



Being resourceful marketing Canadian wood in the Indian lumber market

B.C. forest industry veteran Brian Leslie has had some interesting experiences and adventures since moving to India last year as a technical advisor for B.C.'s Forestry Innovation Investment Ltd. He's found it useful to employ Jugaad—a Hindi/Urdu term applied to a creative or innovative idea that provides a quick, alternative way of solving a problem. It's an approach those in the Canadian forest industry know very well: essentially, you find the creativity to work with what you have.

By Brian Leslie

The truck probably carried 10 tons of wood, all painstakingly loaded piece by piece at the dock. I watched as the 5" x 10" green Douglas fir railway sleepers were hoisted on to heads of waiting men, their heads carefully padded for protection, to be toted off to the growing pile in the warehouse. They were heavy—over 120 pounds! And it was hot—36° Celsius. It was dusty.

The barefoot merry-go-round of labourers didn't stop until the truck was empty. You could see the strain on their faces as they took their load, but if you caught their eye there was usually a quick smile.

This is India—shedding the chains of poverty, with many hands always willing to work, happy to earn a few rupees.

We had purchased the railway sleepers to make some Douglas fir doors for our new office in Mumbai. One would not normally choose railway ties to make doors in Canada, but in India, softwood products from B.C. are still not readily available, so you must use Jugaad; you find the creativity to work with what you have.

India is different. Unlike any of the other places that I have found myself in around the world, the country teems with people. It is an incredible mix of cultures, religions, and ethnic groups, a huge melting pot. Rich and poor live as neighbours. All are seeking a better life with whatever tools they have. Life is getting better. This massive country has seen a growth spurt in the past decade that has made the world take notice. People are becoming wealthier. Consumption is growing.

India's ever expanding population has outgrown the capacity of her own forests to supply the wood that the market demands. Once a major supplier of woods such as teak, sal, rosewood, and sandalwood, India now has to turn to other countries in order to find sufficient logs to run the thousands of sawmills scattered throughout northwest and central India. They still import almost 90 per cent of their needs as logs but that too, is flagging.

Tropical round wood timber supplies are tight due to growing global demand and international pressure to stop illegal logging. Import tariffs have been reduced on sawn timber and the Indian industry is now importing lumber. The timing for introducing Canadian softwood lumber to this market seems right, despite improving demand in North America.



Promoting softwood in India is a unique challenge. The country has a history of using hardwoods, in particular teak. They have a minimal amount of softwood forest so they have used what was available over the years, namely tropical and sub-tropical hardwoods.

In India, people consider softwoods to be inferior to hardwoods and would not consider using them for items such as windows, doors and furniture. They are paranoid about termites infesting living areas, which continues to drive the love affair with teak and other species resistant to termite attack. Presenting arguments about borate treatments, termite protection systems, and modern building design criteria continually bumps up against this mindset. The truth is that the softwood species from western Canada are in many ways superior to teak—and they come from sustainable sources! This offers a huge opportunity but also a significant challenge for those trying to educate the Indian public on a very significant alternative to the waning supply of tropical hardwoods.

Another particularly positive trend is India's "wood culture". Wood is treasured. The presence of solid wood in homes is a sign of wealth and prestige. For many hundreds of years, people have enjoyed an abundance of good quality hardwoods. One finds extensive use of wood in buildings over 30 years of age in most areas of the country. However, with the growth in sophistication of wood composites and non-wood substitutes such as laminate flooring, bamboo and panel boards, cheaper products have entered the market in a big way. Despite this, as the growth in Indian GDP per capita continues and overall wealth expands, you will no doubt see the development of a significant market segment that wants a better quality solid wood product whether it is furniture, wall panelling or doors.

The predicted wood deficit in India will be huge and is estimated to be 12 million cubic metres by 2020 and 20 million cubic metres by 2030. Without a doubt this will be the driver in softwood lumber demand in this market. At the risk of being pedantic, I offer the well-worn saying, "necessity is the mother of invention". Those in the marketplace will be forced to use Jugaad. The market requires exposure to and education about softwoods from Canada. They need to know where they fit given the end use requirements and local conditions. However, once this is achieved and softwoods find their proper place in the product mix, the newly educated users are going to be delighted to find that both the performance and the price of softwoods will meet their approval.

None of my international experiences really prepared me for India. The country is in a "pupal" stage of development—a fragile butterfly struggling to shed the cocoon of opaque business practices, inadequate infrastructure, and the needs of a massive population. Religious traditions and historical practices creep into every aspect of life and business. Things happen slowly or sometimes not at all. Bureaucracy strangles efficiency. Multiple languages create challenges in communication. Indecisiveness hampers progress. The way forward is complex, but the tenacity with which individuals adapt—again, employing Jugaad—in this vast country promises a better future.

After my very brief time here, I have come to realize that the Western Canadian wood industry does very much have a role to play. Our products offer consistent standardized qualities, sizes and seasoning. They are dependable. They are suitable. They are sustainable. It is now only incumbent upon us to reveal Canada's wonderful resource to this immense emerging market.

Chalo! (English translation: Let's Go!)

The timing for introducing Canadian softwood lumber to the Indian market seems right, despite improving demand in North America. The predicted wood deficit in India will be huge—an estimated 12 million cubic metres by 2020.

All contents of this article are copyright© 2009 by Logging and Sawmilling Journal and may not be reproduced in any form without express written consent