

Mr MDF - Part 1

by WARD WILLIAMS

In this two-part feature, we reveal a panelboard success story that has its roots in UK, Ireland and the US. However the man in question Mr Geoff Rhodes, Marketing & Business Development Director of Coillte Panel Products, can point to plenty of achievement throughout Europe... and beyond!

The success of medium density fiberboard outside (MDF) of its birthplace in US cannot be attributed just to the fact that it's an excellent woodbased panel with innumerable sterling qualities for conversion into 400 or more different uses and products. Someone had to get out there and introduce it and sell it. And to sell, it meant more than just knocking on doors with one hand and presenting a sample piece of the board in the other.

The MDF's popularity was based on relentless efforts of salesmen who believed in the product. And behind the sales team, someone had to formulate a sales campaign to ignite and sustain potential customers' interest. Without this "chain of command", MDF might well have embarked on a one-way

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excursion into the dustbin labelled "The Once & Mighty King of Panels", seldom to be heard of again.

Mr Geoff Rhodes was (and is) one of those foot soldiers who live and breathe the legend of MDF and its dramatic success throughout the world. In his case, his MDF roots first went down in the UK and Ireland.

To follow the story from its roots, one has to dig in two key places, one in Europe and one in US. Let's look at Oregon first, way out on the West Coast of the North American continent where Medford Corporation had established itself as a major player in the nation's growing MDF industry.

Q: Although the name "Medite Europe" is well established

About Coillte

Coillte is a commercial company operating in forestry, panel products, land-based businesses and renewable energy. The company employs approx 1,200 people and was established in 1988. It owns over 445,000 ha of land, about 7% of the land cover of Ireland. Coillte manages its forests and lands in a way that maintains a balance between commercial success and environmental and social benefits

Coillte Panel Products Division consists of SmartPly Europe Ltd which produces OSB, and Medite Europe Ltd which produces MDF, with offices not only in Ireland but also in the UK and the Netherlands.

Its mission statement is: "To be an international trading Irish based forestry and land company, which provides competitive products and services to its customers by harnessing the full potential of all of the company's resources: This includes its forests, lands, staff and financial resources in order to generate optimum commercial returns on its investments, and which manages its businesses in an environmentally, socially and economically sustainable fashion."



Mr Geoff Rhodes, Marketing & Business Development Director of Coillte Panel Products

in the minds of MDF industry members, your parent firm of the MDF mill in Ireland since 2006 is actually now Coillte; could you first please fill us in on today's corporate picture by describing Coillte?

A (by Mr Geoff Rhodes, Marketing & Business Development Director of Coillte Panel Products):

The Medite MDF business in Europe has had a number of corporate owners since the investment decisions to commit to Europe were made in 1980 and production actually started up in September 1983. Medford Corporation, Valhi, Willamette Industries, Weyerhaeuser and now, since November 2006, the Irish Forestry Board – Coillte.

Q: Medite in the US was an established MDF manufacturer known by the parent firm, Medford Corporation of Medford, Oregon. How did it happen that this West Coast US major panelboard producer jumped an entire continent – plus an ocean – to establish itself in Europe?

A: An overseas export business for Medite MDF was developed, starting in 1976, following the first exports of Medite from the US to Canada with Weldwood, through the offices of Seaboard International in Vancouver and overseas offices in London (where I worked), Paris, Hamburg and Utrecht in The Netherlands.

The business grew steadily to the point that by 1980, it was becoming clear that the volume and demand for Medite *would not* be able to be satisfied with supply from the US. At the same time in Ireland, the Irish Development Authority (IDA) were investigating inward investment opportunities to bring industry and manufacturing capacity into Ireland (to move Ireland on from such a strong dependency on agriculture) and to utilise the pine and spruce forest thinnings that were becoming increasingly available, following the planting programme of the 1950s, 1960s and 1970s. In the end, a commercial agreement with Medford Corporation was signed, the commitments to invest US\$50 million were made and the rest is history!

Q: Just to get us better oriented on Medite

today, what were the main corporate steps in the development of the company?

