

WoodBiz – Symposium on Wood Products Industries in Future Bio-economy Business

Summary of 7th and 8th
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Erkki Verkasalo
Coordinator of
symposium





Symposium Highlights - TARGETS

- Importance of wood products cluster in the European bio-economy
- Opportunities for business, markets, products, services, and sustainable consumption
- Implications of and effects to EU-strategic processes
- Networking at international level



Main findings – Plenary session

- **Renewal needed in forest-based sector (FBS): from supply-based toward innovation-based strategy**
- **Knowledge to innovations – model from USA!**
- **Is there any clear definition of bioeconomy?**
- **Bioeconomy reveals big changes – FBS to take leader role, in collaboration with other sectors**
- **Need to maximize forests' contribution while ensuring sustainability**
- **Governmental programmes recently launched, broader participation of society is not self-clear**
- **Across-sector collaboration needed – horizontal learning effects across countries**



Main findings – Plenary session

- **Expanding population, urbanization and growing middle-class drive strong housing and construction outlook globally - focus is shifting from maturing Europe and North America to emerging East and South Asia, also MENA**
- **Construction growth places a huge strain on global resources, challenges to material and energy efficiency of all building materials**
- **Wood has clear advantages – sustainably managed and renewable resource base, low energy & capital needs of manufacturing**



Main findings – Plenary session

- **Capitalizing the advantages of wood requires offering solutions, not only raw materials; bringing wood into building systems with other materials; rebuilding the competence of how to use wood in construction industry**
- **”Everything that’s made with fossil-based materials today can be made from a tree tomorrow”**

Some findings – Other sessions

- **FBS provides already now 30% of European bioeconomy and its role in employment and economic progress is significant – BUT: we have problems to identify esp. wood products sector in European bioenergy strategy**
- **Perception of FBS in Brussels is “special” and interpretation is controversial**
- **Nordic countries view the role FBS, but this is not legio in Europe**
- **Argumentation to benefit business works somehow, capitalization does not properly**
- **We need dialogue, pride, engagement, common will and paradigm shift will among wood products sector!**

Some findings – Other sessions

- **Glacial pace of innovations – fast-progress and slow-progress areas identified**
- **Far too few industries and forest owners are participating the EU projects**
- **Crucial role of science as a source of expertise – bioresources <—> biotechnology**
- **Global demand and supply drivers are keys, esp. in long-term – need monitoring**
- **Business targets: from volume to value**
- **Building with wood: opportunities and challenges are identified rather well -> but, make sure that the sector will be included in the definition of EU's sustainable public purchase codes – as a part of bioeconomy**

Some findings – Other sessions

- Encouraging digitalization in FBS – far from utilizing the opportunities (~other sectors):
SOURCING – PRODUCTION – DISTRIBUTION – CONSUMING – MANY LEVELS
- Good examples are available on the process of relocating wood products industries as a part of customer industries (end-uses), like when launching building with wood with transform or expansion of industry strategy
- Innovation, cooperation and integration make Finland a real pioneer in bioeconomy: the government has initiated many actions to move bioeconomy forward and meet the +15 Mm³ goal

Some findings – Other sessions

- **Big opportunities require big renewal: the companies need to know their customers' needs, understand market changes and make the business decisions**
- **Global bioeconomy partnerships – discussion forums by European and Nordic Bioeconomy Panels, Smart Specialization Strategy, Sustainable Biomass Regions Concept**
- **Bioeconomy includes producers and traditional wood-working industries! Ensure investments and a competitive and attractive rural sector, wood mobilization depends on a number of factors**



Some findings – Other sessions

- **Joint forest sector responsibility to raise public awareness of multiple benefits of forest management and wood use**
- **Lobbyists of FBS are present in Brussels, but the effects should be improved a lot – doing the right things in a right way?**
- **Future-oriented message should be: FBS IS AN IMPORTANT PLAYER PROVIDING SOLUTIONS IN BIOECONOMY – not being a part of bioeconomy problems!**

Some findings – Panel discussions

- **Increasing visibility of FBS: Nordic countries must forerun but appreciate FBS role in other parts of Europe (esp. the 10 newest member countries)**
- **Information more efficiently to EU officials**
- **Comments: messages are not missing, but the means how to do it – COMMON VIEW**
- **Bioeconomy sector vs. Cascading sector**
- **Brandowners have more power than governments -> regulations follow behind**
- **Megatrend: disruptive forces are hitting the industries (not only in digitalization) – from evolution to disruption (reinnovating business)**

