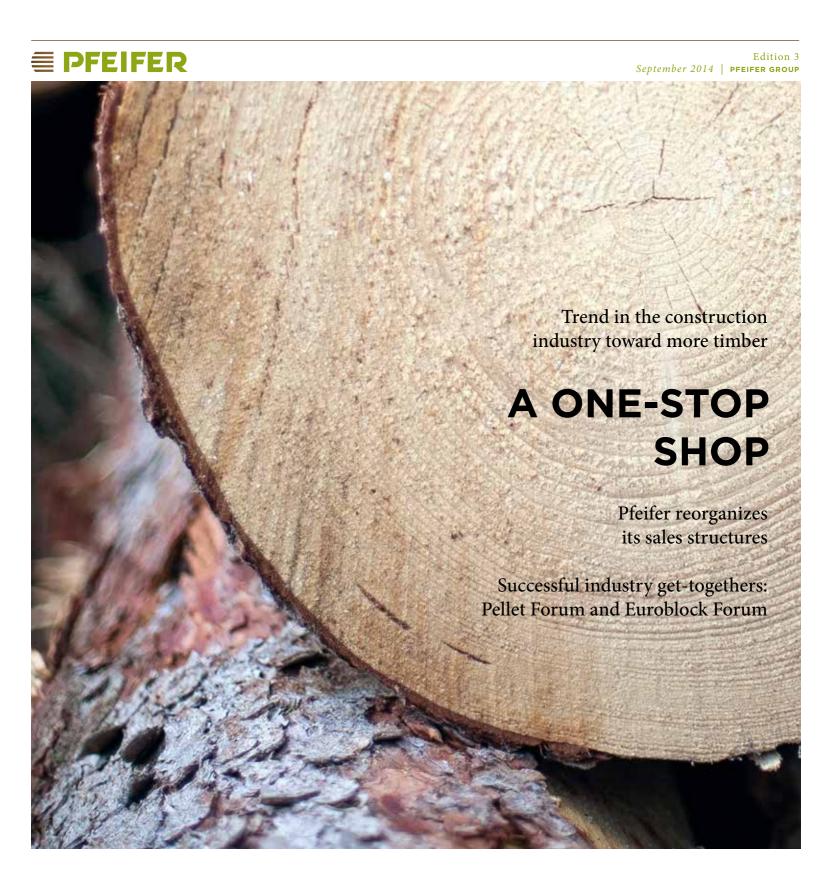
## timber3

PFEIFER GROUP CORPORATE MAGAZINE





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#### **MORE THAN TIMBER**

### EDITORIAL

#### Dear Readers.



The Executive Directors of Pfeifer Holding GmbH: Clemens Pfeifer, Ewald Franzoi and Michael Pfeifer

Tree trunks, loud saws, bulky materials. To outsiders, at first glance, the woodworking industry may not seem a place where one of the basic virtues of commercial activity is cultivated – namely service quality. On closer examination, however, service quality is that very aspect decisive for success or failure – even in our

segment that predominantly caters to industry. For many years now, Pfeifer Group has been continually meeting the challenge of providing top-level service. We have established several steering groups since 2012. With the shared goal of optimizing the processes within our company. At first glance, the theoretical principle behind it appears fairly simple. In practice, though, its implementation demands all we can muster: When our customers are enthusiastic – both about our products and the way we deliver them – our company benefits from it. The intermediate result is we can develop and produce even better solutions for our partners.

This interacting dynamic process starts in the Purchase Department. Our dealings with our suppliers are based upon respect and partnership. After all, we want the same thing in our own role as supplier. This attitude does not just reflect our own standards but simultaneously guarantees reliable procurement of raw materials. Our production, geared to our customers, and our just-in-time availability of goods are based on reliable procurement.

Further downstream in the production chain, we strive to establish a smoothly operating information management. Without delay, the feedback from customers the world over received by our Sales Department has to get to our locations. Quick order acceptance, contact persons who speak the right language and, first and foremost, 100% reliability of delivery are the true cornerstones of this credo. Efficient structures in administration and the inner "clockwork" of Pfeifer are indispensable for this. Meeting the needs of our employees and improving our work sites are equally important. Because human beings make up the core component of our production strategy, notwithstanding all the exciting technological innovations.

In development and production, we consider it our permanent mandate to reflect the wishes of the market, setting new benchmarks where possible. Due to constant innovations, we have been able to establish a wide range of products over the last few years. This product portfolio empowers our customers to procure a major part of their needs from one single source – we're a one-stop shop.

Our motivation is huge to improve our processes and refine our services even more in the future. Because this way, we ensure what Pfeifer has for decades stood for: Reliability and quality.



## LAUTERBACH

The latest plant of the Pfeifer Group is situated in the very heart of Germany in Eastern

Hesse. All processes, in accordance with the principle of integrative production, i.e. production in which raw materials are 100% used, are shaped by sustainability and effectiveness. Sawn timber, pallet blocks, pellets and green electricity are produced.

- 812 The county seat of Lauterbach is mentioned in a document for the first time in 812.
- **1527** The oldest brewery of Hesse has been operating here since 1527.
- 2008 The groundbreaking ceremony for the new site of Pfeifer Group took place in 2008; we were operating at full speed a year later.
- 2009 The site pin for the city in the
  Vogelsberg district was put on the
  map of Pfeifer Group in 2009. Beside
  being conveniently located close to
  the A5 and A7 highways, the decisive
  reason for opting to settle there was the
  proximity to timber as our raw material.
  After all, 42 percent of the federal state
  of Hesse is covered by forests.
- 2012 A facility added in 2012 produces premium-quality pellets. The volume invested thus far in the 50-hectare compound in Lauterbach adds up to 150 million euros.

#### Chip drying

For pallet blocks and pellets.

#### Power plant

**75,000** megawatt hours of green electricity are generated annually from bark and regionally purchased wood chips. This equals the power requirements of the county seat of Lauterbach. The generated heat is 100% used for the drying of wood chips and sawn timber.

### Log yard Just under 3,200 solid cubic meters of log wood are Saw line processed at the Lauterbach plant per day. Trunks of up to five meters in length are stored on the log yard. The saw line processes a volume of up to 40 trunks every minute a striking output. **Block production** 170,000 cubic meters of pallet blocks are produced at the Lauterbach plant annually, enough for 17 million Euro pallets. Pelletization 65,000 tons of pellets are produced a year.



