

Impartial timber measurement: industry trends & practices

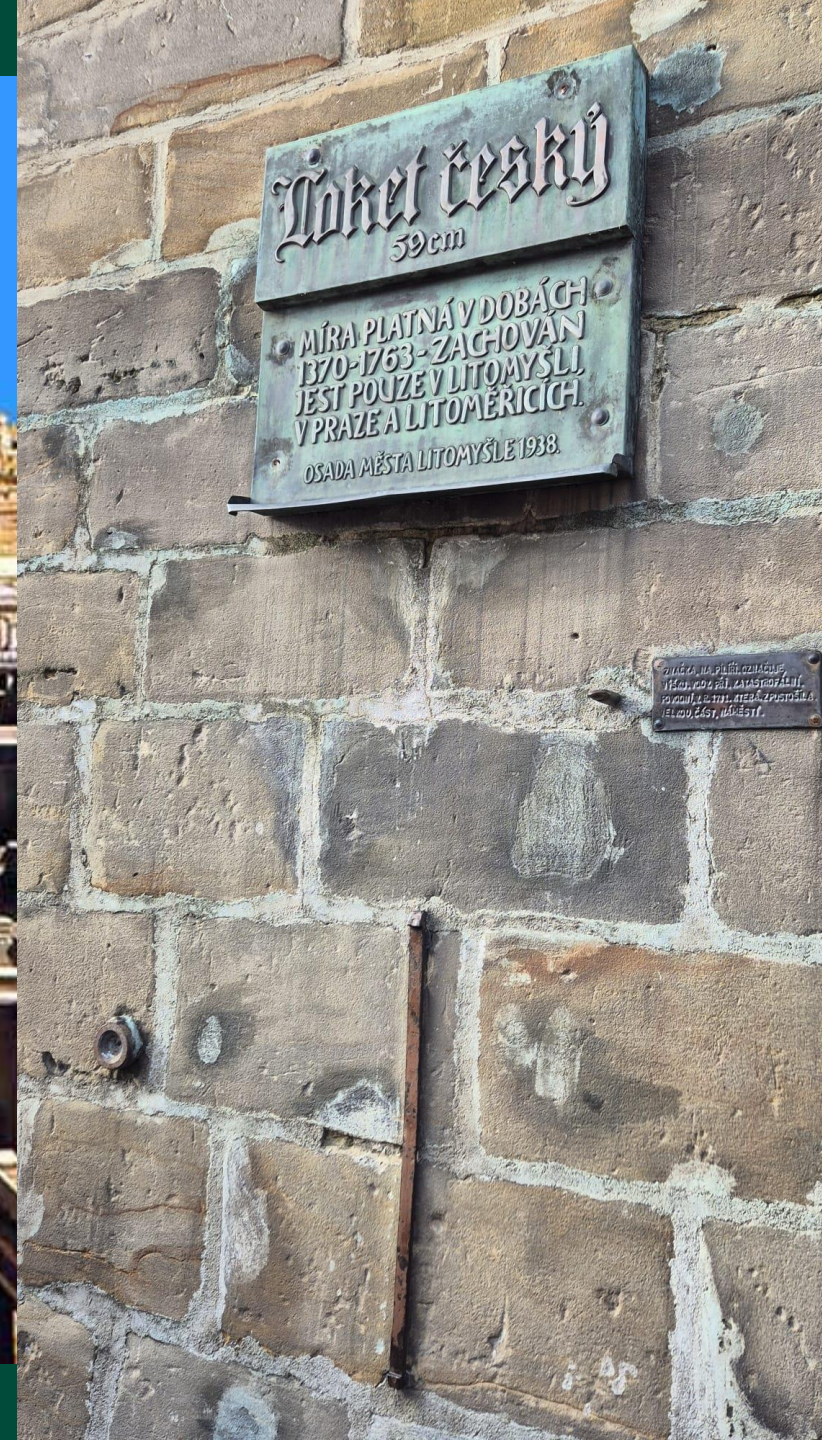
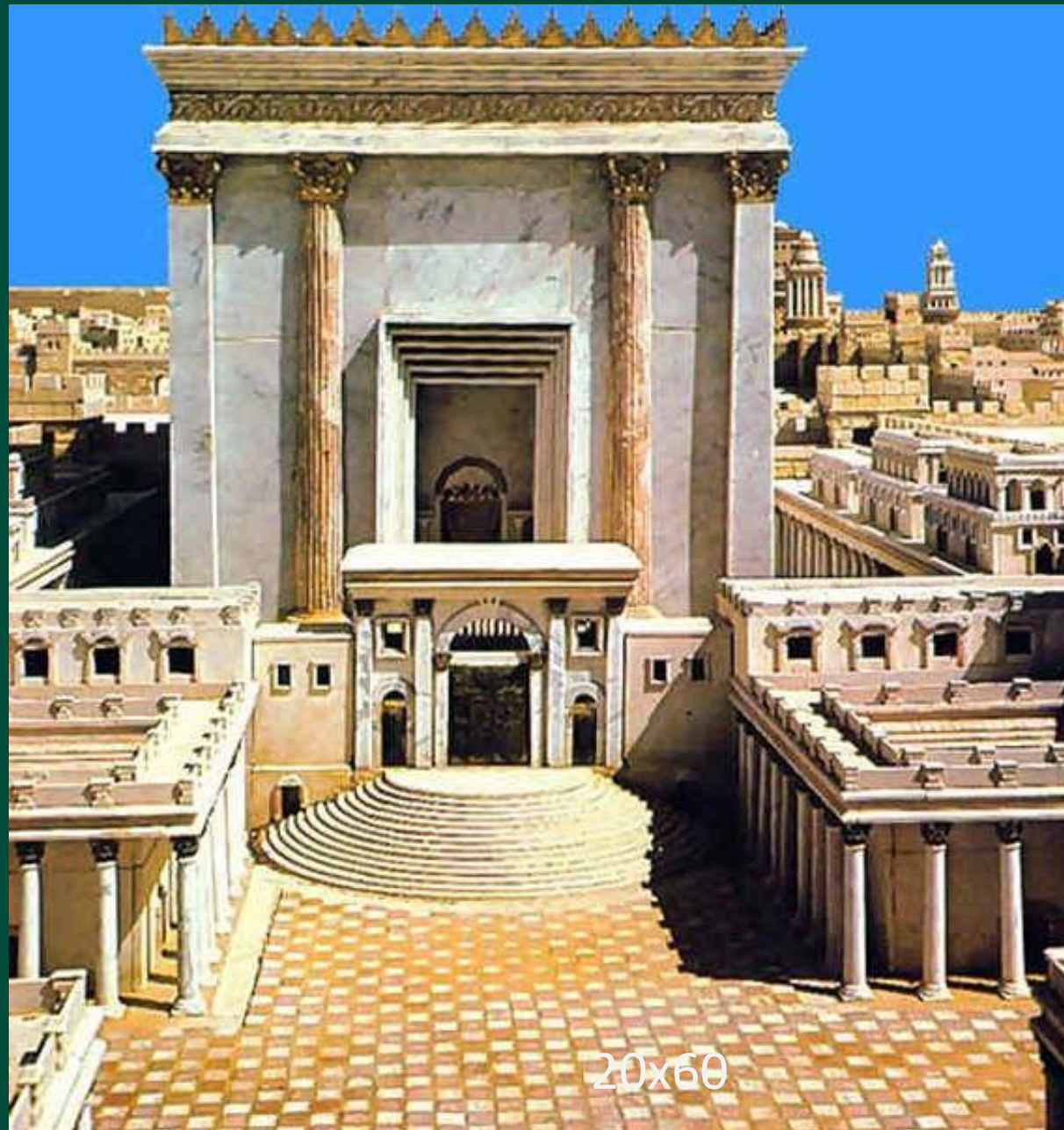
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Modern business
is increasingly about
how to create value,
not how to compete

