

# ShortCuts

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SMF'S NEW CEO ANNA FURNESS:

**"WE'LL BE SEEN  
& HEARD MORE"**

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CONSERVATION IN PRACTICE | BETTER WORK ENVIRONMENT  
QUESTIONS ANSWERED ONLINE | SCARIFICATION TRAINING COURSE

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THANKS JAN!

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CEO CHARLOTTE BENGTSOON: **"OUR RESULTS MUST HAVE GREATER IMPACT"**



# DEMO TRACK SHOWS CONSERVATION IN PRACTICE

Can commercial forestry be combined with preservation of important natural values? A field experiment at Effaråsen aims to find out. The forest now also has a demonstration track for anyone interested, and there is an online field guide to the track.

**The forests around** the Effaråsen in western Dalarna form part of an extensive area of old pine forest. These forests contain burned wood, snags, and old tar-impregnated pine logs, which are important substrates for a large range of species. Many of them are also dependent on dis-

turbances – fire, storms and natural mortality.

On the 140 hectares, the landowner, Bergvik Skog, together with Stora Enso, the Swedish Forest Agency and Skogforsk, is testing whether forest biodiversity can be preserved in a commercial stand by retaining

different levels of unlogged patches and actively create dead and dying wood.

The area now has a 2.5-km demonstration track that takes the visitor through undisturbed forest, forest where natural values have been created artificially, and forest with varying scales of logging activity. Part of the forest has also burned.

“Our ambition is that the track will be used by both forestry professionals and the gene-

ral public, and will demonstrate various goals of conservation,” says Line Djupström, researcher at Skogforsk.

**The demonstration track is available at**

[www.kunskapdirekt.se/effarasen](http://www.kunskapdirekt.se/effarasen). There is also a field guide with maps suitable for mobile telephones at <http://arcg.is/1Bvt9q6>.

## BETTER WORK ENVIRONMENT

**How can** the work environment be improved for operators working with forest fuel? A new set of slide shows demonstrates how accidents can be prevented, noise reduced, and working positions improved.

For several years, researchers,

operators and contractors have collaborated on examining the work environment in forest fuel production, and the research has generated interesting findings.

To make the knowledge accessible, and to emphasise the importance of a good work envi-

ronment, Dalarna University has produced six slide shows with associated advice and recommendations. The slide show is aimed at operators and contractors, and their clients.

The material is available at [www.du.se/arbetsliv\\_skog](http://www.du.se/arbetsliv_skog).



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QUESTIONS  
ANSWERED ONLINE

Ukonf15: 4 cities, 8 days, over 700 visitors, 25 presenters, hundreds of questions from the public, 131 tweets, hundreds of Facebook likes, a Spotify list. During Ukonf15, Skogforsk researchers received a large number of questions via Twitter and text. Not all them could be answered from the stage, but all the questions and answers can now be read online at skogforsk.se.

More questions? You find contact information to the researchers next to each question.

# NEW RECO TRAINING COURSE IN SCARIFICATION

In April, Skogforsk started arranging RECO\* courses in scarification, with one training package for operators and another for clients. The courses are a sector-wide initiative to improve quality and profitability in scarification activities.

Every year, 185,000 hectares of land are scarified in Sweden. The work makes heavy demands on the machine companies' pre-



Tomas Johannesson manages the RECO Scarification initiative.

planning, operation and equipment.

"We're helping the operators to work more effectively, and with less negative impact on the environment," says Skogforsk's Tomas Johannesson, who is leading the initiative. "The courses also include machine settings, mechanical knowledge and various working methods adapted to soil and terrain conditions."

However, clients who purchase scarification services, such as forest companies or FOAs (Forest Owner Associations), also need to improve when it comes to ordering the service and giving contractors sufficiently good information for planning.

To strengthen the dialogue between clients and contractors, Skogforsk has held regional collaboration meetings with invited experts representing both sides. The outcome from the meetings



forms the basis for the customized courses.

"We also hope to improve the dialogue between the parties in the landowner-client-contractor chain," says Tomas Johannesson. "One of the things we do is raise the issue of both visible and hidden costs associated with work quality."

