



UNIVERSITÉ DE MONCTON  
CAMPUS D'EDMUNDSTON



# Characterizing north-Italian logging companies: success factors, obstacles and perspectives



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# The companies

## - Italian Alps



Companies	1,206
Workers	3,563
$m^3 \text{ year}^{-1}$	1,919,766
Tractors	1,872
Yarders	359
Processors	56
Value M€	130

- 322 direct interviews

# Background

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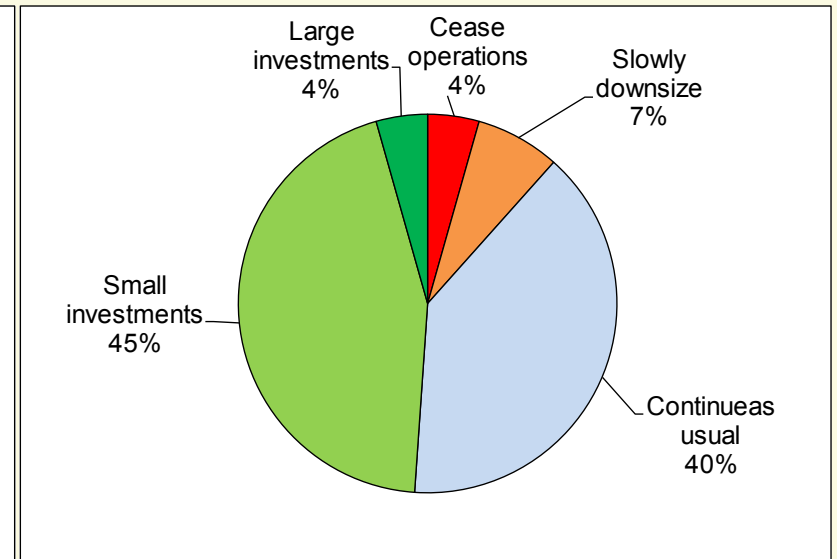
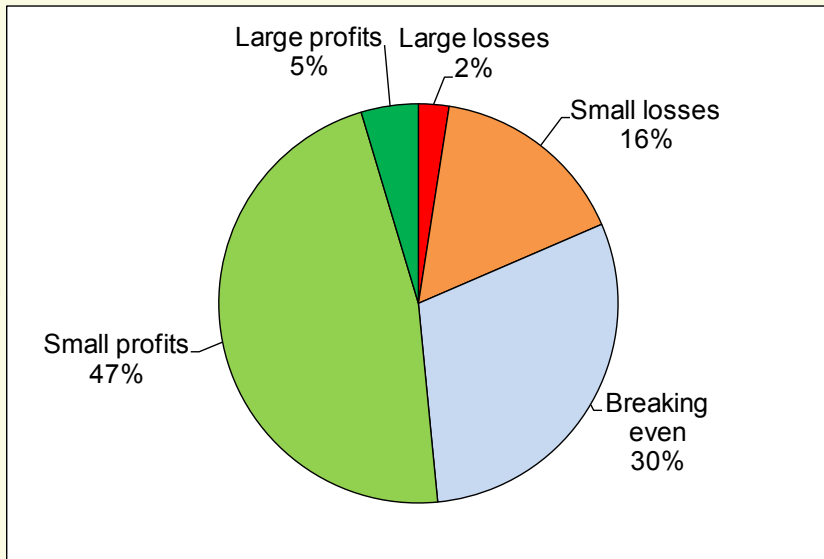
- Declarations



