



NZ Pine Manufacturers Presidents' Report – By John Lemm

It is hard to believe that yet another year has passed and the PMA's AGM is upon us once again. While it has been a difficult year in many respects, on contemplation it is pleasing to note that there have been some highlights in the 2010/2011 year.

Of note was the combined PMA WPA conference which was held in Nelson in July of this year. It is heartening to see the two associations working together in order to create positive outcomes for all members and there was a reasonably high level of enthusiasm and optimism from the participants about the direction in which the industry was heading.

I am sure all members will agree that trading conditions have been difficult and at the conference there was a focus on the value added opportunities for timber product producers. Export market opportunities for value added timber products are still there, however, they require development time and effort in order to achieve successful outcomes. One of the lessons learnt by PMA members who travelled on a fact finding mission to India late last year was that the industry needs a focused, cohesive and professional marketing strategy and more involvement in downstream distribution chains. As members we need to create opportunities not only for our selves, but where practicable, for products that other member companies are producing by collaborating with them in order to achieve the best results for all concerned.

Our industry can learn lessons from countries such as Chile who have substantially out-performed us in terms of exports. Low value logs have become an ever increasing proportion of our total exports. Approximately 30% of our total forestry export value is in logs whereas Chile exports less than 1%.

On a more positive note, it is heartening to see that there is progress being made with a WoodCo led timber industry strategy - milestones and timelines have been agreed upon by participants and this can only be of benefit to the industry as a whole.

The Executive Council meetings continue to be a positive forum for robust debate about the industry and the way forward for our members. I would like to take this opportunity to extend my thanks to the council members for the time and effort they give so willingly to participate in these meetings. Thanks also to the co-opted members for their invaluable assistance and guidance.

I would like to welcome and acknowledge the companies who have joined the PMA in the past twelve months. The strength of our organisation lies not only in numbers, but in the knowledge and ideas that you and our existing members bring to the table and provides us with a united and cohesive approach to the difficulties that we all face within our industry. I would encourage you to contact any executive member to discuss issues or ideas that you may have which effect you directly or the industry as a whole.

Finally on behalf of all members, I wish to extend our thanks to Lawrie and Debbie for their outstanding efforts in managing the PMA's activities and finances throughout yet another year.