

SetraNews

May 2017



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Strong first quarter for Setra

THE FOREST AND WOOD AS A RAW MATERIAL have fantastic potential. The industry has been important to Sweden for hundreds of years and continues to be a key sector. We can now see some very exciting development of new materials and products made from wood and cellulose. Everything from fuels to packaging and textiles.

For Setra, it is exciting to see the growing interest in constructing buildings and homes in wood. This is mostly due to the fact that the raw material is renewable and helps to solve the climate challenge. On the opposite page you can see how much carbon dioxide our wood products bind and what this corresponds to in annual emissions. All Setra's wood comes from responsibly managed forests. Sustainability is our guiding principle and permeates everything we do.

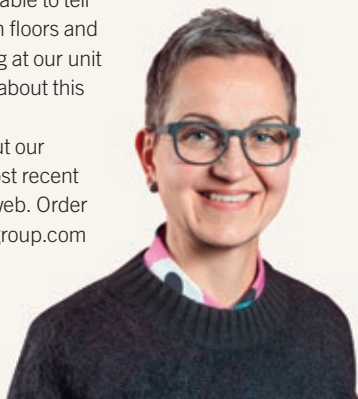
FOR US AT SETRA IT IS IMPORTANT to constantly listen to our customers' needs and to contribute to new products, solutions and technical development. Our new technology function at Setra will make a contribution here. You can read an interview with our CTO at the end of this newsletter.

As I write, we have just published our report for the first quarter. We can note that Setra posts a strong operating profit of SEK 33 million for the first quarter, compared with SEK 9 million for the same period last year. This is due to positive development for the wood products market. We remain positive about this development and can see good demand from our customers. It is therefore nice to be able to tell you about our investments in floors and claddings that we are making at our unit in Malå. You can read more about this in this newsletter.

You can read more about our sustainability work in our most recent sustainability report on the web. Order your own copy at www.setragroup.com

Enjoy the newsletter!

Hannele Arvonen
CEO



SetraNews is Setra's customer newsletter. It is published in Swedish and English for customers, employees and other stakeholders in Sweden and abroad. The purpose of the newsletter is to spread information about the company and tell readers about the latest news.

Print run: 4,600.

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Responsible publisher: Lovisa Krebs

Text: Katarina Brandt, Linn Treijs

Design: Blackboard Publishing

Printing: Åtta 45

Cover photo: Maria Grundström and Helena Lundell at Setra Malå. Photo: Magnus Laupa.

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A declaration of love to the Swedish forest

KNOWLEDGE Surveys show that knowledge of the Swedish forest among the public is low. People think very little, if at all, about the Swedish forest.

This is why, in the spring, the Swedish Forests (Svenska Skogen) initiative was launched to raise awareness of and interest in the Swedish forest as a resource for the future. This initiative will give the forest a clear voice in modern Sweden.

The first part of the information campaign was launched in March-April under the theme "There is something bigger."

"We talk about the immense size of the forest, that Sweden is 70% covered by forest and that our forests provide major opportunities both today and in the future. This is a pure and clear declaration of love to the Swedish forest," says Åsa Bihl, Programme Manager and one of the spokespersons for Swedish Forests.



Photo: Björn Loffenud

Strong and speedy 50-year old

SETRA Setra's glulam production in Långshyttan turns 50 this year. This will be celebrated with an open house on 3 June, 9–12. Then you are welcome to learn more about the advantages of glulam and the production unit with the fastest delivery

times in Sweden. Glulam is one of the strongest materials in relation to its weight. Furthermore, it is attractive and easy to shape, something more and more people are discovering in the search for sustainable building materials.

New
faces

Henrik Bertilsson has been the new Sales Manager for North Africa, the Middle East and Southern Europe since April. Henrik has worked at Setra since 2012, most recently as Sales Manager for Asia.



Peter Hofbauer-Hofmann has taken over as Sales Manager for Asia and New Markets, a role that also includes developing and building up Setra's sales in Australia and the US.



Lovisa Krebs is Setra's new Communications Manager and took up her position in March. Lovisa was most recently at SIS, Swedish Standards Institute. She has experience of both strategic and operational communications.



Hans Liljeström was appointed Manager of Setra Malå in January. He started at Setra in 2008 and has had various roles where he has conducted change and development programmes, most recently as Manager of Setra Rolfs.



Anders Nordmark took over as the new Manager of Setra Rolfs in April. Anders has many years' experience of developing sawmills and joins Setra from the position of Managing Director of Stenvalls Trä in Piteå.



Harald Nylinder took up a new position as Production Developer in April. Harald will help to drive Setra's continued development and his most recent role was Manager of Skinnskatteberg.