Glulam offers a multitude of possibilities for modern, sophisticated and cost-efficient designs. Pfeifer has read the signs of the time: from its new glulam plant at the site in Imst, we supply up to 200,000 cubic meters of glulam to customers all across Europe.

#### BUILDING WITH WOOD IS ECO-FRIENDLY, ECONOMICAL, SUSTAINABLE AND ENERGY-EFFICIENT

# PFEIFER HELPS BUILDING THE FUTURE

Private homes, path-breaking public buildings, commercial buildings on a grand scale, multilevel housing complexes ... for many years now, wood - the oldest building material of mankind - has made a true comeback. It has risen, so to speak, to the occasion. Glulam and glulam elements play a major supporting part, quite literally, here and are opening up many new possibilities. Pfeifer Group, one of the leading manufacturers in Europe, has set a milestone defining the future by opening the new glulam plant in Imst. "In terms of product range, quality and flexible logistics, we are now positioned exactly like we wanted to be. The positive reception of the market is particularly gratifying," says Sales Manager Tobias Schindler, who is quite satisfied after the initial year the new plant has been in operation. As a trained carpenter and timber construction engineer, he is especially delighted over the trend toward building with wood: "New legal standards now ensure planning reliability and versatility. This is reflected in the architecture as well as in training opportunities. Wood as a building material is perceived more positively than before. Living in a wooden house is seen as something quite special today." Pfeifer Group provides a broad range of products for timber construction: From glulam to glulam elements, single- and three-ply solid wood panels, construction timber, planed timber, tongued and grooved boards – any cross-range delivery is possible.

#### TIMBER CONSTRUCTION IS ACTIVE ENVIRONMENTAL PROTECTION

With approx. 4 million hectares of wooded area (48 percent), Austria is one of the most densely wooded countries in Europe. By their very nature, trees are ideal climate protectors. While growing, they absorb the greenhouse gas  $CO_2$  from the atmosphere, binding the carbon and releasing the oxygen.

Every cubic meter of timber binds the carbon of approx. one ton of CO<sub>2</sub>. As long as the timber is used as a material, the carbon is still bound. This fact alone is a vital argument for the increased use of wood as a construction material. Building with timber means that a "second forest" emerges in urban centers and residential areas, consisting of buildings in which the carbon is locked up and rendered harmless for decades, while in real forests, new material grows and actively binds CO<sub>2</sub>.

#### CLIMATIC FACTOR CONSTRUCTION INDUSTRY

Buildings are responsible for around onethird of our overall consumption of energy and resources. Although minimizing the energy needs during the utilization phase with low-energy houses and passive houses is indeed successful, when seen across the entire life cycle, both the environment and the climate are burdened to a greater or lesser extent depending on the building materials used. From the production and construction to utilization up to disposal, a building in timber construction causes 58% to 71% fewer greenhouse gases than other houses. Used to generate energy at the end of its material utilization - by way of combustion - it also replaces fossil energy sources. By the way: Less than one-third of the annual timber growth in Austria would suffice for constructing in wood all new buildings in a year.

#### FOREST MANAGEMENT RENEWS THE FOREST

Austria's woods have been sustainably maintained and used for many centuries. One of the strictest forestry laws in the world has provided the framework conditions for sustainable forest management for 160 years. The overriding principle is that not more timber is harvested than is regrown in the forest. So the timber supply in our forests is growing constantly – by approx. 4 million reserve cubic meters annually.

Tobias Schindler puts it in a nutshell: "The share of timber construction in the entire building volume will continue to increase."



Wood as a construction material has
become a much more valuable product
than it once was. Owning a timber house
is seen as something special today.

TOBIAS SCHINDLER // Sales Manager at Pfeifer





Pfeifer has been an absolutely reliable partner for Holz-Kunz for more than 15 years! Mutual trust and respect characterize the partnership. The focus on timber construction combined with great flexibility and adherence to schedules, even with large order volumes, is vital for our operations. The founding of the new glulam plant proves to us that Pfeifer Group keeps up its outstanding level of performance daily! Differences define individual human beings. Cooperation is the art!

**THOMAS HENEKA** // Executive Director Holz-Kunz GmbH, Ubstadt-Weiher, Germany



Pfeifer Group is a top-flight expert partner, offering an outstanding price-performance ratio. Pfeifer supplies excellent, beautiful and closed surfaces, even with industrial quality. "Rush jobs," i.e. short delivery times, are always possible; there is hardly any difference in delivery times between consignment or storage goods and off-the-rack goods. The new glulam plant now covers all strength classes we demand.

