

Timber Product and Market Research - Interim Report, Survey Analysis

The aim of this survey is to inform HIE and CWA what community woodland groups are already doing with regard to production of wood products for sale and what additional support they might require to generate income streams in this way. Products may be developed and produced directly by a group or by promoting the potential of the woodland to individual entrepreneurs in their communities, charging appropriately for use of the woodland resource.

We are aware that some groups (or connected individuals) are already producing wood products and others have aspirations for the future. It is necessary to establish exactly what is going on in the sector to help develop income streams and future aspirations.

This first report summarises the initial questionnaire survey results and will be followed with in depth discussions with a number of groups.

Methodology

The questionnaire (appendix 1) was distributed by post to 60 community woodland groups in the HIE area with a one month return date which expired on 8th October 2010. Groups could also respond online using the Survey Monkey version.

48.3% (29) of those contacted returned questionnaires. Detailed analysis of all responses is attached (appendix 2)

The overview is shown below and has informed the framework for questions in the follow up discussions. A guide to the groups who might participate in the focus discussions came from this. After the discussions take place a full report with recommendations will be produced.

Summary

It is evident from responses that the majority of community woodland groups, 79%, are not yet taking forward development of products although many (53.3%) are interested in doing so.

The analysis of those involved in product development and sales or interested in becoming involved shows that they are focussing on items which can be sold locally rather than products that need to be transported further afield or that could be sold online and delivered by post. The products that most are involved in selling or interested in developing are milled timber or fencing materials. There is some interest in development of other products but few if any are considering items for a wider market.

It would seem that there is some interest in development of a marketing initiative but most would like further information before making a commitment.

There was a strong interest in a training programme focussing on developing products and learning how to price and market them effectively.

Analysis of Results

48.2% (14) had no plans to develop products and did not complete the survey past question 3.

Reasons for not planning to develop products, included;

- amenity woodland
- remote woodland or other difficulties in accessing the timber
- early stage of regeneration
- too small an area
- group is still trying to buy, lease or gain control in some other way

51.7% (15) completed the full questionnaire. Of those;

53.3% (8) were not yet developing products but interested in doing so in the future. (note – one of these 8 marked no plans to develop but then went on to complete the rest of the questionnaire showing interest in development)

40% (6) were already selling products

6.7 % (1) investigating potential products

Type of Products

The main products which groups were either already producing or interested in producing in order of preference were:

11 votes

- Milled timber for joinery / building (4 in production)

8 votes

- Fencing material (1 in production)

7 votes

- Outdoor furniture

6 votes

- Bird/bat boxes, bird tables, etc (1 in production)

5 votes

- Hand finished furniture
- Ornamental pieces

4 votes

- Completed sheds, etc (1 in production)

2 votes

- Pre fabricated panels/modules for sheds, etc
- Signage

Other items suggested

- Boats / Coracles
- Small log builds

Potential for joint marketing initiative

The majority, 66.7%, (10) felt it would be possibly be of value but would require further information. 20% (3) felt it would be a worthwhile initiative with 13.3% (2) feeling that it would be of no value.

Additional comments focussed mainly on the current small scale of the market with difficulties around further development and expansion. Marketing was mainly through word of mouth with one group mentioning their isolation as a barrier to further expansion.

Marketable Attributes

Respondents were asked to rank the most marketable attributes in order from 1 highest to 7/8 lowest. These are listed below in order of preference.

	Option
1	Using timber from sustainably-managed woodland
2	Woodland under community ownership
3	Contributing to community resilience as money generated goes back into supporting community work.
4	Social enterprise (providing job opportunities to those otherwise distanced from the employment market)
5	Contributing to biodiversity as money generated goes back into managing woodland for biodiversity
6	Supporting local small/micro business
7	Hand made products
	Other (please state)
	Price and Lack of travel miles per product
	Price of item
	Giving folk a positive ecological role
	Create vital income from timber(no other answers)

Ways to Market Products Jointly

Ratings were given to 5 different methods of marketing products. These are listed below in order of most to least potential.

- Online promotion via central website
- Press / magazine advertising
- Online sales via central website
- Development of joint branding (logo etc)
- Leaflets/flyers detailing individual groups and their products

Costs of Marketing

66.7% (10) would prefer to pay commission on items sold

40% (6) would be prepared to pay an annual subscription

13.3% (2) would pay a one off fee

20% (3) would not wish to pay anything

Some respondents chose more than one option.

