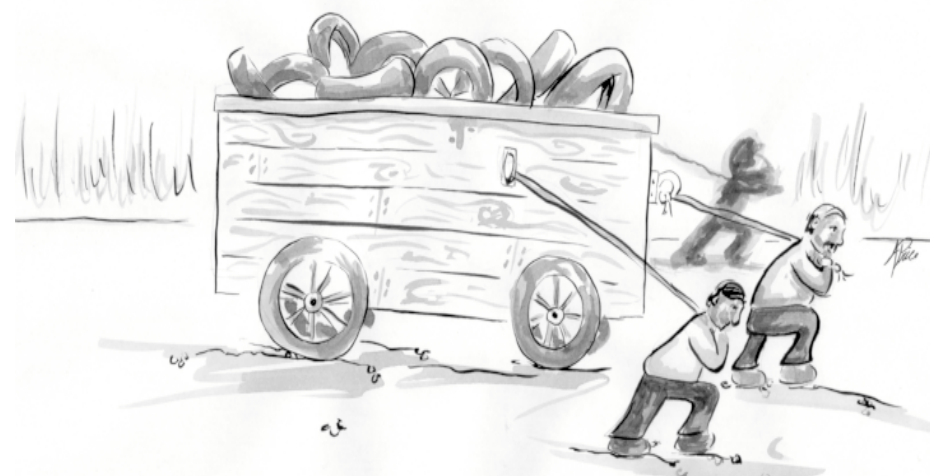


## The Secret to Sustainability

- wood fibre supply
- people
- knowledge
- technology
- markets
- products

**.... in the right combination**



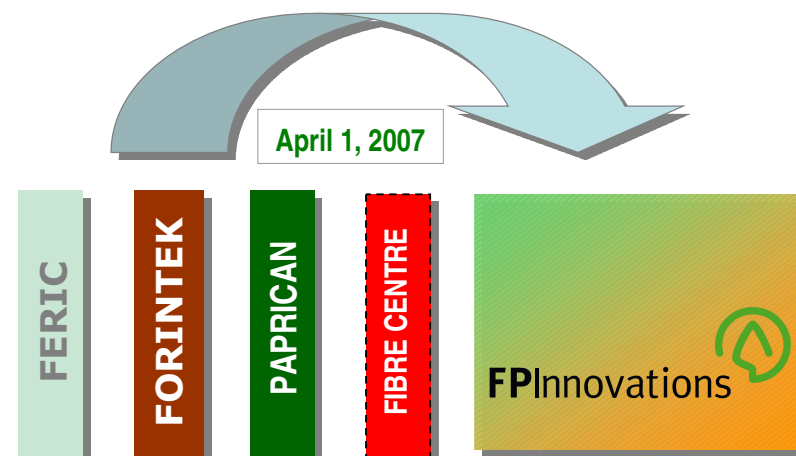


## What is FPInnovations?

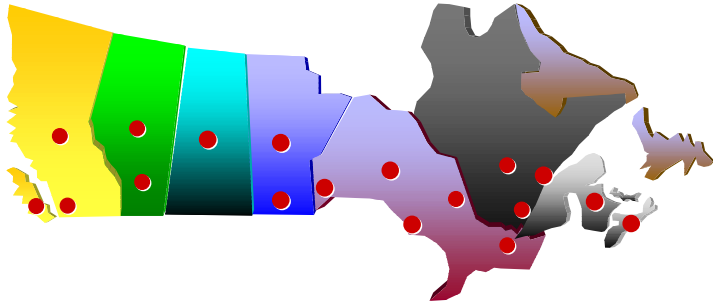
- Created through the merger of Canada's primary forest sector research institutes:
  - FERIC - Forest Engineering Research Institute of Canada
  - Forintek - Canada's national wood products research institute
  - Paprican - Pulp and Paper Research Institute of Canada
- Responsible for the technical direction of the Canadian Wood Fibre Centre of Natural Resources Canada



## Toward an Integrated Innovation System



## Offices Across Canada



## We Help You Improve Your Business and Develop New Products and Markets

Program available in BC

- Solutions for wood
  - Plant Visits
    - On-site Manufacturing Expertise
  - Technical Assessments
    - In-Plant Operational Advice
  - Market Intelligence and Product Knowledge
  - Technical Inquiries
  - Workshops and Seminars