**THOMAS NOVACEK** // Director Timber Construction & Installation at Rudolf Hörmann GmbH & Co KG, Buchloe, Germany

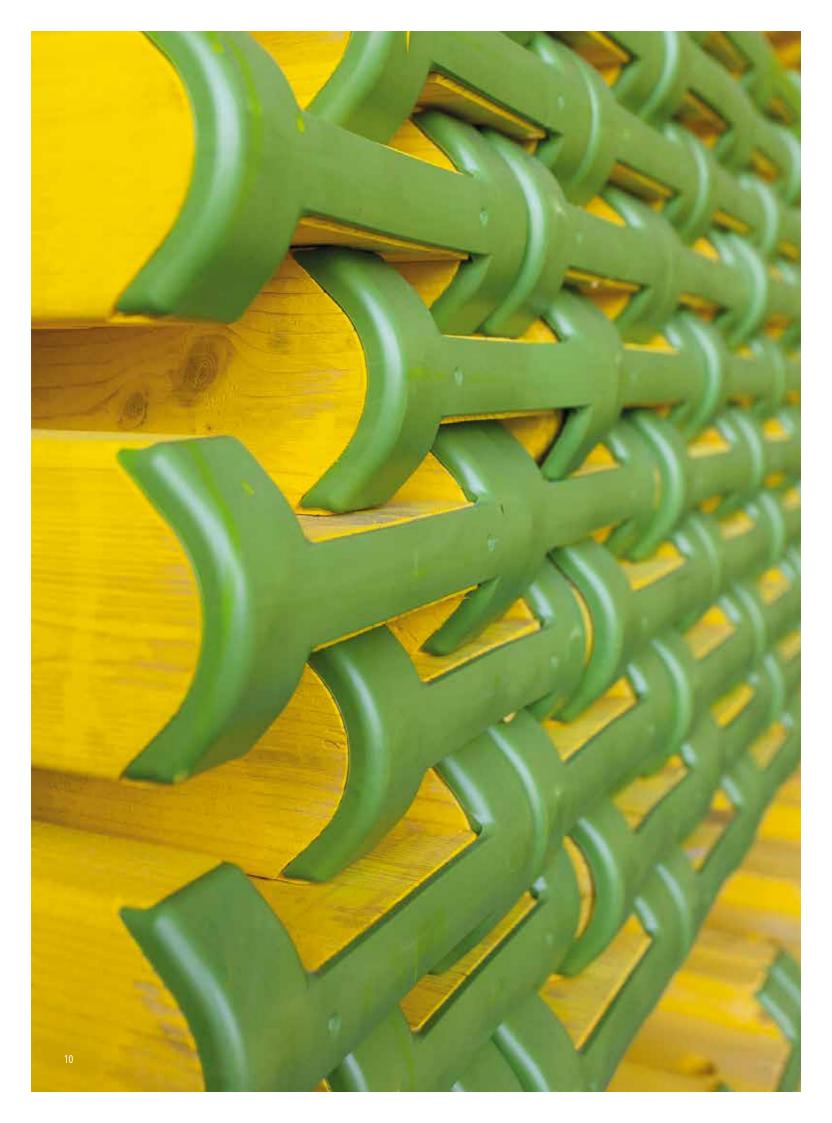
#### PFEIFER GLULAM

#### Wood for the brain

- Best strength in relation to its weight.
- Material with precisely defined strength and quality.
- High level of availability owing to standardized diameters.
- High load-bearing capacity with low dead load ensures slim and cost-effective designs.
- Multi-layer gluing guarantees a dimensionally stable crack-resistant material, easy to process and universally applicable.
- On account of the natural corrosion resistance of wood, glulam timber is especially suitable for chemically stressed designs.
- Compared to other construction materials, it is safer and more predictable due to its high level of resistance to fire.

#### Wood for the heart

- 100% natural, climate-friendly and eco-friendly
- Renewable material
- Pleasant room climate and coziness
- High quality level for living and working
- Aesthetic diversity
- Wood is beautiful, feels great and smells wonderful
- Excellent acoustic qualities



#### HIGHLY APPRECIATED THROUGHOUT THE WORLD: FORMWORK ENGINEERING MADE BY PFEIFER

## PFEIFER FORMS THE WORLD

With PF20*PLUS* & Co., Pfeifer Group is carrying forward a great success story. The premium quality and extensive range of products are appreciated by customers throughout the world.

The green protective cap is its trademark and it has long made a name for itself with formwork manufacturers: the PF20PLUS. The caps made of temperature-resistant and unbreakable material mainly have a protective function. Both with very high and very low temperatures, the mechanical properties of the cap are excellent; a UV stabilizer protects them against the effects of the weather. Especially in South America, Africa and Asia, customers frequently resort to formwork beams from Pfeifer Group. In Europe, its "little brother," the PF20, also achieves outstanding sales figures. The PF20 is delivered without protective cap. Its distinctive rounded beam ends, which have been treated with a high-strength and water-resistant glaze, constitute a special quality feature. "We were able to boost sales by 18 percent in 2013 compared to the prior year. The expectations we had for the new formwork beams were definitely exceeded, and we

upped our market share," says Department Head Ingo Meitinger. The safety aspect plays a vital role when the customers opt for the PF20*PLUS*. The distinctive green cap, however, serves not only for protection but is also an identification mark – an additional benefit, especially when formwork elements are leased. Moreover, the beams can be marked

with a customer-specific identification by means of a special software program.

Formwork engineering of Pfeifer Group is now established in over 75 countries. Alongside the formwork beams, the shuttering and solid wood panels enjoy a worldwide reputation with construction companies. International customers have been won over by the highest qual-

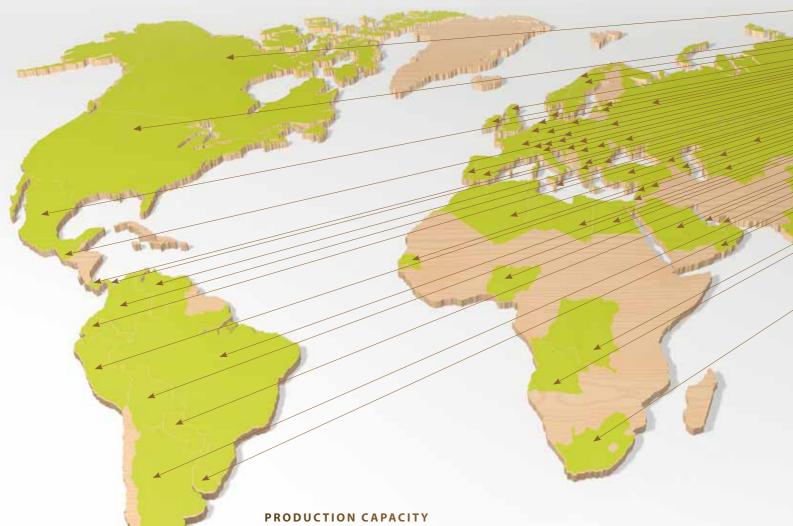
The construction site of Metro Plus in Colombia – the shuttering is performed with Pfeifer products.



ity standards and strict quality control in the past. So it comes as no surprise that the formwork products of Pfeifer Group is used on construction sites the world over. The construction of the Metro Plus in Medellin (Colombia) and of the first high-speed railroad in Africa, evolving in Morocco, are probably the two most impressive projects at the moment.

## PFEIFER OPTIMIZES ITS WORLDWIDE





#### **PER YEAR**

**Sawn timber:** 2.200.000 m<sup>3</sup> Shuttering panels: 8.000.000 m<sup>2</sup> Formwork beams: 6.000.000 lfm

Single- & three-ply panels: 2.000.000 m<sup>2</sup>

**Glulam:** 200.000 m<sup>3</sup> **Pellets:** 380.000 t Briquettes: 20.000 t Bio power: 265.000 MWh

#### **PFEIFER SALES FACTS**

1.500 customers 80 countries

380 to 400 loads are prepared

for shipping every day

**520 million** euros turnover (2013)

7 locations in 3 countries



The sole exception: Euroblock Verpackungsholz GmbH will continue to be competent for packaging timber, i.e. pallet blocks and pallet boards. "The main goal of this innovation was to create synergies for the benefit of our customers. We want to offer them a faster, focused order processing and punctual and efficient delivery of our products. Initial feedback confirms that it was the right decision. We received a very positive response from customers," explains Michael Pfeifer. He and Ewald Franzoi constitute the dual Executive Board of Pfeifer Timber GmbH. In addition, Leonhard Scherer and Tobias Schindler are involved on an executive level in the operation of Pfeifer Timber GmbH.

