

# Timber Talk

## Tunncliffe's

### December 2009

Tunncliffe Timber Company Limited - 37 Kowhai Ave, PO Box 54, Edgecumbe - Ph: 07 304 9811 - Fax: 07 304 8208 - Toll Free 0800 657 934 - [info@tunncliffes.co.nz](mailto:info@tunncliffes.co.nz)

## Another Year Flies By

At the conclusion of another year we notice that we have not been putting out any issues of our Timbertalk since December last year. It is not that we have been short of news but, despite the cooling down of the markets, we have been rather busy.

Progress within CTS Ltd on designing and testing exterior timber joinery to include double glazing and meeting performance standard NZS 4211 has been steady this year and nearing completion.

With regard to ThermoWood®230 we have made excellent progress entering the joinery market including formal confirmation on the durability of the product.

Despite a disappointing honey crop last summer, we have been experiencing steady sales of our beehive boxes this year. This industry is still showing growth and it is interesting to see the high number of new enterprises starting up. The big news in this area of business was the first export order to Australia.

It has been a relatively slow year in the building industry but we should not forget that we have had several years in a row of very good going. There are signs that the economy is picking up again and there seems to be a steady increase in building permits

## Christmas Break

At Tunncliffe's we finish the year on Wednesday 23 December 2009, back in full swing on Monday 18 January 2010. We will have our office manned from Wednesday 13 January 2010 to take any orders and dispatching stock items.



issued. General feedback from our customers is that there is a reasonable amount of work booked for the first few months into the New Year and we are therefore reasonably optimistic about 2010. At the same time we have to signal significant pressure on timber prices in the coming year.

We would like to thank our customers for their support in 2009 and wish you all a safe and happy Christmas.

Please note that all our Timbertalk Newsletters since 2005 are available for downloading on our web-site: [www.tunncliffes.co.nz](http://www.tunncliffes.co.nz) click on "Newsletter" on the top of the homepage.

## ThermoWood®230 Developments

ThermoWood®230 is New Zealand grown "thermally modified" Radiata pine. The modification process includes high temperatures and steam changing Radiata pine into a new timber species comparable with naturally durable timbers such as Western Red Cedar, Redwood and Cyprus macrocarpa. ThermoWood®230 is twice as stable as ordinary kiln dried Radiata pine and free of any chemical. The technology comes from Europe where there is a proven and well-established market for this environmental friendly product.

Our first ThermoWood product application has been beehive boxes, which we started selling in August 2008. There was a ready market for a durable

timber product without any chemical. In this food industry there is a real concern for contamination of honey with chemical residues.



We started promoting our ThermoWood Beehive boxes in July 2008 and sold a considerable number. It is very encouraging to see many repeat orders

this year and to receive positive feedback. The boxes sold last year have undergone a full season and went through all the handling motions. A beehive box full of honey can weigh up to 40 kg and when it comes to extracting there are a number of considerable forces released to the boxes. The ThermoWood box held up well and the results confirm that the product is working well.

In January this year the durability trial at Scion in Rotorua (Forest Research) reached its 5th year after being established. Since this is a key moment to assess such a trial we commission Scion to report on the results which proofed to be very good. Scion confirmed that

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## ThermoWood®230 Continued

Radiata pine modified at a temperature of 230 degrees Celsius, through the ThermoWood® process is of similar durability to Radiata pine sapwood treated with preservatives to the H3.1 hazard class specification. It also compares favourably with Macrocarpa in decking tests. You can find further detail on the trial results including Scion's conclusions and opinion on our web-site: <http://www.tunncliffes.co.nz/thermowood/thermowood.htm>

Since the trial update several joinery customers have made up the first window sashes. Feedback is very positive with the ease of machining being the main feature, "it cuts like butter and gives you a very nice finish". ThermoWood®230 also finds

application in larger clearwood sections to manufacture the big window and doors sills going into the traditional bungalows and villas avoiding lamination. The first house lot of joinery including jambs made out of ThermoWood®230 has been installed. Due to the increased stability a rebate size of 90 x 22mm out of a 150 x 50mm fingerjointed blank did not cause any timber distortion which normally can be expected with unmodified Radiata pine.

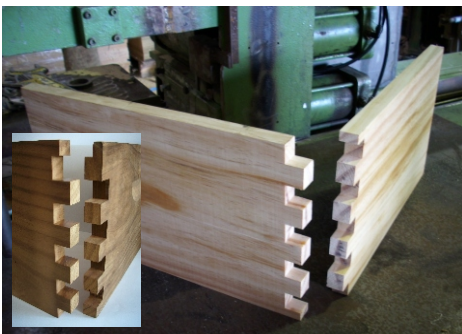


## Beehive Box Export

Tunncliffe's has not been exporting any product since September 2004 when we stopped supplying the Australian Brisbane market with mouldings. Since August this year Australia is back on our radar, this time for our niche market product the beehive box. We have been producing boxes for our

domestic market since 2003. To be able to service the Australian market we had to design and build a specialised machine.

The New Zealand beekeeper comes by with a simple and cost effective manufactured box including a "flat rebate" corner. The Aussie beekeepers however have a firm believe in the interlocking or "boxed" corner. It is interesting to learn about the pros and cons. The amount of end-grain exposure for the locked corner is seen as a negative aspect in New Zealand with regard to durability, however it makes a very strong and stable box. In Australia's hot and dry climate regions the emphasis seems to be on strength and stability while durability is less of an issue.



## Timber Prices



At Tunncliffe's we have been maintaining most of our pricing since September 2007. In the meantime we have seen the timber prices going up and down. The forest and saw-milling industries have been going through difficult times. We have seen quite a number of sawmill closures over the last two years due to the decline of demand, domestically and in the export markets, especially the USA.

It seems that economies are starting to recover from the credit crisis and demand is picking up again causing a timber shortage. Despite our current high Kiwi dollar China is buying a lot of logs from New Zealand, driving up prices. Subsequently we are receiving price increases which, along with other increases, will be difficult to absorb for long. It will be unavoidable to follow the current trend and review our prices early in the New Year.



## CTS Ltd. and NZS 4211

The joint venture company between Bowden Doors, Seaboard Joinery, Total Timba Joinery, Westpine Joinery and Tunncliffe's is two more tests away from having a full range of branded joinery product complying with NZS 4211. It has been a big project and it is very interesting to see the results. The testing certainly changes the product, which just cannot be compared with our traditional joinery.

All four participating joinery companies are now able to produce the complying joinery. The first house-lot of CTS joinery incorporating double glazing and complying with NZS 4211 was delivered by Westpine for an Ecos Homes show-home on the

Whangaparoa peninsula. The project features in the December issue of the Joiners Magazine and is truly a New Zealand first. It also shows the potential for our new ThermoWood®230 product.

We expect to reveal more about the branded CTS system and product range early in the New Year.

