Abstract:
The Austrian Federal Forests (ÖBf AG) is situated between the public and the private sector and is the "Sustainable Company" in wood land management in Austria. ÖBf AG is subject to legal regulations and have on the other side the clear target to generate profit. The company is organised in 12 forest management units all over Austria, in one forest technology unit, 2 national parks, 3 profit centres and the headquarters near Vienna. The Forestry Technology Unit is organised as a profit centre inside the ÖBf AG and offer the service to the own 12 forest management units and also for private land owners. Their business is harvesting (up to 1 Million m³ per year), road construction and maintenance with a professional staff of 20 employees and 250 operators.

1 Introduction

Austria is characterized by its mountainous topography – the Alps. Approximately 40% of its forested area is steeper than 60% and therefore a typical area for cable systems. 80% of the Austria’s wood land is private owned and only 20% belongs to public owners. More than 1.77 Mio ha of privat forests is dedicated to the ownership category of less than 200 ha; 770,542 ha of private forests are with an area of more than 200 ha; the owners of 459,541 ha are communities or municipal and provincial forests. 575,577 ha are public owned - mainly by the Republic of Austria and managed by Österreichische Bundesforste AG (ÖBf AG). This means that ÖBf manages approximately 10% of national territory or 15% of Austria’s woodland and thereof the Republic of Austria is the biggest land owner in Austria. In addition the management of 70% of Austria’s major lakes is ÖBf’s business too. The area of the Austrian Federal Forests is primarily located in the region of the Alps and so 60% of the annual harvesting volume is processed with cable systems.
2 Organisation of Austrian Federal Forests

Österreichische Bundesforste AG (ÖBf) is organised in 12 forest management units all over Austria, in one forest technology unit in Ebensee (Upper Austria), 2 national parks, 3 profit centres and the headquarter in Purkersdorf – close to Austria’s capital, Vienna.

As an organizational approach ÖBf perceives itself as a “Sustainable Company”-that means that each activity, each strategic and operative decision is to be balanced between ecological, economic and social dimensions of sustainability whereof we have for doing implemented a so called “Sustainability Balanced Score Card to make our sustainability vision measurable and visible. The term of “sustainability” as such has its origins in forestry over centuries. In no other sector the principle of sustainability is so much explored and integrated into the daily business. As mentioned “Sustainability” constitutes the guiding principle of our work. We feel responsible to assure guarantee the quality of life and its basis for the future generations.

For us, sustainability means,

- a responsible approach to nature resources,
- only extracting as many raw materials as nature can reproduce itself
- always ensuring a balance between nature, society and economy.

Our sustainability approach is implemented in our in four strategic business pillars: (1) Forestry, (2) Real Estate, (3) Services and (4) Renewable Energy. This set-up follows our new strategic concept “Horizont 2020” valid from January 2011 onwards.

Forestry as a strategic business pillar is based on a sustainable, nature orientated management approach with about 80% of the total sales revenues. Further business areas are timber trade, timber logistics, hunting and fishing.

The strategic business pillar of “Real Estate” is steadily developing and expanding. In 2010 approximately 17% of the total corporate operation’s profit was generated by the real estate businesses,
lasting from rental, leasing, building rights, ground resources, areas for use in tourism to areas for wind power and photovoltaic projects.

The third strategic business pillar is “Services” and consists of forest technology, ecosystem management, consulting and domestic forestry services; long-term experience for national and international clients.

The fourth and most recent strategic business pillar is about "Renewable Energy". ÖBf has had already equity investments in numerous forest biomass and small hydroelectric power plants and is involved in several wind power and photovoltaic projects. Within the next few years ÖBf will expand its activities in this business.