Of the 3 who would not pay towards marketing 2 gave reasons which were:

- Present level of production finds a market

- Should run it as a test for 3 years then introduce a fee if successful

Current marketing methods

53.3% (8) said that they don't market at all. These will be the groups that are not yet selling but interested in development. One person did not answer this question.

Others (6) market through:

- Leaflets
- Craft fairs
- Own dedicated website
- Membership and local contacts
- Word of mouth with in the community
- Negotiation with local saw mills and roadside or standing timber sales

Training and Support

Everyone responded positively to this question and ticked more than one box. The results in order of preference are:

- Product development and design guidance
- Knowledge exchange with other producers
- Market research tools
- Advice on how to price an item
- Sales techniques for non sales people
- Online sales techniques
- Other
 - Advice on setting up the legal mechanism (trading arm, third party, etc)
 - Focussed marketing and awareness raising for structural use of sitka
 - There is considerable knowledge in the group but bouncing ideas with others is always good.
 - Motivated individuals

Follow Up Focus Meetings

The follow up focus meetings could involve 10 groups; 3 of the six groups already selling products, 5 of those interested in selling products and 2 of the groups who are not interested in developing products but have been identified as having potential to do so, through CWA or HIE knowledge of the group activity.

There are three product areas to include in discussions:

- Bulky items which groups are either already producing or interested in producing such as sawn timber, fencing, larger furniture items, construction materials, etc
- High value, smaller items which are easily transported and marketed to locals and tourists such as bird and bat boxes, smaller pieces of furniture and ornamental items.
- High value smaller products which could be sold online to a world wide market.

The first is currently the main market for community woodland groups whilst development of products that would appeal to a larger customer base does not

seem to be an opportunity that groups are interested in developing. Questions could be framed to determine why the local market is preferred.

Each product area would require further investigation to determine:

- What are the barriers to development of products?
- What are the barriers to increasing production for a wider market?
- What support would be required to develop markets and increase sales of existing products

Format of Discussions

There would be a slightly different approach for groups at different stages. Referring to their questionnaire responses carry out a general discussion on the current situation, find out what products they are making or interested in making and what governance they currently have and then focus on:

Those already producing items:

- Who are your customers
- How do you decide what to charge for products
- How much income do you generate and what is it used for
- Have you considered marketing your products to a wider audience
- If so what steps have been taken
- If not why
- Have you considered developing other products for different markets
- If not why
- If so what are these and when do you think they will be available for sale
- What have been the barriers to development
- Would you consider making and selling products designed by others
- Would you be prepared to share your knowledge with other groups
- Explore the attitude towards a cooperative model
- Have you considered working with other local businesses
- Referring to the training and support – what would you access if it was available
- If a central website for community woodland products was established would you be interested in using it

Those not producing but interested in doing so:

- Has your group ever discussed developing wood products for sale
- If so what are these
- What would be your preferred market
- If not why
- What have been the barriers to development
- Would you consider making and selling products designed by others
- Explore the attitude towards a cooperative model
- Have you considered working with other local businesses
- Referring to the training and support – what would you access if it was available

- If a central website for community woodland products was established would you be interested in using it

Those not producing and not interested in doing so but with potential:

- Why have you chosen not to consider products as an income generator
- Is there potential for you to develop products in the future
- If not why
- If so what do you think these might be
- What would be your preferred market
- What have been the barriers to development
- Would you consider making and selling products designed by others
- Explore the attitude towards a cooperative model
- Have you considered working with other local businesses
- Referring to the training and support – what would you access if it was available
- If a central website for community woodland products was established would you be interested in using it

Appendix I

Collectively Marketing Wood Products

Please note this survey does **NOT** include wood fuel or Non Timber Forest Products (NTFP) of any kind.

To allow us to assess the potential of this project, we would be very grateful if you would take the time to complete this short survey. Should there be sufficient demand we will be in a position to examine this idea in more depth.

Name of Woodland Group:	<input type="text"/>
Location/Postcode	<input type="text"/>
Legal Status:	<input type="text"/>
Your Name:	<input type="text"/>
Contact details: email -	<input type="text"/>
Tel -	<input type="text"/>

1. Is your community woodland currently involved in the production of wood products made from your resource? Yes No
(If no, please go to question 3.)

2. In what way are you involved in production of wood products?

- Directly involved in production
- Production via a trading arm
- Indirectly through third party (e.g. someone in your community uses timber from the community woodland to produce products for sale)

3. If no, what stage would you say you are currently at with regard to wood products?

- Investigating potential products
- Interested in developing products in the future
- No plans to develop products

Note: If not involved in any way please indicate if there is a specific reason why you have no plans to develop products. You may choose not to continue with the questionnaire but please return it to us in any case.