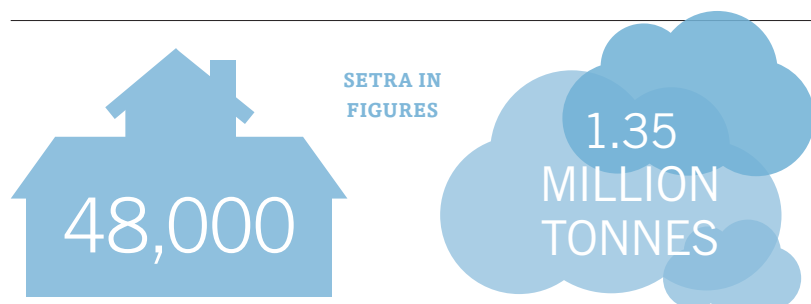
Laura Carnell has been appointed Sales Manager for south-west England at Setra's subsidiary M&S Softwood. Laura's most recent position was Customer Manager for major accounts and she has worked at the company since 2006.



Photo: Volvo

VOLVO TOUCHES WOOD

MARKET Wood plays a key role in the new Volvo XC60. The typical car interior of plastic and aluminium is broken up by panels of light wood treated to give it a rough and durable surface. The inspiration comes from driftwood and will give the car a Scandinavian feel. Not unlike Setra's Interior Claddings, structured in an off-white shade.



Setra's annual production of 1.7 million cubic metres of wood products is sufficient to build 48,000 standard homes.

That's the amount of carbon dioxide bound in the wood products sold by Setra in 2016. This corresponds to emissions caused by 270,000 people, according to figures from the World Bank.

Global goals are Setra's goals

ENVIRONMENT The UN has adopted 17 global goals for sustainable development that will change the world by 2030. By meeting these goals, we can end extreme poverty, reduce inequality and unfairness in the world and solve the climate crisis. Setra supports Agenda 2030 and makes an active contribution

towards several of the goals becoming reality. Building sustainable cities and communities, transferring to sustainable consumption and production and fighting climate change are obvious objectives for us. As are guaranteeing functioning ecosystems and helping more people have access to sustainable energy.



Setra focuses on five global goals with clear links to our operations.

Strong development but container shortages

Consumption of wood products is strong and matches Setra's forecasts for 2017, particularly in Sweden where the construction industry remains at high levels of activity. But in recent months the industry has been wrestling with an acute shortage of containers.

CHINA, JAPAN and the main markets in Europe are seeing good consumption of wood products. We can see that construction in France is starting to come alive again and in our Swedish home market there is still a building boom. Limiting factors in Sweden at the moment are lead times for materials and a lack of fitters, carpenters and architects, rather than demand. And there are no indications that the rate of construction will slow. Furthermore, there is a strong focus on building in wood, although volumes are still small in relation to steel and concrete.

At the beginning of the year, we predicted that the American market would recover, and it certainly has. Construction is increasing and prices are being forced up by speculations that import duties on Canadian timber will be raised under President Trump.

Hits export industries

On the other hand, something we could not predict is the shortage of containers that affected both the wood products sector and other export industries during the spring. When the South Korean company Hanjin Shipping, one of the world's largest container transport companies, went bankrupt in September last year, the balance in the container flow was upset. This led to a lack of capacity in some places and the situation was then exacerbated by the Chinese New Year at the end of January. This holiday usually affects the rest of the world since traffic decreases but this year the effect was even greater and most people seem to have been taken by surprise.

An additional factor that worsened the situation is the conflict in the Port of Gothenburg where strikes and over-

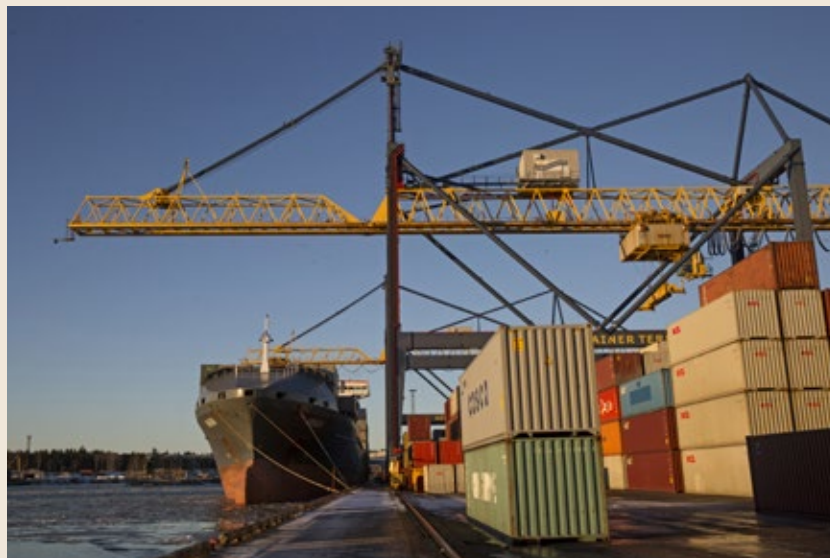


Photo: Magnus Laupa

The crisis in the freight market affects deliveries to Asia and the countries around the Red Sea to which Swedish wood products are sent by container ship. Transports within Europe are not affected since the wood products are loaded directly onto the ships.

time blockades have been affecting traffic intermittently for a year now. All this has led to a difficult situation where transport prices, particularly to Asia, have gone through the roof. The countries around the Red Sea have also been affected but there it is easier to find alternative freight solutions.