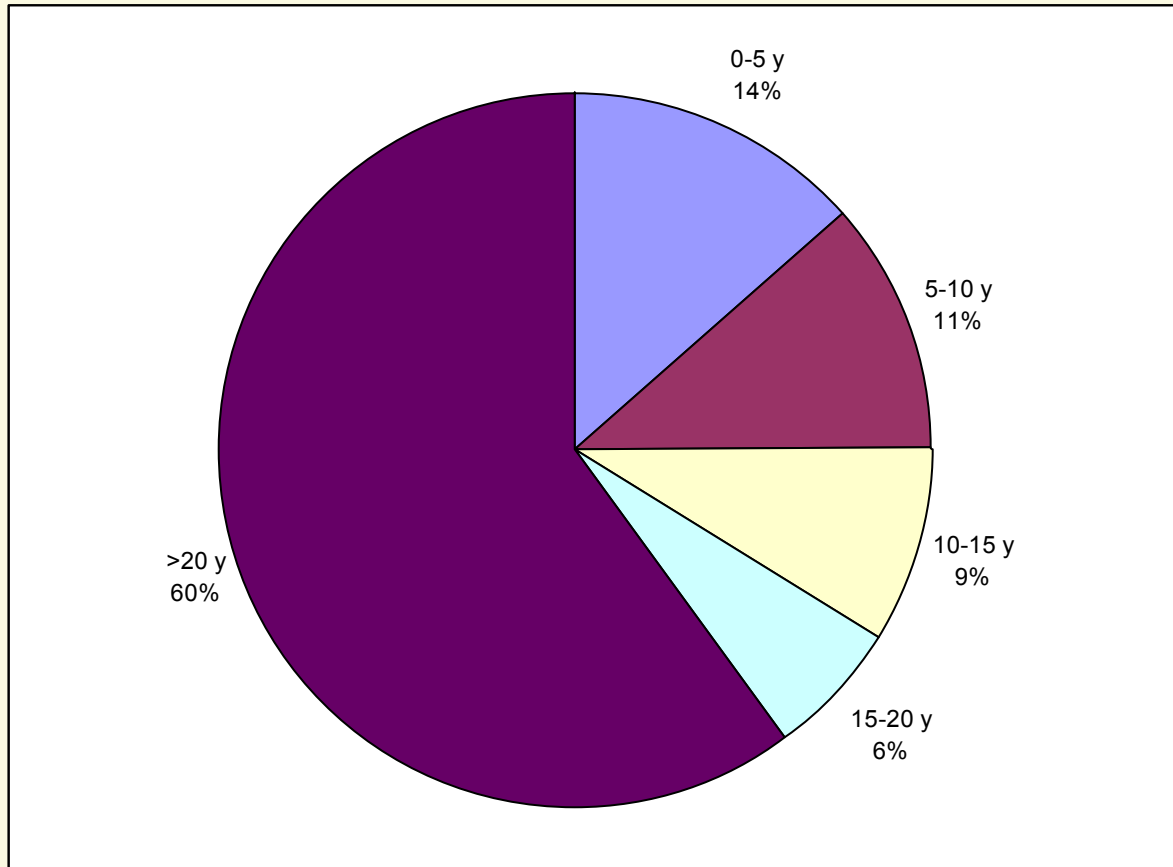
- Strong tradition
- 84% from logger families
- 71% sons will continue

