



Forestry Innovation
Investment®

YEAR IN REVIEW

2017/18

B.C.

Showcasing
wood innovation.
Pg. 12

CHINA

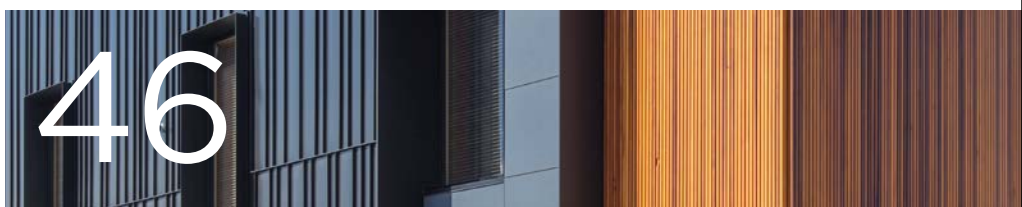
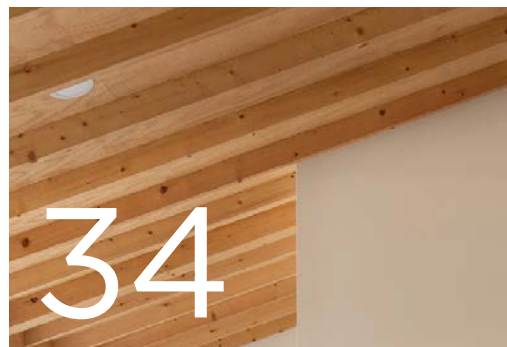
Increasing
B.C. exports.
Pg. 24

JAPAN

Developing new
market segments.
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INDIA

Building the
Canadian brand.
Pg. 38



Credits from left to right, top to bottom: Western Forest Products Saltair Mill, Brudder; Penticton Lakeside Resort, Structurliam; Mulgrave Secondary, Ed White Photographics; John W. Olver Design Building at UMass Amherst, ©Albert Vecerka/Esto; Tianjin Eco-city, Canada Wood China; Clinic and elderly care facility, Canada Wood Japan; Private residence, Canada Wood Korea; Pallet Pub Restaurant and Micro Brewery, FII India; Wood Innovation & Research Lab, Michael Elkan

Cover photo: The Shore, North Vancouver | Photo: Raef Grohne

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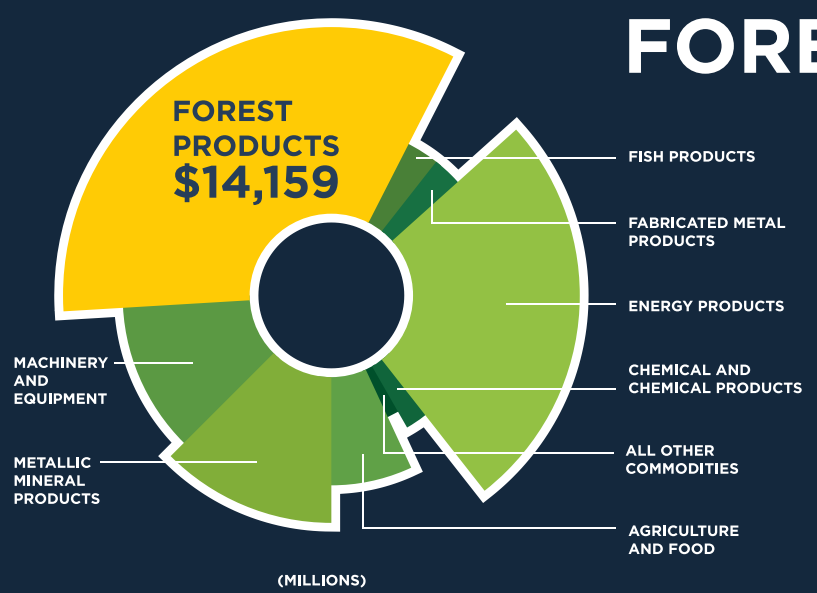
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BUILDING A STRONGER FOREST ECONOMY

FOREST PRODUCTS



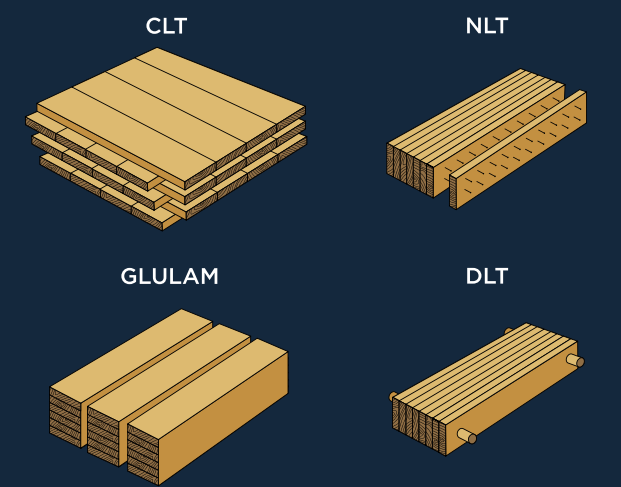
REPRESENT
32%
OF B.C.'S COMMODITY
EXPORTS



ANNUAL HARVEST



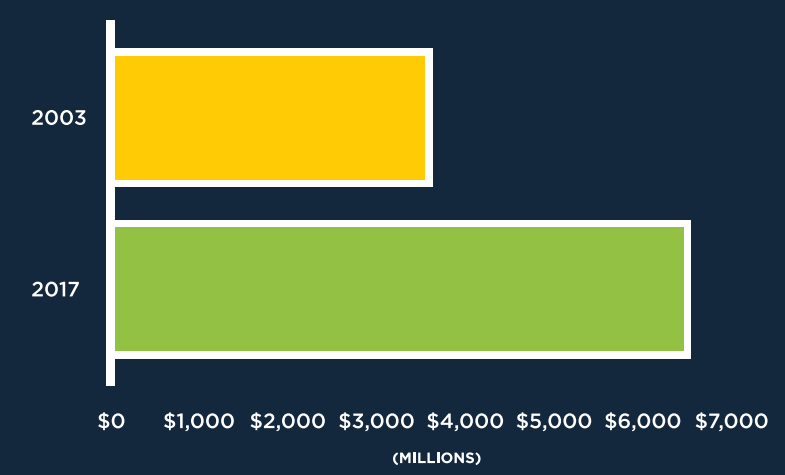
MASS TIMBER PRODUCTS FROM B.C. FORESTS*



MARKET DIVERSIFICATION

B.C. SELLS
90%
OF ITS FOREST PRODUCTS TO
INTERNATIONAL
MARKETS

GROWTH OF FOREST PRODUCT EXPORTS TO ASIA



FORESTRY SUPPORTS OVER
7,000
BUSINESSES
ACROSS B.C.

\$992
MILLION

B.C. PUBLIC REVENUE
GENERATED IN 2017/18
THAT SUPPORTS
HEALTH CARE, EDUCATION
AND INFRASTRUCTURE



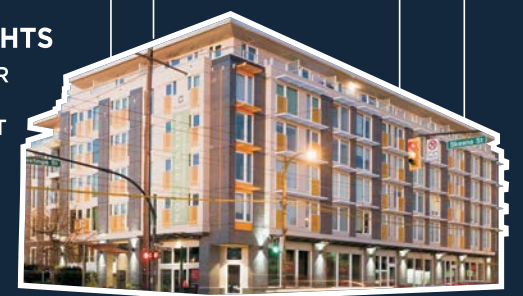
OVER
57,000
PEOPLE DIRECTLY
EMPLOYED
BY FORESTRY

INCLUDING 12,000 IN
VALUE-ADDED SECTOR

BENEFITS OF WOOD CONSTRUCTION

- ARCHITECTURAL AND STRUCTURAL INNOVATION
- IMPROVED CONSTRUCTION EFFICIENCIES
- INCREASED BUILDING PERFORMANCE
- REDUCED CARBON IMPACT

THE HEIGHTS
VANCOUVER
RENTAL
APARTMENT
BUILT TO
PASSIVE
HOUSE
STANDARD



Sources: BC Stats; British Columbia's Forest Industry and the B.C. Economy in 2016, PWC; Labour Force Survey, BC Stats; Economic State of BC Forest Sector, BC Stats; 2018 Budget Estimates, BC Budgets

* CLT: cross-laminated timber | NLT: nail-laminated timber | Glulam: glue-laminated timber | DLT: dowel-laminated timber

MESSAGE FROM THE MINISTER



British Columbia is home to one of the world's most sustainable and globally competitive forest sectors and is known for advancing the use of engineered wood and mass timber products through innovative, low carbon building systems.