Price increase was expected

With hindsight, we could have foreseen that prices for container transport would rise eventually, since they were previously extremely low. But that this would hit so hard probably came as a surprise to many people. What we can do now is try to solve the problem. One alternative is to send goods to Asia as break bulk cargo directly on the ships. More expensive and riskier, but nevertheless a solution until the situation has stabilised. Apart from the container situation, we

still hold our positive view that 2017 will be better for the wood products trade than 2016. During the spring, Setra broke new ground by sending sample deliveries to Australia. A market the same size as the UK which is very attractive over time. ■



Olle Berg, Market Director Setra.

Have you missed Olle Berg's outlooks in previous issues? Visit www.setragroup.com/setranews and find out more.



A ship comes in loaded with Swedish wood products

Almost 300 years after the Swedish East India Company's ships set sail from China filled with porcelain, tea and silk, Swedish ships loaded with wood products are now returning. And there are many indications that Swedish wood trade with Asia has only just begun. There are considerably more people here than trees. In Sweden, the opposite applies.

TEXT: KATARINA BRANDT PHOTO: SWEDISH WOOD

THE SWEDISH WOOD products industry is working on a broad front to be involved and gain market shares both in China and in other growth markets in Asia. These efforts have paid off and last year exports from Sweden to China reached new record levels with approximately 800,000 cubic metres. Even though China has reduced its GDP figures, imports of wood products grew by 2.8 million cubic metres in 2016, and look set to increase in 2017 as well.

"The heart of a business deal for a sawmill or wood products company is to optimise its products for different segments of customer groups," says Mikael Eliasson, Director of Swedish Wood, where Setra is a member. "Therefore we must offer a palette to different markets,



During the International Furniture Manufacturing & Supply Fair in Chengdu, the versatility of redwood and whitewood was highlighted on Swedish Wood's stand.



“The fact that Swedish wood comes from sustainable forestry attracts the Chinese”



Swedish redwood products were exhibited at the China Design Trends Gallery during Asia's leading international design event, Design Shanghai 8–11 March 2017.



Swedish Wood together with the Swedish sawmills has carried out a number of marketing campaigns to highlight the high quality of Swedish wood.

at different stages of development and in different segments.”

Growing middle class and strong economic development

Swedish Wood is therefore following global development and increasing its presence in growth markets in Asia. This work is managed through the Swedish Advisory Board, where companies in the industry are represented and Setra's Market Director Olle Berg is Chairman. China is defined as an emerging market, has pushed Japan from second place and is now number two after the US. India, which is often referred to as the Next China, is almost as large as China in terms of population and also has a growing middle class and strong economic development. Indonesia is also expected to climb in terms of population and economic development, as is Vietnam, which makes them interesting markets for Swedish Wood. Mikael Eliasson highlights several reasons why Swedish wood products



Chinese furniture companies have learned how to use Swedish wood cost-effectively and to process and treat the surface of the wood.

appeal to the Asian market. Our sustainable forest management makes Sweden a reliable supplier, we have well-developed logistic chains and a high-quality product both biologically and technically. Our business culture means that people feel that it is safe and easy to do business with us.

In a country like China, where environmental problems are starting to be difficult to ignore, consumers are now making increasingly tough demands on environmental focus and sustainability. The fact that Swedish wood comes from sustainable forestry attracts the Chinese and is also an important marker for enhancing the image of Swedish wood products in China.

Inspire, inform, instruct

Swedish Wood has also been involved with and assisted the Chinese authorities to develop standards for modern construction. In September 2015, China presented a national strategy for increased use of wood in construction. This strategy describes wood as a green material that should be given priority for climate reasons.

“We have a basic philosophy which is based on working in three steps to inspire, inform and instruct in the new markets we choose to enter. To start with we want to inspire people to use wood. Subsequently, we want to inform people about the material and finally instruct them in how to use it. In China we have already reached the instruction stage. In October, we will take part in a big trade fair in Vietnam where we are now starting to inspire towards increased use of wood,” concludes Mikael Eliasson. ■

Looking overseas

Peter Hofbauer-Hofmann is Setra's Sales Manager for China and several other developing markets. After 18 years in the business, with his sights always set east, he is still fascinated by Asia. TEXT: LINN TREJUS

“TAKE CHINA, FOR EXAMPLE. Its size alone is enough to make it an interesting market. They use wood for so many different things, that there is a market for almost everything,” says Peter Hofbauer-Hofmann.