4. What types of product are you involved/interested in? (tick all that apply and please add any that are not listed here)

Type	Involved	Interested
pre-fabricated panels/modules for sheds, etc		
fencing materials		
completed sheds, etc		
outdoor furniture eg benches, tables, chairs		
bird/bat boxes, bird tables, etc		
signage		
quality, hand-finished furniture		
ornamental pieces		
milled timber for joinery / building etc		
Other: (please list below)		

5. How would you rate the potential value of a joint marketing initiative with like-minded groups?

- Worthwhile initiative in which our group would be interested in participating
- Possible value but would require further information
- No value to our group

To help us to understand the opinion of groups please feel free to give additional comment to your answer in the box below.

6. When considering collective marketing initiatives for community woodland groups which attributes do you feel would be most marketable? Please rank them in order with 1 being the most marketable and 8 being the least. (please

do not use any number more than once)

- Social enterprise (providing job opportunities to those otherwise distanced from the employment market)
- Using timber from sustainably-managed woodland
- Woodland under community ownership
- Hand made products
- Contributing to biodiversity as money generated goes back into managing woodland for biodiversity
- Contributing to community resilience as money generated goes back into supporting community work.
- Supporting local small/micro business
- Other (please state)

7. Please score each of the following suggestions for ways to market timber products jointly. (1= low to 5 = high potential):

1 2 3 4 5

- Online promotion via central website
- Online sales via central website
- Development of joint branding (logo etc)
- Leaflets/flyers detailing individual groups and their products
- Press / magazine advertising

8. The cost of effective marketing should be included in the price for any product. With this in mind, if you gave any of the suggestions in question 7 a rating of 3 or above, would your group be willing to contribute a fee towards this?

- One-off fee (determined by the market price of the product)
- Annual subscription (determined by the level of sales generated through this form of marketing)
- Commission on items sold
- No

9. If you answered no to question 8 please could you tell us why?

10. If you sell products how do you currently market them? (tick all that apply)

- Don't market products at all
- Through our own dedicated website for the sale of product
- Through a collective online sales shop (e.g. ebay)
- Through leaflets and/or mail shots

- At craft fairs or similar events
- Through local shop / business
- Other (list below)

11. Which type(s) of support do you feel your group could benefit from to help progress your timber products enterprise?

- Product development and design guidance
- Knowledge exchange with other producers
- Market research tools
- Advice on how to price an item
- Sales techniques for non sales people
- Online sales techniques
- Other (please let us know if there is anything else that would help you take a product to market)

12. Do you have any other suggestions for joint marketing of community woodland products? Please use the box below to give us your ideas.

Notes:

In addition to the analysis of this summary, CWA will conduct follow up telephone discussions with a selection of groups to gather additional response to help us develop this project. Please tick this box if you would not want to participate in further conversations.

Please return completed forms in the reply paid envelope enclosed

Appendix 2

Wood Products Survey Results

60 groups were contacted and there were 29 responses from 27 different community woodland groups, a 48.3% return.

51.7% of the total respondents completed the full survey.

1. Is your community woodland currently involved in the production of wood products made from your resource?

Yes 6

No 23 (all completed question 3 - 3 also completed question 2)

2. In what way are you involved in production of wood products?

4 Directly involved in production (one who replied No to Q1)

1 Production via a trading arm (also replied to indirectly)

4 Indirectly through third party (2 who replied No to Q1)

3. If no, what stage would you say you are currently at with regard to wood products?

1 Investigating potential products

8 Interested in developing products in the future

14 No plans to develop products

1 interested in developing products in the future did not complete*

1 with no plans continued and answered the rest of the questionnaire**

**Requires substantial investment to be viable. Not a priority at present
Woodland not suitable for commercial exploitation. We may expand at sometime in the future.
Not large enough area.
We have not managed to raise the funds to buy the woodland as yet.
The wood is a recreational woodland. Too expensive to extract timber (because of terrain)
The project is still limited due to the lack of a lease. IT is difficult to enthuse about potential products until this protracted issue is settled.
*We are still at the stage of trying to purchase part of a plantation.
We are trying to raise money to buy the wood so are at a very early stage but support the initiative.
Our principle concern is with flooding in the village so concentrate on riparian woodland improvement.
The woodlands are very remote and in the early stages of regeneration.
We have two small woodlands where the object is amenity and conservation.
Still early days for the woodland group. Who knows if we will develop products in the future?
Aspirations still haven't been converted to plans.
We are planting woodland from scratch in remote locations principally for biodiversity purposes. Even where these are relatively accessible from the road it is likely to be a generation before there would be potential for products on a commercially viable scale
This is a small area of 5.45 hec with trees in their 6 th year of growth. We are maintaining paths and harvesting some willow for bean towers.

