

SetraNews

May 2012

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Time for wood

SUMMER IS THE HIGH SEASON for woodworking. Many use wood to start turning their dream project into reality. A bigger patio, new cladding for the summer cottage or maybe a conservatory to huddle up in when the evenings get colder...The fact that interest in the fantastic and multi-faceted material, wood, reaches a seasonal peak in the summer can be clearly seen in the building materials trade. And especially at Setra's processing units which are now running flat out to meet demand from our customers.

That we are heading in the right direction with our new building materials trade concept, with its focus on our own wood products and new and effective distribution solutions, is something about which we are totally convinced. We are receiving a positive response from our customers who are showing a great interest in our products. Our factory-painted exterior cladding, Setra Fasadpanel, which we launched last season, is now established in the market and we can see a steady growth in demand. A pre-painted cladding gives greater freedom to replace claddings – all year round. It can be comforting to know that some of the summer's carpentry projects can actually wait until the autumn ...

IN THIS NUMBER of SetraNews we visit Skutskär where final preparations for the coming high season are fully underway. We also take a closer look at finger-jointed products from Setra Rolfs. A technique that provides high stability, better strength and low risk of cracks forming. Have a good read!

Börje Bengtsson
President and CEO, Setra



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NEW CEO FOR SETRA

SETRA Johan Padel has been appointed as Setra's new President and CEO. He will succeed Börje Bengtsson who is retiring in the autumn. Johan Padel was most recently Managing Director of Moelven Timber, which is part of the Norwegian-owned Moelven Group. His previous positions include Managing Director of IKEA's subsidiary Swedwood Latvia Ltd and Managing Director of AssiDomän Hasselfors Trä AB. Johan Padel also has many years of experience from the marketing side of the wood products industry.

"I am looking forward to the challenge and the continued work of

further developing one of Sweden's largest wood products companies. Setra is today a stable company with well-run production units. I am convinced that the wood products industry is heading for a positive future and that Setra has the potential to take a leading position along that route," says Johan Padel who takes up his new appointment in August 2012.

Johan Padel,
new CEO of
Setra.



Setra a career company of the year



AWARD From among 1,000 companies the Swedish business daily Dagens Industri has chosen Setra as one of the most attractive career companies in 2012. This is a list of 100 companies that stand out from the crowd by offering unique challenges and really exciting career opportunities. Other career companies include Google, IKEA, Arla and Ericsson, as well as several smaller companies, authorities and municipalities.

GROOVED DECKING NOW AVAILABLE IN GREEN

NEWS Setra's brown decking with and without grooves soon became a real patio favourite. In time for summer we are now offering the classic green decking timber with grooves. Since grooving reduces the risk of slipping it is perfect for steps, on jetties and all types of deck where a sure footing is important. The green grooved decking is made from carefully chosen raw material at Setra's unit in Skutskär.





Norrland pine makes play parks safe.

Setra Rolfs is in on the action

QUALITY Ever since 1948 the company HAGS Aneby AB in the Swedish county of Småland has given children all over the world opportunities to play and have fun. The company focuses on products with technical advantages, high quality and unique design. The wood raw material for the posts that are part of the play park equipment are purchased from Setra Rolfs in Kalix.

“Of course there are sawmills closer to here,” says Anders Hermanson who is purchasing manager at HAGS Aneby AB. “But to be able to guarantee the high quality which we are known for, the choice of components is decisive. Norrland pine from Setra Rolfs keeps its promises and meets our high requirements for strength and useful life.”

VilmaBas gives wood products an identity

PRODUCTS The first Swedish industry-wide database, VilmaBas, was launched last year. This comprises a base assortment of wood products which today totals 416 items. What is unique about this database is that the products are carefully described based on 22 different attributes such as thickness, strength class and grade. This combination of attributes gives the products an identity which is described in an attribute declaration. Previously there was no common approach to how article numbers, names and attributes should be described for wood products. Nor was there a product list for sawn and planed wood products for the construction industry.

At the moment work is underway to develop rules and recommendations for



how the timber packet should be labeled and what type of barcodes should be used for this. Transport labels must also be defined so that the entire supply chain and logistics process can be quality assured.