21st Century Darwinism:

go digital or die





Latvia: as late as 1919,
long logs were not
counted by their
volume, but by the
number of pieces.
(LVVA, fund1680, item 90)



SDC: Almost 60 years of
experience in IT services
to the Forest Sector



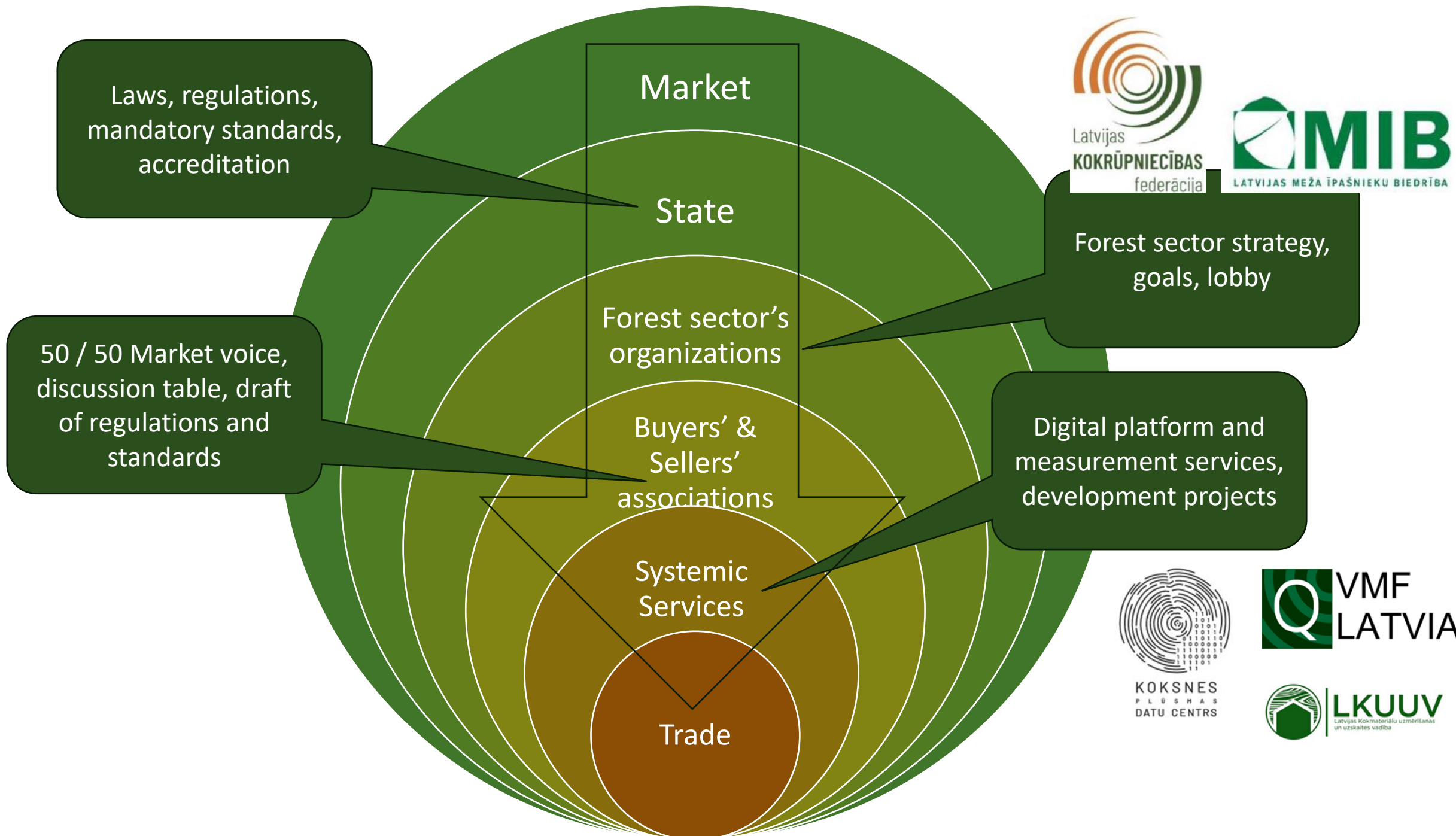
BIOMETRIA



Just business

a fundamental paradigm
for more sustainable business
of Latvian timber market leaders

- **compete on price** and other terms, but not on measurement
 - market players have right to understand and find out the volume and quality of the goods in order to assess a **fair price**
- timber measurement and accounting can **increase competitiveness** by reducing timber flow costs, for example:
 - **measure once**
 - measure where it can be done best way: **efficiently and accurately**
 - **implement technologies**, therefore standardize and digitize business
- to create a jointly managed, reliable and efficient **service** and ensure its sustainability



Timber buyer association of
Latvia

50 / 50

Timber seller association of
Latvia

The Joint Advisory Council

Working groups

Ltd Management of Latvian timber
measurement and accounting



KOKSNES
PLŪSHAS
DATU CENTRS

Ltd Wood flow data center



Ltd VMF LATVIA

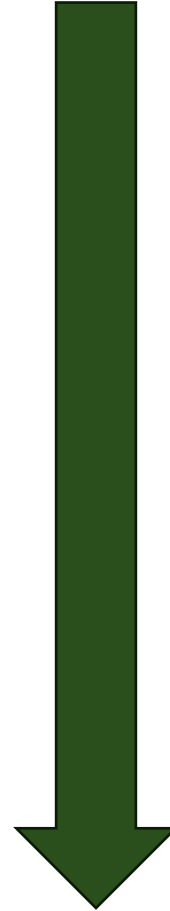
Working groups

TIMBER MEASUREMENT

- What is a benchmark
- What is an accuracy
- How to measure
- How control equipment
- How to make and save records
- Development