With this, Pfeifer has created a highly efficient, innovative structure. Within the Group, great value has always been placed on a service catalog geared to customers. By pooling the sales staff, a cornerstone for a further jump in quality has been laid. Just how important the topic is to the company can be seen from the fact that Pfeifer Timber GmbH was established at Pfeifer's headquarters in Imst and Unterbernbach. "Our customers are our most important partners. We are hugely motivated not only to supply premium products but also to design the delivery chain such that it becomes first-class, and this ambition has been supported by the Executive Board throughout," says Michael Pfeifer.











#### THE NETWORKERS

Who are the staff who ensure that

Pfeifer products are available the
world over? Brief portraits of five of
the company's sales professionals:

#### **GREGOR TRILTSCH**

I travel to: India, Croatia, Austria, Slovenia

I speak: German, English

Product manager for: Sawn timber

What distinguishes Pfeifer: Constant adaptation to new cuttingedge technological developments; reliability of delivery thanks to huge production capacities; customer proximity in every respect; top performance and state of the art.

#### **IBOU KEBE DIOUF**

I travel to: Argentina, Bolivia, Brazil, Chile, Costa Rica, Ecuador, France, Greece, Guatemala, Colombia, Mexico, Panama, Paraguay, Peru, Saudi Arabia, Uruguay, United States, Venezuela, Cyprus.

I speak: German, English, French, Spanish, Italian, Wolof, Serer Product manager for: Glulam, natural and solid wood panels, formwork beams, shuttering panels

What distinguishes Pfeifer: As a family enterprise, Pfeifer is a winner with its efficient operations due to short decision-making procedures. Qualified contact persons guarantee service quality. Their overriding principle is customer satisfaction.

#### **MARCIN SZULC**

I travel to: Azerbaijan, Bahrain, China/Hong Kong, Israel, Japan, Qatar, Kuwait, Oman, Saudi Arabia, South Korea, Thailand, United Arabic Emirates

I speak: German, Polish, English, some French

Product manager for: mainly pallet blocks and sawn timber, setup and support of new markets, including formwork

What distinguishes Pfeifer: With its broad range of products, Pfeifer can counteract constant market fluctuations, which also speaks for a great company philosophy. Customers profit from in-depth market knowledge, great service and long-standing partnerships.

#### FELIX BRÜHNE

I travel to: Australia, Belarus, Bulgaria, China/Hong Kong, Indonesia, Italy, Kosovo, Croatia, Malaysia, Malta, Macedonia, Philippines, Romania, Russia, Serbia, Singapore, Slovakia, Slovenia, Ukraine, Vietnam

I speak: German, Italian and English

Product manager for: All products!

What distinguishes Pfeifer: A huge range of products: One single partner for many products and top-notch service.

#### IMED GHEZAL

I travel to: Egypt, Algeria, Angola, Georgia, Iraq, Kazakhstan, Congo, Libya, Morocco, Nigeria, Portugal, Spain, South Africa, Tunisia, Turkey, Turkmenistan, Uzbekistan

I speak: French, Arabic, English and Spanish

Product manager for: Shuttering panels, formwork beams and sawn timber What distinguishes Pfeifer: Pfeifer has something that other companies cannot offer in this combination: Quality, great delivery capacity and a renowned brand name with a presence in more than 80 countries.

#### **MISTER FORMWORK**



HERMANN EGGER has been Pfeifer's **Regional Sales Manager for formwork in** Germany for ten years. A dyed-in-the-wool salesman with Bavarian charisma.

When Pfeifer bought Heggenstaller in 2004, Hermann Egger began working for the family company. "They bought me, so to speak, along with the company," grins the 60-year-old former Heggenstaller employee Egger. Egger profited greatly from the switch to Pfeifer - businesswise as well as on other levels. "With seven locations, Pfeifer is always very close to the customer. So we are very flexible in sales; even with short-term customer requests for large volumes, we can deliver quickly," Egger describes one of the greatest strengths of Pfeifer. The Tyrolean mentality also struck a chord in the jovial Bavarian right from start: "Everybody is immediately on a first-name basis."

#### SPECIAL CONNECTION TO THE CUSTOMERS

As Regional Sales Manager for formwork in Germany, Hermann Egger is responsible for Pfeifer's largest sales market for formwork panels and formwork beams. In addition, he takes care of his "regular customers," who are scattered across Europe and whom he brought along with him when he joined Pfeifer. Looking back, he remarks with pride: "Not one of my customers pulled out when I switched to Pfeifer!" When asked about his recipe for success, Egger answers soberly: "Much depends on trust and reliability. These are things that have to be built up over time." The success the father of three has had in 36 years of sales proves him right on that.

#### **AWARDED**

#### **PFEIFER MOBILIZES**

Around 450 trucks leave the branches of Pfeifer Group in Austria, Germany and the Czech Republic every day. The greater part of these transports is handled by local carriers. The great experience of these reliable partners will certainly not be dispensed with in the future. But in order to respond to customer wishes even more flexibly and quickly, Pfeifer has decided to buy three new Mercedes-Benz Actros models. The new vehicles are equipped with Euro 6 technology. Thus Pfeifer Group makes a significant contribution to reducing exhaust emissions in the sensitive area of transportation in Tyrol. Not long ago, Head of Logistics Herbert Stöckl was able to hand over the new trucks to their future drivers. They all were quite enthusiastic about their new work place.

#### HIGHEST RATING FOR PFEIFER

The business performance of Pfeifer Holz GmbH & CoKG was rated a winner on an international level for the fourth year running. Dun & Bradstreet (D&B) – a company of the Bisnode Group – has awarded Pfeifer a "Rating Certificate" with the highest rating of 1 again. It stands for trustworthiness, attractiveness, stability and excellent payment practices. Only five percent of Austrian companies can boast of an equal or better creditworthiness than Pfeifer. Pfeifer Group is renowned the world over as a reliable business partner – this award underscores its sterling reputation.

Bisnode D&B Austria is a part of the Swedish Bisnode Group, which has more than 3,000 employees in 19 European countries and is one of the leading providers of digital business information.