The VilmaBas regulations are being developed by the industry council Vilma of which Setra is a member. Read more at www.branschradet-vilma.se

CURTAIN UP FOR GLULAM FLOORS

GLULAM The Spira cultural centre in Jönköping, the city's new meeting place for music, theatre and dance, was inaugurated on 11 November last year. Here Småland's Music and Theatre puts on performances in several different genres and every year they expect to offer more than 800 concerts and performances on the building's four stages.

The extreme pressure in a busy culture centre naturally makes special demands, not least on the stage floor which must withstand the wear and tear involved in changing scenery and props. This is why they chose a durable glulam floor from Setra Långshyttan for the entire stage. It is robust and springy at the same time and fits in well with the building's clear environmental profile.

Gert Wingårdh and Jonas Edblad at the architect firm Wingårdh have given the Spira culture centre its character and unique design.



A durable glulam floor adorns the stage in Jönköping's cultural centre.

DID YOU KNOW THAT ...

... Setra's total consumption of biofuel for timber drying last year amounted to 545 GWh. This corresponds to the heat value in about 747,000 cubic metres of bark. Stockholm's Ericsson Globe, the largest spherical building in the world, holds 605,000 cubic metres.

Skutskär ready for high pressure!

Setra's unit in Skutskär is ready for the coming high season. A new logistics solution means that the facility is better prepared than ever before to serve the building materials trade and meet demands for optimised deliveries.

TEXT: KATARINA BRANDT PHOTO: CHRISTIAN LJUNG



In the new picking store Setra's own products from the units in Skutskär and Valbo which are just some tens of kilometres apart can be jointly loaded.

Johan Johannesson and Betty Malmo see how the shelves are filled in the new picking store.



WHEN THE LIGHT RETURNS and temperatures rise something happens inside us. Suddenly turning those building plans you have thought about over the winter into reality becomes an attractive prospect. Of course this leads to an enormous rush of customers to the country's timber yards and builders merchants. For Setra's salesperson Betty Malmo and her colleagues at customer support in Skutskär these are hectic times. The unit has become something of a logistics centre for the Wood Products business area which will be obvious in the months ahead when 60% of the year's production is delivered.

Hub in the new logistics solution

Work is fully under way in the new picking store. Maria Olsson has her first working week and is manoeuvring the truck with an experienced hand. Here the shelves are to be filled with the products that are most in demand. Today these total about 30 different items.

"We always have a listening ear to the market and note that the trend is towards the customer wanting everything delivered on the same vehicle," says Johan Johannesson who is head of Setra's Wood Products business area. "Since our customers do not take in as much stock as before, demand for just-in-time deliveries has risen."

The picking store in Skutskär will now be the hub of Setra's new logistics solution for wood products. This will increase co-operation between the units in Skutskär, Valbo and Långshyttan. By collecting the most requested products from these units under one roof, the building materials trade will be given an even better offering of optimised deliveries.

"The idea behind the new picking store is that we will be able to jointly load our own products both here from Skutskär and from the planing mill in Valbo which manufactures floors and claddings. We will also offer the most frequent products from Långshyttan's glulam assortment," Betty explains. "We note that our customers want everything delivered on one and the same vehicle. This saves money and shortens delivery times. Furthermore, well-planned transports are good from an environmental perspective."

Another difference compared with previous years is that customers have reviewed their timber lengths. Now every length in a product corresponds to one article number. In the autumn the product range will be adapted to the new VILMA standard with information to customers in good time before the changeover. One example is new profiles for exterior

claddings where the board will have a different thickness. In addition the target moisture content has been changed for joists and claddings. This will now be 16% instead of the former 18%.

"We try to manage the products on the basis of our customer orders. At the same time as we increase the number of items, we have limited space which must be used in a smart way."

"Thanks to an increased level of value added, the building season is extended and new opportunities for building are created"

Setra's customers for wood products from Skutskär are Swedish building materials hypermarkets primarily in the expansive Mälardalen region. No products are exported in contrast to the unit in Valbo where half of production is sold to Germany, the UK and Japan. Since the hypermarkets' stocks are literally in Setra's vehicles, an order must be handled fast. The aim is that the products should be on site within two days from the order being placed.