# Company outlook

Not too bad

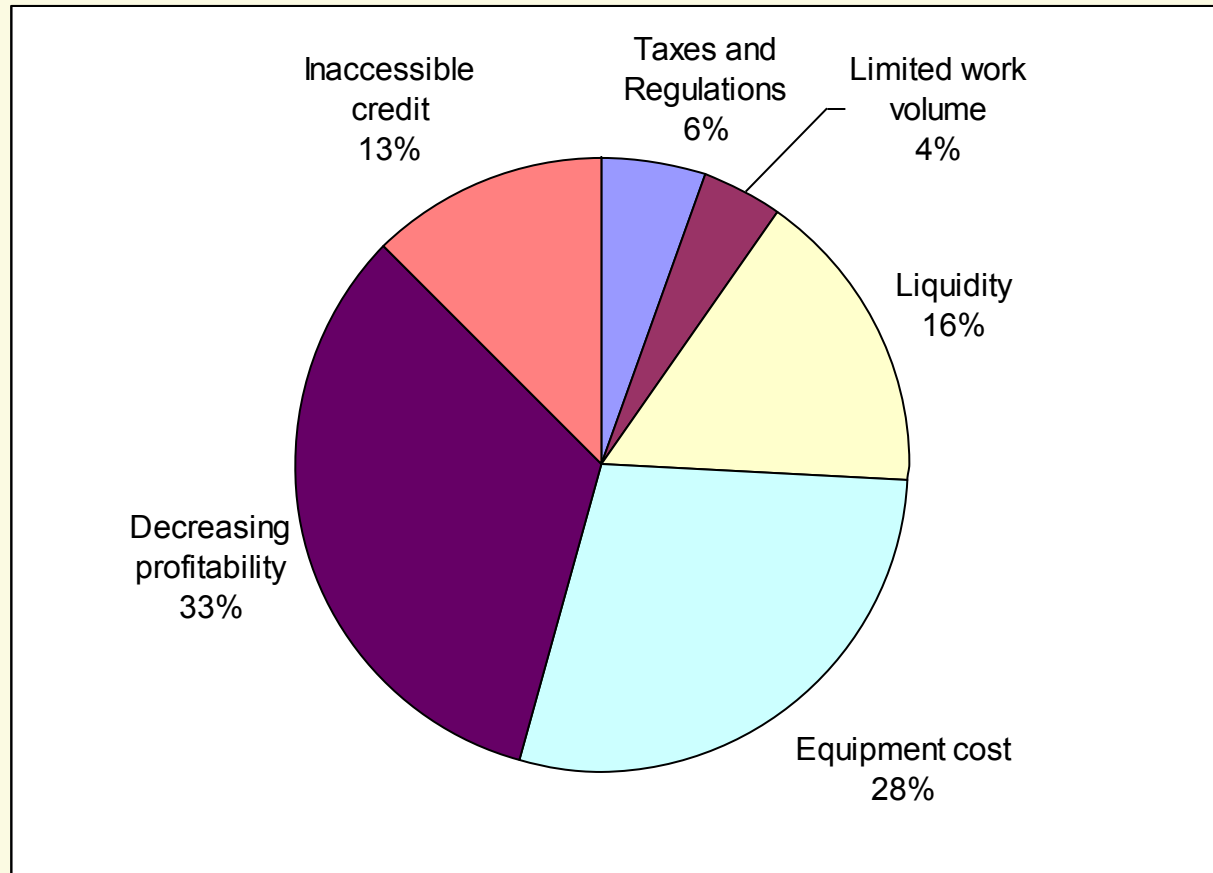