INFORMATION TECHNOLOGIES

- Classifiers
- Codes
- Data standarts
- Service level agreement
- Security
- Development



LAWS, REGULATIONS, STANDARDS, BEST PRACTICE

Establishment of VMF LATVIA

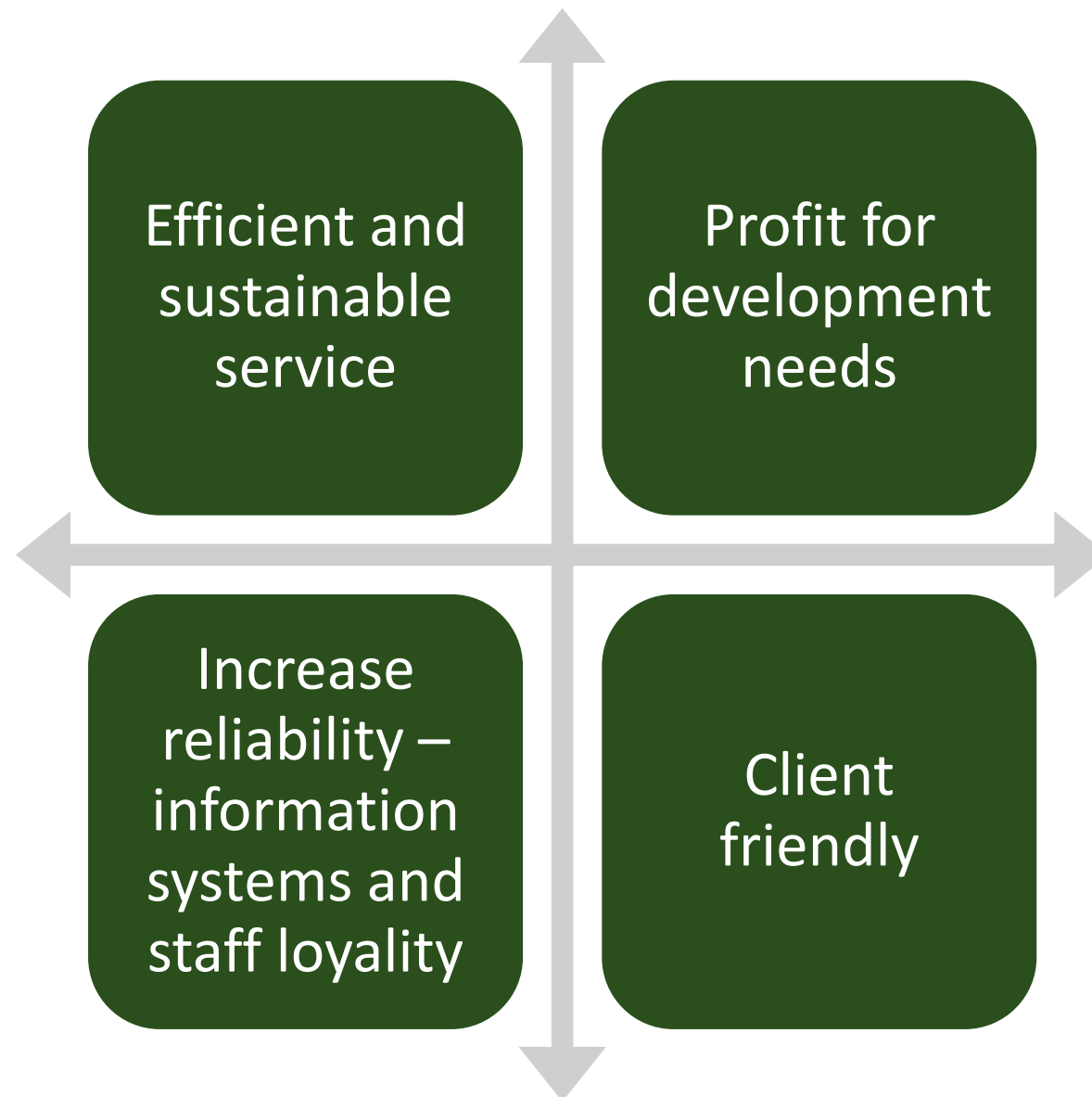


VMF LATVIA was founded in 1998 as a subsidiary company of the Swedish company VMF Qbera Ekonomisk Forening (VMF Qbera) with the aim:

to introduce model of impartial
timber measurement in Latvia.