\* RECO stands for Rational Efficient Cost Optimization.

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ORGANISATIONS INVOLVED: Bergvik Skog, BillerudKorsnäs, Bracke, Holmen, Forestlink, SMF Swedish Association of Forestry Contractors, Mellanskog, Norra Skogsägarna, Norrskog, SCA, Skogforsk, Skötselskolan, Stora Enso, Sveaskog, Sydved, Södra.

“Yes, we’re facing challenges,” says Anna Furness. “But we do have an ace up our sleeve – we work with solar-powered, sustainable products and, if we play our cards right, we have every chance to present ourselves as a modern sector for the future.”

*Text & photo: SVERKER JOHANSSON | sverker@bitzer.se*

SMF'S NEW CEO ANNA FURNESS:

# "WE MUST ALSO SIT IN THE DRIVING SEAT!"

**“Skogforsk should** evaluate existing profit-sharing models and other financial business tools in order to facilitate implementation.”

Anna Furness has a clear message. SMF Skogsentreprenörerna, the Swedish Association of Forestry Contractors, of which she has been CEO since last autumn, believes strongly in the forestry sector and wants to develop it.

“Naturally, SMF wants to help create and develop a greater number of professional contractor companies,” she says. “But we must also be seen and heard more, and take greater responsibility for the sector as a whole – we must also sit in the driving seat! The sector’s image is, for example, a survival issue, and we must help to improve the situation.”

#### **Is this a change of direction for SMF?**

“It does involve quite a big cultural shift,” admits Anna Furness. “Everyone in the sector, including us, routinely talk about the forest contractor as a somewhat reactive practitioner. That’s totally back to front. A contract involves commissioning a professional to take responsibility for many complex issues. Ninety percent of the operative work is contracted out, which means that the forestry contractor plays a key role in what we call ‘forestry’.

“So we need to take a step forward as the important player we are in the sector. Accept our responsibility. Today, a forestry contractor is a skilled, responsible business player with just as much expertise in finance and commercial law as in environmentally sound logging – yet far too many contracting companies are in the red!”

Exactly – and it’s not always easy for contractors to recruit staff. How important is it to disseminate your new strategy?

“Very important. It’s no coincidence that the phrase ‘a well-respected sector’ is part of our message. And this is something I feel the forestry sector has avoided far too long – clearly we have to help to take greater responsibility for the image of the sector; the forestry industry is a solar-powered sector for the future, with many attractive features. We must get that message out into the societal debate. We only get the labour we can attract.

“The new generations make demands, they assume a good workplace with a good boss, and they also want flexibility and an Internet connection. To some extent, offering an attractive sector and workplace is also a competitive factor in the contractor chain. Those who set up an attractive workplace get the labour they deserve.

“Apart from this, ‘together’ is an important key value word that permeates our new strategy. On many forums our profile is now higher than previously, and we are the voice and experience of the forest contractor on sector councils, on lists of consultation bodies, and in developing various EU directives. Yet there are important groups in Skogforsk where we are not yet represented, despite the key importance of collaboration in implementing new technology and more efficient methods.”

#### **What’s your view on driving implementation in small companies?**

“Our common challenge in the sector is to drive implementation. It’s an expensive and

slow process but, if the sector can shave a single year off the seven it takes on average to implement new technology, then that’s a big step forward. And when there is so much money to save, contractors and their customers must collaborate. If a contractor is to make a big investment in new technology, the parties must agree on longer contracts with a closer relationship, where the gains from improved efficiency are shared appropriately.”

#### **And in the longer term?**

“After a while, the technology is seen as standard, and then the supplier is faced with the constant dilemma: to remain under contract at least until the investment starts to generate a return. Here, both parties have to compromise.

“I really think that Skogforsk should evaluate existing profit-sharing models and other financial business tools in order to facilitate implementation. We often get stuck in a ‘now all we have to do is implement this’ mentality, which was heard a number of times at Ukonf15. It’s a very passive attitude and trivialises the work of a contractor. So far, it has been a no-no for Skogforsk to get involved in the forestry contractor’s business methods, but why not put the final piece of the puzzle in place and work with the whole picture? Everyone would benefit.