# Continuity



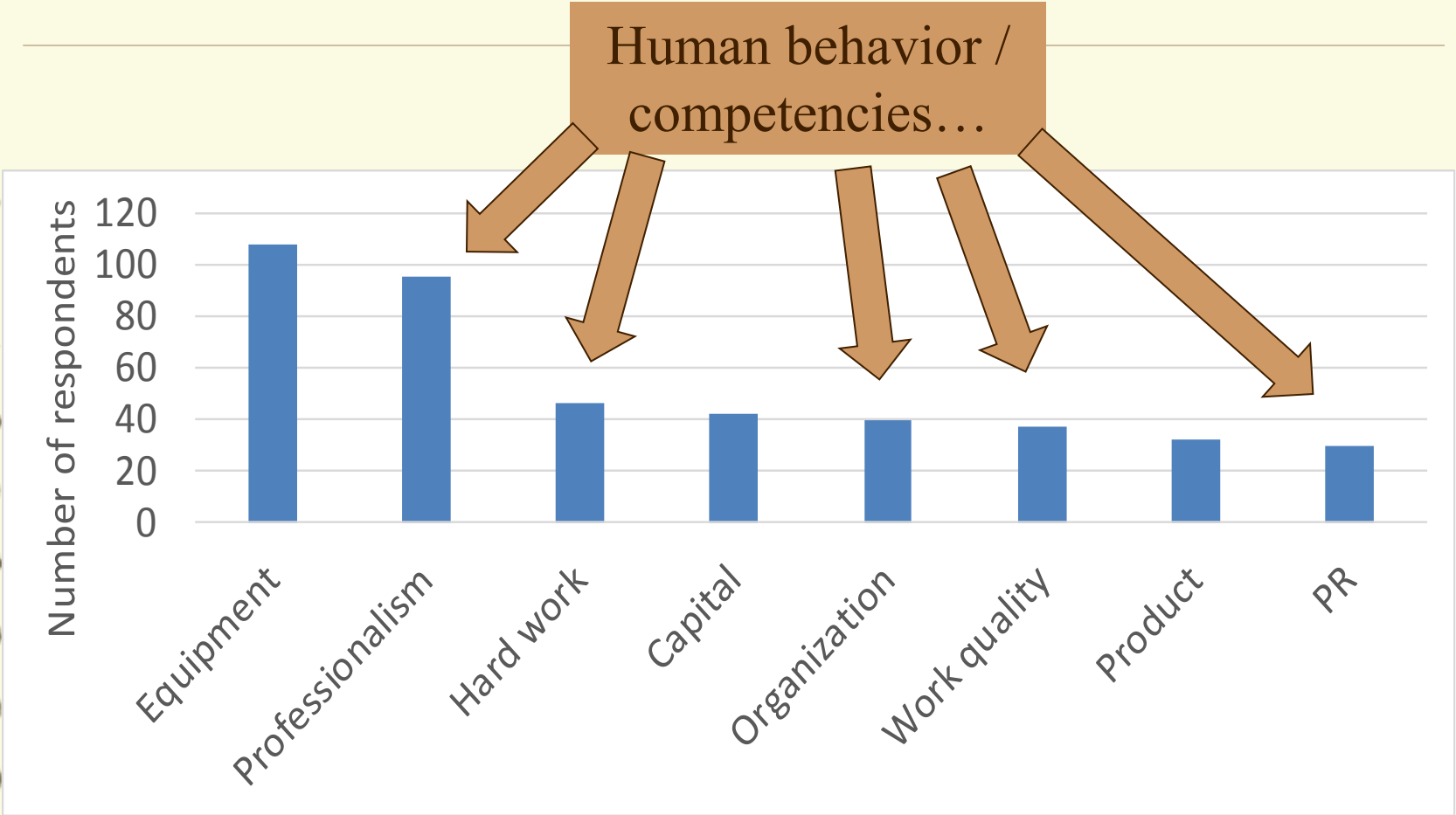
# ...But progress is slow...