15 Total completed the full survey

6 already developing products

1 investigating developing products

7 Interested in developing products

1 with no plans to develop

14 did not complete past question 3

4. What types of product are you involved/interested in? (tick all that apply and please add any that are not listed here)

One person did not answer this question.

Type	Involved	Interested
pre-fabricated panels/modules for sheds, etc		2
fencing materials	2	6
completed sheds, etc	1	3
outdoor furniture eg benches, tables, chairs		7
bird/bat boxes, bird tables, etc	1	5
signage		2
quality, hand-finished furniture		5
ornamental pieces		5
milled timber for joinery / building etc	5	6
Other: (please list below) Boats/Coracles/small log buildings Note - Could be interested in all or any of the above if woodland purchase is successful		

5. How would you rate the potential value of a joint marketing initiative with like-minded groups?

3 Worthwhile initiative in which our group would be interested participating

10 Possible value but would require further information

2 No value to our group

Additional comments.

We work with groups who have some additional support needs and make green wood furniture bird/bat boxes for their own use rather than as an enterprise but it might be a possibility as a development.
Due to our isolation I can't envisage how joint marketing would work unless we get into different markets
Hard to see how a joint marketing exercise would work so need more info
Production is small scale and finds a market among members already so would require more production.
We are only producing firewood at present but I think that producing a limited range of wood products would be a very good idea and may help to add to the total overall income and perhaps to provide job opportunities for the unemployed even for one day a week
I have felt strongly at time that community woodlands could benefit from marketing collectively, but have yet to see it work.
Our primary aim I think will be to provide for more of our on island needs and reduce the quantity of imported timber and wood products. Although we may consider exporting/marketing products to some degree in the future, if this happens at all, it is likely to be on a fairly small scale.
We ran a successful course this year in saw log extraction and processing in small woodlands. As a result we had sawn timber to sell and managed to sell most. We have a large timber resource and a commitment as part of our Forest Development Plan with FCS to fall the annual increment of the timber annually. We see saw log production as a way of getting a higher return for doing so – but have realised the issues we need to overcome to do so. These are around researching and finding markets, storage, capacity, etc. We would very much welcome involvement in finding out more about marketing and perhaps doing this as a joint undertaking.

6. When considering collective marketing initiatives for community woodland groups which attributes do you feel would be most marketable? Please rank them in order with 1 being the most marketable and 8 being the least. (please do not use any number more than once)

(Note: Some people did not fully understand this question and used numbers more than once which confused the results slightly)

Option	1	2	3	4	5	6	7	8
Social enterprise (providing job opportunities to those otherwise distanced from the employment market)	1	2	3	3		2	1	
Using timber from sustainably-managed woodland	6	2	3	1				
Woodland under community ownership	2	4		3	2	1		
Hand made products	1	2	2	2	2	1	3	
Contributing to biodiversity as money generated goes back into managing woodland for biodiversity		2	3	1	5	1	1	
Contributing to community resilience as money generated goes back into supporting community work.	2	1	2	2	1	3		
Supporting local small/micro business				1	2	4	5	
Other (please state)								
Price of item				1				
Price and Lack of travel miles per product								1
Giving folk a positive ecological role								1
Create vital income from timber(no other answers)	1							

7. Please score each of the following suggestions for ways to market timber products jointly. (1= low to 5 = high potential):

2 did not answer this question but one made the comment "all have their merits first need to get the products sorted!"

1	2	3	4	5	Options
2	1	1	6	3	Online promotion via central website
1	4	2	5	1	Online sales via central website
3	2	5	1	2	Development of joint branding (logo etc)
1	2	4	3	3	Leaflets/flyers detailing individual groups and their products
1	2	3	6	1	Press / magazine advertising

8. The cost of effective marketing should be included in the price for any product. With this in mind, if you gave any of the suggestions in question 7 a rating of 3 or above, would your group be willing to contribute a fee towards this?