Forestry has long supported families, communities, and businesses across British Columbia. Today, B.C.'s forest sector is an economic engine of 7,000 firms that provide direct jobs for over 57,000 people in communities around the province. Provincial revenue generated by forestry activity is crucial to providing essential services like health care, education and infrastructure.

Our forests and forest products are also important environmental resources, which help B.C. demonstrate leadership in the fight against climate change. Leveraging the value of our forests for jobs and sustainable economic growth, while protecting this vast natural resource through environmental stewardship, is a key priority of the Government of British Columbia.

As outlined in this report, Forestry Innovation Investment (FII) and its partners play an essential role through marketing strategies directed towards the international markets that buy more than 90 per cent of B.C. wood products. In addition to growing the market for dimensional lumber, FII's programs help generate more economic value from harvested wood, grow the province's innovative value-added sector, and communicate the benefits of products from B.C.'s globally recognized, sustainably managed forests.

Looking forward, the Province remains committed to making investments that support a vibrant, sustainable, and globally competitive forest sector. Through FII's funding partnerships with the federal government and industry and close working relationships with stakeholders, we will ensure that forestry continues to build strong communities and good, sustainable jobs for people in communities throughout British Columbia.

A stylized, handwritten signature in white ink.

Honourable Bruce Ralston
Minister of Jobs, Trade and Technology

MESSAGE FROM THE CEO



Maintaining and growing export markets is vital to the health and sustainability of the B.C. forest economy. Forestry Innovation Investment leads the Province's efforts to develop and diversify these markets through collaboration and partnership with industry, the federal government, and other stakeholders. Over the past year, we have delivered a full range of forward-looking programs aimed at building demand in established and emerging markets including the United States, China, Japan, South Korea, India, as well as right here at home in B.C.

Our programs continue to demonstrate success building on our year-over-year results. As demand for low-carbon construction materials continues to increase, we will further position B.C. as a global leader in sustainable forest management, and as policy makers continue to set carbon reduction targets, we will continue to strategically position wood as a low-carbon, green building material.

B.C. is a leader in wood construction and in the coming years, the next-generation of engineered wood products and building systems will drive innovation and growth in the sector. And as countries from across the globe look to B.C. for leadership, we will continue to leverage our province's expertise to create new market opportunities for our high-value forest products.

This 2017/18 Year in Review highlights some of the many market development activities underway around the world. We welcome your comments on any aspect of this report or our programs.

A stylized, handwritten signature in white ink.

Michael Loseth
President & CEO
Forestry Innovation Investment

FORESTRY INNOVATION INVESTMENT

Developing and diversifying markets for B.C. wood



Western Forest Products Saltair Mill, Ladysmith | Photo: Brudder

Forestry Innovation Investment (FII) works with the forest industry to maintain, create and diversify demand for B.C. forest products at home and abroad, communicate the merits of B.C.'s products and forest practices to the global marketplace, and helps ensure that the forest sector, through innovation and market development, continues to be a leading contributor to the B.C. economy.

WOOD FIRST | GROWING INNOVATION AND CAPACITY IN B.C.

Wood First works to ensure B.C. is a leader in using innovative forest products and developing next-generation wood products and building systems.

MARKET OUTREACH | PROMOTING B.C. FORESTS AND PRODUCTS LOCALLY AND GLOBALLY

Market Outreach positions wood as an environmentally friendly, preferred building material and B.C. as a reliable supplier of quality products from sustainably managed forests.



Sayward Forest | Photo: Brudder



Structurlam, Penticton | Photo: Brudder

MARKET INITIATIVES | BUILDING MARKETS IN ASIA AND NORTH AMERICA

Market Initiatives expands international market diversification for conventional and next-generation B.C. wood products in markets offering high growth potential.

FII has two subsidiaries in key Asian markets. FII China leads government relations activities on behalf of the market development team in China and provides market research for industry use. FII India undertakes market research to drive

strategy that includes education, promotion, and technical support while also overseeing product trials and securing commercial demonstration projects in India.

In 2017/18, FII began exploring market development opportunities in Vietnam, which included providing B.C. wood products for use in product trials. FII expects activities in Vietnam to further develop in 2018/19.

For a more detailed description of our programs or subsidiary activities, visit bcfii.ca.



PARTNERS IN MARKET DEVELOPMENT

Working together
to deliver innovative
programs in B.C. and
around the world

Penticton Lakeside Resort | Photo: courtesy of Structurlam

\$1=\$3.60

Every dollar invested
by FII is supported by
\$2.60 from federal,
industry and other
partners.

A major strength of the B.C. forest sector is the close collaboration between industry, government, and stakeholders. This is particularly evident in the market development initiatives led by FII. More than two dozen industry trade associations, government departments, research institutions, and trade agencies were involved in these programs in 2017/18.

This combination of skills, market contacts, expertise, and funding generates an impact far greater than any of the partners could achieve on their own and ensures a coordinated effort that benefits the sector.



Centre for Interactive Research on Sustainability
Centre for Advanced Wood Processing
School of Architecture + Landscape Architecture



**The Coast Forest Products Association and the BC Council of Forest Industries came together as one organization on March 31, 2018.*



BRITISH COLUMBIA

Promoting leadership and celebrating innovation

Mulgrave Secondary, North Vancouver | Photo: Ed White Photographic

OVERVIEW AND STRATEGY

B.C. is globally recognized as a world leader in sustainable forest management as well as an internationally recognized centre of excellence for wood building and design expertise.

Domestically and internationally, customers recognize that B.C.'s and Canada's forests provide a sustainable supply of wood for lumber and mass timber products, while protecting environmental and social values such as wildlife, water, community, and economic interests.

The province also continues to lead Canada in building taller and larger

with wood, using innovative building systems, including mass timber, building information modeling, and prefabrication.

Maintaining B.C.'s reputation and leadership involves ongoing communication and investment.

This includes providing credible and timely information about sustainable forest management practices and advanced building systems to a wide range of stakeholders. It also involves ongoing investments to foster innovation in manufacturing, building design, and construction technology through research funding and skills development.



Bella Coola Valley | Photo: Michael Bednar

“Use of mass timber in building construction helps support the local economy in British Columbia and it helps us meet the increasing demand we’ve had for on-campus accommodation at UBC. It is also an example of innovative and sustainable design which helps us push forward locally and set an example for the world.”

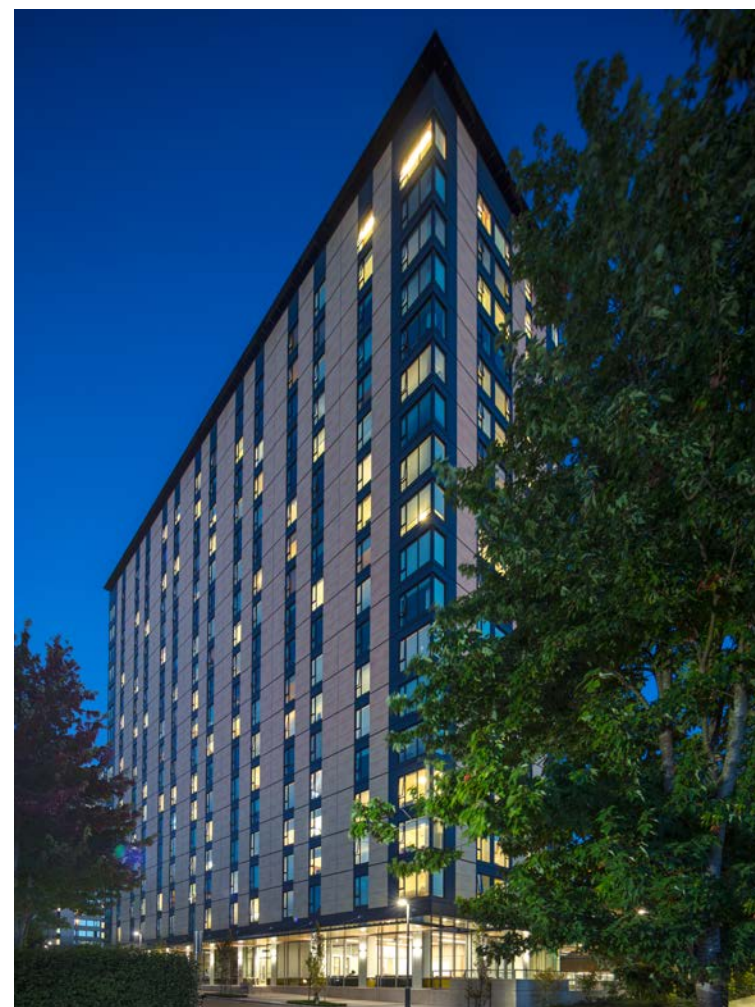
- John Metras
Managing Director,
Infrastructure Development,
University of British Columbia
(UBC)

Leadership at home and abroad

Showcasing B.C. leadership in tall wood building construction

By coming in on budget and schedule, Brock Commons Tallwood House (the 18-story mass timber hybrid student residence at UBC) demonstrated that tall wood construction using mass timber and engineered wood products for high-rise construction was a viable option and could deliver significant environmental and community benefits. From a fire safety standpoint, the building is described by fire officials as one of the safest in Vancouver.

