The Governing Board of the CRC, the Board of IWM Centre Management Ltd, the Finance Committee and the Commercialisation Committee met for their second combined meeting on Tuesday 29th May at the University of Melbourne. The practice of holding the meetings together is working well. The CRC is fortunate to have four independent Directors, (below, from left) David Hunter, Neil Morrison, Catherine Murphy and our Chairman, Thorry Gunnersen who devote considerable time and effort to the task of overseeing the work of the CRC.

The May meeting made a number of decisions of importance to the future of the work of the CRC.

Tom Spurling
Chief Executive Officer

The Intellectual Property Trust

Our CRC is an unincorporated collaborative joint venture established under the Commonwealth Agreement and regulated by the Centre Agreement. This agreement provides for the administrative activities to be carried out by IWM Centre Management Ltd and this company was established in 2001.

The participants, on July 1st 2001, appointed IWM Centre Management as the trustee of the Centre Intellectual Property. IWM Centre Management has also been appointed as the Commercial Agent of the CRC.

Royalties from the commercialisation of Centre IP will be deposited in the Commercialisation Account to be paid to the participants in proportion to their respective equity. As noted last month we expect that royalties should start to flow towards the end of this year. In anticipation of this the Governing Board instructed IWM Centre Management to complete the setting up of the Centre IP Trust.
The ACAWP Trust

Our CRC is unusual in that in order to complete the activities agreed to in the Commonwealth Agreement it had to purchase land in Creswick and build the Australian Centre for Advanced Wood Processing.

It did this by establishing the ACAWP Trust and appointing IWM Centre Management as the Trustee. The Governing Board has now instructed IWM Centre Management to document this trust and make all the necessary administrative arrangements.

The Trust Deed specifies that the Trustee must hold, manage, use and maintain the ACAWP in accordance with the requirements of the Victorian Funding Agreement (the RIDF grant that enabled the CRC to build the ACAWP) and for the term of the CRC, the Commonwealth and Centre Agreements.

This means that the Governing Board and the Participants need to decide what they want to do with the ACAWP well before 30th June 2008.

The Governing Board considered a number of options. These are:

- to sell the Centre to an entity who would take over the complete responsibility for the future operation of the Centre. This entity could be one of the existing participants (say, the University of Melbourne), an existing company interested in wood research or a company set up for the purpose of operating the Centre.

- to instruct IWMML to sell the property on the open market including the equipment and return the proceeds to the participants in proportion to their equity in the CRC.
• to revoke the appointment of IWMML as the trustee and appoint a new trustee of the Trust Property. This new Trustee would be required to hold, manage and maintain the Trust Property in accordance with the terms of a new agreement between the CRC participants entered into post June 30th 2008. The new Trustee could be an operating company established to run ACAWP as a research facility, it could be one of the existing participants or it could be a third party with an interest in wood processing research. This option requires the existing participants to come to an arrangement with the new Trustee concerning the funds needed to operate the ACAWP.

The Governing Board has indicated that the second is its ‘last resort’ option, and has asked IWM Centre Management to develop option 1 or 3.

The Accelerated Drying of Hardwood Project

Gerry Harris presented a progress report on the accelerated drying of hardwood project.

As readers of this newsletter will recall, the CRC commenced a ‘proof of concept’ project in 2006 to demonstrate that microwave modification of hardwoods could decrease drying times while maintaining or improving quality.

The project was in two stages. The first stage was to verify that microwave treatment did not affect quality and the second stage was to investigate drying times.

Gerry reported on the results coming from the first stage.

The experiment has involved three species:

- Black Butt
- Messmate (quarter sawn and back sawn), and
- Victorian ash (slabs and boards)

From four companies:

- Boral
- Black Forest Timbers (BFT)
- Gunns, and
- Integrated Tree Cropping (formally Neville Smith Timbers)

The results so far indicate that the quality of the timber is either improved by the microwave treatment or is not statistically significantly different from the controls.

The full report of this work is going to be reported to the Project Management Committee on June 28th.
Visit to Creswick by CHH

A top level delegation from Carter Holt Harvey Woodproducts Australia visited the CRC at Creswick on Monday June 4th.

The group was led by Jim Snelson, Chief Executive, and included, Ian Tyson, National Sales & Marketing Manager, Jason Wilson, Technical & Development Manager, Jonathan Harrison, Manager Strategic Procurement and Business Legal Counsel and Kim Harris, Product and Compliance Manager (and a CRC Governing Board member).

The purpose of the visit was to show the CHH team the CRC facilities at the ACAWP, give a presentation on the enhanced adhesion project and its application to CHH products and to discuss in detail the next steps in the CHH softwood project.

The following Media Release is now available for download from the FWPRDC website [www.fwprdc.org.au](http://www.fwprdc.org.au) under the ‘What’s New’ section, or the ‘R&D Investments’ heading. Alternatively you can access it directly by clicking on the following link:

**Media Release 14 June 2007 - Applicants sought for 2008 Denis Cullity Fellowship**

*Australian forest and forest product scientists are encouraged to apply for the 2008 Denis Cullity Fellowship, supported by the Forest and Wood Products Research and Development Corporation (FWPRDC)*…

For further information including Application Form and Guidelines, please click link above.

Please contact us if you have any difficulties accessing the information.

Finally

Cooperative Research Centres are acknowledged around the world as being an effective way for firms to drive public sector research to ensure good outcomes for the national economy. The CRC Wood Innovations has shown this to be the case. Timber firms and firms in related industries who wish to be part of a bid for a new CRC commencing in 2009 should contact either Glen Kile at the FWPRDC or Peter Vinden at the University of Melbourne as soon as possible.