

# PermaPost

Company and Market update 2022



PermaPine Sunrise

Ian Piebenga

## From Ian Piebenga

Hi,

Thanks for taking the time to read this and to better understand the PermaPine business.

Like us I'm sure you have been busy in your business and at times there have been frustrations in your job due to constraints with labour and supply of products and plant to run your businesses.

We have all adapted as best we can to the present situation and had to think and work creatively to get by.

There's no doubt the market we have operated in over the past 2 years has been the most challenging we have faced during our 18 years in business. Meeting customer demand in timeframes you want has been tough. Over this 2 years we have been busy with projects which are focused on business sustainability, risk and productivity. *See article on page 2 -3.* Our priority has been serving our loyal customers who have supported us over a period of years. We have been approached by new customers seeking supply. Its always difficult declining, but we have had to turn some opportunities down to ensure we save our supply for existing customers. This is hard to do but it's the only approach that we can take.

Much of the news we are hearing about our economy is negative however the outlook for the rural sector is positive with good returns for NZ's primary industry PermaPine is in a situation where we are fully sold on many products and have longer than usual lead times on some individual product lines. We encourage you to consider alternative products to those you may be thinking about. *Examples of these are on the back page.*

I want to take the opportunity of thanking you for your supporting of PermaPine, your support, gives us the confidence to invest in our business which is necessary to service you better in the future.

# PermaPine - Business roadmap for the future



Ian Potter supervising the unloading of a new treatment cylinder

Similar to many of you we have faced many challenges over the past couple of years. In your business, like ours, we are facing stricter compliance, labour shortages, rising input costs and Covid disruptions etc.

This article will not refer to any of this rather its about providing an update about developments at PermaPine.

Three years ago we mapped out our priorities for investments we needed to make over a 5 year period to develop PermaPine and better position the business for the future.

## Our objectives in this process were:

- To reduce business risk and improve compliance.
- To improve environmental sustainability.
- To lift production and improve efficiencies to allow us to better service our customers.
- To increase our self sufficiency.
- To reduce manual handling and change the way we work, this allows us to develop and recruit staff into more appealing work.

These investments often require a “leap of faith” and are challenging. Three years on and we can look back with a lot of satisfaction on the changes we have made here at PermaPine to better position our business and progress on achieving our objectives.



PermaPine Transport

## Here are some of the highlights:

1. Installation of a Wood Biomass Boiler which burns post peel we source from our production process to produce steam to dry wood prior to treatment. PermaPine are one of the only roundwood manufacturers burning wood waste rather than fossil fuels to produce steam. This project reduces emissions, allows us to be self sufficient for fuel and reduces business risk.
2. Automation of a post peeler to reduce manual handling and lift production.
3. Installation of an automated post pointer reducing manual handling. Shavings from the points are burned in the biomass boiler.
4. Purchase of trucks to provide additional "tipping" capacity and a branded presence in the market.



Wood Biomass Boiler

5. Commencement of a new treatment plant to allow product to be treated and wood preservative fixed into timber. This project will provide the highest levels of compliance and environmental sustainability.

Here at PermaPine we've had an ambitious list of priorities. We can reflect back on the last 3 years with the satisfaction we have better positioned PermaPine to meet our customers future needs.



Automated Post Peeler



Automated Pointer

## NEW PRODUCT

### 75mm 1.8m Tree Stakes

Great alternative and more affordable than Steel Y Posts can also be used for Riperian waterway electric fencing

Special Merchant Price

**\$5.50<sub>pp</sub> ex GST**

Buy 4 bundles and receive a **FREE 75mm Auger & Pipe Rammer**



Rochelle Dudley, Rob De Haan and Fiona Hay, Clive absent from photo.

Hi, Rob, Clive, Fiona & Rochelle from PermaPine Dispatch team here.

Our core roles are planning the deliveries of poles/timber/roundwood and house piles. A big part of the role is working out how the orders will all fit onto trucks and which trucks would be most suitable. We send our product as far north as Kaitiāia down as far south as Invercargill. We like to organize our transport and advise our customers for on farm or direct to site deliveries at least 2 - 3 days in advance of the truck being loaded. This allows for our customers to plan and also assists our team here at PermaPine to have a consistent workflow and keep up with the volume being dispatched.

# Some product alternatives.

There are some approaches you can take to allow you to service your customers and get them products in a timely manner:

- **Plan and forward order.** We encourage you to look at your sales history and establish your customers future usage so you can forecast & order key lines in advance.
- **Consider alternative or substitute products.** There are some lines we have stock (or the lead time may be a little less than the product you request) that may be alternatives to what your customers are requesting.

Some of these alternatives are listed below.

End Use	Product requested	Alternative
Medium – Heavy fencing	1.8 Quarter No1 or No2 1.8 Round No1	1.8m H1 1.8m Round No2 1.8m 140mm machine round
Lighter, electric, streamside	1.8 Quarter No2	1.8m R3, Q3 2.1m Q2 Or 1.8m/2.4m 75mm Machine round
Angles	2.1 S2	2.1m S1
Strainers	2.4 S2	2.7m S2
Longer Posts	2.7 Q1	2.4m Q1 Q2, 2.7m R1,R2, 2.7m Q2, 3m R2
Poles and Piles		If the size you want isn't available. Please discuss options with our sales team

For Roundwood the period from March to June is historically our busiest season, this year has been no different. We expect to start catching up on products we have larger back orders on over the next few months.

Its important you communicate with your sales rep or the office here at PermaPine to discuss options. We encourage you to visit site to view alternative products listed above.

## Have a look at our new website.

It is designed as a portal to educate and inform people about our products and manufacturing process.

We also have some very helpful product video's to help you get the best out of your PermaPine products.

[www.permapine.co.nz](http://www.permapine.co.nz)



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 ROUNDWOOD SPECIALISTS