[www.solutionsforwood.ca](http://www.solutionsforwood.ca)

## Our Industry Advisors Work Directly With You and Your Employees

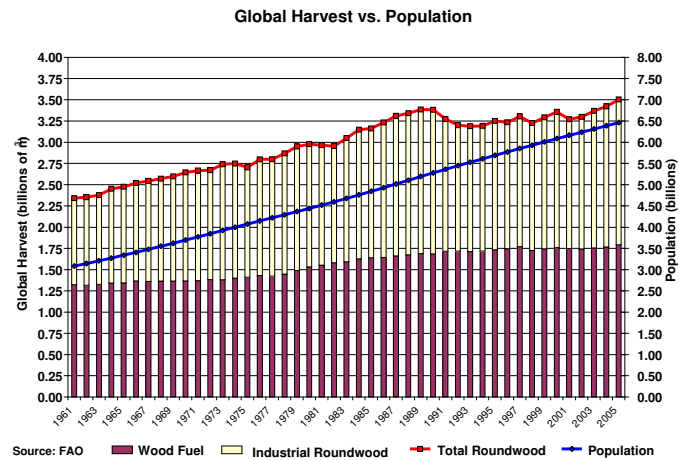
- Our manufacturing experience includes expertise in these key areas:
  - Remanufacturing
  - Wood Drying
  - Engineered Wood Products & Building Systems
  - Millwork
  - Furniture
  - Kitchen Cabinets
  - Log & Timber Frame Homes
  - Sawmilling
    - Portable Sawmills
    - Specialty Sawmills
  - Panel Products
  - Market Intelligence and Economics
  - **First Nations & Community Development**



## How is wood used?



# Trends in global forest fibre demand



## Softwood Lumber

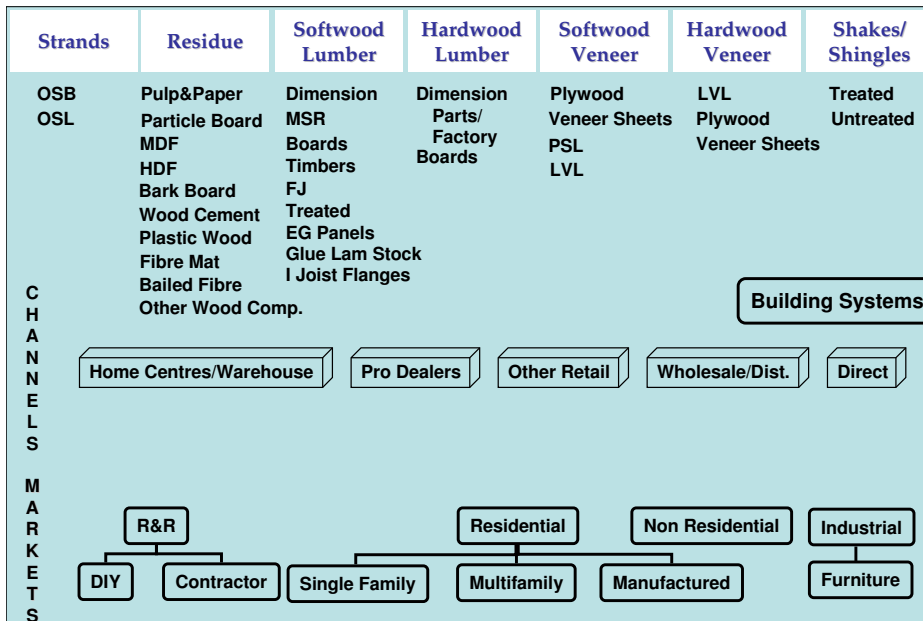
Dimension



Wholesale/Dist.