"We have fast deliveries, which our customers appreciate," says Betty Malmo. Overall they feel secure with us. We who work in customer support can make our own decisions which means that any problems can quickly be investigated and solved."



Customer service and sales personnel who work at Setra's unit in Skutskär. From left: Elisabeth Lindberg, Urban Wallquist, Maria Olsson, Betty Malmo and Peter Frodig.



60% of the year's production will be delivered in the next few months.



Elisabeth Lindberg is responsible for transport for Skutskär's deliveries and tells the picking store what to load.

Demand varies during the year

Building activity in Sweden naturally varies with the seasons. During the summer months the focus is on patios and outdoor environments which increases demand for pressure-treated wood. In the winter we build indoors which means there is more demand for interior claddings and floors.

The unit in Skutskär already had planing, cutting and pressure treatment stations. In autumn 2010, operations were expanded with a new paint shop which today deliveries exterior claddings with four different surface treatments.

"Thanks to an increased level of value

added, the building season is extended and new opportunities for building are created. This means that dependence on the seasons is less than before," says Johan Johannesson.

One good example of this value added is the pre-painted exterior cladding. Since it already is surface treated, claddings can be nailed on all year round without depending on the weather, wind or when the painter has time to start.

"We sold an unbelievable number of exterior claddings during the period September to January," interjects Betty. "This truly shows that this is a product that functions well all year round."

When it comes to value-added wood products, it is important to always be one step ahead. To know already today what will be in demand. This means that the sawmill can be prepared in good time for what lies ahead.

"Our major strength is that we obtain most of our raw material internally from sawmills with which we already have a close and frequent co-operation. This means we can obtain a raw material that is suitable for our products right from the start which naturally has a positive impact on quality," Johan Johannesson concludes. ■

BERGSHAMRA SÅG INVESTS IN PRE-PAINTED

Bergshamra Säg- och Snickeri AB has been operating in the Roslagen district north of Stockholm since 1893. Today the two brothers Fredrik and Marcus Westerlund run the company in the fifth generation.

In addition to being a well-stocked builders merchants, wood products are further processed in the company's own planing mill. Here they produce their own, local claddings and mouldings as well as small-series customer orders. New this year is the approximately 800 square metre timber depot which is now being filled with everything that will be in demand during the approaching high season. It is not only on the shelves that we find Setra's factory painted exterior claddings. The exterior of the entire depot is covered in an attractive red, primed and top-coated wooden facade which also comes from the paint shop in Skutskär.

"Actually the timber depot should have been delivered with a sheet metal facade, but in view of the operations it felt strange not to choose a wooden facade," explains Fredrik. "In order to save time and give the depot a smart exterior immediately, pre-painted claddings from Setra, which we specially ordered in red, were the obvious choice."

Norrälje is the municipality with the greatest number of summer cottages in Sweden and for people who live out on the islands the company provides service over and above the ordinary in the form of its own barge which transports timber from the company's own jetty out to the archipelago. Hopefully it will be loaded with lots of pre-painted exterior claddings, both Oljegrund+ and Proffs+ which are stocked by the company.

The archipelago, with salt water spray and fierce autumn storms is one of the most exposed areas for a house exterior. Here the advantages of Setra's pre-painted claddings will really come into their own.



Pre-painted wooden claddings from Setra can be found on the shelves and the walls at Fredrik Westerlund's Bergshamra Säg.

Setra Skutskär

- **Raw material** Sawn timber – approximately 60% whitewood and 40% redwood.
- **Products** Construction and structural timber, pressure-treated and painted wood.
- **Production volume** 120,000 m³.
- **Main markets** Mainly Swedish building materials trade.
- **Number of employees** Approximately 30.
- **Established** 1869 (planing mill 1991).

Setra Valbo

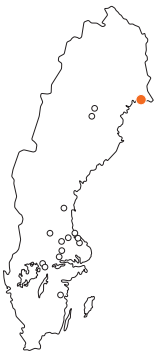
- **Raw material** Sawn timber – approximately 55% whitewood and 45% redwood.
- **Products** Claddings, floors and construction timber.
- **Production volume** 60,000 m³.
- **Main markets** UK, Germany, Japan and Sweden.
- **Number of employees** Approximately 20.
- **Established** 1954.

