

Scottish Forestry and Timber Technologies Industry Leadership Group

11th February 2015 Apex House Edinburgh

1) Welcome and Apologies

2) Minutes of Last Meeting

Outstanding Actions:

- a. SG submitted proposals to the Smith Commission on VAT, not included in final report.
- b. AL reported that Ian Goudie has left Skills Development Scotland and AL intends to meet his replacement to discuss how SDS can help our sector resolve our skills and succession planning issues.

3) Updates

AL provided a summary of relevant activities in relation to the ILG and Roots for Future Growth.

Site Visits with Scottish Enterprise Senior Executives to key Industry players:

- a. AL reported that he and Martin Gale (MG) had hosted David Smith (Director of Technology, Engineering + Creative Industries, Scottish Enterprise) and Mark Newlands (International Sector Head of Technology and Engineering, Scottish Development International) to a number of visits to key players from our sector. The purpose of the visits was to reiterate the scale of investment, the level of technology and the opportunities for growth across the sector from the forest floor to secondary processors. Hosts included, Norbord, James Jones (forest site visit), Donaldson's Timber Engineering, BSW Dalbeattie, UPM Caledonian and John Miller Limited.
- b. A McKinnon reported that the initial reaction from David Smith was very positive and he was impressed with the scale and breadth of the supply chain. The next step will be for AL and MG to meet with David Smith to follow-up on the findings from the visits.

Sector Website (www.forestryscotland.com)

- a. GW through John Clegg Consulting Ltd has agreed to host the website to ensure continuity. Roland Stiven has been employed for a small number of hours per week to ensure the website is kept up to date, such as the most recent news items and key events dates. He is contactable at info@sftt.org.uk.

In Attendance:

David Sulman
David Norris
Andy Leitch
Stephen Good
Stuart Goodall
George Webb
Steve Harrison
Colin Kennedy
Neil Donaldson
Guy Watt
Alastair McKinnon
Robert Hairstans
Elisabeth Stark

Apologies:

Martin Gale
Cameron Maxwell
Tom Bruce Jones
Neil Stoddart
Sean Smith
Scott Gordon

- b. AL called for ILG members to make better use of the site to promote the sector and the work the group is doing.

Biotechnology Sector

- a. AL reported on the development of a roadmap for a Scottish bio-refinery being led by SE and Scottish Government. The key element for our sector is that one of the many feedstocks being assessed for suitability and availability is forest based materials. The Roadmap was launched on the 12 February and more information can be found at <http://www.scottish-enterprise.presscentre.com/Press-releases/Roadmap-set-for-Scottish-biorefining-industry-through-to-2025-752.aspx>.
- b. The process is at the early stage and there are many fundamental issues to be resolved before we know if and how forestry could be involved. In the meantime, we will carry out some research and analysis on feedstock availability and suitability.
- c. AL ensured that the ILG will be included in any further development and he has taken a seat on the Bio-refinery Development Group.

Technology Transfer

- a. Guy Watt (GW) has been asked to explore opportunities for transferring and or accelerating the adoption of technology that could improve profitability across the forest supply chain.

ConFor Regional Meetings

- a. SE has been asked to co-fund a new round of Industry Regional meetings. There was some discussion on the benefit of these events. It was agreed they still added value, but there was an opinion that some of the events should be targeted at professionals from further up the supply chain, such as architects and construction. There may be future opportunities to host joint events with the Construction Innovation Centre.
- b. SG keen that thoughts are fed back to regional boards, as these groups decide on the agendas for the meetings

4) Discussion on draft report 'A Traditional Material with a Modern Future'

- a. GW introduced the draft report. Overall, there was agreement that the report is well produced and written. It was also noted that there is clear evidence for potential growth in the sector. There was some constructive feedback including a concern that the significance of the panel industry and the timber frame industry should be brought out more by the report. There is ongoing work on off-site timber construction that could be included in the report.

- b. **Action point:** GW to contact the STA who will have figures on growth of the timber frame sector. **Action point:** GW to try and draw out how much timber frame has been used in social and private housing.
- c. The group discussed the reasons why larger house-builders in England have been reticent to increase the number of timber frame houses they build. Issues raised centered around perceptions of timber frame properties, risk, and the investment required. Noted that the growth in the housing market, particularly in England should lever an increase in the timber frame market regardless.
- d. There was some discussion on what should be the priorities for the sector in timber in construction:
 - i. Offsite construction with timber.
 - ii. Adding value to home grown timber through product and system innovation.
 - iii. Maximizing the potential for massive timber systems. Further work is required on some timber systems, their manufacture and assembly. This includes educating the construction sector on the benefits of these systems.
- e. There was also discussion on to what audience is the document targeted. The final report should be used to get the message across to the construction industry that timber provides a sustainable solution. However, the report should be aimed at any audience that may have an interest in adding value to the forestry supply chain.
- f. There was a suggestion that as well as the report the ILG should consider producing an Infographic like those produced by other sectors.
- g. It was suggested that we should explore how our ILG and Construction Scotland could work more closely to deliver common objectives.

5) Other potential Projects

- a. AL explained that he and Steve Harrison (SE Project Manager) had been working on outlines of other potential projects that contribute to the objectives of Roots for Future Growth. Steve has been extremely helpful to the sector in the last few years. Steve presented the conditions on where SE would and could provide support to the sector. He then outlined a number of potential projects based on recent discussions with AL and others:
 - UK Timber Frame UK market development – seeking ways to help increase market share thus increasing opportunities for home grown timber.
 - Carbon Fund for Productive Forestry - £50M from European Investment Bank, further discussion required with Green Investment Bank to investigate opportunity. **Action: Steve Harrison and Elisabeth Stark.**
 - Technology for Forest Health & Resilience (with Innovate UK) – Bringing together technology from Scottish sensor/remote sensing companies and the forestry sector to explore opportunities for better management of tree health issues.
 - Wood heat – Looking to produce an Economic Baseline for this segment.
 - Forest Residue Economic Extraction – In order for informed decisions to be made about the appropriateness for forest based products to be used as feedstock for

any biorefinery developed in Scotland we need to have a greater understanding of the biotech properties of all potential feedstock and the cost of supply.

- Technology to improve quality and evaluation of timber at the forest floor – Exploring new and existing technology to improve efficacy and effectiveness of this activity.
- Technology Landscape for Forest Floor activities– As directly above.

- b. It was agreed that all of these topics were pertinent to adding value to the forest and timber technology supply chain. AL and Steve Harrison will develop the project proposals further and then seek small numbers of volunteers to act as a steering group for each project.

6) Next Meeting

- a. AL reported that it was still the intention to change the structure and frequency of the meetings to 2 large meetings per annum and smaller meetings based on topics and project governance. As Martin Gale wasn't present there was no definitive decision at this time, but it is likely the next full ILG meeting will be in the autumn and will be structured round a seminar in the morning with a strategy focused meeting in the afternoon. It is intended that we invite the relevant Scottish Minister(s) defendant on the main topics and final meeting structure.
- b. AL also reiterated that any working group set up in association with a topic or project will have clearly defined terms of reference and timescales. These Groups will not be successful without the full co-operation on industry representatives.

Action: AL to inform ILG of date and structure of next meeting.

7) A.O.B

AL informed the meeting of impending changes to FCS staffing:

- Bob McIntosh will retire at the end of February.
- Jim Dewar will be taking up the post of Head of Policy in the next few weeks.
- Cameron Maxwell, Head of Business Development, will take up the post of Conservator for Perth and Argyll, his successor will be recruited shortly.