In just a few years China has become Setra's largest market outside Sweden. Growth and the fact that they are total dependent on imports when it comes to softwood, mean that opportunities for further growth are considerable.

Just like other Swedish wood products companies, Setra's niche in China has been whitewood. But the Chinese use predominantly redwood. This is something Setra's team of three in China has latched on to in the past year, and with success.

“China is now as big in redwood as Saudi Arabia which has always been a strong redwood market. It shows what an impressive job our employees out there have done,” he says.

“Vietnam is another exciting Asian market. The country has an export-oriented furniture industry with a fondness for Swedish whitewood. Volumes do not match China's, but there is still good potential,” he thinks.

“Many wood product companies in Asia have relocated from Taiwan to China and from there on to Vietnam as labour costs have risen. The next step will be Indonesia, Cambodia and Laos,” Peter believes.

What other new markets do you want to highlight?

“I want to mention Australia, where we have just started deliveries, and the US. Both countries have a tradition of building in wood. Australia wants building materials, both exterior and interior, and the competition from Europe is not that strong. Despite the fact that it takes 50 days to ship our goods there, they feel the higher quality is worth waiting for. Setra does not sell to the US yet, but we see considerable potential both in the construction sector and the enormous DIY market.”



READ MORE: SWEDISH DESIGN STUDENTS IN CHINA →

Swedish design students make pine hot in China

Furniture project Design in Pine is a unique collaboration between industry organisation Swedish Wood, Carl Malmsten Furniture Studies and the two Chinese furniture manufacturers Huari Furniture and Fujian Dushi Homelife Group. This project has resulted in nine tangible examples of innovative Swedish design in pine with the Chinese market as the target group.

TEXT: KATARINA BRANDT PHOTO: MAGNUS GLANS AND SWEDISH WOOD

THE AIM OF THE Design in Pine project has been to use Swedish design to increase the use of Swedish redwood in Chinese furniture manufacture. To promote pine as a natural and living material from sustainable Swedish forestry. Pine is highly suitable for furniture production thanks to the physical properties of the wood and is a given material choice in a world with an increasing focus on a sustainable society.

Over a few intensive weeks in autumn 2016, third-year students in furniture design at Carl Malmsten Furniture Studies (Malmstens) have worked with a live project commissioned by the Chinese furniture companies. The task was to design furniture for the Chinese market based on the currently increasingly trendy pine.

Despite the geographical distance, the project involved close collaboration where the Chinese furniture manufacturers, on the basis of discussions with the students about material, surface treatments, sketches and plans, were able to manufacture the prototypes that were unveiled for the first time at Stockholm Furniture & Light Fair in February.

Inspired by the forest

One of the students at Malmstens is Elin Eliasson who grew up in Kalix and is the daughter of Håkan Eliasson who is a foreman at Setra Rolfs. Elin designed an item of children's furniture called "Otis" named after a little fairy-tale figure in the form of a pine cone. It is a storage system built of legs of different heights, along with frames and boxes which can be used to create a whole collection of furniture. Inspiration comes from the solid pine, the forest's make-up of long trunks, varied levels and enticing

gaps as well as small hidden spaces.

"For us at Malmstens this project helped us to understand how both Swedish Wood and the Chinese furniture manufacturers think," says Elin. "We could take advantage of each other's skills and learn what it's like to work internationally."

In September the recently graduated furniture designers will travel to the big furniture fair in Shanghai where they

hope to establish even more contacts in the Chinese market.

"On a personal level, wood has always been a natural part of my life, particularly since my dad works in the industry. Now that I have more in-depth knowledge of the material, we can talk wood with each other in a completely new way, which is great fun of course," Elin concludes. ■



Read more about the Design in Pine project and take a closer look at the furniture the students at Malmstens designed for the Chinese market at svenskttra.se.

"Now we understand how both Swedish Wood and the Chinese furniture manufacturers think," says Elin Eliasson, one of the students at Malmstens.



Timber packets from Sweden are unloaded in King's Lynn on the east coast of England.

BRIGHT OUTLOOK IN THE SHADOW OF BREXIT

While discussions about Brexit dominate the British news, Setra's business in the UK rolls on at a high pace. There is a great need for new homes and the demand for Swedish raw material remains high. TEXT: LINN TREIJS PHOTO: EMMA SEKHON

TIMBER PACKETS ARE stacked up on the quayside in King's Lynn. The boat from Sweden has just tied up at the dock and there is a hive of activity as the packets are routed to their right destination. Some are going to Setra's distribution warehouse and processing facility both of which are adjacent to the docks. Others will be driven directly to customers.

