

# ECONOMIC — IMPACT REPORT —



LATROBE CITY • VICTORIA • APRIL 11-16



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## EVENT OVERVIEW

The Australian timber industry's biggest event was held in Latrobe City from 11 to 16 April 2016. The primary purpose of AUSTimber2016 was to demonstrate the technology improve productivity. The event provided suppliers with the opportunity to provide live demonstrations of the latest technology to prospective users, owners and investors. In addition, providing the public with an opportunity to see the equipment in action as well as highlighting career options available within the industry.

Many forestry exhibitors are hailing AUSTimber2016 the best prepared forest expo site anywhere in the world. Latrobe City was on the world stage and delivered the best possible face for the industry along with Hancock Victorian Plantations (HVP) delivering sites for exhibitors that gave them the best opportunity to demonstrate their gear which further enhanced the overall visitor experience.

A week long program that started with senior secondary students touring certified sustainably managed forests and manufacturing facilities, an international forest research conference, industry field trips to steep terrain logging coups, timber mills, a nursery, a high value saw log plantation and Australia's largest pulp and paper plant, Australian Paper and culminating with the two day In-forest Expo.

The opportunity to host the event concurrently in 2020 and 2024 is a high possibility following the success of AUSTimber2016. Latrobe City and the greater Gippsland region showcased its diversity and opportunities both nationally and internationally and reinforced our solid reputation as a leading regional event destination.

## KEY FEATURES

- The Australian In-forest demonstration of harvest and haul equipment along with in-field processing.
- Exhibition of timber processing equipment covering latest developments in log processing.
- Field trips to industry sites demonstrating steep terrain harvesting, cable harvesting, an advanced timber mill, a large-scale tree nursery and paper production.
- Schools education program: life cycle of timber and carbon benefits of growing trees.
- Industry Conference: Covering sustainable supply chains in the forest industry, innovation in advanced manufacture using timber and establishing Wood First policies at government level.
- A seminar for local government representatives concentrated on the new National Construction Code.
- Live Events: Wood chop competition, National Forwarder competition, Wood working demonstration and other attractions demonstrating the role of timber in daily life.

# Part 1

# Attendee Benefit



## DATA ANALYSIS

The data provided in the table above was collected and collated by Australian Forest Contractors Association (AFCA) via an online ticketing system and their own data records of attendance to the above events. With not all events being ticketed, therefore we didn't have a complete data set required to complete a detailed economic impact report. In this instance, estimations were applied to the data to provide the required information to complete and produce this economic impact report.

In consultation with AFCA, a number of estimations were made. These included:

- How many days and nights attendees stayed
- Location of where the attendee was from (%)

The estimations that AFCA have made are based on the data captured by the online ticketing system. The table below represents the breakdown of where the attendees came from and how many days and nights they stayed for in Latrobe City during the AUSTimber2016 event.

ESTIMATIONS ON DATA (7,554)										
	Nights	Day Stays	Overseas	%	Interstate	%	Intrastate	%	Local	%
Exhibitors	6	1	485	80%	545	20%	321	10%	153	15%
Exhibitor Clients	3	1			1087	40%	962	30%	153	15%
Expo Patrons (locals) General		1							357	35%
Expo Patrons (intra,inter,os) Industry	4	1	122	20%	1087	40%	1925	60%	357	35%
<b>Total</b>			<b>607</b>		<b>2,719</b>		<b>3,208</b>		<b>1,020</b>	

Breakdown of data (7,554)	Attendees
Overseas	607
Interstate	2719
Intrastate	3208
Local	1020
<b>TOTAL</b>	<b>7,554</b>

## DATA DEFINITIONS

Please see below the definitions regarding the types of attendees to AUSTimber2016

- **Exhibitors:** Company and support staff that showcased products and services at the Traralgon and Flynn Site
- **Exhibitor Clients:** Exhibitor company clients (i.e. John Deere, Komatsu, Cat etc.)
- **Expo Patrons General:** General public attending the event with no industry knowledge
- **Expo Patrons Industry:** Industry stakeholders across the supply chain.