In 2017/18, FII continued its leadership of a comprehensive communications strategy over the life of the project to promote it locally and internationally, resulting in 300 articles in 529 publications across 39 countries. This brings the lifetime media reach to 821 publications in 41 countries. The experience gained in the project will build industry expertise and broaden opportunities for other mass timber projects.



Brock Commons Tallwood House, Vancouver | Photo: Michael Elkan

99% of respondents confirm B.C. leadership in environmental practices and reputation

FII, together with our partners, commissioned a study of pulp, paper and wood buying companies in several countries regarding their perceptions of forest products and environmental issues.

Conducted in the fall of 2017 with executives in nine countries, 99% of respondents ranked B.C.’s environmental reputation positively and better than other countries and regions.

Educational materials capture and share lessons learned

Following completion of Brock Commons Tallwood House in the summer of 2017, FII began the final phase of its three-year initiative to develop a suite of communications and educational materials.

A three-part video series provided overviews of the project, including design modelling and the construction process. To date, the videos posted to naturally:wood’s YouTube channel have received more than 18,000 views and have been embedded in numerous articles in trade publications in B.C. and beyond.

A Performance Overview case study, released in March 2018, marks the final case study in a series of six, which were produced as an educational resource for local industry and post-secondary programs. It assessed various aspects of the construction process ranging from structural elements, building systems and the building envelope, to cost and environmental performance.



The Performance Overview as well as many other Brock Commons resources can be downloaded at naturallywood.com.

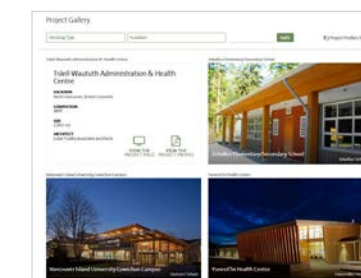
Tools and resources to inform and inspire



Canada’s design and construction community now has free access to detailed expert advice available in the Nail-Laminated Timber (NLT) Canadian Design and Construction Guide.

Available at naturallywood.com, approximately 800 design professionals have already downloaded this valuable free guide to inspire new projects and ideas.

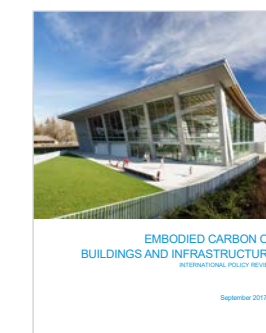
B.C. Project Gallery showcases the potential of wood



The naturally:wood Project Gallery features over 100 innovative wood projects from across the province that showcase wood in structural as well as finishing applications.

Updated to improve user experience with filters that can narrow search results and an interactive map to showcase wood use across B.C., the project gallery has received more than 3,000 unique pageviews in the past year.

Investing in research to educate and inform carbon reduction for B.C. buildings



Recognizing there is an opportunity to draw on the environmental best practices of other jurisdictions, FII commissioned the 2017 International Policy Review, Embodied Carbon of Buildings and Infrastructure. The objective of the study was to better understand what other jurisdictions are doing, and what kinds of emerging policies, tools, targets, and best

practices are being pursued to reduce the embodied carbon footprint of new buildings.

The report was shared with B.C. and federal policy makers and can be downloaded from naturallywood.com.

“We pride ourselves on helping local wood product manufacturers grow faster by giving them the tools to access and expand in markets they would not otherwise enter. VanAir is another local success story and we’re pleased to play a role.”

– Brian Hawrysh
CEO, BC Wood



Photo: Amber Kingsnorth, M&K Interiors

Co-founder Vick Yau of VanAir Design manufacturing at Lynden Door’s facility in Yarrow, B.C.

“There weren’t any roadblocks with the machinery, and we got funding as well. CAWP gave us that springboard to test what designs would work and wouldn’t work. Those tools were very crucial to our success.”

– Vick Yau
Founder, VanAir Design

Strengthening B.C.’s manufacturing capacity

Through its Wood First program, FII encourages the forest industry, researchers and design professionals to produce innovative wood-based products that create or meet market demand.

Developing new wood-based products that meet market demand

The University of British Columbia’s Centre for Advanced Wood Processing (CAWP) and BC Wood, two Wood First program funding recipients, supported VanAir Design — helping this local start-up gain entry in local and global markets for its leading-edge ventilated door.

CAWP was instrumental in taking the entrepreneur’s prototype through the product development stage with leading manufacturer Lynden Door, while BC Wood—an active voice for the value-added industry—guided VanAir through its marketing efforts, locally and internationally.

Building business

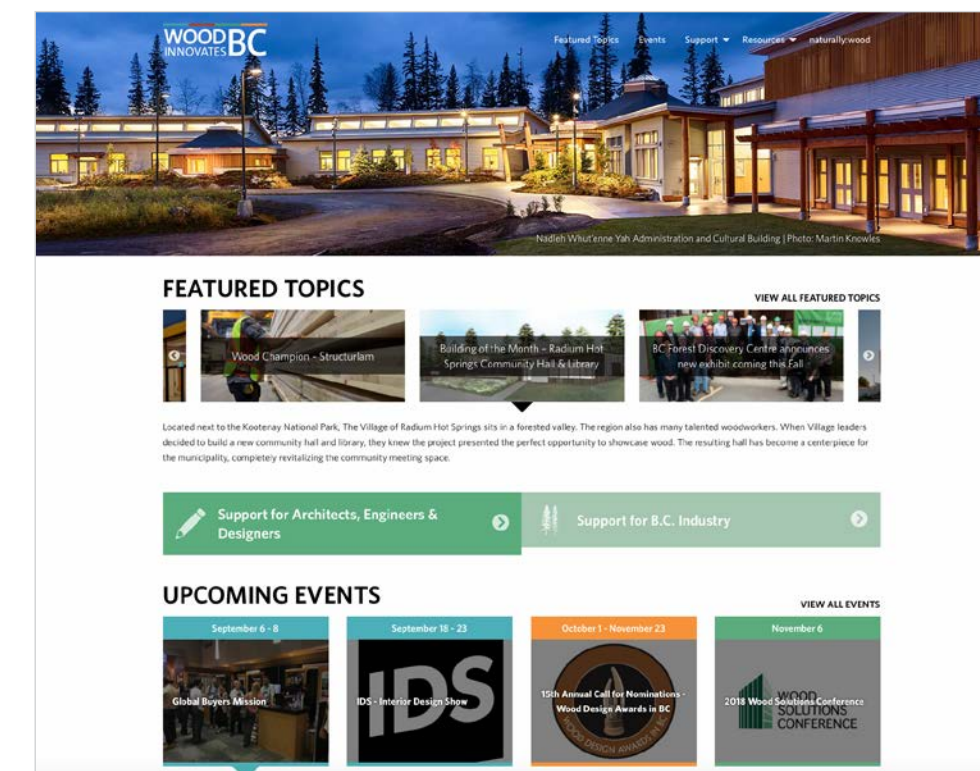
FII supported B.C.-based businesses in increasing their promotional and business access to new markets.

- 10 companies participated in an updated BC Wood Specialties Group boot camp seminar program. The new format provides follow-up support on initial market planning through webinars and monthly one-on-one sessions. Networking between participating companies is encouraged to obtain practical advice and help develop strategies.
- 23 B.C. companies undertook 30 specific projects to enhance marketing and manufacturing capabilities.



Wood Innovates BC: driving innovation in wood design, building and manufacturing

Hosted on naturallywood.com, Wood Innovates BC was launched in 2017/18 to increase the reach of resources to industry and architects, engineers and designers, and profile the latest B.C. expertise, wood design resources, networking events, and workshops.



Connecting B.C. suppliers to potential customers

B.C.’s diverse and distinct wood products and buildings showcase the tremendous potential for wood. The B.C. Supplier Directory hosted on naturallywood.com is available to buyers who are searching for wood products from B.C.

Over the past year the directory resulted in almost 14,000 interactions with customers for local primary and value-added businesses. To be added to the Supplier Directory, contact info@naturallywood.com.