"Scandinavian softwood has a good reputation. It is of the highest quality

and the Setra brand is in demand extensively," says Stuart Newman, Managing Director of Setra's subsidiary M&S Softwood, as he shows us around the area.

Popular concept

The concept of a distribution warehouse at the docks where customers can buy individual packets quickly and flexibly has been successful. In a short time, Setra has also opened warehouses in Hull, an important port on the east coast



Stuart Newman



The level of activity remains high at Setra's processing unit in King's Lynn.



Brexit has not yet had an impact on the wood products market in the UK.

with links to Leeds, Manchester and Liverpool, as well as in Rochester, just south of London.

"We thought that the warehouses would primarily cover smaller customers "just in time" requirements. Something we have learned is this is not the case, our stock facility attracts all our customers and certainly strengthens our position as a supplier and in turn the distribution warehouse is a perfect combination to the market," says Bill Urmston, who is a Setra Customer Manager for the UK together with Jason Dodd and Keith Parsons.

Promising market

The UK accounts for 9% of Setra's sales and is one of the biggest single markets. In the spring the country took the first step towards leaving the EU but this has

not yet had any effect on construction and timber purchases. On the contrary – business is going really well.

"Brexit is just another challenge for the UK. We have faced many challenges during our history but somehow everything always turns out okay in the end. In our business there is always good underlying demand for Nordic quality pine and spruce," says Jason Dodd.

Up to 300,000 homes need to be completed every year to meet demand in the UK according to official figures. This is twice to three times what is being built today. Stuart Newman sees a bright future.

"Sure there is uncertainty in the market, created by lots of unknowns until a suitable exit is negotiated. Prices and supply are under pressure and nobody knows what the real effect of Brexit will be. But even if it is going to be tough, the UK will continue to be an interesting market which grows and develops its consumption of softwood," he says.

Important to be flexible

Setra's distribution warehouses have proved to be a good way of satisfying new market conditions. Customers who are unsure how the market and prices are going to develop and do not want to make long-term commitments, can use the warehouses to move in and out of the market.

"It's about offering our services flexibly, when and how it suits our custom-

ers. We have the same arrangement at M&S's warehouse. You don't need to commit yourself too far ahead and if you call us today we try to ship tomorrow. That's what distinguishes us from the competition," says Stuart Newman. ■



Setra in the UK

Setra is represented in Beverley in north-east England and Kingsdown in south-east England. The subsidiary M&S Softwood, including further processing and one of the distribution warehouses are in King's Lynn in eastern England. The distribution warehouse in Hull has good links to the northern part of England and to Scotland while Rochester covers the southern part of the country.



Marie Lind and her colleagues have been entrusted with producing flooring from Sweden's best raw material.

New interiors centre takes shape in Malå

The days are certainly getting longer, but spring and summer have not yet arrived in Malå in Lapland. One of Setra's northernmost units is located here and the planing mill has just been rebuilt and upgraded to take on the role of Setra's interiors centre.

TEXT: KATARINA BRANDT PHOTO: MAGNUS LAUPA

THE SAWMILL IN MALÅ has been running since 1946 and has had several different owners over the years. When AssiDomän and Mellanskog merged in 2003 to form Setra Group, the sawmill and planing operations in Malå became part of Setra.

The main part of Setra's flooring production was previously in Valbo outside Gävle. When operations in Valbo were discontinued in 2016 it was decided to move production to Malå and invest in a new interiors concept.

"The raw material up here in the north has a better biological quality compared with central Sweden," says Hans Liljeström, new Mill Manager in

Malå from 1 January this year. "Managing and processing it to flooring and cladding feels right and sustainable. It increases the quality and value of the products."

Setra Malå gets its raw material from the surrounding forest in the form of slow-growing Norrland pine. The sawmill's customers, not least the Japanese, demand high quality redwood products and appreciate the even structure of the annual rings and the real, genuine feeling which works especially well for products that need to stand up to close inspection.

"With this investment we have created a centre within Setra for design-



Kaj Tönsberg, Sales Manager for Building Products, is pleased that Setra has now created a centre for design-driven development of wooden floor and wall coverings.

“The planing machine is the very heart of production.
If we do a bad job here then nothing else matters”

driven development of wooden floor and wall coverings. One of the advantages is that we can use the strength of our entire value chain,” says Kaj Tönsberg, Sales Manager for Building Products. Production of both flooring and cladding is a craft which makes the highest quality demands and combines both traditional and new technologies. The difference from the previous operation is that in Malå they see the entire flow and have control of everything from the growing tree to the finished product.

The heart of production

In the planing mill we meet Benny Grundberg who is the Production Manager. Together with his ten colleagues he has spent the first months of the year ensuring the high quality demands are met. This work is about further deepening craft skills and trimming and adjusting the machines.