Residential

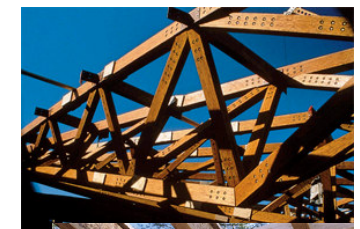
Single Family



## Wood Markets

### North American Wood Product Use

New Home Construction	22 bbf
Repair & Renovation	16 bbf
Commercial Construction	2 bbf
Industrial Manufacturing	13 bbf
	53 bbf



RISI

## New Homes



**\$2,065<sup>00</sup> Completely BUILDS AND FINISHES**  
**This \$3,000.00 Ten-Room Residence**  
 As Proven by Our FREE Plans, Specifications and Complete Itemized Bill of Materials.  
 THESE PLANS ARE FREE OF CHARGE TO YOU ON CONDITIONS EXPLAINED ON PAGE 5.

**MODERN HOME No. 102**

The house contains all necessary materials and labor as shown on list. The arrangement of this house is as follows:

**FIRST FLOOR:**  
 Entry, Living Room, Dining Room, Kitchen, 7' x 10' Porch, 4' x 6' Porch, 12' x 12' Porch, 12' x 12' Porch.

**SECOND FLOOR:**  
 Bedroom, Bedroom, Bedroom, 12' x 12' Porch, 12' x 12' Porch, 12' x 12' Porch, 12' x 12' Porch.

**THIRD FLOOR:**  
 Bedroom, 12' x 12' Porch, 12' x 12' Porch, 12' x 12' Porch, 12' x 12' Porch, 12' x 12' Porch, 12' x 12' Porch.

**FOURTH FLOOR:**  
 Bedroom, 12' x 12' Porch, 12' x 12' Porch, 12' x 12' Porch, 12' x 12' Porch, 12' x 12' Porch, 12' x 12' Porch.

**FIFTH FLOOR:**  
 Bedroom, 12' x 12' Porch, 12' x 12' Porch, 12' x 12' Porch, 12' x 12' Porch, 12' x 12' Porch, 12' x 12' Porch.

**SIXTH FLOOR:**  
 Bedroom, 12' x 12' Porch, 12' x 12' Porch, 12' x 12' Porch, 12' x 12' Porch, 12' x 12' Porch, 12' x 12' Porch.

**SEVENTH FLOOR:**  
 Bedroom, 12' x 12' Porch, 12' x 12' Porch, 12' x 12' Porch, 12' x 12' Porch, 12' x 12' Porch, 12' x 12' Porch.

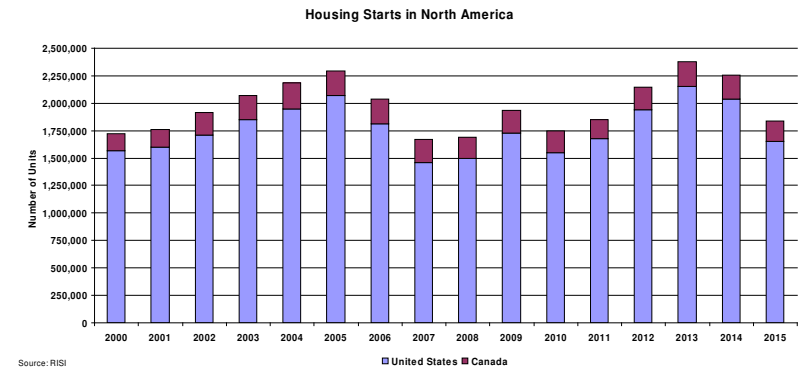
**EIGHTH FLOOR:**  
 Bedroom, 12' x 12' Porch, 12' x 12' Porch, 12' x 12' Porch, 12' x 12' Porch, 12' x 12' Porch, 12' x 12' Porch.

**NINTH FLOOR:**  
 Bedroom, 12' x 12' Porch, 12' x 12' Porch, 12' x 12' Porch, 12' x 12' Porch, 12' x 12' Porch, 12' x 12' Porch.