Some findings – Panel discussions

- **FBS will be different in the future than now: motivation of people to the branch, good education, set attractive incentives (e.g., digi)**
- **Begin of our new industries, but other industries do not necessarily want us there**
- **Megatrend: disruptive forces are hitting the industries (and not only in digitalization)**
- **Opportunities: sustainably driven consumers, new construction business**
- **Questions and perceptions (1-5)**
 - **Is there understanding of digitalization among WPS: 2.5 to 4**
 - **Is WPS innovative in Europe: 3 to 3.5 (or: 1 to 5)**
 - **Co-operation of WPS with other industries (2 to 3-)**

Some findings – Panel discussions

- **Increasing visibility of FBS: Nordic countries must forerun but appreciate FBS role in other parts of Europe (10 newest, especially)**
- **Address information more efficiently to EU officials and parliament – comment: messages are not missing, but the means how to do it: is it realistic to achieve a common view?**
- **Bioeconomy sector \neq Cascading sector: Sectors of FBS are locating themselves in different ways**
- **Brandowners have more power than governments -> regulations follow behind**

Some findings – Panel discussions

Case building with wood:

- **country-to-country variation of building codes**
- **good examples useful in promotion**
- **professional training and incentives to those far from business are needed**
- **focus in combining wood with other materials (concrete)**
- **wood industry moving to a part of construction industry**
- **any means to set minimum official percentage of building with wood – national standards?**



Business forum

- **Four nice examples of success among SMEs – where product and service innovations are customer orientation are the basis**
- **Start-ups and spin-offs in a key role of implementing innovations to new business**
- **Better connections needed between large-volume industry and consumer products SMEs**
- **Next level of sustainability: well-being and health —> PERSONAL SUSTAINABILITY**
- ***Suggestion: Pan-european RDI-network / programme***



KEY MESSAGE

**Wood products
industries make a
strong European
bioeconomy brand**



THESIS # 1

Strong attention to wood products cluster in European industry policy and RDI programmes

Important role, positive direct and indirect impacts as well as development needs of wood products cluster to be acknowledged in the EU decision making and allocation of research, development and innovation resources – *necessary part of European bioeconomy.*



THESIS # 2

Growth oriented enterprises and networks to agile reformers of strategic and operational models of bioeconomy

Collaboration between enterprises, new industrial symbioses and strong RDI partnerships: value creation connections and innovation partnerships in business between export oriented wood products companies and integration with industrial customers.



THESIS # 3

Decision makers to foster intercourse between business and science

We need more diversification in collaboration between researchers and enterprises, development of open innovation ecosystems, hastening pilots and experiments and safeguarding of research funding.



THESIS # 4

Systematic education among wood products cluster to follow and foresee the needs and requirements

Development leap of multidisciplinary, entrepreneurially oriented building with wood expertise and -design education.



THESIS # 5

Attention to personal sustainability: well-being through wood products and service

RDI resources shall be allocated to indoor air and health effects of building and furnishing materials, structural solutions and living environments. People spend more than 80% of their life indoors. _and lots of euros are spent for health problems because of poor indoor air.



THESIS # 6

Focus in RDI to bioeconomy solutions toward renewal of wood products cluster

Expertise capacity to provide deeper understanding of customer behaviour, demand of products and service, supply and markets of raw materials. Growth potential from new business models, digitalization, cleantech, long-lasting and responsible products – using the benefits of sustainable raw material and transparent-life cycle analysis.

Luke planned WoodBiz in collaboration with

Finnish Ministries

- **MMM Agriculture and Forestry / Heikki Granholm**
- **TEM Employment and Economy / Reima Sutinen, Jussi Manninen**

Federations of Forest Cluster

- **Finnish Forest Industries Federation / Karoliina Niemi**
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- **MTK – The Central Union of Agricultural Producers and Forest Owners of Finland / Erno Järvinen**

WoodBiz planning team at Luke

Research staff:

Riitta Hänninen, Teppo Hujala, Henrik Heräjärvi,
Sirpa Kurppa, Leena Paavilainen, Erkki Verkasalo

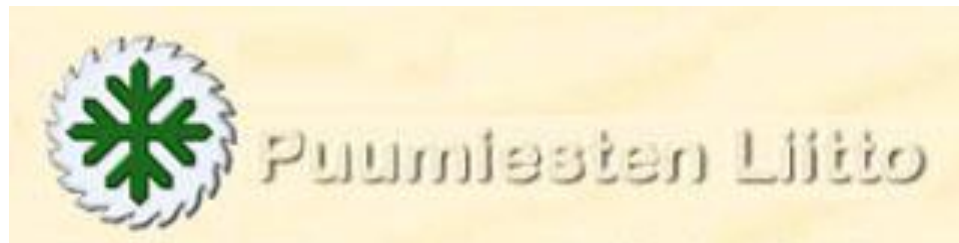
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Finally: we wish to thank our sponsors



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Thank you for all participants!

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