## ATTENDEE DATA

During AUSTimber, there were a number of events held in conjunction with the exhibition and in forest demonstrations. The below table represents the total number of attendees at all official AUSTimber events. The data below was provided by AFCA.

Date	Program	No. Attendees
Monday 11 April 2016	Schools program	28
Tuesday 12 April 2016	Schools program	34
Tuesday 12 April 2016	Sustainable Supply Chains Conference	56
Wednesday 13 April 2016	Sustainable Supply Chains Conference	60
Wednesday 13 April 2016	AFCA Hall of Fame Dinner	192
Thursday 14 April 2016	Logging field trips	115
Thursday 14 April 2016	Timber Mills field trip	27
Thursday 14 April 2016	Australian Paper field trip	9
Thursday 14 April 2016	Plantation & Nursery field trip	11
Thursday 14 April 2016	ForestWorks Industry Opp's for Better Business Workshop	39
Thursday 14 April 2016	Welcome dinner	450
Friday 15 April 2016	Wood – the Intelligent Alternative Seminar	35
Friday 15 - Saturday 16 April 2016	Exhibition & Demonstration field days at Traralgon Show Grounds & HVP Flynn site (including exhibitor site staff)	6,498
<b>Total Attendance</b>		<b>7,554</b>

	NO	x O/N	x Days	Total Overnight Overseas	Total Overnight Interstate	Total Overnight Intrastate	Total Day Stays
Exhibitor Overseas	485	6	1	2910			485
Exhibitor Interstate	556	6	1		3336		556
Exhibitor Intrastate	321	6	1			1926	321
Exhibitor Local	153		7				1071
Exhibitor Clients Interstate	1080	3	1		3240		1080
Exhibitor Clients Intrastate	966	3	1			2898	966
Exhibitor Clients Local	157		4				628
General Expo Patrons Local	359		1				359
Industry Expo Patrons Overseas	122	4	1	488			122
Industry Expo Patrons Interstate	1083	4	1		4332		1083
Industry Expo Patrons Intrastate	1921	4	1			7684	1921
Industry Expo Patrons Local	351		5				1755
	<b>7,554</b>	<b>36</b>	<b>25</b>	<b>3,398</b>	<b>10,908</b>	<b>12,508</b>	<b>10,347</b>



## ATTENDEE DATA SUMMARY

	O/N Overseas	O/N Interstate	O/N Intrastate	Day Trip	Rate	O/N Overseas	O/N Interstate	O/N Intrastate	Day Trip
Overseas O/N	3,398				\$70	\$237,860.00			
Interstate Overnight		10,908			\$172		\$1,876,176.00		
Intrastate Overnight			12,508		\$196			\$2,451,568.00	
Day Trips				10,347	\$98				\$1,014,006.00

## ECONOMIC BENEFIT

The Direct Spend economic impact is **\$5,579,610.00** with an additional Indirect Spend of **\$2,789,805.00**. The total economic benefit is **\$8,369,415.00**.



## Part 2

# Event Budget & Revenue





## AUSTIMBER2016 PROGRAM

### SCHOOLS PROGRAM – 11 & 12 APRIL

AUSTimber2016 kicked off with 30 local VCAL students participating in a two day program. This program encompassed:

1. Plantation forest and paper mill - the visit included HVP Flynn Creek depot where details of the management practices followed was explained to students. Information shared included Koala spotting pre-harvest, training and operating their industry fire-brigade and other considerations involved in the management of plantations. The visit to the Australian Paper Maryvale mill included the practices followed in line with their sustainable management certification including the relatively new office-paper recycling plant.
2. Native forest and timber mill - the visit included VicForests who are a State-owned business responsible for the sustainable harvest, regrowing and commercial sale of timber from public forests on behalf of the Victorian Government.

Australian Sustainable Hardwoods (ASH) is Australia's largest hardwood sawmill. Both organisations are certified as sustainably managed by the Australian Forestry Standard. The visit included a native forest coup that has been recently harvested and another one (both on Walhalla-Tyers Road) that has previously been harvested and is now in its regenerating state. This visit covered the practices followed in the 6% of Victoria's total forest area that is suitable and allocated for harvesting and regeneration on an 80 year cycle. The visit to ASH in Heyfield took in their manufacturing process which ensures they use 100% of each log they receive.