Structurlam, Penticton | Photo: Brudner



UNITED STATES

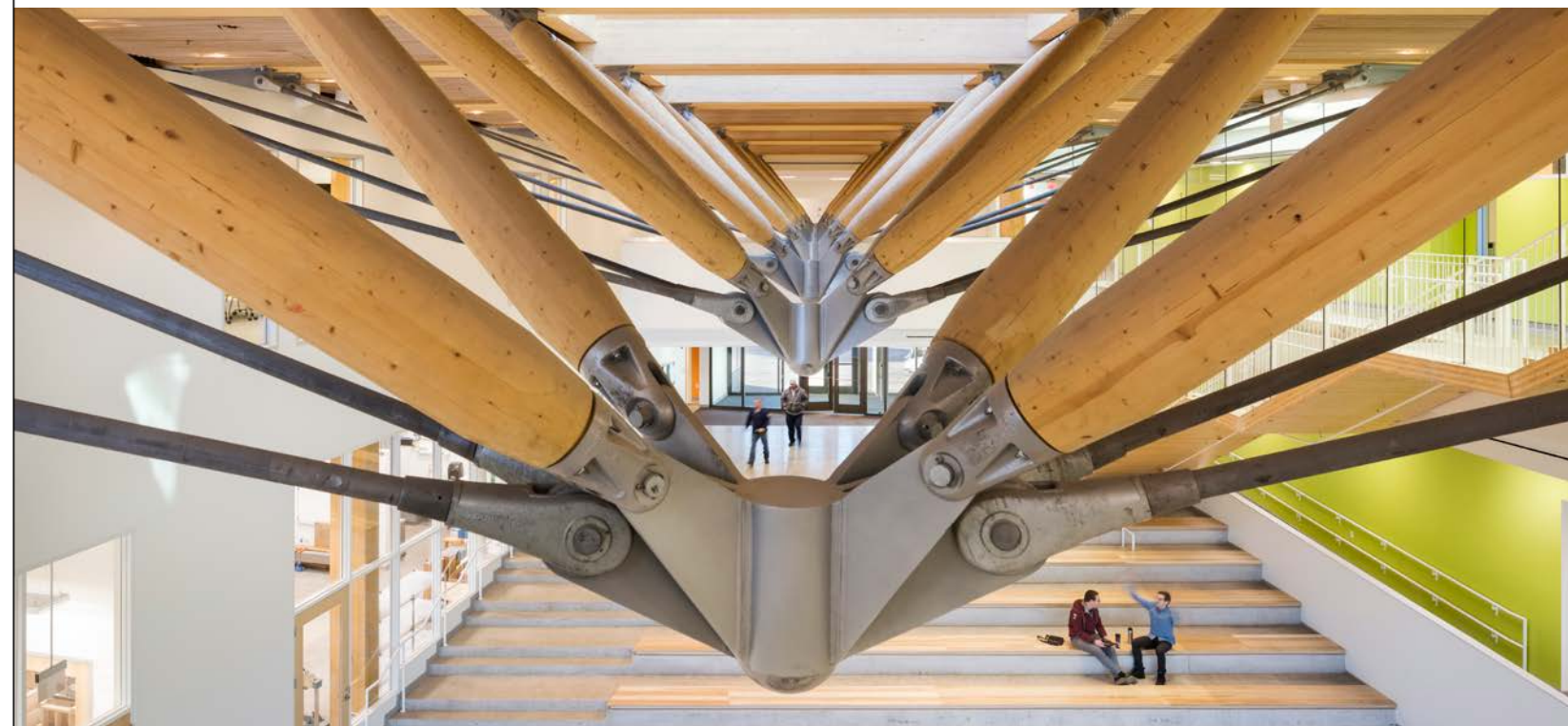
Diversifying opportunities in B.C.'s largest market

John W. Olver Design Building at UMass Amherst, Amherst, MA | Photo: © Albert Vecerka/Esto

OVERVIEW AND STRATEGY

With B.C. wood products well established in the U.S. single family residential sector, in 2017/18 FII continued its efforts to expand opportunities in other building sectors. This included medium density housing (multi-family and multi-storey) and non-residential construction. Along with broadening the market for dimensional lumber, investments also targeted high-value

applications such as millwork and finishings, resort homes, log and timber frame structures, prefabricated housing, cabinetry, and shakes and shingles. Other activities funded by FII included promotion, research, technical support, targeted product differentiation, and taking advantage of emerging opportunities in taller wood building construction.



John W. Olver Design Building at UMass Amherst, Amherst, MA | Photo: © Albert Vecerka/Esto

Expanding the use of wood in offices

Establishing wood as a preferred solution across the allowable spectrum of building types helps protect the industry from market fluctuations and grows market share. Increasingly, this is creating opportunities in multi-family and commercial applications. The First Tech Federal Credit Union Building is an example of the growing opportunity for wood. The architecture firm had regularly made use of educational opportunities and called WoodWorks staff several times to discuss the use of mass timber. Then the conversation shifted to a specific project. The result is a wood structural system that is exposed on the interior and a façade that reflects the natural park environment surrounding the building. This makes the campus feel like part of the local park instead of another corporate campus.



First Tech Federal Credit Union Building, Portland, OR |
Photo: Marcus Kauffman, Oregon Dept. of Forestry

Growing demand and market share through technology transfer and project assistance

FII, through its Market Initiatives program, invests in education and resources related to the design of non-residential and multi-family wood buildings to resolve technical issues that pose barriers to wood use and make it easier for design teams to specify wood in the future.

WoodWorks supported a range of projects, including multi-family/mixed-use, education, office, commercial, industrial, civic/recreational and institutional/healthcare. In addition to project support, the program provides extensive outreach including webinars, design awards and participation at key third-party events.

Free one-on-one project assistance was provided in 10 regions across the country resulting in 3,285 interactions and 283 project conversions, a 12% increase over the previous year. These conversions also create a positive environmental impact with the carbon benefit of using wood equivalent to 629,300 cars off the road for a year.

Access to technical support led to 283 project conversions with direct incremental wood product value of USD \$157 million.

Promoting B.C.'s value-added producers

BC Wood reported that a combination of tradeshow and American Institute of Architects (AIA) accredited WoodTALKS seminars for architects drove \$6.4 million in incremental sales for 25 value-added firms. The U.S. is the largest market for B.C. value-added companies. They manufacture a diverse range of specialty products helping maximize the value of B.C.'s forest resource.



International Builders Show | Photo: BC Wood

Market research—shaping promotional campaigns

Extensive market research among builders and architects in the U.S. by the Western Red Cedar Lumber Association reported very good news for the Western Red Cedar (WRC) brand. The findings showed significant improvement across all performance criteria over previous years, and that awareness of WRC is high among architects and builders.

97% of architects are aware of WRC and 85% are aware of the Real Cedar brand, with 80% of survey respondents having a positive brand perception. Architects considered WRC in 86% of applications and recommended it in 77% for a conversion rate of 90%.

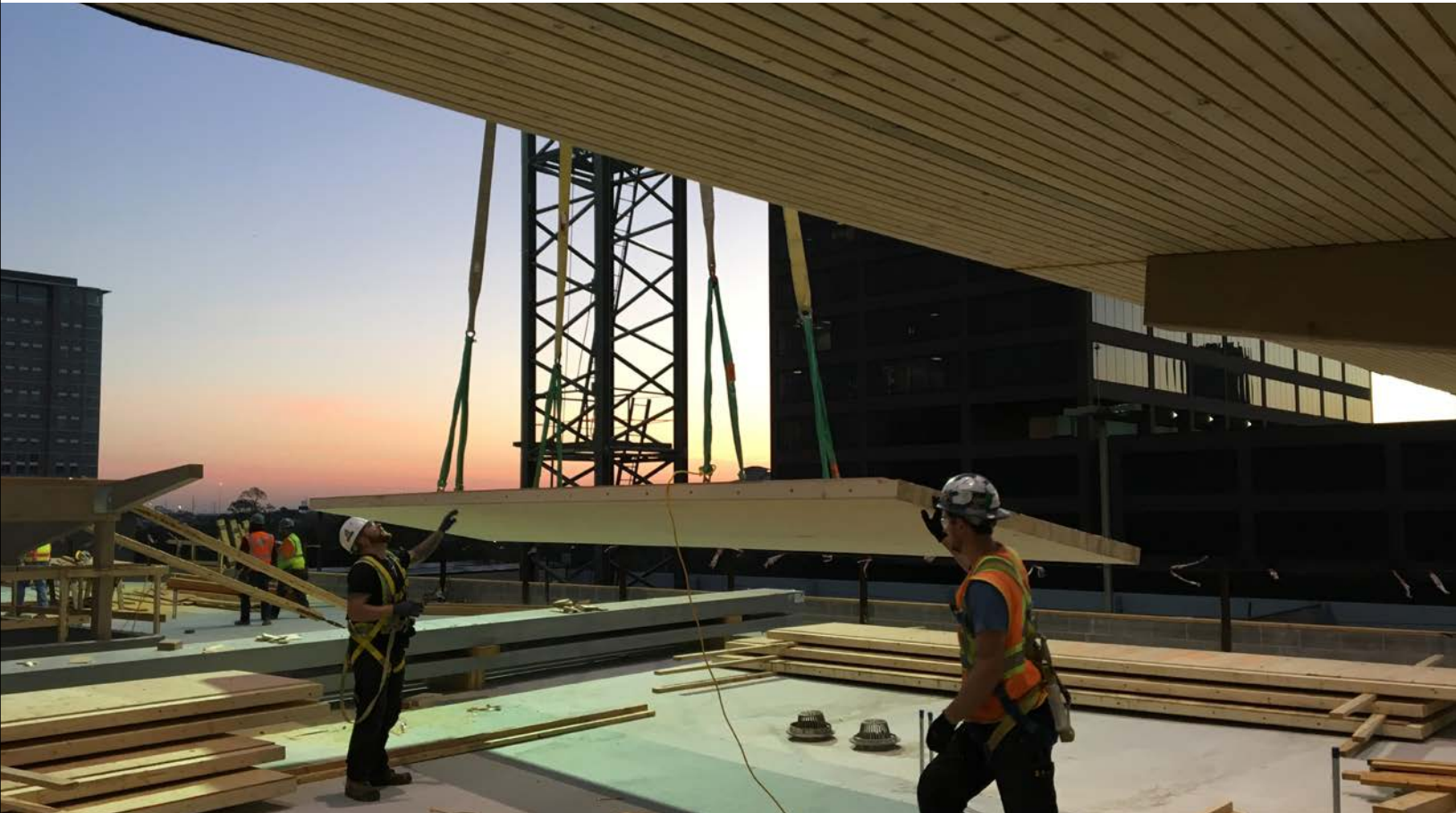
For builders surveyed, WRC brand awareness remained high at 87% and unchanged from an earlier survey in 2014. In terms of performance criteria important to purchase decisions, the perception of the beauty of WRC increased by 14% to 89%, while function grew by 11% to 75%.