Since 2011 fully owned by **LATVIA's** timber sellers and buyers associations.

STRATEGIC GOALS



Company Overview (2024)



Founded in 1998

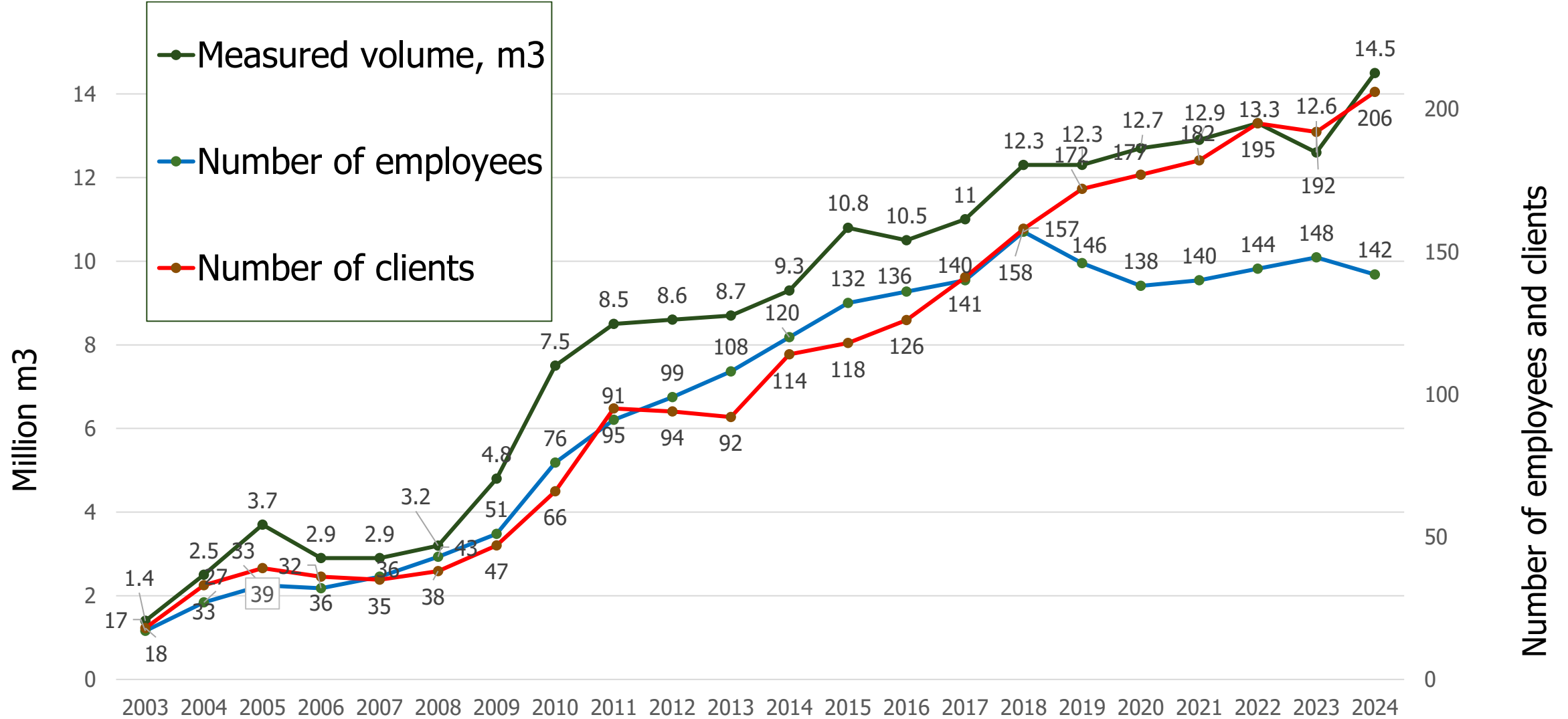
142 employees

Turnover 5.8 M EUR

Total Measured volume 14.5 M m³

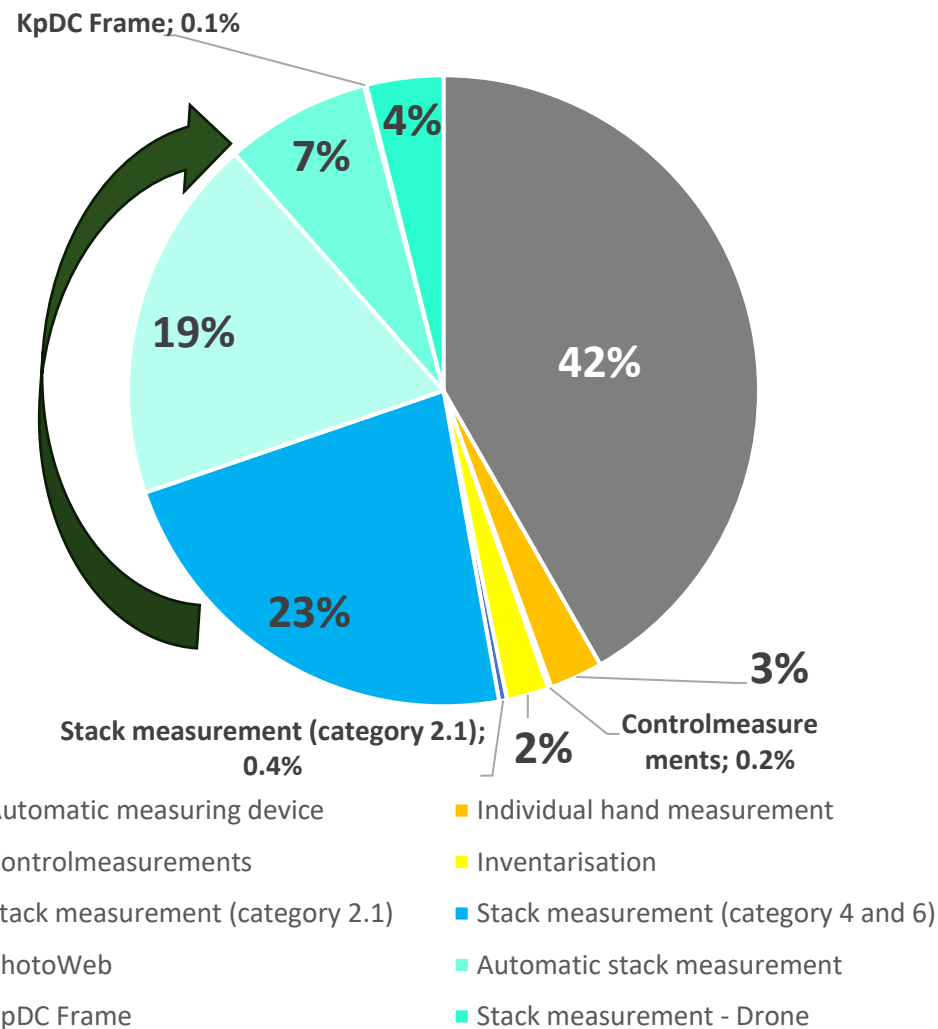
Number of Customers 206

Timber measured, number of clients and employees, 2003-2024



Development trends, mainly under the pressure of rising labor costs

Volume distribution by service, 2024



Stack measurement:

Use of image technologies - mobile and stationary, manual and automated, as well as automation of image processing with artificial intelligence (AI)

Individual measurement:

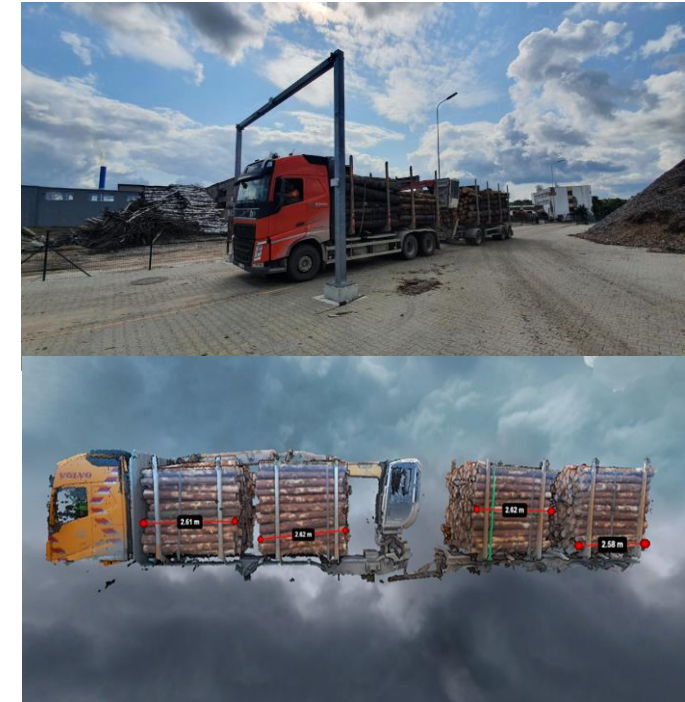
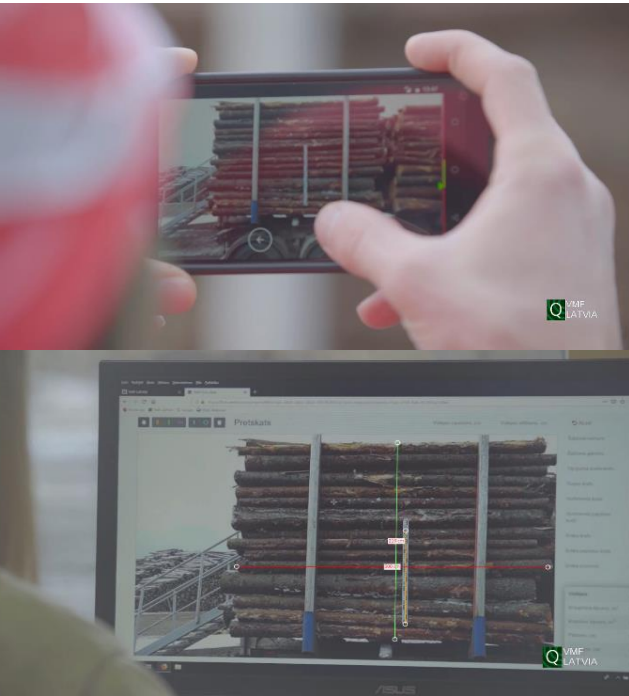
The use of artificial intelligence (AI) machine vision technologies in the assessment of timber quality

Remote measurement technologies

**Remote
group
measurement**

PhotoWeb
Mobile solution

KPDC Frame
Stationary device



Stack measurement with photo measuring technologies

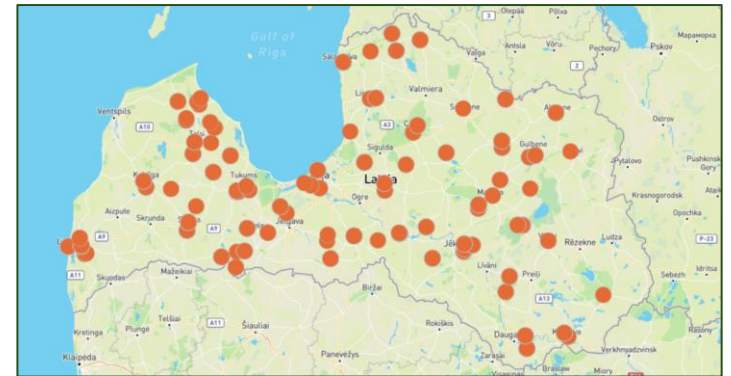
VMF Mob Photo Web

Stats:

- Regular deliveries for sawmills and irregular deliveries of fuelwood for private consumption
- About 100 customers
- Measured volume (2024): 2,72 M m³

Observed benefits:

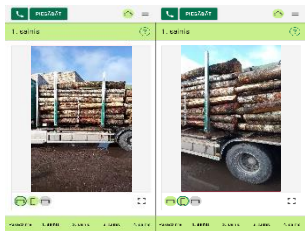
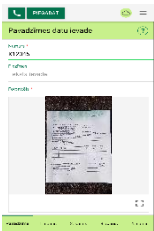
- Increased availability of VMF LATVIA measurement service
- Shortened time interval (delivery → measurement → testing report)
- At least **2x lower** service costs compared to manual measurement on-site