### SUSTAINABLE SUPPLY CHAINS CONFERENCE – 12 & 13 APRIL

The Sustainable Supply Chains conference had papers presented by 23 speakers – 11 of whom were international visitors to Latrobe City, travelling from Brazil, Canada, Chile, Germany, Italy, Japan, Malaysia, Romania, South Africa, Thailand, USA and across Australia.

The conference provided an opportunity to hear from International and Australian experts on a wide range of issues facing the future of forestry from seed to end markets. The 60 delegates that attended the conference had the opportunity to network with industry experts from all around the globe and learn about the latest technologies in forest operations.

### AFCA HALL OF FAME DINNER – 13 APRIL

The AFCA Hall of Fame Dinner at the Traralgon Premier Function Centre was attended by 200 delegates who recognised those forestry contractors that have made a significant contribution to the timber industry and induct nominees into the Hall of Fame.

### INDUSTRY-LED INITIATIVES: SAFETY ISSUES WORKSHOPS – 14 APRIL

ForestWorks hosted the workshop outlining initiatives to benchmark and improve industry standards. An audience of 35 delegates actively participated in discussions pertaining to recent road transport policy initiatives, results of the load restraint testing and developing and implementing industry wide better business models.

## AUSTIMBER2016 PROGRAM

### INDUSTRY FIELD TRIPS – 14 APRIL

With a mix of delegates from the Sustainable Supply Chains Conference, forest contractors and owners and timber mill operators, the field trips were an excellent opportunity for the 120 delegates to see highly specialised operations in the company of peers and other professionals within the timber industry.

The field trip encompassed trips to steep terrain logging coups, timber mills, a nursery, a high value saw log plantation and Australia's largest pulp and paper plant, Australian Paper.

### AUSTIMBER2016 WELCOME DINNER – 14 APRIL

The Welcome Dinner at Kernot Hall was a popular part of the event, with over 450 delegates including exhibitors, government bureaucrats, politicians and Latrobe City community members participate in a celebration of the timber industry.

The MC was World Champion axe man and very popular raconteur, David Foster.

An important component of the evening was the charity auction. In excess of \$29,000.00 was raised and donated to Rotary Centenary House to help with the excellent and much appreciated service this facility provides to the Gippsland community.

### WOOD – THE INTELLIGENT ALTERNATIVE SEMINAR – 15 APRIL

A seminar at the Manufacturing Expo site in Traralgon for local government representatives concentrated on the new National Construction Code coming into effect in Australia in May that simplifies the process for wooden buildings up to 25 metres tall was well attended.

The seminar provided an opportunity to put forward the economic case for wooden buildings while pointing out the need for governments to take a firm stand with public money and insist on timber construction for public buildings that can serve as reference sites.

Planning, manufacturing and constructing with timber offers exciting new design opportunities while also providing enormous economic benefits.

This seminar provided 30 delegates from Local Government and commercial developer's insights into capitalising on the potential that timber provides for sustainable, economic development.

# AUSTIMBER2016 PROGRAM

## EXHIBITION AND IN FOREST DEMONSTRATION – 15 & 16 APRIL

The Traralgon Showgrounds Manufacturing site was the location for Indoor and Outdoor Static displays with 30 exhibitors demonstrating the latest developments in timber processing equipment, systems and connectors for pre-fabrication manufacturers, displays of timber and panel products and treatments for designers, as well as a model display demonstrating the construction possibilities afforded by the use of massive timber.

The HVP Flynn Creek In-forest site featured 50 outdoor static sites, in-forest displays, live harvesting and forwarding/skidding demonstrations, live in-field chipping demonstrations and exhibitions, truck & trailer displays and a practical safety workshop. In excess of \$80M of industry equipment was on-site and showcased to over 7,500 people who attended the two day exhibition and in forest demonstration sites.