Information from the survey will be used to further enhance the targeting of information to stakeholders. This will help WRC retain its advantage over competing materials and further grow market share.

In 2017, B.C. exported 1.34 million cubic metres of western red cedar to the U.S. valued at \$825.7 million.



MOTO, Denver, CO | Photo: Ronnie Leone



Museum of Fine Arts, Houston, TX | Photo: StructureCraft Builders

The Museum of Fine Arts Houston is one of the first projects to use DLT in North America. The timber structure is comprised of DLT roof panels on a glulam post and beam substructure.

Next-generation wood products

Next-generation wood products are experiencing strong growth across the U.S. Significant opportunities for future growth exist as advances in additional mass timber products are developed and introduced into the marketplace. In 2017, the list of B.C. mass timber

products exported to the U.S. increased when StructureCraft Builders Inc., based in Abbotsford, became the first producers of dowel-laminated timber (DLT) in North America, creating another competitive advantage for B.C. products.

HIGHLIGHTS

PRO-WOOD MESSAGING

617 MILLION

PRO-WOOD MESSAGING WAS VIEWED 617 MILLION TIMES BY A TARGETED AUDIENCE OF ARCHITECTS, ENGINEERS, BUILDERS, CODE OFFICIALS, AND DESIGNERS.

BUILD CAPACITY FOR BUILDING WITH WOOD

+17,600 HOURS

OVER 17,600 HOURS OF ON-DEMAND WOOD EDUCATION DELIVERED. ON-DEMAND EDUCATION MEANS LESS LABOR INTENSIVE, IN PERSON COURSE DELIVERY.

NURTURE CONVERSIONS

+94% TOP FIRMS

THINK WOOD CONTENT NOW REACHES +94% OF THE TOP 100 U.S. FIRMS.

THINK WOOD®



North America is thinking wood

FII continues to collaborate with the U.S.-based Softwood Lumber Board to deliver a communications and marketing program targeted to U.S. specifiers.

In 2017, the program:

- directed 5,306 prospects to industry, an increase of 34% over the previous year
- helped architects and others complete over 17,600 hours of continuing education credits
- generated 617 million exposures to reThink Wood messaging in 2017, an increase of 1,418%, largely attributed to social media efforts.

With steady year-over-year growth in terms of increasing market share and with the proliferation of wood buildings across the U.S. and Canada, by the end of 2017, it was clear that architects, engineers, builders and designers no longer need encouragement to rethink wood—they now think wood.

To accurately represent this increased understanding and demand, reThink Wood became Think Wood in early 2018, shifting the campaign from inspiration and building awareness to being the go-to resource for information about lumber, wood design and construction trends and information on multi-family residential and non-residential building applications.

This resource complements the code advocacy and project technical support services provided by the American Wood Council and WoodWorks programs, ensuring a solid share of voice for wood, addressing misconceptions, and countering competitor campaigns by sharing the many economic, environmental and societal benefits building with wood offers.

For more information visit thinkwood.com.



CHINA

Adding value in a growing market

Tianjin Eco-city | Photo: Canada Wood China

OVERVIEW AND STRATEGY

China is B.C.’s largest market for wood products in Asia by both volume and value, and the second-largest market overall, after the U.S. In 2017/18, the multi-year strategy with Canada Wood China to increase the average value of wood exports continued. Market development activities focused on supporting the growth of the prefabricated wood building sector, promoting wood use in resort developments, and positioning B.C. as a reliable supplier for the Chinese wood products manufacturing sector. In addition, FII China led the government relations program to maintain close ties with Chinese officials and promote regulatory changes to encourage wood use in the construction sector.

Trade missions promote B.C. wood and green building technology

Two important B.C. trade missions travelled to China in 2017/18 to promote B.C. wood products and encourage Chinese officials to think wood when they are developing green building initiatives.

Premier Trade Mission

In January 2018, Premier John Horgan was a key speaker at the International Wood Construction and Green Building Policy Forum on Green Building Systems. The event was attended by more than 200 professionals and stakeholders, including senior government officials, university professors, designers and developers.



Photo: Canada Wood China

“China is increasingly focused on environmentally sustainable construction, and B.C. is taking every opportunity to promote the environmental benefits of wood building products and systems.”

– Premier John Horgan

Minister Trade Mission

In November 2017, Doug Donaldson, Minister of B.C. Forests, Lands, Natural Resource Operations and Rural Development, led the largest ever forestry delegation to China. Minister Donaldson reinforced the commitment of the B.C. forest sector to the Chinese market and visited the Jiangsu Urban and Rural Construction College where the delegation was briefed on the developments of its wood frame program.

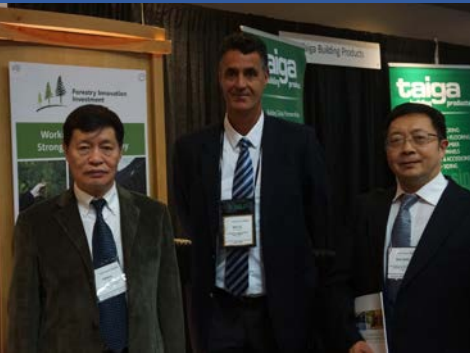


Minister Donaldson attending Sino-Canada Wood Conference | Photo: Canada Wood China

FII also assisted Global Affairs Canada in organizing a trade mission by the federal Minister of International Trade to develop a deeper understanding of the Chinese lumber trade and also advance trade relations with Chinese counterparts.

Chinese mission to Canada

Senior Chinese government officials travelled to Vancouver in 2017 as part of the annual Global Buyers Mission organized by BC Wood and supported by FII. In addition to attending the mission, the delegates visited several wood construction projects, including tall mass timber structures (18-storey Brock Commons), light wood-frame residential projects, wood hybrid construction, and glulam timber construction (VanDusen Gardens).



MOHRUD mission to Canada | Photos: Canada Wood China

Strengthening ties between B.C. and China

Much of the government relations work carried out in China focuses on maintaining close contact with government officials.

The working relationship between FII and the Chinese government is so well established that a joint working committee is held annually with the Ministry of Housing and Urban-Rural Development (MOHURD). Other meetings were held around bilateral cooperation projects, joint market research and co-promotion of prefabricated wood frame construction.



Photos: Canada Wood China

Tianjin townhomes showcase Canadian green building standards

The first 100 townhouse units in the Tianjin Eco District demonstration project, built to Canada's Super-E® standard, will be completed this year. Another 80 units are in the design and construction phase. B.C. wood is also being used in new and innovative ways (e.g., infill wood walls) in commercial mid-rise buildings at the project. With strong support from Natural Resources Canada, the Tianjin Eco District represents a strategic step forward in commercializing wood construction in China.