“The planing machine is the very heart of production. If we do a bad job here then nothing else matters,” says



Emil Högberg is involved in ensuring the high quality demands that are placed on the interior products.



Dan Stenberg is a new employee in his third week at the planing mill.



Benny Grundberg is Production Manager at the planing mill.

“We do our utmost to ensure that the products maintain the highest quality at all stages and in the smallest detail”

Benny Grundberg, who thinks that the biggest challenge has been to synchronise old and new technologies. To get three different systems to “talk” the same language to each other.

“As a base we have a really good flooring plane which we have now upgraded with new sanding components. Altogether it’s an investment of about five million kronor in the plane.”

Earlier this year the purchase of IKEA Industry’s production facility in Malå was also completed. The facility is a stone’s throw from Setra’s unit and has a total area of 5,500 square metres. The property was used for edge-glued panel manufacture until IKEA ceased operations in autumn 2016. On 1 June Setra will take possession of the premises which have great potential for further processing of interior products.

“When we get access to the new premises we see great opportunities to both increase volumes and further develop the processing concept. This autumn we will increase production by 20% and hire some 15 new employees,” says Hans Liljeström.

Three design concepts increase choice

The new collection of flooring and interior cladding is produced in three different design concepts: Classic, Rustic and Design. There is also an untreated

version which opens possibilities for all those who want to use different colours to put their own unique stamp on the products.

The products are treated with hard-wax oil from Osmo which is one of the leading and well-known manufacturers of very high quality surface treatment products

“The new interior concept is based on our fine raw material which is sawn, dried, trimmed, planed and surface treated as well as possible. Of course, this makes high demands on everyone involved. We do our utmost to ensure that the products maintain the highest quality at all stages and in the smallest detail,” says Hans Liljeström. ■

Setra Malå

RAW MATERIAL Pine

PRODUCTS Sawn, planed and processed wood products, biofuel

PRODUCTION VOLUME 2016
174,000 m³

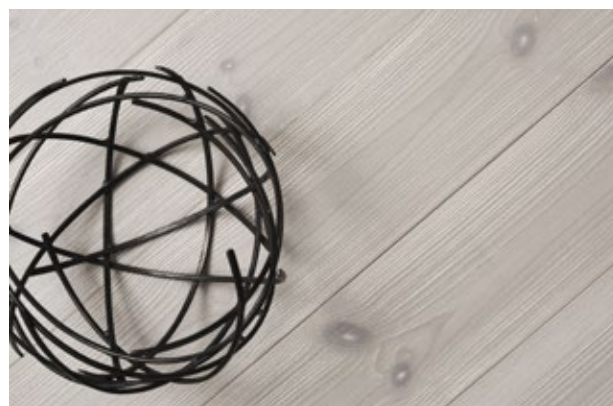
MAIN MARKETS Sweden, Norway, North Africa and Japan

NUMBER OF EMPLOYEES 80

FOUNDED 1946



Setra has invested several millions in the planing mill where recent months have been spent trimming the machines.



Flooring and cladding in Setra’s new interiors collection are made from carefully chosen wood.

New interior collection

Both flooring and cladding are offered in several different dimensions. The most common for flooring are:

- 15x112 mm (119)
- 21x137 mm (144)
- 25x160 mm and 31x144 mm

Cladding is also available in different dimensions and profiles, for example:

- 15x120 mm
- 12x120 mm

So much more than just surface

Surface treating floors with hardwax oil has become a popular alternative to both varnish and oil. The treatment has many advantages. Among other things hardwax oil brings out the natural structure of the wood, penetrates the pores and gives an attractive and robust surface that lasts a long time. TEXT: KATARINA BRANDT PHOTO: SETRA

THE GERMAN COMPANY Osmo has a one-hundred-year history, broad experience from their own wood products production and a large research and development department. They are best known in Sweden for their popular hardwax oil which Setra has also chosen for surface treatment of the new collection of wooden flooring and some claddings.

"It is important for us that there is a stable aftermarket," says Peter Öhman who is Customer Manager at Setra.

"Osmo has trained staff in the building materials trade who sell our flooring and where you find all the products for cleaning and maintenance. They are also at the leading edge environmentally and constantly develop new products."

