



FIBRE-GEN'S AUTOMATED LOG GRADER INCREASES RETURNS FOR NELSON SAWMILL

Media release, 23 July 2008, Fibre-Gen Ltd, Christchurch, New Zealand: Waimea Sawmillers in Nelson has seen an increase in returns, reduced costs and wastage and produced additional out-turn of structural quality timber, thanks to the installation of Fibre-Gen's LG640 acoustic log grading unit.

According to Waimea's operations manager Kent Gibbons, the introduction of the new timber grading standard NZ3622 and market demands forced the Nelson operation to move away from visual grading and install a Stickman sonic grader in 2006 in order to machine stress grade their lumber output.

The company quickly identified that there was still a missing link in the process - the logs needed to be tested for stiffness (to determine if they were building grade or not) *before* they were sent through for sawing.

"We found ourselves cutting timber to what we thought would produce MSG and then being disappointed with the result, and also the reverse situation where timber was processed into what we thought would be downfall grades, but they turned out to have a higher sonic reading than expected.

"It became obvious that what we needed to maximise MSG lumber out-turn was sonic information from the whole logs," Gibbons said.

In September 2007, the company installed Fibre-Gen's new, automated Hitman LG640 and as a result, successfully removed the guesswork from the grading and milling process.

The LG640 is positioned on the debarker outfeed, allowing Waimea to sonic grade every log into the green mill on a daily basis. As each log exits the debarker, the length is measured, the LG640 strikes the log while it is still moving, then automatically sends the results through to the operator's cabin.

Logs are queued on the in-feed deck, and as each rolls into the machine in-feed, its sonic reading is displayed on the operator's control panel.

Gibbons says this gives the operator the advantage of being able to adjust the cut pattern to maximize MSG output.

Waimea have made at least a 3% gain in MSG recovery since installing the LG640, which equates to a significant improvement to their bottom line.

"And on top of that there are processing savings resulting from avoiding processing products to the wrong dimension of timber, as well as further savings from cost price reductions."

Waimea is currently conducting trials on log diameters to determine the optimum log mix for processing to achieve their machine stress grading targets.

"The information the LG640 provides is extremely valuable as a yield and revenue improvement tool, and it also provides us with a log price and quality negotiating tool," Gibbons commented.

Fibre-Gen chief executive Peter Carter says the trials that have been conducted at Waimea demonstrate what a powerful advantage can be provided by the LG640.

"We know that this equipment can assist Australasian sawmillers specialising in structural timber to increase efficiency and profitability, at a relatively low level of investment."

Fibre-Gen see the LG640 as being a product that can be used internationally to help maximise returns from timber resources.

Typical combined purchase and installation cost for the LG640 is around NZ\$120,000 which is much cheaper than most other scanning systems, and it can be installed and running within a few days.

Not only can the device pay for itself through increased value within a few months, compared against manual testing the automated nature of the equipment will also bring benefits in increased safety for staff.

Ends

About Fibre-Gen:

Fibre-gen is a business that provides specialised sonic technology applications and solutions for wood quality measurement and enhancing process efficiencies in the forest growing, harvesting and wood processing industries. Visit website www.Fibre-gen.com. The company is a jointly owned venture between In-Fact and Peter Carter, and was formerly owned by Carter Holt Harvey.

About the LG640:

This automated Log Grader works by using a swinging hammer to hit the end of each log going through the system, and recording the sonic readings using a microphone. Calculating the acoustic speed of the hit along the log the LG640 is able to provide an immediate and accurate measurement of the stiffness of the wood and therefore its suitability for use as structural building grade timber.

For further information and photography, please contact:

Karen Brown, PR for Fibre-Gen
Communicate IT Ltd
Phone: 03 381 6655
Mobile: 027 339 0051
Email: Karen@communicateit.co.nz

Peter Carter, Chief Executive
Phone: +64 09 262 2067
Mobile: +64 027 414 7613
mailto: peter.carter@fibre-gen.com