Tianjin townhouse project | Photo: Canada Wood China

Canadian design and wood used in prestigious Shanghai hotel

As part of the strategy to promote greater wood use in hospitality and tourism, Canada Wood provided design, engineering, energy efficiency consulting, and project support for a new café at the Xijiao State Guest Hotel. The 5-star hotel in Shanghai is one of the most prestigious in China, having hosted more than 100 foreign leaders, including Queen Elizabeth and former U.S. President Obama.

Reflecting the 200-acre natural setting of the hotel, the café is designed as a row of large trees, with six leaf-shaped roofs supported by glulam beams and 2x4 purlins. The timber skeleton is made of Canadian Douglas fir. Canada Wood plans to use the building to promote mass timber construction in the hospitality and tourism sector.



Photo: Canada Wood China

World’s largest construction company publicly endorses wood

The largest construction company in the world, the China Construction Group (CCG) has used light wood frame construction in the past, but has not promoted this type of construction. This changed in 2017 when CCG organized a promotional event that saw 320 professionals visit the Tianjin BSD-TEDA eco-city project, the highest profile wood-frame project in China.



Photo: Canada Wood China

Sino-Canadian Modern Wood Construction Technology Center in Wuhan

To develop Central China as a new market for B.C. wood, FII and Canada Wood are supporting the creation of a Sino-Canadian Modern Wood Construction Center in Wuhan. Canada Wood will provide the center with expertise in localizing wood structure technology as well as local codes and standards, training, and technology support.



Photo: Canada Wood China



Wuhan International Sports Park Visitor Center
Photo: Fuhun Wood Group



Rendering: Canada Wood China

2nd Chinese University Timber Structures Design Competition

Recognizing, encouraging and promoting excellent building designs that use wood is a major part of marketing efforts in China. One of the major programs to promote wood use is the Chinese University Timber Structures Design Competition. Now in its second year, students were tasked with designing a swimming pool complex using mass timber. First prize went to Southeast University in a highly competitive competition.



JAPAN

Expanding opportunities in a high value market

Clinic and elderly care facility, Fukuoka Prefecture, Japan | Photo: Canada Wood Japan

OVERVIEW AND STRATEGY

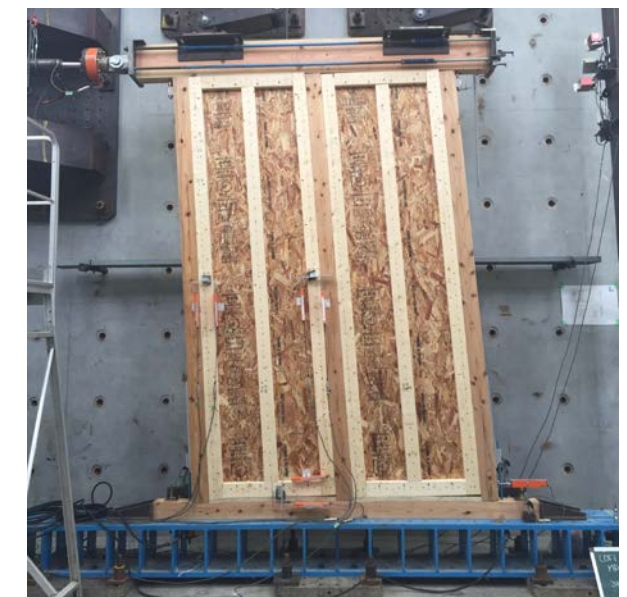
B.C. has been marketing wood products in Japan for more than 40 years, and over this time has developed a reputation for its close relationship with Japanese buyers as a dependable, high quality supplier. Growth opportunities are mainly in new applications for wood, such as for non-residential construction and hybrid building systems. As a result, in 2017/18 FII supported market development activities in these areas. Many of these efforts support research and testing that then informs regulatory change. While these changes may take a few years, the end result is a larger and more diversified market for B.C. wood products in the Japanese construction sector.

Canada Wood Japan makes further inroads into the non-residential market

Promotion campaign launched for midply systems

In anticipation of government approvals for midply high performance shearwall systems, Canada Wood has developed a branding and promotions campaign. The campaign will promote midply as a next-generation product for 2X4 housing construction, as well as for midrise and large scale non-residential buildings.

The code approvals follow from extensive research and testing of shearwalls. Canada Wood co-funded testing at the Centre for Better Living laboratory in Japan as part of a two-year joint market access project.



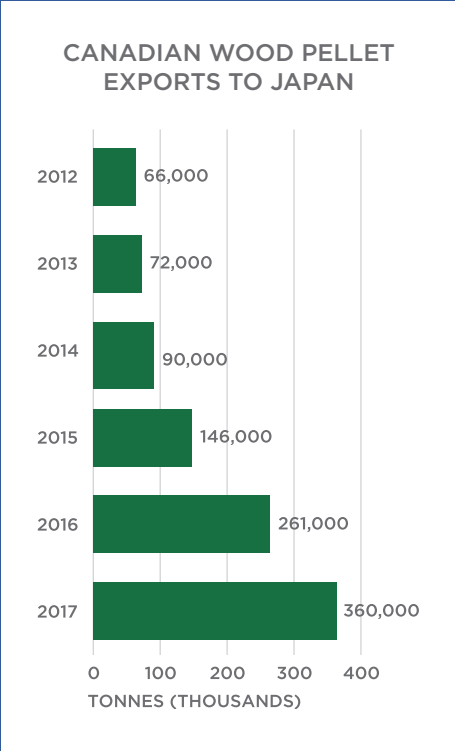
Shearwall testing | Photo: Canada Wood Japan



March 2018 Kenchiku Chishiki advertisement

Leading the way in wood pellet exports

Canadian wood pellets, mainly from B.C. and promoted by the Wood Pellet Association of Canada, now hold a dominant market share in Japan. Used in the renewable energy sector, Canadian exports grew 37% in 2017 to 360,000 tonnes and a 77% market share. By 2030, Japanese imports are expected to grow 20 times from today's levels — offering huge opportunities for B.C. producers.



Source: Global Trade Atlas

Canada Wood launches Wood-Solutions.org website for architects and designers

A new wood-solutions.org website was launched in March 2018, and contains extensive case examples of Japanese and Canadian wooden projects as well as detailed specifications for structural assembly options. The site is an interactive tool and resource for Japanese designers interested in specifying wood.



Largest-ever trade mission tours Japan

Forests, Lands, Natural Resource Operations and Rural Development Minister Doug Donaldson led British Columbia's largest-ever forest sector delegation to China and Japan in November 2017. Joined by more than 30 senior executives from B.C. forest companies and associations, the focus of the mission was on expanding the use of wood in multi-family and non-residential construction, and new applications for higher-value engineered wood products.



Photo: Canada Wood Japan

Promoting wood use

To encourage greater use of wood in building design, Canada Wood regularly makes presentations to architectural and engineering students. At this lecture to students at the Showa Women's University Faculty of Architecture, exit surveys reported students expressed interest in pursuing further studies in wood design.



Photo: Canada Wood Japan

Leading architectural magazine promotes Canadian structural design manual

With 45,000 copies distributed to retail book stores nationwide, "Kenchiku Chishiki" is the most popular architectural magazine in Japan. The magazine's special feature in the March 2018 issue was wooden roof structures in post and beam houses. The section featured a structural design manual developed with Canadian expertise to position spruce-pine-fir (SPF) dimension lumber use in post and beam roofs. The profile from the magazine is expected to lead to even greater use of the manual beyond the 70 structural engineers now using the guide.



Sakawa Pre-cut | Photo: Canada Wood Japan



Collective housing | Photo: Canada Wood Japan

SOUTH KOREA

Developing and diversifying a key market

OVERVIEW AND STRATEGY

In 2017/18, FII supported market development activities to expand wood use in South Korea—B.C.’s fifth-largest market for wood products. These efforts included the core market of single-family homes and townhouses, as well as growing wood’s share in emerging market opportunities. Responding to a high level of interest from

regulators and builders, the strategy included an expanded program related to education and information on the seismic attributes of wood construction. Support for wood product testing, to achieve regulatory approvals, and promotion of the Canadian Super-E® energy efficient building system were other important parts of the program.

Canada Wood Korea provides seismic design solutions for architects, engineers and builders

Korea used to be considered safe from earthquakes, however, major earthquakes in 2016 and 2017 have led to reviews of how to design and build to improve seismic performance.

In response to growing interest, Canada Wood organized several workshops and seminars in 2017/18. These include a Seismic Design Workshop hosted by Canada Wood at the Korea Architecture Fair & Festival that was attended by more than 170 architects, designers and engineers.