“Knowledge about contracting is certainly not trivial knowledge! Contractors today must be skilled businessmen, used to negotiation, good leaders, motivational... and most should also be expert machine operators. It is, to say the least, a complex role. And nobody’s born with such a wide range of skills. The →



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## SMF's new tasks and business concept

### SMF will

- Work to ensure that the members of the association are professional, profitable and independent businesses
- Actively work to generate and develop professionalism in contractor forestry
- Actively work to generate and develop professional forestry and its good reputation

SMF offers advice, support and training, both to members and to other players in the forestry sector. SMF represents forestry contractors in sector collaborations and forums that are responsible for developing commercial forestry in Sweden. Through the wholly-owned subsidiary, SMF Certifiering, SMF offers contractor certification according to the PEFC standard.



same applies for the purchasers who procure these complex contracts – the required skills don't come naturally – quite the opposite in fact. The sector has a general need to become more professional on these matters.

“The whole sector has been based on contracts for the past 25 years, but unfortunately we're still not particularly good at managing them. There are major shortcomings, both in terms of the specific business methods and legal aspects of contracting. The value chain in forestry is quite fragmented, and one possible solution is vertical integration in various chains. From both legal and financial perspectives, it would be interesting to examine whether these chains can be made more efficient.”

### Vertical integration?

“In a single business contract, the forest owner actually has several underlying sub-contracts involving planners, road-builders, one or two logging contractors, brushwood removers, scarifier contractors, and a couple of conservation contractors. So there may actually be many sub-suppliers involved who, in turn, sometimes commission others. In legal terms, this situation is very difficult to manage,” explains Anna Furness.

“If the forest owner is dissatisfied with something, in practice it's currently unclear who is responsible, partly because all the links in the chain are dependent on someone else's work. Today, we use the term turn-key contracts, but in actual fact the sector is more based on general contracts with many small sub-contracts. But I still feel that the financial aspect is an even greater reason to look more closely at vertical integration.”

### More value – for everyone

According to Anna Furness, this is a chain that could be made more efficient, while also generating greater value for all parties involved.

“I wonder if the forestry sector really wants it like this, where many small contractors

“The forestry sector has avoided this far too long – clearly we have to help to take greater responsibility for the image of the sector.”

each manage a small part of the forestry chain. It's perhaps easier to keep costs down in terms of kronor per cubic metre or kronor per plant. But do you really get the quality you want? Do the links in the chain hold? Is the chain unnecessarily weak? And do we calculate what the entire chain actually costs?”

### Could you explain that?

“Today, the clients are highly invested in the same knowledge as that applying on the contractor side. Is that really necessary? You don't sit in the hairdresser's chair and have an opinion on the type of scissors he's using.

“No, I'd like to see forestry clients dare to recognise and trust that the contractors are experts in their fields. Naturally, forestry must have skilled clients, but there shouldn't need to be many clients out there who, on paper, are expected to know everything better than the contractor, apart from possibly operating the machine. And the contractors must also show that we can take that responsibility.”

### Purchasing departments with strategic procurements

“Forestry clients have specialists who buy electricity on the spot-price market, they buy machines, construction, maintenance, and so on. They also procure a lot of contractors – often in a comprehensive system where a strategic percentage of contractors are commissioned over a long period, some for short periods, and others procured when necessary.

“But they don't buy forest products, the logging chain and its flows, which account

for most of the forestry product price. These parts are procured by forest professionals, most of whom have some kind of forestry qualification. But I suspect that business studies is still a very low priority on the forestry-based educational programmes.

“As always, you have to be humble, because everything has an explanation. For decades, large-scale forestry has invested in this solution with SDC, its own logistics programmes, and forestry professionals who even scrutinise the contractors' operational and production economy. But I certainly believe that the model can be discussed and made more effective.”

### Trust – or better agreements?

In view of the shortcomings in the forestry business chain, Anna Furness also questions Skogforsk's view on how contractors' business relations should be developed (Ukonf15, see also ShortCuts 1/2015).

