2.5 Canadian Image

The major Canadian export sales organizations are well known in the market, but they and their smaller brethren are not necessarily well thought of. Although the image is changing, and there are notable exceptions, the European market still feels that Canadian exporters view Europe as a safety net when business is bad in the United States. Europeans also believe that Canadians cannot grade and cannot or will not deliver what is promised.

However, Canadians and their products are welcomed in the marketplace. The following quotes illustrate the views of many in the trade.

- Canadians have the raw material to succeed; but stop doing volume, do quality instead. The wood is magnificent; stop massacring it. [Chief buyer for a large, fully integrated home renovation group, selling Canadian material]

- It is difficult to work with Canadians. For two to three years they are not on the market, then they rush in and break the prices . . . drive prices down. [Agent who would like to deal with Canadians]

- It is difficult to work together; maybe I am wrong but we expect a prompt answer to inquiries. [Agent dealing with Canada]

- We like to work with North Americans, we like their mentality. [Agent representing Canadian and U.S. exporters]

2.6 Market Requirements

2.6.1 Kiln-Drying

Canadians do not have a very good reputation for kiln-drying sawn timber to desired dryness. Their techniques for drying joinery grades are also generally regarded as poor.

Kiln-drying should be regarded as what the end-use market wants, not just a requirement because of phyto-sanitary regulations. This is underscored by the announcement by the U.K.'s four largest timber purchasing groups of their intention to cease purchasing green sawn timber as of April 1992. As one Canadian trade representative aptly stated, "Kiln-drying is not a service, it is part of the product presentation."

According to the trade, the effect of kiln-drying on price is limited. For example, in Germany it is estimated at about 50 DM/m³ ($30/m³). The major benefit is increased flexibility for end-users, and thus acceptability in the marketplace.

The humidity requirements and preferences vary from market to market. The best general rule, as a starting point, is the practice adopted by the principal competitors for much Canadian lumber – Finland and Sweden.

According to the Swedish and Finnish Timber Council, the generally accepted terminology for humidities for various uses of the wood are:

• Dry, for furniture	6% to 10%
• Dry, for joinery	10% to 15%
• Dry, for lamination	14%
• Dry, for planing	15% to 19%
• Ambient	15% to 23%

The humidity standards used by the Swedish and Finnish Timber Council for determination of dimension, for example, are:

• Sawnwood	20%
• Planing stock	17% (± 2%)
• Flooring stock	8% to 12%
• Joinery stock	8% to 17%

2.6.2 Sizes

European users of wood are geared to standard metric sizes. They accept non-standard sizes when price and market conditions are right, or when they have no choice. However, they then have to plane to their standard metric dimensions. This results in a loss, reported by one source to average 2% to 9%, and hence a commensurate price reduction. One source estimated the price reduction for standard coniferous product at about 5%.

Length in imperial is less of a problem, but again, anything that makes the customer's life easier strengthens the business relationship. Perhaps a more telling argument is illustrated by the following remark from one leading agent,