To give Korean officials a greater understanding of wood-based building technology, Canada Wood led a technical mission to review seismic design technology. The tour visited Vancouver, Washington State, and Japan, where Canadian technology has been used to develop a midply shearwall system.



Photos: Canada Wood Korea

Mass timber passes important fire safety test

Mass timber products passed an important fire safety test in 2017, opening the door for mass timber use in 5 to 12 storey buildings.

Glulam and CLT products were put through a fire certificate test at the Korean Institute of Civil Engineering and Building Technology. Both met the standard of two-hour fire resistance that is required for major structural components, such as load bearing walls and floors.



Credit: National Institute of Forest Science, Korea

Hammering down student interest in wood frame construction

In collaboration with five universities, Canada Wood held a two-day workshop at Pukyong National University for 85 architectural and design students. Topics included the benefits of using wood as a building material and the latest developments in mass timber construction. The event was followed by Canada Wood signing an MOU with Dong-Eui University for industry-academic cooperation.

Students at Dankook University also tried out their construction skills on both 2X4 and heavy timber projects. These followed from new courses on wood frame construction introduced at the university through the Canada Wood university training initiative.



Photo: Canada Wood Korea

Canadian green building technology welcomed in South Korea

The Canadian Super-E® building system is becoming increasingly recognized in South Korea as a gold standard for green building construction. Super-E® is a wood frame construction system that delivers exceptional energy efficiency.

In 2017 Canada Wood facilitated an MOU to provide training and support for the construction of 13 Super-E® and Net-Zero Energy houses at the Canada Village project in Bukhangang Dongyeonjae.

Concurrently, 21 architects, academics, and builders, took a two-week training program at the University of the Fraser Valley in Chilliwack.

Canada Wood also held Super-E® workshops in collaboration with the Korea Wood Construction Association.



Photo: Canada Wood Korea

Premier and Ministers led trade mission to strengthen economic ties with South Korea

Premier John Horgan, along with Bruce Ralston, Minister of Jobs, Trade and Technology, and George Chow, Minister of State for Trade, met with key South Korean government and business leaders on a trade mission to South Korea in January 2018 to showcase B.C.'s strengths in wood products, technology, and innovation.



Photo: Canada Wood Korea

As part of the mission Ministers Ralston and Chow unveiled a Super-E® plaque in a visit to Gapyeong Canada Village. Canada Wood provided support and site visits to assist with technical aspects of the project.

Mid-rise milestone achieved in South Korea

The first mid-rise commercial building incorporating wood framed infill walls, partitions and roofs in South Korea was completed in 2017. The project used Canadian SPF lumber and OSB. The unique design has drawn a great deal of interest, with two more projects under construction.



Rendering: Canada Wood Korea



Photo: Canada Wood Korea



INDIA

Making a strong case
for Canadian wood

Pallet Pub Restaurant and Micro Brewery, Bangalore, India | Photo: FII India

OVERVIEW AND STRATEGY

The market development program in India has identified the wood manufacturing sector as offering the greatest immediate potential for Canadian wood products, while taking advantage of targeted opportunities to promote the structural use of wood.

The program in India is led by FII through a partnership with Natural Resources Canada and the Canada Wood Group. Market development is in a pre-commercial phase, with an emphasis on research, building networks and relationships, product trials, demonstration projects, and dealing with import barriers. Opportunities in prefabricated wood frame housing are also being explored.



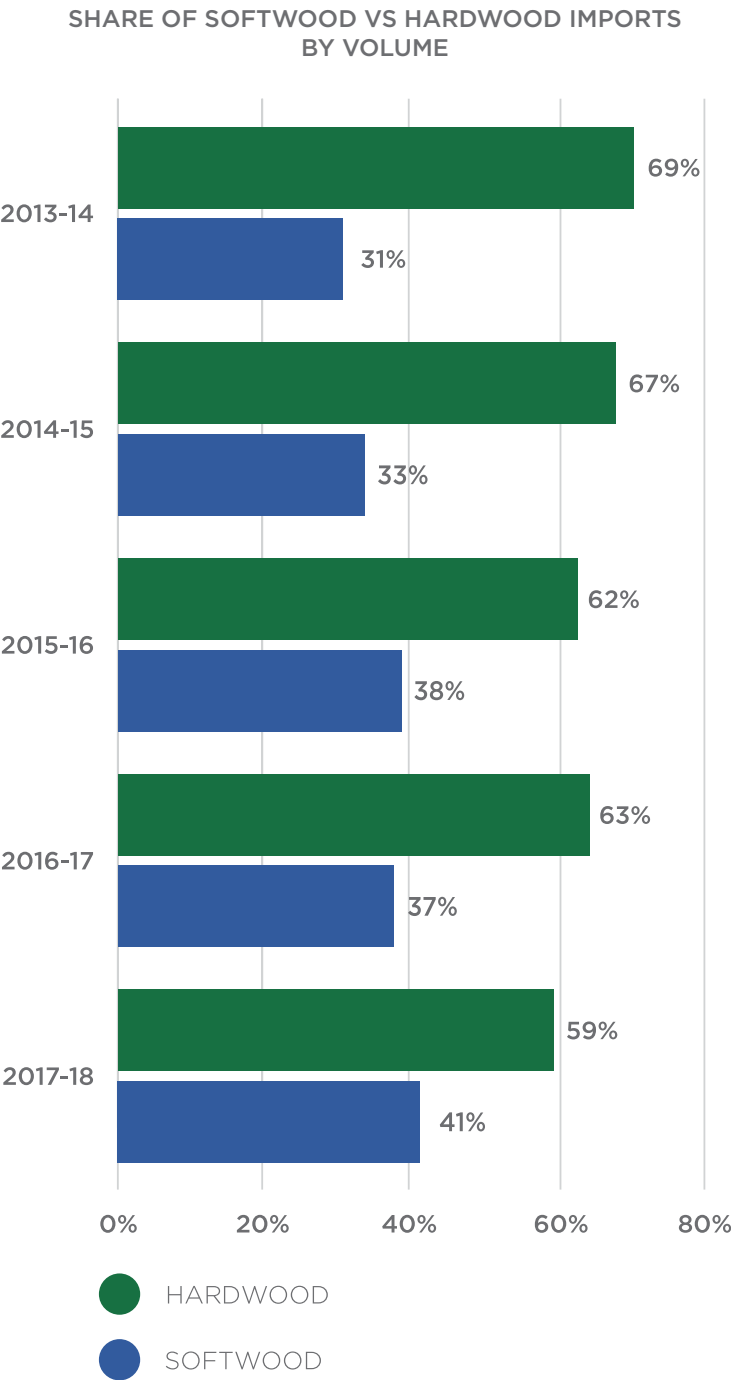
Photo: FII India



Photo: FII India

Trends favour softwood

India is a large market for remanufacturing and wood furniture, but historical and cultural preferences favour hardwoods. Deforestation and export restrictions by neighbouring countries, however, have created a shortage of hardwood globally. Since India must import wood to meet its needs, this has led to softwood making up an increasing share of India wood imports. This trend is expected to continue.



Events and tradeshow

Building awareness through tradeshow, seminars, and other events is a foundational component of the market development program. Direct contact with buyers, business owners, and consumers is an effective way of learning more about market needs and opportunities, and establishing long-term relationships.

Wood is Good design competition

In association with the Festival of Architecture and Interior Design, FII held the Wood is Good 2017 furniture design competition using Canadian species. Students of architecture and product design from leading colleges in Delhi and Mumbai competed, and the winning teams were announced at events with a combined audience of more than 700 architects, interior designers, builders and developers, and architecture and interior design students.

WOOD IS GOOD
CANADIAN WOOD

VISUALIZE. DESIGN. CREATE.

F&AID, Mumbai
DECEMBER 1 - 2, 2017 | VENUE-HOTEL LALIT

It's time to gear up for the ultimate showdown of architectural & design skills of five participating teams at
WOOD IS GOOD DESIGN COMPETITION 2017

WHAT WE HAVE FOR THE WINNERS?

2
Second prize
Rs. 20,000/-

1
Winning team will win a cash prize of
Rs. 30,000/-

3
Third prize
Rs. 10,000/-

Winning design will be announced at the Festival of Architecture and Interior Designing (F&AID) 2017

KNOW MORE

f&AID
FESTIVAL OF ARCHITECTURE & INTERIOR DESIGNING
ANNUAL CONFERENCE & EXHIBITION

December 1 - 2, 2017
Venue - Hotel Lalit, Mumbai

www.canadianwood.in/woodisgood2017



Photos: FII India

Marketing and outreach

In 2017, FII India increased the Canadian Wood presence on social and digital media to build on traditional advertising, news coverage, videos, tradeshows, and events.



BUILDING A
HOLIDAY HOME?