- Over half (55%) cannot renew fleet



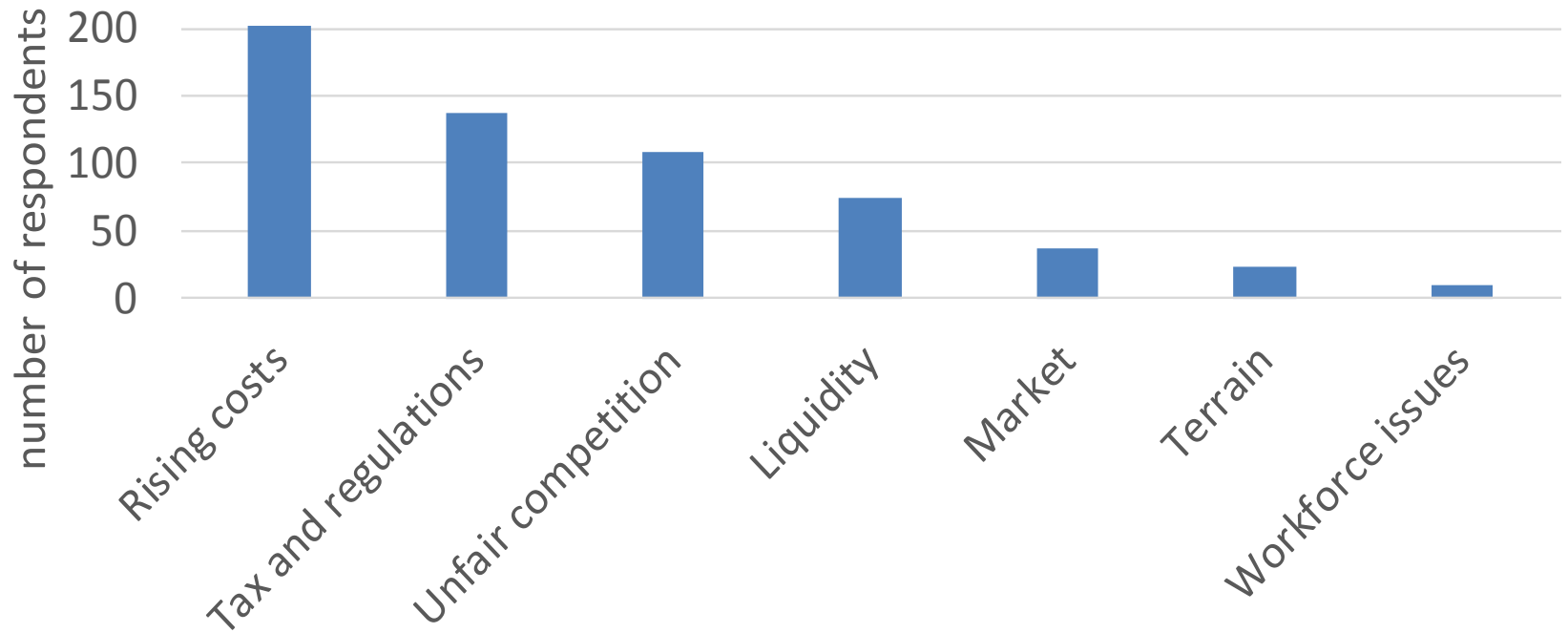


# Success factors



# Hurdles

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# Contracting

- 2 groups:  $\leq 50\%$  Ctc (11%) and  $>50\%$  Ctc (90%)
- 101 respondents 75/26

Contracting	Up to 50%	Over 50%
Financial performance		
Losses	23%	19%
Break even	37%	<b>12%</b>
Profits	41%	<b>69%</b>
$\chi^2$	7.265	$p = 0.026$
Plans for the future		
Cease or downsize	20%	6%
BAU	56%	<b>23%</b>
Expand	24%	<b>71%</b>
$\chi^2$	22.484	$p = <0.001$
Projected years in operation		
0-5 years	19%	<b>8%</b>
5-15	30%	31%
>15 years	51%	62%
$\chi^2$	2.044	$p = 0.367$

# The proof

- Indicator: capacity to replace equipment

	Up to 50%	Over 50%
Can you replace old equipment?		
Yes	35%	<b>54%</b>
No	65%	46%
$\chi^2$	2.688	$p = 0.101$



# Annual business volume

m3/year	<1000	1000-5000	>5000
% respondents	35	48	17
Financial performance			
Losses	14%	26%	14%
Break even	41%	18%	34%
Profits	45%	56%	51%
$\chi^2$	12.495	p = 0.014	
Plans for the future			
Downsize or cease	16%	16%	17%
BAU	31%	59%	37%
Expand	52%	24%	46%
$\chi^2$	14.994	p = 0.005	
Projected years in operation			
0-5 years	13%	19%	11%
5-15	25%	20%	26%
>15 years	63%	61%	63%
$\chi^2$	2.122	p = 0.713	
Can replace machinery			
Yes	41%	47%	46%
No	59%	53%	54%
$\chi^2$	0.653	p = 0.721	

# Yarders

Technology type	Ground-based	Cable-based
Organization	6%	<b>15%</b>
PR	8%	7%
Capital	10%	<b>4%</b>
Products	7%	4%
Professionalism	19%	27%
Equipment	27%	23%
Hard work	13%	14%
Work quality	10%	6%
$\chi^2$	14.954	<b>p = 0.037</b>



# Other comparisons

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- Public forests vs. NIPF – nsd
- Workforce – nsd
- Advanced mechanization - nsd





# Conclusions

- Tradition and resilience
- Mechanization fundamental

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