

Producer outlook

TTJ asked key players in the German sawmill sector for their perspectives on trade

LAWRENCE WEBSTER

Lawrence Webster is UK sales director of German timber export agency Kullik & Rullmann.

Little more than a decade ago, Germany was an importer of timber. But today its mills are turning their annual capacity of 23 million m³ far more to export markets.

Currently even the restructured larger groups are looking more closely at margins than volumes and this will probably result in less being exported to the UK this year.

The domestic market is also still strong, with demand leading to the ex-mill price for raw material for KVH finger jointed structural timber rising €40/m³ in the first half of this year, which has since been reflected in the selling price. Many mills have consequently cut exports for domestic sales.

However, UK buyers of construction-type products have had strong ties with German



suppliers for years. Greater mutual product understanding is still needed; for instance, users and suppliers should be more aware of the impact of regional pine variation.

But overall the potential for German timber here remains. The Germans have no pulp and paper mills to depend on, so we don't get price peaks and troughs. Mills also like dealing with the UK; they'll get it right and I believe they're here to stay.