

Name: Scottish Wood

Place: Oakley near Dunfermline, West Fife

Headline: Local hardwood sawmill set up as a community (social) enterprise, employing 8 people, 5 of whom were formerly long term unemployed; and investing parts of the profits in local community organisations and development of a woodland culture.

Keywords: Hardwood sawmill, community (social) enterprise

What is the context?

Up to about the early 2000's, Scottish hardwood timber was considered virtually worthless and was not utilised; with the best of our timber being processed in England or continental Europe. In the meantime Scotland imported over £100 million pounds of hardwood and hardwood products each year. Low cost bandsaw mills (e.g. Woodmizers) came on the market enabling small sawmilling enterprises to be set up.

What was the initial aim ?

The aim when Scottish Wood was first set up in 2000 was to establish a sustainable community-owned business cutting, drying and selling local timber. The business was set up as a community enterprise (i.e. a locally based social enterprise), where the sawmill business is owned by a charity called Dynamic Woods; and part of the profits were to be used to support local organisations and to help develop the small sawmill sector. It was initially envisaged that the yard could sustain a fulltime employee and a trainee. Neither partner had previous experience in timber or sawmilling (though one came from a farming background).

What actually happened and what has been achieved ?

The site was developed in the grounds of large housing plot on an old open cast site which no one wanted. Initially the milling operation was set up with a mobile sawmill being hired in when needed, plus some low cost kilns and a timber store. The business expanded steadily and we took on staff, eventually employing 8 people. We bought our own Woodmizer sawmills and invested in kilns and buildings, including a showroom. A showroom was built to help to sell to the general public because we considered important that as much of the population as possible are able to access Scotland's timber even if they only have £5 to spend.

Fifteen years on, the yard has been much more successful than first envisaged. We have successfully supplied all types of market from members of public to the public sector organisations; with individual sales ranging between £5 and £40,000. We have orders from all round Scotland, we export some timber to England and have also sent timber to Iceland ! The trainees taken on as long term unemployed when we set up, have been kept on as permanent employees as the yard has expanded. Several local hobbyists have become full time craftsmen, because they can now access high quality unique timber. Effectively skills in sawmilling and use of timber have been developed local that did not exist previously in the community.

Profits have been split between reinvestment in the yard and being distributed within the local community and to woodland/timber organisations. Funds are targeted very locally in West Fife former mining villages and areas of deprivation. For example, we supported forest schools through Active Schools Fife, allowing local schools to access training grants for forest schools so they could be self-sufficient. We also support national-scale groups that are working to revitalise the woodland culture e.g. Wild Harvest, Scottish Working Wood Label, Forest Policy Group; and we sponsor prizes

to encourage students use local timber.

Evidence of outcomes

- There are eight employees. Five of these had been long term unemployed before starting with the yard and who are now skilled timber processors and yard supervisors. One is an apprentice, who is enjoying the new skills he is learning as well as the security that a fixed-hours contract gives him (previously on zero-hours).
- Turnover is over £350,000, and the yard has consistently made a profit.
- Over 50% of our sales are to customers that spend less than £500 a year.
- Dynamic Woods has distributed about £120,000 since 2000, as well as the business running some social projects itself.
- We buy in about 1000 tonnes of timber annually; and timber is now bought directly from landowners (previously it had been bought through timber merchants).
- We are a very efficient yard in that we provide more “jobs per log” than most of the conventional yards and therefore make good use of Scotland’s timber resource.
- One of our trainees went on to work at Fife college and then encouraged them to use much more local timber (in fact their end of year show case a couple of years ago was almost all local timber)
- We have help at least 10 timber yards to start up via information sharing.

What factors contributed to those outcomes?

Having enough land to gradually expand as the business grew was important. The location of the yard helps with timber sales because it is within easy reach of a high proportion of Scotland’s population. The showroom has been a success and acted as an advert for more sales. Our large customer base helped us to weather the last recession when large business orders shrank.

Our Community Enterprise structure has meant that we have seen our remit as being not just marketing our own timber, but to contribute to local development, and grow the whole small sawmilling sector by sharing our business skills. Importantly decisions made because they were right for the social enterprise have in fact gone on to prove very successful commercially. For example:

- Our long term unemployed trainees, engaged because of our social remit, became loyal, skilled and hardworking employees; and we have experienced no difficulties with the staff turnover that affect some other yards.
- The showroom designed to make our products accessible to the general public, prove to be an effective marketing tool allowing news to spread widely by word of mouth of our smaller customers.
- Being open about our knowledge has meant that we have attended events with other timber users and suppliers, and that has brought us more custom.
- We have encourage local colleges to come round and visit the sawmill, and this has this influenced new makers to use our timber

Web presence has worked well for us and gives local yards a national visibility. Our only publicity is from our web presence and via word of mouth.

How replicable is this experience; what is its potential as an element of a better approach to forestry?

This type of yard is very replicable; it would always have to be tweaked to suit both the location and the skills and enthusiasm of the workers in each place. The start-up costs are very small and yards can expand as the work comes in.

The growth of small sawmills in the last 15 years is proof that small local sawmills are becoming a key component of timber utilisation. It is notable that during the renaissance of hardwood sawmilling in Scotland, that no larger yards have emerged, and that the small local model has proved effective.

A key skill is marketing the cut timber, and yards tend to thrive or struggle according to their marketing success.

Key messages

1. A small local sawmill is the right scale to operate on, both for buying in timber supplies and for marketing products. Scotland has good woodland resources to support small sawmill operations and you do not need previous experience to set up and run a successful sawmill.
2. Access to affordable land in an appropriate location is an important factor.
3. A community enterprise structure not only delivers local benefits, but can also be commercially advantageous. It has helped generate positive links with the community which helps the business in multiple ways; as well as adding to job satisfaction.
4. Our approach to business maximises “Jobs per log” with concomitant local economic/social benefits, rather than striving to reduce labour inputs via mechanisation and economies of scale.
5. Skill-sharing within the small sawmilling sector is a key factor driving its success.
6. The development of small sawmills has been built around the appearance of appropriate technology i.e. small bandsaw mills.