Hardwax oil is made from natural ingredients from the plant kingdom such as thistle oil, sunflower oil, soybean oil, carnauba wax and candelilla wax. In order for the oil to penetrate the wood, low-aromatic naphtha containing 70% less hydrocarbons than other solvents is also added. After application, the solvent is exuded for only 12 hours. This

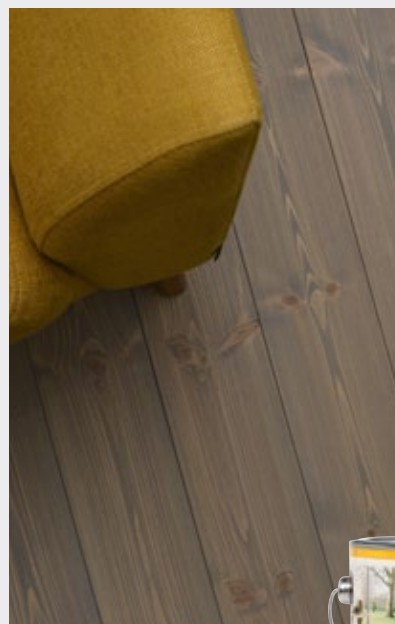
can be compared to a latex paint that can give off fumes for up to six months.

"You can say that hardwax oil is something between varnish and oil," explains Jonas Holgersson, technical support at Welin & Co which markets and sells Osmo's products in Sweden. "Hardwax oil fills up the pores and leaves a microfilm on the surface which means that the wood retains its natural appearance and warm beautiful feeling."

All wood species can be treated

In order to treat an existing floor with hardwax oil, it must have an open wood surface. This means it must be freshly sanded in all steps so that the pores are open and can be filled with the product. In principle all wood species can be treated with hardwax oil which can also be used on such things as furniture and kitchen work surfaces.

Setra's wooden flooring and interior claddings are surface treated at the factory and only need to be looked after and maintained correctly to retain their beautiful finish and long durability.



A rustic floor from Setra's new collection treated with grey hardwax oil from Osmo.



A hardwax-oiled floor can cope with spillage of most of the common liquids found in a home. If the floor gets damaged it is possible to make a spot repair.

Nothing is maintenance free and even a floor which has been surface treated with hardwax oil needs maintaining from time to time, although the interval is considerably longer than for other surface treatments.

"If you look after the floor and use the right cleaner when you swab it, then it will look good for a very long time. To check if it is time for maintenance, sprinkle a few drops of water on the floor and let them lie there for at least an hour. Then move them aside with your index finger and see if the surface underneath has started to absorb the liquid. If it has, then it is time for a maintenance treatment," says Jonas Holgersson. ■

How to look after a floor treated with hardwax oil

Surfaces treated with Osmo Hardwax Oil are easy to clean. Loose dirt can be vacuumed or swept up regularly.

Swabbing

Swab when necessary with Osmo 8016 Wash and Care. Dosage 1 capful/ approx. 10 ml product per 1 litre warm water. Use a damp microfibre mop. The surface should be dry after 1–2 minutes.

Refreshing

Osmo 3029 Liquid Wax Cleaner is used after swabbing when necessary and provides a simple way to refresh a

hardwax oiled surface. 2 teaspoons is sufficient for about 1m², 0.5 litre for 35–50m². Shake the can and apply the cleaner extremely thinly to the clean, dry surface with a microfibre mop or an Osmo Easy Pad lint-free cloth.

Removal of difficult stains

Difficult stains such as shoe scuffmarks are easily removed with Osmo 3029 Liquid Wax Cleaner. Shake the can and apply the cleaner with a nylon scrubbing pad or an Osmo Easy Pad lint-free cloth. Wait a few minutes, rub the stain and wipe off the dissolved stain.

Puukeidas prioritises Norrland beauty and quality

The summer season is approaching and in our northern latitudes the longing to walk barefoot on the sun-kissed patio is growing. The same applies in neighbouring Finland where Setra Rolfs has been supplying pressure-treated decking timber to the Puukeidas building materials chain for many years. TEXT: KATARINA BRANDT PHOTO: HARRI TARVAINEN

THE FINNISH BUILDING materials chain Puukeidas started in Kemi in 1991 and over the years has also become established in Jyväskylä, Oulu, Lahti and Outokumpu. The focus is on wood products and more than 90% of sales are to the professional market.

Tapio Hjulberg is CEO and has been there from the start. He founded the company which today has three joint owners and some 25 employees who work at the five units.

The cooperation with Setra Rolfs took off with the 2007-2008 financial crisis. The Swedish krona was low at the time which made it advantageous for Finnish companies to buy wood products from Sweden.

An increasingly strong collaboration

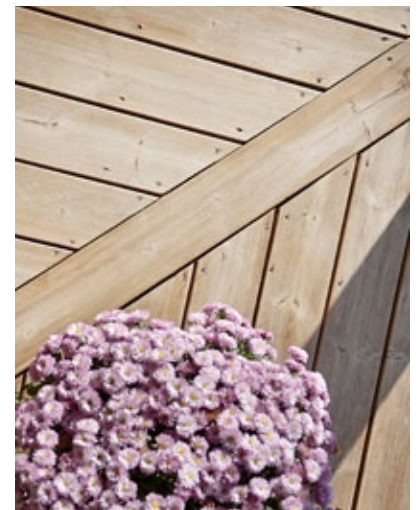
However, it was not only the low prices that Puukeidas came to appreciate when buying from Sweden in general and Setra Rolfs in particular. Rapid delivery, a good attitude, and consistently high quality contributed to the increasing strength of this cooperation over the years.