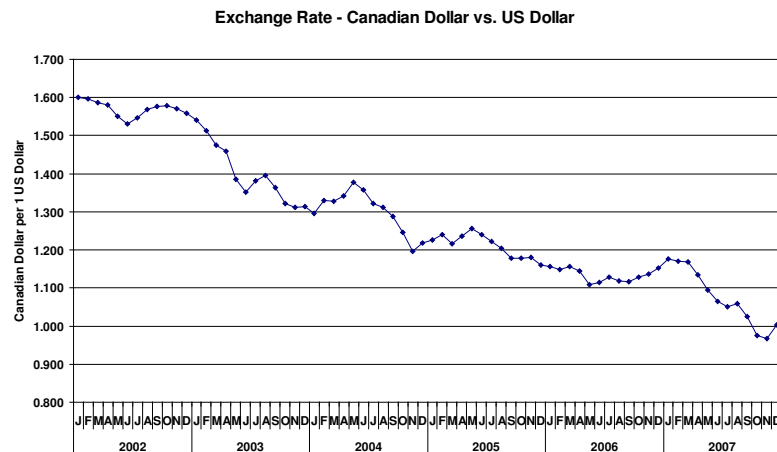
**TENTH FLOOR:**  
 Bedroom, 12' x 12' Porch, 12' x 12' Porch, 12' x 12' Porch, 12' x 12' Porch, 12' x 12' Porch, 12' x 12' Porch.

Write for particulars.  
 Beers, Rebeck & Co., Chicago, Ill.

## Housing Starts



## Currency Exchange Rate



## Building Trends

- Increased concentration in the U.S. home builder industry
- Growth in prefabricated building
- Move towards high quality lumber
  - Less waste, more dimensional stability
  - Willingness to pay more for quality

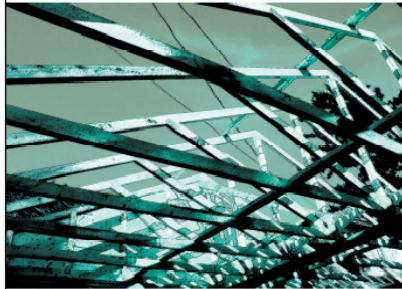


## Wood Construction Trends 2003/04



Forintek Canada Corp  
Markets and Economics Group

## Wood Construction Trends 2004/05



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Markets and Economics Group

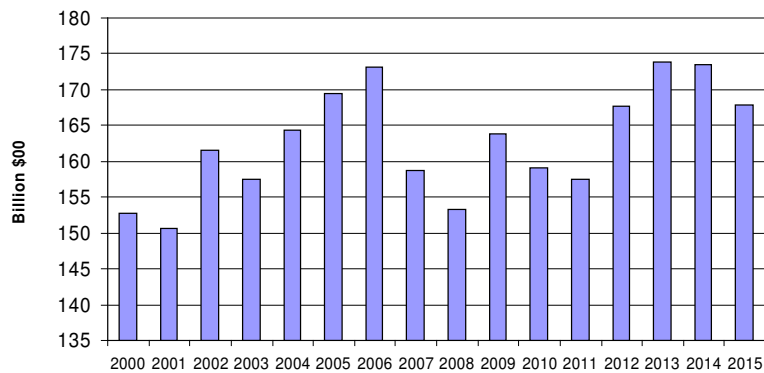
FPInnovations  
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## Repair and Remodelling



## Repair and Remodelling Expenditures

U.S. Repair and Remodelling Expenditures



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FORINTEK



FPInnovations  
FORINTEK



## Commercial / Institutional



## Manufacturing



## Mountain Pine Beetle

- Current increase in harvesting
- Lumber supply is much higher than demand
- By 2012 most mature pine in the province will be dead
- Harvesting levels will drop and housing starts are expected to rebound
  - If these 2 come together as predicted lumber prices could shoot up



## Tough Times

- The B.C. primary industry is currently being crippled by many factors
- This has a crippling effect on the secondary industry

**Where are the opportunities for  
Community Forest wood?**

## For More Information

### Websites:

- [www.solutionsforwood.ca](http://www.solutionsforwood.ca)
- [www.iforwood.ca](http://www.iforwood.ca)
- [www.fpinnovations.ca](http://www.fpinnovations.ca)
- [www.forintek.ca](http://www.forintek.ca)



Creating forest sector solutions

[www.fpinnovations.ca](http://www.fpinnovations.ca)  
[www.forintek.ca](http://www.forintek.ca)