More flexible and faster: Thanks to the new Mercedes-Benz Actros models of Pfeifer Group.



Certificate for the highest level of creditworthiness: Pfeifer Group was again given a rating of 1 by D&B.

#### STRATEGIC BUSINESS UNITS

## EXPLOITATION OF DEVELOPMENT PO-

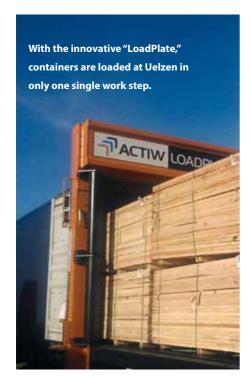
TENTIAL



"It's all about securing future viability": Mathias Lundt puts in a nutshell what those task groups, which were formed at Pfeifer for some strategic business units, are busy refining. Four to seven experts and executives from Purchasing, Production and Sales in one group put the individual business areas under the microscope, searching for development potentials. The strategic business units concerned are packaging/pallet blocks, sawn products, timber construction, formwork and biofuels. "We work on innovations in terms of production and procurement sources as well as on the improvement of services and the further development of product lines. Topics such as the transfer of know-how in the company or the standardization of examples of best practices and their application in other operational areas are discussed in our meetings. Ultimately, it is all about transferring the ideas of our customers to production in a structured way," says Lundt, a graduate in Forest and Wood Management, who also brings along experience in business consultancy. He has filled the staff position for company development at Pfeifer since 2013 and reports directly to the Executive Board.

"It's all about securing future viability."

MATHIAS LUNDT



**NEW TECHNOLOGY FOR MORE EFFICIENCY** 

# THE NEW LOADING TURBO

Pfeifer recently commissioned a new facility for the loading of containers at the Uelzen site. The innovative "LoadPlate" saves not only time but money as well.

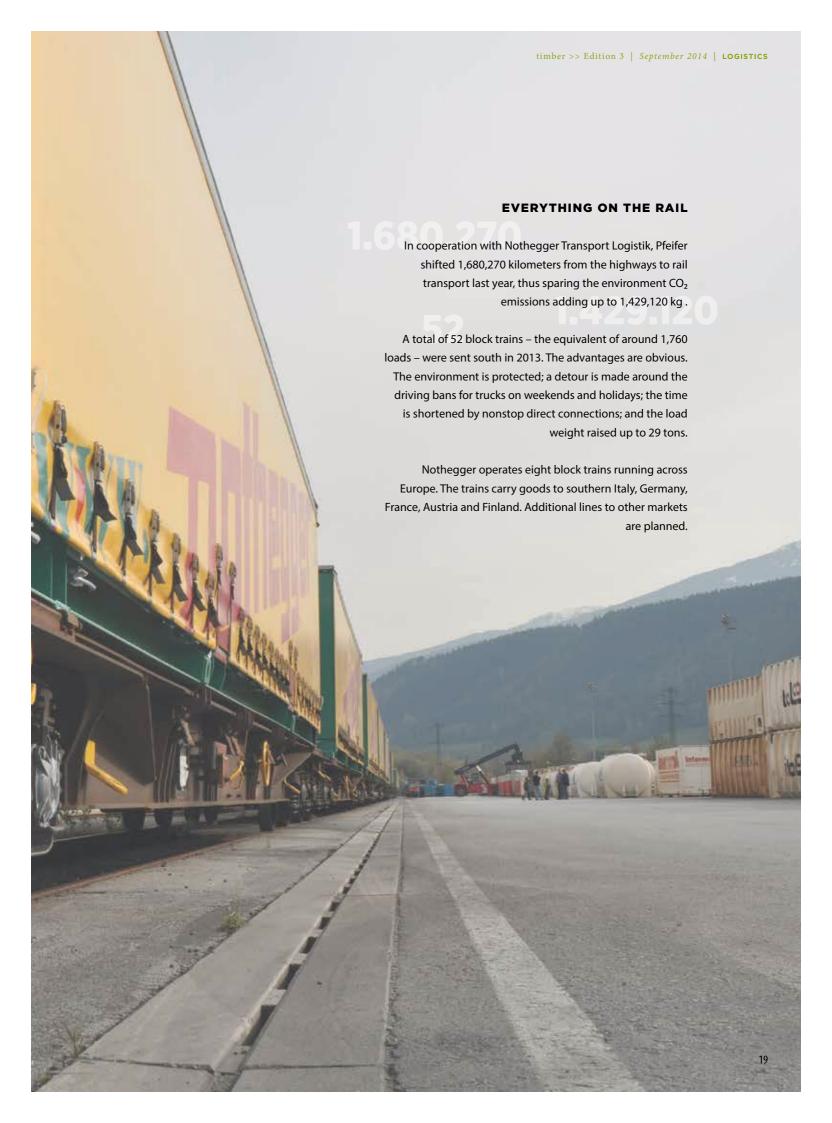
be loaded per day; now we can do twenty.

HERBERT STÖCKL // Head of Logistics at Pfeifer

Around 5,000 containers will be shipped by Pfeifer to destinations around the globe in 2014. This means a jump of 40 percent in comparison to previous years. And the trend points upward. In order to cope with this development and make work processes more efficient, the Uelzen site was equipped with a so-called "LoadPlate" by the Finnish producer Actiw. "The new system expedites operational processes substantially," said Herbert Stöckl, Head of Logistics at Pfeifer, underscoring the great advantage of the system. While the loading process took approx. two hours before, the automated facility has dropped this time to only fifteen minutes. The freight is prepared on the loading plate and then automatically moved into the container.

This allows for better space utilization and minimizes the risk of damage to the freight. If nothing else, safety is increased, since nobody has to be present inside the container any longer.

"Before, six to nine containers could be loaded per day, now we can do 20," Stöckl puts the boost in efficiency in a nutshell. Deadlines can be better adhered to and thus expensive harbor fees avoided. But the "LoadPlate" not only saves time and money. It makes things easier for the staff as well. With the new technology, the load can be controlled by one employee alone. Once the pilot run in Uelzen is successfully wrapped up, the Lauterbach, Unterbernbach and Imst sites are to be equipped with this container loading system as well.