“Skogforsk argues that the business relationship must be based on trust. Of course trust is needed in a long-term business relationship, but the question is, which is the chicken and which is the egg? I feel that the strongest platform on which to build involves carefully-planned, sustainable business agreements. Otherwise, sorting out what went wrong when the going gets tough will remain diffuse and difficult.

“Of course trust and an open discussion climate are important – but, if I had to choose, I think the basis must be a solid and successful agreement that governs the contract.”



CEO CHARLOTTE BENGTSSON:

# "OUR RESULTS MUST HAVE GREATER IMPACT"

"We're now going to work more proactively – our results must have greater impact to ensure a positive effect and to make a significant contribution to a better future." *Text & photo: SVERKER JOHANSSON | sverker@bitzer.se*

Charlotte Bengtsson is clear about what she wants. She is regarded as being skilled at putting things in context and asking the right questions. A strong personality, roots in the countryside, civil engineering qualification, extensive experience as a researcher, and the previous post as head of SP Wood Technology have given her a strong platform.

She has also just returned home after a countrywide tour where she discussed tomorrow's challenges with many Skogforsk members. She's now ready to go.

"Forestry is perhaps the most important sector in the transition to a sustainable

society," says Charlotte Bengtsson. "Together, the sector, decision-makers and the academic world must raise their sights and sell the image of a bio-based future. And to do this Skogforsk must be able to work with broad syntheses.

"For me, it's also a matter of personal motivation. I want to be part of this work, because I believe so strongly in the forest as a resource."

#### **What is the first step?**

"Skogforsk must have a clearer vision. What could the outcome be if we do our best? If we

compile everything we already know, if we map the greatest potentials, and raise our sights, think innovatively? We can then formulate a vision and, with it, a strategy."

And certain things are already ready in position, according to Charlotte Bengtsson.

"We're definitely moving towards a more interdisciplinary way of working," she says. "Skogforsk already offers some of the solutions to the future challenges facing society, and this means we must be even better at collaborating. If we can successfully set up close partnerships with other competent players, together we can position ourselves correctly.

"And we must continue to be the important link between academia and industry. Our place is at the cutting-edge and we must keep our finger on the pulse of where development is leading. But we must also be able →

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## “Forestry is perhaps the most important sector in the transition to a sustainable society.”

to constantly initiate, deliver and, not least, help implement innovations in the operative activities. Previously, Skogforsk has worked with R & D, research and development, but I am more used to the expression R & I, research and innovation. I want this to be our natural way of looking at our activities.”

Charlotte Bengtsson mentions the challenges: that the forest will be used in so many more ways than is the case today, where both productivity while minimising environmental impact must have their place, and where the forest is a part of mitigating the climate problem and building a sustainable society.

“So we must also be proactive in terms of making our research results beneficial,” she says. “I get so frustrated when usable scientific results do not penetrate the background noise of information.”

She mentions Mistra Future Fashion from her time at SP – a research programme aimed at developing sustainable textiles and fashion based, for example, on forest raw material.

“There we worked with behavioural scientists, economists and designers. And if you are

sparring partners for a sufficiently long time, you finally start to speak the same language. It generates a tremendous amount of energy, shaking up both yourself and your surroundings.

“Skogforsk already covers much of the forestry sector, but now I’m saying we should cover even more. What an exciting thought!”

### **What is the most important factor in achieving this?**

“Resources is perhaps the predictable and slightly unexciting answer. Continued strong support from the forestry and the state. We need the stable platform and continuity that the framework programme gives us, and both in-depth and broad knowledge. This enables a constant renewal process that makes us attractive when it comes to building strong consortiums, and thereby becoming more efficient at solving the challenges we are facing.

“A stable funding platform also helps us in our other major success factor: attracting the other fifty percent of our funding that comes from consultancy commissions and research funds. On our own merits, of course.”



## THANKS JAN!

After four decades spent serving the forestry sector, half of which as CEO of Skogforsk, Jan Fryk was given a warm send-off in an excursion with the theme 'Past – Present – Future'. Production gains from tree breeding, benefits of larger trucks, smarter sorting of timber, quality assurance of wood value, conservation, and gentle forest operations were on the agenda on a beautiful spring day in the forest.



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