## EVENT BUDGET

### BUDGET SUMMARY

EXPENSE	BUDGET SPEND
Conferences, Seminars, Workshops, Field Trips and Educational Program	\$35,000
Event Formalities	\$100,000.00
Event Expo	\$1,300,000.00
<b>TOTAL</b>	<b>\$1,435,000.00</b>

## EVENT REVENUE

Exhibitors have reported sales being made during AUSTimber2016 and healthy prospect resulting from the event.

Exhibitor known sales from AUSTimber2016 is \$20M from International and Australia companies that have a presence and contractors based in Latrobe Valley and wider Gippsland region.



# Part 3

## Economic Benefit



## ECONOMIC BENEFIT SUMMARY

With the event bump-in commencing on Friday 1 April, 2016 many contractors called Latrobe City home until bump-out concluded on Friday 22 April, 2016. Some of the larger exhibitors had teams of up to 30 staff including equipment operators and technical people as well as customer service personnel and VIP's from international head offices.

Latrobe City Council worked collaboratively with AFCA, Gippsland Regional Tourism Network, Destination Gippsland, Latrobe City Business and Tourism Association and local Business and Community Associations to deliver local leveraging opportunities and tourism options for visitors throughout the event.

High emphasis was placed on targeting domestic and international visitors with a view to extending their visitation within the greater Gippsland Region.

Accommodation across Latrobe City was booked out from Wednesday 13 April through to Saturday 16 April and there was a significant overflow into neighbouring Shire/Councils. With the overflow of accommodation into neighbouring Gippsland Local Government Authorities (LGA's), AUSTimber2016 provided tremendous leveraging opportunities for all Gippsland LGA's.

Latrobe Valley Bus Lines were engaged and they played a significant role in the success of the event. At peak times on the Friday and Saturday, there were 17 buses active on the route from Traralgon Show Grounds to and from the in-forest site at HVP Flynn.

In summary, the total economic benefit for AUSTimber2016 is as follows:

Attendee Benefit	\$8,369,415.00
Budget Spend	\$1,435,000.00
Event Sales	\$20,000,000.00
<b>TOTAL</b>	<b>\$29,804,415.00</b>





# Event Summary & Conclusion



## EVENT SUMMARY & CONCLUSION

AUSTimber2016 provided Latrobe City with extensive profiling and supported the facilitation of Latrobe City being recognized as one of regional Australia's most successful, attractive and sustainable events destination.

AUSTimber2016 provided the wider Gippsland region with economic benefits rarely experienced in a regional area. We know there were groups of visitors from Brazil, Chile, New Zealand, China, Japan and Singapore as well as individuals from other countries.

Apart from the goods and services involved in providing these people with accommodation and hospitality, the influx of visitation has brought a projected economic benefit in excess of \$29M to our regional economy.

Many forestry exhibitors are hailing AUSTimber2016 the best prepared forest expo site anywhere in the world. With 25 years under his belt attending forest expos across the globe, former Managing Director of Komatsu Forests in Australia, Mike Jones, said he had not seen a better prepared site anywhere else – a sentiment echoed by Phyllis Pearce, Marketing Coordinator/Event Planner for Caterpillar Forest Products based in North Carolina and a regular at forestry equipment exhibitions around the world.

From a profiling perspective, AUSTimber2016 was promoted to the industry through global industry media outlets for the past year. The television commercial campaign commenced in February 2016 with WIN TV coverage across regional Victoria, Tasmania, Mt Gambier and Southern NSW.

Local media embraced the event, providing excellent coverage with promotion and interviews undertaken on WIN TV, Gippsland FM, ACE Radio, ABC Radio and Latrobe Valley Express.

On Saturday 16 April, the HVP Flynn Creek In-forest Demonstration site was a sight to behold, many local families were exposed to the tremendous opportunities that the timber industry presents. AFCA and Latrobe City Council were delighted to see the youth on-site, they're the future of the timber industry and they need to be exposed to the benefits and opportunities. Consequently, we now have a new generation of local students who have career aspirations of becoming operators within the industry.

Leveraging off the resounding success of AUSTimber2016, Latrobe City Council is looking forward to working in collaboration with AFCA and key stakeholders to deliver a bigger and better AUSTimber2020.



2016

LATROBE CITY • VICTORIA • APRIL 11-16