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D-G: Timber industry must evolve into more sophisticated product

KUALA LUMPUR: The timber industry must evolve in newer and more sophisticated products to overcome production bottlenecks and shorter product life cycles, said Forest Research Institute Malaysia (Frim) director-general Datuk Dr Abdul Latif Mohmod.

"Raw materials from the natural forest are no longer the only source of raw material for the production," he said in his speech at the opening of the Seminar and Workshop on Improved Utilisation of Tropical Plantation Timbers here yesterday.

His speech was read by his deputy Datuk Dr Abdul Rashid Abdul Malik.

Abdul Latif said the industries needed to prepare themselves on the use of alternative materials such as wood of younger trees from the plantation, small diameter logs, shorter and smaller dimension stock and greater use of technology for processing.

"As we are already aware, in developed countries, research and development (R&D) play an important role to produce innovative ideas and designs before they are turned into tangible products," he said.

He said the industry should maximise utilisation of wood, including wood residues and agricultural-by-products for the production of bio-composites, pulp and paper and as sources for alternative energy.

However, he said with the onset of globalisation and liberalisation, the timber industry faced intense competition not only from the low-end producers but also from high technology economy.

"Thus, the wood-based industry today finds itself squeezed between these two polarities thereby, requiring strong R&D back-

up on forest products to remain competitive in the world market," he said.

Abdul Latif said currently, the wood-based industry contributed consistently more than RM20 billion per annum in export earnings during the last decade and it had become the fourth largest export earnings for Malaysia.

In 2008, the sector generated an excess of RM22.79 billion in foreign exchange income and RM7.6 billion in domestic sales, representing about 8.4 per cent to the country's gross domestic products. — Bernama