Finger-jointed is stronger!

SETRA ROLFS BELIEVES IN MAXIMUM UTILISATION OF ITS HIGH-QUALITY RAW MATERIAL

High stability, better strength and low risk of crack formations. These are some of the advantages of finger-jointed products. We visited Setra's most northerly unit in Kalix which in addition to sawn and planed wood products also focuses on adding value. The modern finger-jointing line is part of this effort which is now seeing increased demand.

TEXT: KATARINA BRANDT PHOTO: ANDERS ALM



Setra Rolfs in Kalix is Setra's most northerly unit and the only one with a finger jointing line.

SETRA ROLFS IS KNOWN for its well-stocked warehouse, high quality and broad range. Here every effort is made to add value to the sawn product as much as capacity permits. The fact that the raw material comes for the forests of Norrland in the area around the Polar Circle is a quality guarantee. The annual rings in the timber logs are so close together that it is almost impossible to count them with the naked eye.

The investment in the finger jointing line was made almost nine years ago and today this is the only Setra production unit to offer finger-jointed products. Here they mainly manufacture construction joists and timber in different sizes and lengths, but claddings and pressure-treated products are also finger jointed. Orders are customised to meet special requirements in terms of lengths and quality, such as window frames.

Torsionally stiff, straight and more stable

Finger jointing means that the ends of the wood are milled to 10 or 15 millimetre long "fingers" which allow different parts to be joined together. Prior to milling large and undesired defects, such as big



The shape of the finger jointing is crucial for obtaining a tight and stable joint. Here Gunnar Rask is checking the reamer.



Bengt-Arne Lindgren, customer manager at Setra Rolfs.

knots, are cut off. When the different parts are joined together through gluing and pressing, a wood product up to 12 metres long is created with almost invisible joints. This technique releases a lot of the tension in the wood making it more torsionally stiff, straighter and more stable. The end product is also more homogenous and free from defects.

"We note that demand for finger-jointed products has risen over the past year. Particularly for construction joists in strength class C14," says Bengt-Arne Lindgren who is customer manager at Setra Rolfs. "More and more people are discovering the advantages. The joists are easy to handle and regulations from the

modular building factories say that they must be C14."

Finger jointing is a good solution when spans increase and the normal lengths of construction timber are not enough. Furthermore, finger jointing means that shorter lengths can be cut exactly to size with maximised material utilisation.

The finger-jointed product is admittedly slightly more expensive than an ordinary plank or joist but the advantages are many and include not just quality but also the final cost to the user.

"Buying lengths in the right size minimises waste makes the work easier and more efficient. For us it is about making



Daniel Granström and Göran Sundqvist supervise work on the finger jointing line.



Today scanning using a timber scanner, a so-called WoodEye, is the most effective way to inspect wood.

optimal use of the raw material and supplying components with exact dimensions and lengths. In our business the trend is that customers want a product that is as finished as possible,” explains Bengt-Arne Lindgren.

Customers for finger-jointed products are mainly in Sweden and Norway and primarily comprise modular building manufacturers, roof truss factories and the building materials trade.

Investments in further processing continue

For the uninitiated it is easy to believe that it is the actual joint that is “the weakest link” in a finger-jointed plank. The fact is that the exact opposite is the case. The joint is at least as strong as the wood itself. In the strength tests that are conducted regularly it is almost always the joint that is the last to give way.

“The increased demand for finger-jointed products is the result of long-term sales efforts that are now starting to bear fruit. As always, we are talking about personal selling. You must visit the customer, present the product and explain its advantages in order to arise interest,” Bengt-Arne Lindgren concludes.

The investment in further processing continues and during the summer the cladding line will be strengthened in order to allow production of claddings with PTGV. This presents new, exciting opportunities for Setra Rolfs to expand its already broad range with even more high-quality products. ■



One of the almost invisible finger joints in construction timber in strength class C14.

