

THE FUTURE? SLOW RECOVERY, BUT WE STILL HAVE A LOT TO DO!

So spoke **Franz-Josef Bütfering**, president of Eumabois, the European federation grouping the national Associations representing the major European manufacturers of machines and accessories for woodworking.

"Discussing how things are going in the wood-working industry is quite disconcerting today", says **Franz-Josef Bütfering** with much realism. "It is euphemistic to say that the situation is difficult, although in the final part of 2009 we could see some signs of optimism. However, there are plenty of negative signs and we are recording very unequal trends also within the member countries of our Federation. Take **Ukraine**, for example: recently, I talked to a major distributor in that country and he pictured out a very bad situation, with orders that have dropped by as much as 90 percent compared to 2008. He is holding up strong because he knows that things will change for the better, soon, and that his thirty employees will soon be very busy, not only for service and assistance to installed equipment.

In other countries – **Germany** and **Italy** are good examples – the shrinkage was also dramatic, but not to the same extent, stopping at 45-50 percent. These are really awesome figures that no one would have ever imagined, but still less critical than in other regions. As I mentioned, there are also countries offering tangible positive signs. For instance **China**, where demand has stopped falling and now is picking up again. The same is true in Central Europe, in **Germany, Austria, Switzerland, Poland, The Netherlands**... Anywhere else business is frozen, like in **Russia** or the **United States**, just to take a look outside Europe. Our members report that many US resellers have not sent orders for at least the past eighteen months: they have emptied their stocks and they are not willing to fill them up again, because they fear these investments will not be paid back by the market".



How do you explain all these different trends and situations in a market that is more and more global?

"Actually, you would expect more consistent conditions, but we should not forget that the crisis, though global, is interacting with economic systems that differ from country to country, from region to region. Eumabois constantly monitors all markets around the world. While in some regions the effects of US sub-prime loans were devastating, setting off similar processes and freezing the **real estate and construction market**, in other countries – Russia and, in general, Eastern Europe even more than anywhere else – the busi-

ness activity was brought to its knees by the credit crunch enacted by the **banking and credit system**. Apart from high-sounding statements or real government policies, the credit institutes tightened their purse strings, thus canceling any investment in instrumental goods. It is absurd to see that orders keep coming in, but production cannot start and goods are not delivered because there are no financial resources to close the deal, to guarantee the manufacturer's financial liability".

Mr. president, what are the priorities for Eumabois in this scenario?

"As your readers know well, one of our goals – pursued with determination in the past and still at the top of our priority list today – is to guarantee that all companies under Eumabois can grab all opportunities in all markets, especially those more complicated or traditionally less accessible. The best way to do this is to create an **effective exhibition network**, with properly managed events at affordable costs.

Among other projects, I want to mention the big campaign "**Choose the original-Choose success!**", which we launched this year to tackle the problem of illegal copies and industrial imitations with strength and determination. It can be very difficult and expensive for a single company to make legal suits in different foreign countries to safeguard its interests, so we decided to adopt a different approach; we are working on what I would call "consumer education", spreading the message that a copy will never offer the same results as the original, from all points of view: quality, total industrial costs, safety... This is a complex work but it has been perceived correctly by many, confirming the effectiveness of our initiative. A copy may cost 20-25 percent less than the original, with a clear immediate economic benefit. It's up to us to explain that, to get such benefit, you have to accept a corresponding reduction in quality, product innovation, health and safety in the working environment, just to mention a few drawbacks.

This is a long-term campaign, which we started in 2009 and will continue throughout 2010 and probably further ahead, especially in extra-European Countries, where it is even more important

to develop a culture of quality and respect for creativity and innovation capacity.

Another issue we are strongly committed to is the drafting of **standards** that regulate our industry all around the world. There are many regulations that we have to harmonize as much as we can, so that our market is really global, to the benefit of manufacturers who can offer their technology and products without absurd problems and difficulties".

Mr. Bütfering, one final remark: how will the industry be in ten years? Will only the big ones survive? Are we going to face historical changes?

"Out of 800 companies under Eumabois, only ten, maybe twelve can be considered "big", the rest range from 5 to 100 employees. **Big players** will always have a key role, but there will always be users looking for custom solutions, tailored to their needs, dimensions and processes.

Given this, I think that the next decade will see an increasing focus on all issues related to environment, energy saving and efficiency, a correct relationship between production and planet, from all points of view.

We are lucky because we deal with the most fascinating raw material, a resource that will never run out like gas or oil, and that can be re-used over and over. The importance of **wood** in the next decade will grow further, and so will the role of our business, which is small if compared to other industries, but it is going to become even more important than today.

From a strictly economic perspective, I think we will have to hold on for five to seven years more. Recovery will come, but not so quickly as we would like. Demand will go back to good volumes, though not to record levels. We cannot expect 20 percent annual growth rates, but we can keep doing what we are able to do, the best we can. Keeping in mind that some time will pass before our customers really need to replace all the technology they already have...

In the next months, too many companies will be forced to close down or to change their organization radically. However, most of them will still play a leading role in the development of woodworking technology over the next ten years!". (I.r.) ■