3 The ÖBf model

ÖBf is situated between the public and the private sector. ÖBf is subject to legal regulations (Bundesforstegesetz) that constituted ÖBf as a new State Forest Management Organization and the same ÖBf have the clear objective to generate “the best possible economic result”. In 1996 the Bundesforstegesetz was adopted and ÖBf was founded as a joint-stock-company (but not registered at the stock-exchange). 100% shares are hold by the Republic of Austria. For the right and mandate given to ÖBf to manage the Republic’s natural heritage ÖBf pays 50% of its annual net profit (usufructure) as a management fee to the state budget, and – as a joint stock company - annual dividends. Since founding the organization ÖBf the contributions to the state budget both as dividends and usufruct have been more than 280 Million €.

<table>
<thead>
<tr>
<th>Total area</th>
<th>855,270 ha</th>
<th>As of Dec, 31st 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Woodland</td>
<td>513,600 ha</td>
<td></td>
</tr>
<tr>
<td>Managed Forest</td>
<td>350,200 ha</td>
<td></td>
</tr>
<tr>
<td>Lakes</td>
<td>More than 70 of the larger lakes</td>
<td></td>
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<tr>
<td>Running waters</td>
<td>2,000 km</td>
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<tr>
<td>Buildings</td>
<td>Appr. 4,200</td>
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</tr>
<tr>
<td>Total sales revenue</td>
<td>EUR 220 million</td>
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<tr>
<td>Contribution to Federal budget</td>
<td>EUR 27 million</td>
<td></td>
</tr>
<tr>
<td>Dividends</td>
<td>EUR 19 million</td>
<td></td>
</tr>
<tr>
<td>Usufruct compensation</td>
<td>EUR 8 million</td>
<td></td>
</tr>
<tr>
<td>Employees</td>
<td>1,198</td>
<td></td>
</tr>
</tbody>
</table>

4 ÖBf Forest Technology Unit

The ÖBf Forestry Technology Unit is organised as a profit centre in ÖBf. We offer our services both to our own 12 ÖBf forest management units and to all private land owners in Austria and neighbour country also.

Our businesses are harvesting, forest road construction and road maintenance, logistics and construction of large biomass storage places and its logistic concepts. Finally we run our own repair station for the whole machinery park.
Our machine capacity includes 30 cable line systems, 10 harvester and forwarder units, 35 winch skidders, 2 trailers, 25 trucks, 30 excavators, 10 drilling machines and hydro hammer, 11 grader and rolls and 5 flying engineers. For our business today we are staffed with 20 employees and approximately 250 operators. As a result of our business we have an annual turnover volume of 40 Mio €; 15 Mio. € thereof in the private sector outside ÖBF.

4.1 Harvesting

The harvested volume is between 700,000 and 1,000,000 Mio m³ per year and processed in 350,000 m³ with harvester, 300,000 m³ with skidder and 350,000 m³ with cable line systems.

Our Forest Technology Unit can manage big volumes with different technologies. So we are able to flexibly react with our professional staff to natural disasters (large scaled wind falls, calamities of bark beetle diseases) and to guarantee the total supply chain from the managed forests to the wood processing industries.

4.2 Road construction and road maintenance

The road construction volume of the Forest Technology Unit is 100 km and approximately 15,000 km road maintenance per year. So we are “the biggest player” in forest road construction in Austria and the pioneers in forest road construction with excavators. Nowadays we also offer know-how transfer in our neighbour countries.

4.3 Renewable Energy

According to our fourth strategic business pillar ÖBF is engaged in biomass production and logistics. It is our job to supply Austria’s largest biomass plant in Vienna-Simmering with 650,000 m³ chips per year.
Simmering is a joint cooperation between ÖBf – and the municipal energy provider “Wien Energie” of Vienna.

4.4 Research and development

The Forest Technology Unit of ÖBf is involved in quite a lot of research and development projects. One of this is a “Wood ash” project to use ash as an alternative of grapple in forest road construction.

Another project Athosk, is an international cooperation between partners from Austria, Germany, Italy, Romania and Slovenia to develop a transnational training model for the optimal handling of cable line systems, which should produce an increase in both operational effectiveness and accident prevention.