#### **PELLET PARTNERSHIPS**

## STABLE AND HIGH-QUALITY

#### PFEIFER IS A PELLET PIONEER

Pfeifer has been a pellet producer from day one. Currently, approx. 380,000 tons are produced annually at five locations. Thus the Group is the third-largest producer in Europe; complete market coverage in Austria, South and Central Germany as well as Italy is guaranteed. Pfeifer relies on long-standing partnerships in sales – for example in Tyrol, where a cooperation project with "Raiffeisen Lagerhaus Hopfgarten-Wörgl & Umgebung" has been in place since the late 1990s.

Executive Director Martin Hölzl remembers: "In order to cover the pellet needs, which were still very low at that time, for a while they were delivered in a silo vehicle that also served for the delivery of animal feed. The very first pellets already came from Pfeifer back then." The partnership was built out step by step: "In the meantime, two silo vehicles are on the road every day to meet customer wishes in all of Tyrol."

#### BENEFITS FOR THE

#### ENVIRONMENT AND THE WALLET

One vehicle goes to the Landhof Hotel in Ellmau at regular intervals. The Winkler family, running the hotel, converted their operations to pellet heating seven years ago. Both the environment and the expenses have greatly profited from it, Kate Winkler emphasizes: "Based on ecological and economic considerations, we opted for this fuel. When it comes to the environment and costs, pellets have definitive advantages in comparison to oil heating. We've had good experience and are quite satisfied with the quality supplied by Raiffeisen Lagerhaus."

Executive Director Martin Hölzl likewise gives the laurel wreath to Pfeifer Group: "The quality of the pellets from Pfeifer, the availability and the solid support provided by our committed employees are greatly appreciated on the market." Pfeifer Group for production and Raiffeisen Lagerhaus Hopfgarten-Wörgl for sales and logistics: A partnership of great quality, upon which customers can rely, which has lasted many years. Both partners played a decisive role in making the success of the pellets in Tyrol possible.

om Pfeifer,
d support
employees
e market."

"The quality of the pellets from Pfeifer, availability and the rock-solid support provided by our committed employees are greatly appreciated on the market."



## IDEAS FOR THE INDUSTRY

Numerous representatives of our industry accepted the invitation to the 1st Pfeifer Pellet Forum, taking place on May 23, 2014. Tenor of the event: The growth potential of the pellet segment is substantial.

For the first time, Pfeifer invited representatives from the industry to share a giveand-take among professionals at their site in Unterbernbach (Germany). And the feedback was gratifyingly huge. 80 pellet customers from Germany, Austria, South Tyrol and Switzerland took part and heard lectures, which in turn provoked lively discussions. Legal expert Marcus Schäfer shed light on the legal framework conditions in the pellet trade. Bert Puseman, Quality Assurance Representative of ZG Raiffeisen eG, vividly outlined the main aspects of pellet logistics. With huge interest, the audience followed the elucidations of Dr. Christian Rakos, Managing Director of proPellet Austria and President of the European Pellet Council (EPC). Mr. Rakos' lecture showed the great potential there is, especially in Europe, for the producers and dealers in pellets. The last few years have been characterized in Europe by an enormous dynamism, with average growth rates of 25 %.

#### CONTINUOUIS GROWTH DESPITE COMPETITIVE PRESSURE

Many parameters speak for more growth going forward. Particularly when renewing their heating system or replacing their boiler, consumers opt for a pellet heating system more and more frequently due to the fact it is a cheaper alternative. France and Italy undergo a boom with pellet wood burners. Industry experts believe that the sales of wood burners in these countries might double within two years. Rakos expects increased competitive pressure due to globalized production and trade flows. In the last few years, non-European producers – first and foremost, the North Americans – were able to gain additional market share (see diagram). Huge cargoes of industrial pellets are shipped from the United States and Canada to Europe.

### With its high-tech pellet production, the Unterbernbach site was definitely

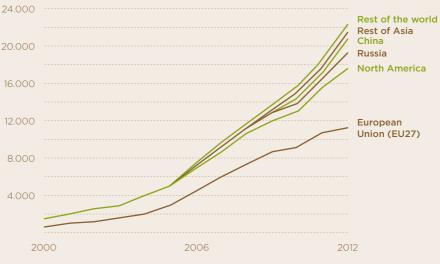
the right place to meet for the first

Pfeifer Pellet Forum.



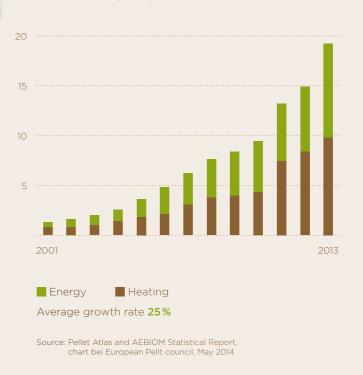
This supply presents a factor not be underestimated, particularly in markets with seaports. The Americans already have more than a foot in the door in industrial energy production. The segment of A1 pellets for the heating market covered by Pfeifer is probably less impacted by this in the intermediate term. "Premium quality and reliability of delivery are the two things most in demand here," Rakos explained. At the end of the day in Unterbernbach, all attendees had agreed on one thing: The Pfeifer Pellet Forum will be carried on.

#### **DEVELOPMENT OF GLOBAL PELLET PRODUCTION** (1.000 t)



#### **DEVELOPMENT OF PELLET CONSUMPTION IN EUROPE** (Mio. t)

Source: IEA Task 40, 2013



#### **EUROBLOCK CUSTOMER FORUM EXTENDS INVITATION FOR NETWORKING**



Like in an orchestra, it isn't always beautiful melodies ringing forth in the timber industry. The lecture of Austrian conductor and four-time Grammy award winner Christian Gansch was one of the highlights at the Euroblock Customer Forum 2014. He described the rocky road "From Solo To Symphony." With very incisive language, he showed how companies can learn from orchestras. Previous speakers presented somewhat weightier stuff in their lectures, ranging from "How long will the recession"

last" to complex financing issues revolving around the topic of "Basel III."

#### EDMUND STOIBER AS STAR GUEST

The most prominent lecturer was the former Governor of Bavaria Edmund Stoiber. After his retreat from the political sphere, he has been chairing a task force of the European Commission for the "Reduction of Bureaucracy in the EU."

Suitably enough, the title of his lecture was "What are the concerns of the people of Europe? – The future of the European Union." "Owing to its substance and quality,

our event has an excellent reputation. All industry insiders know about it, so it is booked out quickly, right down to the last seat. We are particularly gratified to have continual success in gaining well-known and highly qualified speakers. Beside the topics touching on the timber industry in particular, renowned politicians and athletes enable the forum to keep the bigger picture in mind," underscores Andreas Hager, Sales Manager, Euroblock. He sees the event itself as an expression of gratitude to long-standing customers. At the same time, the Forum offers the opportunity for discussing things outside the constraints of day-to-day business.