2 One-off fee (determined by the market price of the product)

6 Annual subscription (determined by the level of sales generated through this form of marketing)

10 Commission on items sold

3 No

9. If you answered no to question 8 please could you tell us why?

Present production finds a market already.
Run it as a test for 3 years and if successful introduce fee. Web pages and one off flyer are very cheap.
Have ticked two boxes as we hope to market on our own website if we did consider marketing elsewhere Commission on Items would appear the fairest as groups would have different amounts of timber for sale.
Yes to all in principle

10. If you sell products how do you currently market them? (tick all that apply)

I did not answer this question

8 Don't market products at all

1 Through our own dedicated website for the sale of product

0 Through a collective online sales shop (e.g. ebay)

1 Through leaflets and/or mail shots

1 At craft fairs or similar events

0 Through local shop / business

5 Other (list below)

Membership and local contacts.

Thinning and fellings through standing or roadside sales, usually by tender, sometimes by negotiation to the 'orthodox' timber market (eg local sawmills, etc)

Word of mouth within the community – activity level very low.

Local word of mouth

The limited products sales through the group have been word of mouth.

11. Which type(s) of support do you feel your group could benefit from to help progress your timber products enterprise?

10 Product development and design guidance

9 Knowledge exchange with other producers

6 Market research tools

6 Advice on how to price an item

6 Sales techniques for non sales people

5 Online sales techniques

4 Other (please let us know if there is anything else that would help you take a product to market)

Advice on setting up the legal mechanism (trading arm, third party, etc)

Focussed marketing and awareness raising for structural use of sitka

There is considerable knowledge in the group but bouncing ideas with others is always good.

Motivated individuals

12. Do you have any other suggestions for joint marketing of community woodland products? Please use the box below to give us your ideas.

Speak to Eoin Cox

No but think that is the problem – whilst we have some really good skills in our group we lack business and retail experience. We have found seminars from HISEZ and Community Enterprise helpful and our recent experience of selling timber identified a lot of issues we should have addressed prior to commencing sales. We are therefore very interested in getting help with this issue.

We are shortly meeting with Napier University to explore the promotion and use of air dried sitka in construction. Our local FCS development officer is also attending – we will update you after the meeting on 14th Oct. Perhaps groups could meet and bring products along – take it from there....

Groups Participating in the Survey

Abriachan Forest Trust
Aigas Community Forest - Steering Group
Ardrishaig Community Trust
Argyll Green Woodworkers Association
Balloch Community Council
Colintraive and Glendaruel Development Trust
Craignish Community Company
Culag Community Woodland Trust Ltd
Dunain Community Woodland Group
Dunnet Forestry Trust
Embo Trust (Urras Euraboil)
Evanton Wood Community Company
Forres Community Woodlands Trust
Gearrchoille Community Wood - Ardgay
Glenelg and Arnisdale Development Trust
Highland Renewal
Isle of Eigg Heritage Trust
Kilmallie Community Company
Kingsburgh Forest Trust
Kirkhill & Bunchrew Community Trust
Knoydart Forest Trust
Latheron, Lybster and Clyth Community Development Company
Milton Community Woodland Trust
Morvern Community Woodlands
North Harris Trust
North West Mull Community Woodland Company Ltd
Sluggans Woodland Park Group
Treslaig & Achaphubuil Crofters Woodland Trust

Others contacted but did not return questionnaires

ABC Group
Acharacle Community Company
Aline Community Woodland
Anagach Woods Trust
Applecross Community Company
Ardross Community Woodland Company
Assynt Foundation
B & D Community Woodland
Blarbuie Woodland Enterprise
Boblainy Forest Group
Broadford and Strath Community Company
Bute Community Land Company
Cormonachan Woodland Project
Fernaig Community Trust
Findhorn Hinterland Group
Glen Urquhart Land Use Partnership
Kilfinan Community Forest Company
Kirkton Woodland Group
Laggan Forest Trust
Laide and Aultbea Community Woodland Ltd
Lochalsh Woodland Park Steering Group
North Highland Forest Trust – to distribute to their members – no returns
North Sutherland Community Forestry Trust

Raasay House Community Company
Rosneath and Clynder Community Action Trust
Saltburn and District Community Association
Sleat Community Trust
South East Caithness Development Group - Rumster
Strathfillan Community Development Trust
Strathnairn Community Woodland Project
Sunart Oakwoods Initiative
Uist - Crofting Environment Improvement Association
Ullapool Community Trust
Wildwood Wisdom Cooperative