“Even though the price level has risen, we have still been keen to keep this business going,” says Tapio Hjulberg. “Setra Rolfs more than lives up to all the requirements we place on a supplier. Plus we have a fantastically good relationship with Bengt-Arne Lindgren who is Customer Manager. He is incredibly competent and is always there for us.”

Even though the largest volume of Puukeidas’ pressure-treated decking is from Finnish manufacturers, they reckon that almost 35% comes from Setra.

“About 2,000 cubic metres of pressure-treated wood per year makes Puukeidas our biggest Finnish customer,” says Bengt-Arne Lindgren. “Naturally it’s nice that a company that operates in a wood country such as Finland still chooses to buy from us in Sweden. I see this as a very high mark.”

“Our aim is to offer our customers high quality and when it comes to decking timber, Setra Rolfs is in a class of its own. The Polar Decking, made from slow-growing Norrland pine, launched last year is unique and there is nothing similar in the Finnish market,” says Tapio Hjulberg.



Setra Polar Decking

Setra Polar Decking was launched as a new item in Setra’s product range last year. The decking which is available in a finger-jointed version, is manufactured from slow-growing pine from the area around the Arctic Circle. The wood has tight annual rings, a high proportion of heartwood and a fine-knotted structure which gives the outdoor area an attractive, high-quality look.

Setra Polar Decking is more fine-grained than regular decking which leads to fewer cracks and a longer life. The finger-jointed variant of the decking is available in long lengths up to six metres. Finger jointing also ensures an even quality and minimises any cutting waste. In addition to finger-jointed decking, Setra Polar Decking is also available as unjointed traditional decking in various lengths. Smooth-planed decking is available in brown and green and grooved in brown.



Arto Alanko, Tapio Hjulberg, Juha Inget and Juha Moilanen from the Finnish building materials chain Puukeidas.

FINALLY

Name: Andreas Hörnfeldt

Title: CTO

Age: 47

Lives: Bromma, west of Stockholm

Family: Wife Elisabeth, three daughters.

Interests: Cross-country and downhill skiing in the winter, tennis all year round and salt-water swimming off the West Coast of Sweden in the summer.

Focus on Setra's technical development

TEXT: KATARINA BRANDT PHOTO: EMIL NORDIN

SETRA'S NEW CTO, Andreas Hörnfeldt, has a passion for innovation and entrepreneurship. He has, among other things, been responsible for New Business Creation at Stora Enso which is a function to create new, growing and profitable products. In recent years he was Managing Director of Stora Enso Re-board, an innovative subsidiary within the group that developed a hard building board made entirely of paper. Since December last year he has been in place at the head office in Solna, although recent months have included a lot of travelling to get to know operations at the units around the country.

"We have highly competent managers and production managers out in the sawmills. Now I want them to feel that there is a central resource in place to help them with various types of technical issues. A cohesive function that keeps the pieces together and supports their work."

Although Andreas has many thoughts and ideas about how he wants to develop Setra, he believes that you have to walk before you can run and have respect for history.

"We are very much a sawmill company that works with sawn wood products. This is a traditional industry and you do not turn around such a culture in an instant, nor is this my intention. We are good at wood and we will be even better at processing the material to meet market demand."

Andreas believes that his new organisation will mainly be noticed because it is a small but highly dedicated force that takes an overall approach. He likes to see the technology function as a kind of internal career development where employees can take part, perhaps in specific projects during a set period where they contribute with their skills and develop themselves.

"I want to create involvement and

work on encouraging people out in the organisation to take greater responsibility. The way we work will become more and more automated, but also more advanced. This means that skills development is essential for success."

Andreas wants Setra to be more active in various research projects into wood and new materials developed from the Swedish forests. He believes that in this way Setra can more quickly adapt its operations to what customers will demand in the future.

"We have a very attractive position since we possess a lot of raw material and expertise. We have control of our flows which makes us a good supplier within several different areas. I hope that we will be able to work even more together, share experiences with each other, even though we are spread out geographically." ■

SETRA is one of Sweden's largest wood products companies. We process raw material from responsibly managed forests and offer climate-friendly products and solutions for building and living in a global market.

Sawn and planed wood products in redwood and whitewood account for most of sales. The processed range includes products such as floors, glulam, exterior claddings, interior claddings and decking.

Setra has approximately 800 employees and annual sales in excess of SEK 4 billion. Exports to Europe, North Africa, the Middle East and Asia account for over 60% of sales. Setra Group includes eight sawmills and three wood processing units, one of which is in the UK. 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.