#### **EUROBLOCK FORUM**

The fact that there was no platform for exchange of any kind in the pallet industry was reason enough to make this event come into being. Both Euroblock customers and invited guests make up the target group. "In the industry, attendance at the Euroblock Forum is an absolute must, and we are very proud of this," says Andreas Hager, Sales Manager, Euroblock, emphasizing the significance of the event. The next event, the 10th Euroblock Forum, is scheduled for early 2017.

More than 200 pallet producers from Europe,

Asia and the United States came to Freising

(Germany) for the 9th Euroblock Customer

Forum. What makes the event so attractive

is the mix of top-notch contributors

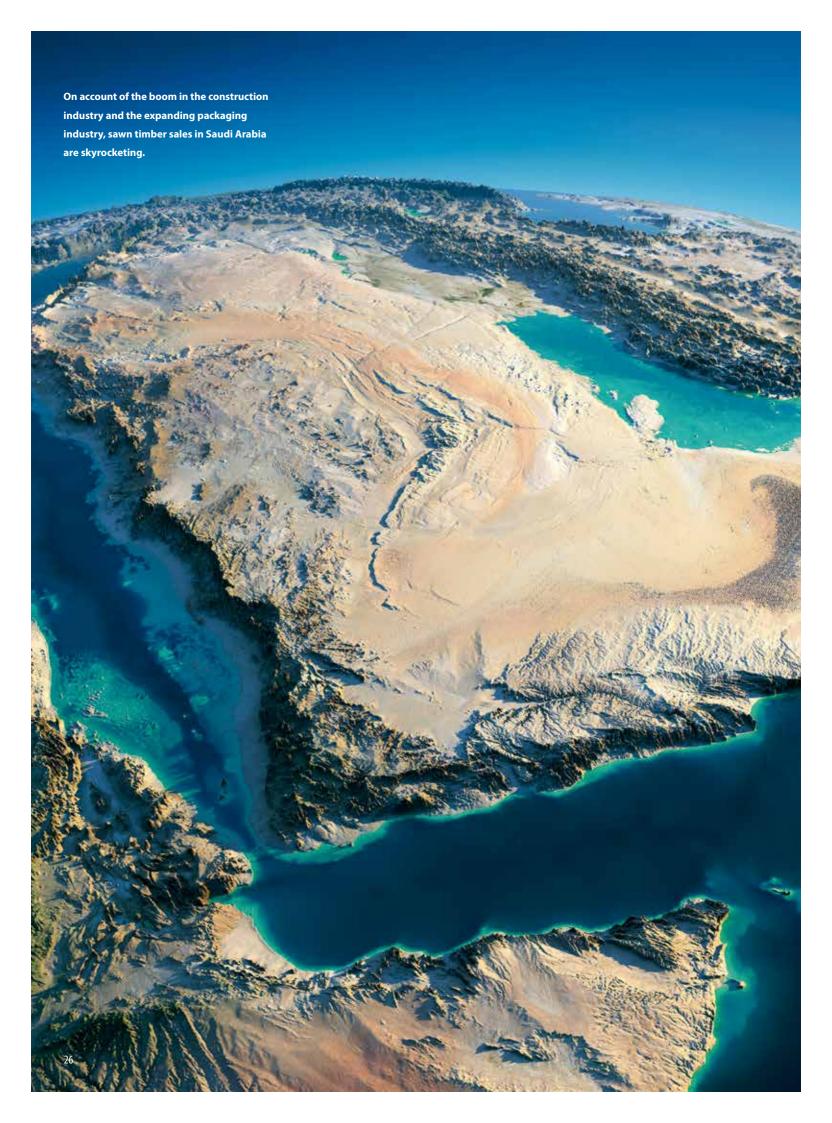
and professional discussions.

#### UP-TO-DATE INFORMATION AND INSIGHTS

The fact that professional topics are discussed at the Euroblock Forum makes it the most important international industry meeting. Globally renowned experts were presented to the attendees by the two hosts, Michael Pfeifer, Executive Director of Pfeifer Holding, and Leonhard Scherer, Executive Director of Euroblock. They covered topics ranging from the current situation on the timber market; supply security; the significance of pallets within logistical processes; and the concrete re-

quirements of consumer goods producers. The market discussions are another essential element of the two-day event. Within the scope of these discussions, representatives of stakeholders and producers report on the situation in their respective core markets.





#### ON THE FAST TRACK TO

### SAUDIARABIA

With entry ambitions, Pfeifer has been observing the Middle East market for several years. After a successful market entry, the company is now aiming at constant growth in the sawn timber market of Saudi Arabia.

Pfeifer is one of the top players on the European sawn timber market, with an annual production capacity of over 2 million cubic meters. But the company is also present in this segment in about 30 countries beyond the borders of Europe. This includes Saudi Arabia, where Pfeifer has posted strong growth rates over the last two to three years. "As early as ten years ago, it became clear that Saudi Arabia will become a market of interest for sawn timber. Since Marcin Szulc, our Regional Sales Manager for the Middle East, has worked the market so intensely, sales have increased significantly," as Gregor Triltsch, Sales Manager for sawn timber at Pfeifer, explains the developments.

#### TOPMOST TECHNOLOGY, TOPMOST QUALITY

A comparison of sales volumes shows just how rapidly the market has been conquered: still at 1,000 cubic meters in 2012, there were 15,000 cubic meters sold in 2013. The next feasible target for Pfeifer is the 50,000 cubic meter benchmark. The gains on the Arabian Peninsula are largely owing to the great purchasing power of the Saudis, the ensuing boom in the construction industry and the strongly expanding packaging industry. Two-thirds of the sawn timber shipped by Pfeifer to Saudi Arabia is used for chemical pallets and cable drums; the rest for construction. Pfeifer produces sawn timber at five sites in Europe - Unterbernbach, Uelzen, Lauterbach, Kundl and Imst. "Since the opening of the plant in Lauterbach, we have become even more flexible in production," Triltsch emphasizes. Quality is always given top priority. The cut is performed exclusively by circular saws, so smooth surfaces and cut precision are guaranteed. Supported by state-of-the-art scanner technology, the boards are afterward sorted according to intended use or visual criteria by trained

staff, who are continually being schooled. Sawn wood is used predominantly in construction (as solid structural wood, glulam timber, natural wood panels or raw goods, as well as by planing facilities and lath makers) and in packaging (pallets, boxes and cable drums). The goods are produced in a broad range of different thicknesses, widths and qualities. "Naturally, we also meet individual customer wishes, starting from a certain volume," Triltsch points out.