Here's why you should choose
CANADIAN WOOD

Canadian Wood
A holiday home is a dream for many! Make yours come true with Canadian Wood. Check out our blog to know how you can enhance the look and value of your dream holiday home with Canadian Wood: <http://bit.ly/2xsKTYK>



SUSTAINABLE
& CERTIFIED
FORESTS

Canadian Wood
B.C. has 52 million hectares of forest area that adhere to one of the three internationally recognized certification standards – PEFC (CSA, SFI) and FSC. This certification allows the buyers assurance that the forest products they use are legally and responsibly sourced. Know more about our certifications here: <http://bit.ly/2y4aM1z>

Canadian Wood India Facebook page

India Wood tradeshow

More than 1,000 visitors toured the Canadian Wood booth at the India Wood tradeshow that targeted timber traders, importers, wholesalers, and stockists from Bengaluru, Hyderabad, Chennai and nearby trading region of Karnataka. The tradeshow operates across a very large venue incorporating four separate pavilions. To raise the profile of the booth within the tradeshow, the team developed an on-site promotional campaign that featured signage and promotions.



Photos: FII India



Canadian Wood booth at India Wood 2018 | Photo: FII India

Commercialization and product trials

Introducing key user groups to Canadian products through product trials, signature projects and sample shipments is a strategic way of increasing interest in the species and attracting manufacturers or end users to try new products. FII India has developed a Try Canadian Wood Program to boost product trials and attract the interest of Indian manufacturers.

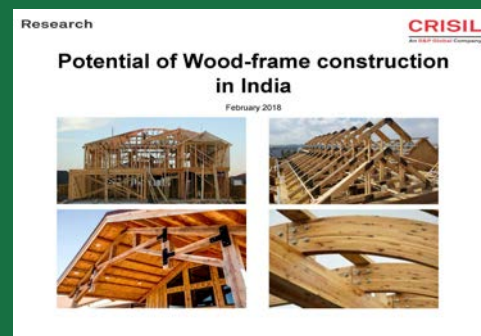
In 2017, Artius Interior Products tested B.C. coastal species, including as a post and beam house design for a large tradeshow booth. The booth won best in show at a major tradeshow in Mumbai and was later used at the India Wood 2018 tradeshow by FII. Artius reports that the booth attracted hundreds of leads.

The India team organized 20 educational seminars and four training events to educate architects, manufacturers and wood users on the benefits of Canadian species.

Research

Potential of wood frame construction in India

A research study commissioned by FII India found that prefabrication makes up the majority of the wood-frame construction sector, with minimal on-site construction due to a lack of wood supply and expertise. There is interest in on-site construction for holiday homes, boutique hotels, and resorts. These findings will assist with more targeted marketing and outreach programs.



Government relations and engagement

FII India works closely with provincial trade representatives (co-located in the FII India office) and with the Canadian High Commission to build networks with government influencers. FII is also advancing relations with Export Development Canada in India to link to their export programs.

Mumbai Business Forum featuring Prime Minister Trudeau

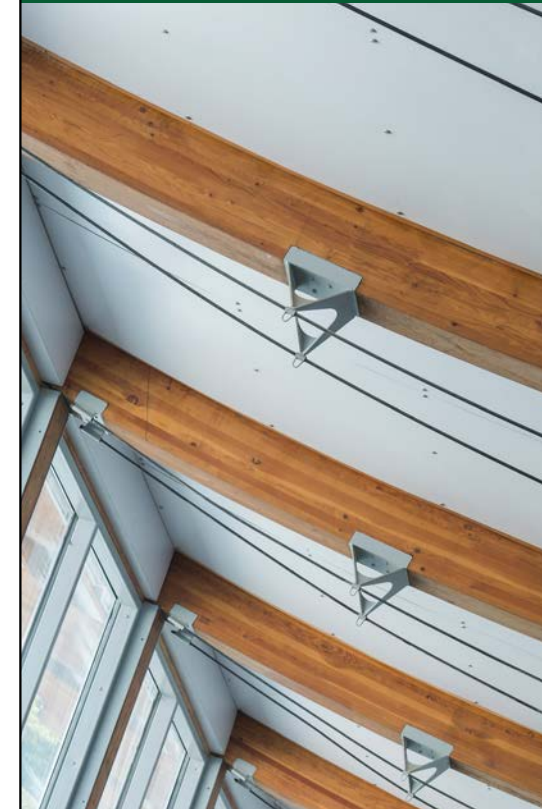
FII India was the gold sponsor of the Mumbai Business Forum held by the Indo Canadian Business Chamber in collaboration with the Canada-India Business Council on the occasion of Prime Minister Trudeau's visit to India. The forum presented an opportunity to connect with senior industry leaders and hear them present on Canadian strengths in the context of India's policy agenda.



Photo: FII India

Government and industry mission program

Led by FII Board Chair Tim Sheldan, a senior level government and industry delegation visited India to study the market and its progress over the last two years and to provide strategic guidance to the India team. Industry officials met with major customers to help further strengthen India's efforts to promote Canadian wood and attended the opening of the CEPT demo project.



Photos: FII India

CEPT demonstration project

The largest demonstration project ever organized by FII India officially opened in January in Ahmedabad. The Center for Environmental Planning and Technology (CEPT) University features a mix of coastal and interior species as well as engineered wood products from B.C.

The center's roof is supported by 33 curved glulam beams supplied by Structurlam, a B.C. firm. The interior finishings and architectural features use a range of B.C. species, including Douglas fir, western hemlock and yellow cedar.

In addition to studying in this beautiful building, CEPT students are learning about and using B.C. wood species in course projects.

RESOURCES FOR INDUSTRY



Wood Innovation & Research Lab, Prince George | Photo: Michael Elkan

Research and tools

All FII research and data are available to the B.C. Forest sector at no charge. For access visit bcfii.ca. A selection of new additions this year include:

Export data and statistics

- Monthly B.C. Softwood Lumber Export Updates
- Annual B.C. Forest Sector Key Data and Stats

Research by market

- Trend Analysis in Key Markets for B.C. Forest Products
- Vietnam Manufacturing Study
- Potential of Wood Frame Construction in India
- South East Asia Strategic Review

Technical/environmental research

- Embodied Carbon of Buildings and Infrastructure – International Policy Review
- Customer Market Acceptance Research
- Fire Resistance of Long Span Composite Wood-Concrete Floor Systems

Image library

Download and use any of our 3,000+ high-quality professional photographs at no charge.

For access, visit imagelibrary.bcfii.ca.

Marketing materials

Developed by Forestry Innovation Investment, **naturally:wood** is a comprehensive information resource that promotes B.C. as a global supplier of quality, environmentally responsible forest products from sustainably managed forests.

Visit naturallywood.com and our YouTube channel to explore these resources.

Sustainable forest management

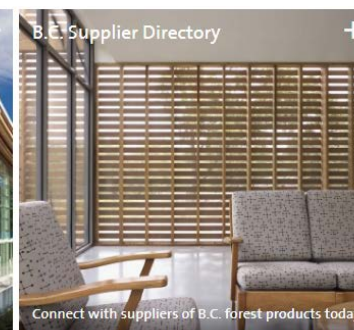
Leverage research and materials highlighting how B.C. is a global leader in sustainable forest management. Popular resources include:

- Comparing B.C. to the World: Forest Regulation and Certification
- Forest Certification in B.C.
- B.C.'s Sustainable Forest Management Practices
- Sustainable Forest Management in B.C. video

Emerging trends

Discover developments in wood science and building technologies that have increased opportunities for new uses and applications of wood in construction. Popular resources include:

- Wood Innovates BC
- UBC Brock Commons Tallwood House factsheet, case studies and video series, including a time lapse video
- Building Green with Wood toolkit
- Demonstrating the Benefits of Life Cycle Assessment factsheet



naturally:wood® has developed:

100+

Profiles of B.C. projects using wood in structural and finishing applications.

40+

Videos on sustainable forest management in B.C. and leading-edge wood innovations.

450+

B.C. forest product company listings in the naturallywood.com Supplier Directory.

The **naturally:wood** Supplier Directory lists more than 450 B.C. forest product companies and is searchable by product, species and export market.

To join the list, contact info@naturallywood.com.

Wood design in B.C.

Learn about how wood can be used in many types of buildings, from single-story homes to condominiums, multi-storey offices, schools, industrial facilities, recreational centres and arenas. Popular resources include:

- Mountain Equipment Co-op Headquarters and Wood Innovation Design Centre Construction Videos
- naturally:wood Project Gallery
- Architect's toolkit

Forest products and species

Explore the province's more than 40 species of native trees and the wide variety of wood products manufactured by B.C. companies. Popular resources include:

- Softwood and hardwood species descriptions
- Forests, Wood and Climate Change factsheet

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