



## *Innovative Alternatives: Value-Added Wood Manufacturing in B.C.*

Something new and exciting is happening in Prince George, British Columbia.

In a region hit hard by the turmoils of the primary forest industry, an innovative economic renewal organization has emerged: The WoodTEK Business Development Centre. The first of its kind in Canada, WoodTEK is a business incubator with a mandate to build a new business infrastructure in the secondary forest industry, diversifying from lumber production to value-added wood processing.

Business incubators offer focused mentoring and business services to emerging companies. They are designed to help business owners/managers increase their range of business skills for specific industry sectors. An incubator for value-added wood manufacturing focuses on key areas such as product development, manufacturing processes, fibre acquisition and marketing skills.

The process of setting up a business incubator can be lengthy and complex. It took five years for collaborating organizations, including the Community Futures Corporation of Fraser Fort George, the College of New Caledonia and BC Futures to complete research and opportunity identification and to build a more extensive network of partners.

Their studies emphasized the strong economic potential for value-added wood manufacturing in British Columbia and the need to diversify in order to avoid falling behind in the forest industry. With B.C. holding only 1% share of a two billion dollar market for value-added wood manufacturing in North America, the potential for growth in

areas such as market share, job creation and skills development might be enormous.

During the planning years, support for the initiative grew steadily. The City of Prince George showed its confidence in the project by leasing two adjacent properties in the downtown core of Prince George to WoodTEK in the amount of \$1.00 annually. By the time the groups were ready to lease and renovate these facilities, the venture had established itself as a real 'community project,' involving 19 partners in the public, private and not-for profit sectors.

Located close to downtown Prince George, the Centre offers ample interior space for business services, training and wood processing. Laurie Kerr, CED Manager with Community Futures, claims the best advantage to be had in terms of space, however, is in the large lot at the rear of the building. "The magic will happen out back. Critical infrastructure is more than walls. It's having the space outside for kilns to dry the wood."

While the Centre develops physical capacity, it is also learning about the right business tools for success. Through financial support from CEDTAP, WoodTEK is benefiting from technical assistance in areas such as strategic planning, organizational governance, product engineering and channel marketing.

"You won't make money right away." This is one of the first things Charles Scott, Economic Development Manager with the Prince George Development Corporation, will tell clients once the Centre is up and running.

Traditionally, those working in the primary forest industry, whether it was in logging or in the sawmills, held jobs that offered set hours and regular pay. That doesn't make for an easy transition to the value-added sector, which requires a whole new set of skills and an entrepreneurial outlook.

"People will no longer just be cutting the 2 X 4's and sending them off to the US for processing," says Scott. "They have to learn new skills of drying, custom finishing and grading the wood. Then they have to learn how to develop, manufacture and market their products."

The Centre will offer training and business support to develop the necessary business acumen, but the individuals will have to be patient, committed and open to looking at things in new ways. "It will be a whole different world for these folks," explains Kerr. "It won't be just about production, but about efficiency. We will, in essence, be creating a new "wood culture."

Once the Centre is fully operational, its priority will be to coach and mentor new value-added wood companies for two to three years, until they can operate independently. Jim Hughes, one of the consultants working with WoodTEK, expects some of the enterprises will need ongoing support even after they 'graduate.' He also points out that, considering the newness and uniqueness of the venture, it will take time to realize positive outcomes.

"We won't likely see one 'star success' over the short term," says Hughes. "We'll see a series of small, modest successes over the long run."

When you are talking about economic revitalization, the long run is where it really counts.

**Community Economic Development Across Canada:**  
[http:// www.cedcanada.ca](http://www.cedcanada.ca)

## 2002 CONFERENCE

*The National CED conference, held in Winnipeg in September, was a great success! With close to 400 attendees, it made for one of the largest national CED events ever. CEDTAP was pleased to have partnered with CCEDNET and other organizations for the event. We look forward to seeing you at the next conference.*



Jacques Carrière and Silver Donald Cameron

### Computer Mentoring!

CEDTAP has recently agreed to support **CompuCorps Mentoring**. This unique organization matches technical volunteers with volunteers and nonprofits needing support with computer and Internet technologies. CED groups in Canada will be able to receive a wide range of services that will enhance their use of computers. Application criteria for computer mentoring will soon be available. To learn more about CompuCorps, visit : <http://www.compucorps.org>

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Direct all correspondence, queries, and copy to Centre for the Study of Training, Investment and Economic Restructuring (CSTIER), Carleton University, Ottawa ON K1S 5B6

(tel) 613-520-2600 ext 8241 (fax) 613-520-3561

(email) [estier@carleton.ca](mailto:estier@carleton.ca)

URL : [www.carleton.ca/cedtap](http://www.carleton.ca/cedtap)