#### CHINA AND INDIA AS TARGET MARKETS

Not long ago, all plants were equipped with new package presses. "Uniform packaging and a clean look are being sought more and more," says Triltsch. In general, the need for high-quality sawn timber is on the rise, so Pfeifer has also identified growth potential in the two gigantic markets of India and China.



## GLOBE-TROTTER IN WOOD

Verona, Shanghai, Casablanca, Munich ...

Pfeifer Group presents its extensive product

portfolio all over the world.

Pfeifer has made appearances at the trade fairs with a new, cutting-edge booth since 2012. The new booth enabled the presentation of the service range of the entire Group, more easily familiarizing customers with our products. "Our successful presentations in the past two years as well as the ones we already had this year showed that the new booth exceeded all expectations. Our guests used the opportunity on their visits for discussions in a cozy atmosphere as well as for getting information on our new products," says Michael Pfeifer, Executive Director of Pfeifer Holding.

Along with the "Dach+Holz International" trade fair in Cologne (Germany) and the "HWS Meet in 2014" in Zofingen (Switzerland), the "Progetto Fuoco" in Italy was probably the most successful fair appearance this year. Pfeifer Group will still have a presence at another ten trade fairs in the same number of countries this year. The "Bau" and "bauma" are two major trade fairs in the Bavarian capital of Munich, scheduled for 2015 and 2016. At the latter, visitors will see and experience our booth in its maximum size of 200 square meters.

#### TRADE FAIR DATES

Almaty (KAZ) > Kazbuild

Sept. 2 to Sept. 5, 2014

Luanda (ANG) > Projekta

Oct. 23 to Oct. 26, 2014

Riyadh (SAR) > Saudi Build

Nov. 10 to Nov. 13, 2014

Casablanca (M) > S.I.B. Casablanca

Nov. 26 to Nov. 30, 2014

Delhi (IND) > bc India

Dec. 15 to Dec.18, 2014

Munich (D) > Bau

Jan. 19 to Jan. 24, 2015

Verona (I) - Legno & Edilizia

Feb. 19 to Feb. 22, 2015

Milan (I) > Made expo

March 18 to March 21, 2015

Dubai (VAE) > Dubai Wood Show

14.04. bis 16.04.2015

Cologne (D) > Branchentag Holz

Nov. 3 to Nov. 4, 2015

Verona (I) > Progetto Fuoco

Feb. 24 to Feb. 28, 2016

Munich (D) > bauma

Apr. 11 to Apr. 17, 2016

#### IN BRIEF



APPEARANCE // The "Dach und Holz International" in Cologne (Germany) is the trade fair for roofs, walls, timber construction, extensions and energy retrofitting. The "Progetto Fuoco" in Verona (Italy) presents everything revolving around the topic of bioenergy. Pfeifer Group was able to use both trade fairs for very successful fair appearances. Beside a great number of new customer contacts, many intriguing meetings took place among long-standing partners and the sales team of Pfeifer Group.

ing the Christmas parties, long-standing employees were honored for their loyalty to Pfeifer Group at the sites in



Imst and Kundl. Mirce Karov (joining the company in 1988) and engineer Josef Lato (joining in 1990, in well earned retirement starting this year) were presented with honors in Imst. Walter Fuchs (with the company since 1986) as well as Mathias Schroll and Ali Coban (both since 1988) were honored in Kundl.





**SUMMIT VICTORY** // The Tracuit cabin is located in the Wallis canton in Switzerland, at a height of 3,256 meters above sea level. It is the highest building with a pellet heating system in Europe. The initiator and energy pioneer Markus Mann had invited partners from all over Europe for an energy summit of a very special



kind. Attendees climbed uphill to the Tracuit cabin from 1,650 meters in height and then continued to master the Bishorn (4,153 meters high), one of the mightiest mountains in Switzerland. Sebastian Proske (Regional Sales Manager for biofuel in Germany) represented Pfeifer Group in this expedition; they had ten mountain guides accompanying them.

VISITED // Together with representatives of the Bavarian timber industry, a delegation from the South Tyrolean Association of Entrepreneurs, Timber Section, recently visited the Unterbernbach site. The visitors and representatives of Pfeifer Group seized the opportunity for engaging in exciting



discussions and a lively exchange of ideas. A tour through the sawing and block plant as well as the pelletization facility rounded off the visit

#### IN BRIEF



#### **SUMMER FESTIVAL //**

In order to make attendance feasible for as many employees as possible, a Summer Festival instead of a Christmas party is taking

place in Uelzen. This idea was well received by Pfeifer employees: more than 111 guests showed up for the last party. Long-standing colleagues were honored within the scope of the party. Wolfgang Kramüller and Jens Martischewski have been employed at Pfeifer Group for ten years; Herbert Krause has been working for the company for 20 years. UNION MEMBERS // A group of representatives of the Austrian Association of Unions (Österreichischer Gewerkschaftsbund), including the two national chairmen Christian Hauser (Bau-Holz) and Günter Mayr (VIDA), visited the Imst location of Pfeifer Group not very

long ago. The guests were bid welcome by Executive Director Michael Pfeifer, the two authorized representatives Günther Jaritz and Dietmar Seelos as well as the chairwoman of the Works Council Astrid Kraxner.





**UNIVERSITY** // Rosenheim University is the largest educational institution for timber construction in Europe. As part of a field trip, students in the Wood Technology and Construction Department recently watched work being performed at the Imst site of Pfeifer Group. Among other things, they toured the briquetting facility and the plant for formwork panels and formwork beams.

TOGETHER // The "Ligna" in Hanover is the most important trade fair worldwide for the timber industry. Last year, Euroblock and Pfeifer made a joint appearance at the fair. Along with the entire product range of Pfeifer Group, the comprehensive range of pallet blocks and packaging wood from Euroblock was put on show there.





#### PFEIFER HOLDING GMBH

Fabrikstraße 54 A-6460 Imst

Ph.: +43 5412 6960 0

Fax: +43 5412 6960 200 info@pfeifergroup.com