BUILDING TIPS!



Photo: Eija Dunder

INSPIRATION FOR THE HOME CARPENTER

HÅKAN METTÄVAINIO IS a salesman and wood manager at Beijer Byggmaterial in Luleå and a customer of Setra Rolfs. When Håkan's daughter Caroline and her husband Gunnar wanted to turn their dream of a free-standing conservatory into reality, they turned to dad and father-in-law Håkan.

Håkan, who is also a skilled carpenter, was responsible for design and work management during the construction of Caroline and Gunnar's

15-square metre and very well-used conservatory. All the timber Håkan used came from Setra Rolfs. The floor is laid with the attractive and durable brown decking. The interior walls are lined with white-painted matchboard and two-sided PTGV painted in the on-trend colour black was chosen for the outside. Finger-jointed timber is also represented, in the roof ridge to be precise.



Little Olle and his dad Gunnar have enjoyed many cosy times in the family's newly built conservatory.



Sten-Åke Hedberg
Title: Customer service employee,
Redwood business area
Age: 57
Lives: Gävle
Family: Partner, grown-up
daughter, two grandchildren
Interests: Cottage in Jämtland,
fishing, football training for
young people

40 years in the company's service

TEXT: LOTTA LÖWHAGEN LUNDBERG PHOTO: CHRISTIAN LJUNG

A TOWER OF STRENGTH, sociable, always in a good mood, a problem solver, the spider in the net, someone you can truly rely on, a person who spoils the sales teams and satisfies customers ...

When his colleagues talk about Sten-Åke Hedberg, today a customer service employee in the Redwood business area, you only hear praise. Personally he is a very humble person, almost a little shy, and he definitely does not want to talk about himself and his contribution when we meet him in Setra's office in Gustavsbro outside Gävle.

"I just do my job and that's not so remarkable," says Sten-Åke. "It involves fixing and solving problems so that everything flows as it should do. That's all it is."

Remarkable or not, it is the anonymous people like Sten-Åke who make sure Setra has so many satisfied customers. The customer service employees have

what appears to be the simple job of ensuring that the products the customer has ordered from the salespeople arrive. And it must be the right products – right volume, right grade, right size, from the right sawmill – and last but not least at the right time. There is of course a lot that can go wrong in that chain unless, like Sven-Åke, you follow up and check with everyone involved. During a working day Sven-Åke talks to everyone from production planners and people in charge of loading at Setra's various sawmills to hauliers, salespeople and customers. The computer and systems support are of course key tools.

Sound knowledge of wood products

Sten-Åke, who when not working is happiest in his cottage in Jämtland or training 12-year old football players, has after his 40 years in the company a sound

knowledge of everything related to sawn timber. When he was only 16 he started as a "bundler" at Korsnäs sawmill, which is today Setra's Kastet sawmill.

"Feeder" was the next step in his career and eventually loading manager. Neither "bundler" nor "feeder" are titles you would find in today's modern sawmills.

"A lot of the work was manual in the early 1970s and it was definitely not better before. There were lots of people in the sawmill, we worked hard and we were always competing to see which shift team did the most," Sten-Åke remembers.

Sten-Åke has been working in customer service for about 10 years now, first at Kastet and then in Gustavsbro.

"You do not need to be a sawn timber specialist to do a good job in customer service," Sten-Åke says. "Although of course I am helped by the fact that I know about wood both in my contacts with customers and within the company." ■

SETRA is one of Sweden's largest wood products companies and a leading player in Europe. We offer eco-certified wood products for interiors and construction to customers in the building materials trade and industry.

Sawn and planed wood products in redwood and whitewood account for most of sales. The assortment for the building materials trade includes products such as floors, glulams, exterior claddings, interior claddings and decking.

Setra has 1,000 employees and annual sales of approximately SEK 4.5 billion. Exports to Europe, North Africa, the Middle East and Japan account for almost 60% of sales.

Setra Group includes ten sawmills, three independent wood processing units and two modular building factories.

Setra's principal owners are Sveaskog (50.0%) and Mellanskog (49.5%). The other approximately 1,500 shareholders together own 0.5% of the shares in the company.