A:

1980: Investment decision made to commit US\$50 million to Ireland – code name 'The Shamrock Caper'

1983: September 23rd – First boards produced

1984: Valhi (Dallas-based) acquires Medford Corporation

1997: Willamette Industries (Portland, Oregon) acquires Medite Europe

2002: Weyerhaeuser Corp (Federal Way, Washington) acquires Willamette including Medite Europe Ltd after a hostile takeover

2006: Coillte (Dublin) acquires Medite Europe Ltd and establishes new Coillte Panel Products Division alongside Coillte Forestry and Coillte Enterprise Divisions

Q: When did you join the Medite organisation and what were your first responsibilities?

A: After working through 10 years of building and establishing the Medite MDF export program from the US since 1976 at Seaboard International, London and then developing the integration of the European supply into the market (amongst other assignments), I was asked to establish and set up Medite’s own Sales & Marketing offices in the UK, in the role of Sales and Marketing Director for the company. The offices opened in Southend-on-Sea, Essex, UK, on Jan 1, 1987. A similar office for Medite was also established in The Netherlands for Continental European sales activity.

Q: Before Medite, what was your position in the wood based panel industry?

A: Starting in 1969, I trained with Denny Mott & Dickson and then worked in a sales capacity servicing a wide variety of market sectors for Mallinson – Denny Ltd , one of the most-respected timber importing companies in the UK prior to joining Seaboard International in 1975. My training embraced all aspects of the trade – timber technology, timber trade practice, softwood, hardwoods and panel products trading as well as marketing, press relations, logistics, import – export trade practice, law and economics etc.

Q: Starting out with Medite, how much experience with MDF did you have under your belt?

A: When starting with Medite Europe Ltd as an employee at the end of 1986, I had 10 years experience of pioneering MDF usage, product development, and trade practice. I booked and organised the first export order in 1976 from Medford, Oregon: two units of 19mm 8x4-ft MDF to be shipped from Medford via Vancouver for London!

Q: Did you ever have a thought such as, “Here I am with a start-up company surrounded within Europe by a whole



Aerial view of the Medite plant

host of big and little MDF producers all well-established in the market... what should my first steps be?”

A: Not really. The Medite spirit was all about pioneering – doing it differently and making something happen! The competition as it evolved was mainly thought of as complementary, in terms of everyone playing his part in growing the market for MDF across Europe.

The most stimulating thing was that we were bringing this new product and technology to the market and showing and demonstrating the potential to an unknowing audience – which became increasingly enthusiastic.

Q: What was the Irish mill’s capacity at startup? And increments which followed?

A:

Original Mill

at Clonmel:	m3	Grades Made/Qualities
Capacity in 1983	140,000	Industrial MDF

1st expansion 1994	300,000	Thin Board- MR, Ext, FR
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2nd expansion 2002	420,000	Premier, Plus, MR, Ext, FR, FQ Ecologique
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3rd expansion 2008	480,000	Thicker boards and superlite options
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Value-Add Panel Processing:

Original mill: Zero

2nd installation: 15%

3rd installation: 35% and growing!

Q: Did you ever have a chance to compare the properties and recommended uses of Medite MDF made in Oregon with those of your MDF made at Clonmel? If so, how similar were the two panels, especially since the trees used in Oregon and the similarity of Oregon growing conditions were comparable?

A: Yes – frequently. The experience from the US was shared with the European customer base and Mr Ted Bauer, the then sales manager and “MDF guru” from Medford came regularly to assist in sharing the knowledge.

The quality was comparable – maybe slightly lighter in color than the Medford Board based on Irish grown Lodgepole Pine and Sitka Spruce. (The seed stock actually came from the Pacific Northwest of North America.) The initial markets were reproduction furniture substrate,

painted bedroom furniture and large quantities of MDF used for stiles and rails in flush doors.

Q: What developments have there been on the wood raw material front as mill capacity grew?

A: Initially the Clonmel Ireland, mill relied 100% on logs extracted as a part of the Irish forestry thinning process, but, as the local sawmilling sector developed, then residuals from that industry sector became more and more available. Today, close to 70% is now coming to Medite in chip form with only approximately 30% of raw materials in log form. **PFA**

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 – Mr Geoff Rhodes

We will feature the second part of this story In the next issue of Panels & Furniture Asia, which will discuss on the marketing developments of Medite and the perspectives of Mr Rhodes in choosing wood products marketing as a lifetime career.

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to Europe and
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