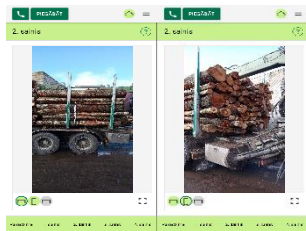
VMF Mobile Photo Web - process

Client - app user

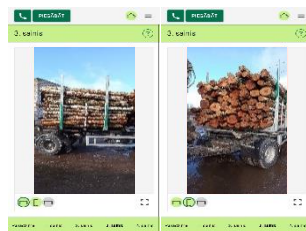
Stack No. 1



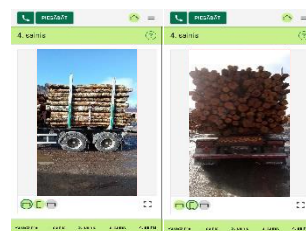
Stack No. 2



Stack No. 3



Stack No. 4



Scale

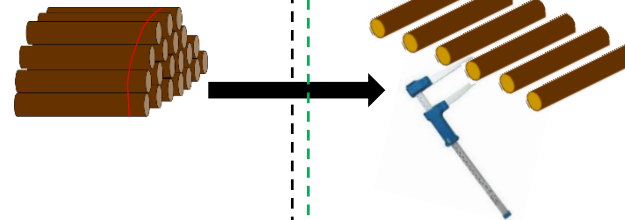


- User sends photos



VMF Photo mobile app

Control measurement process

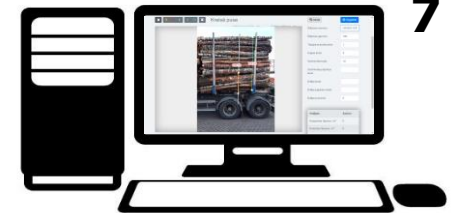


VMF LATVIA - scaler measures the load and prepares the results

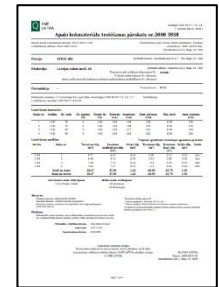


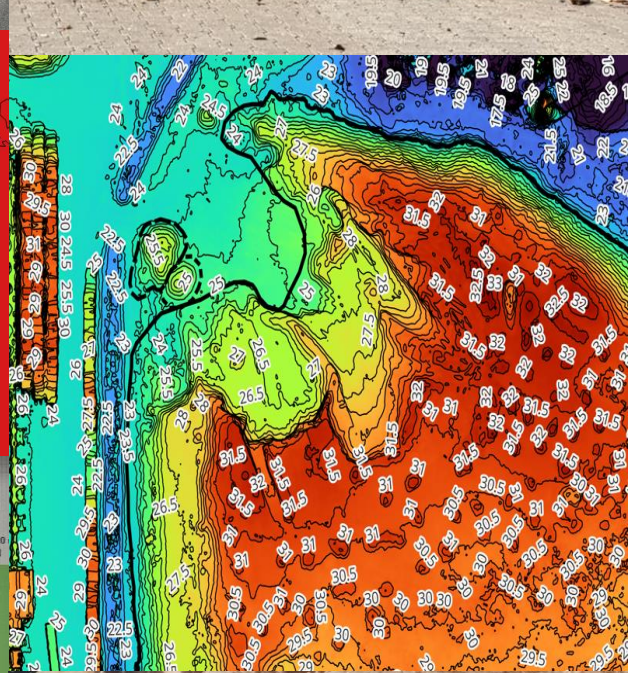
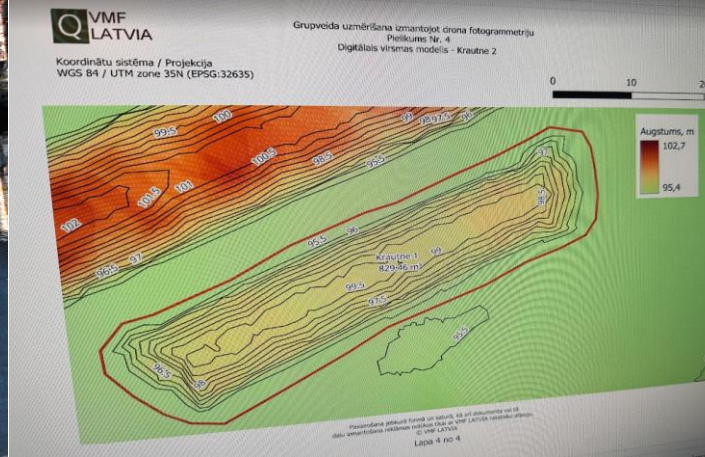
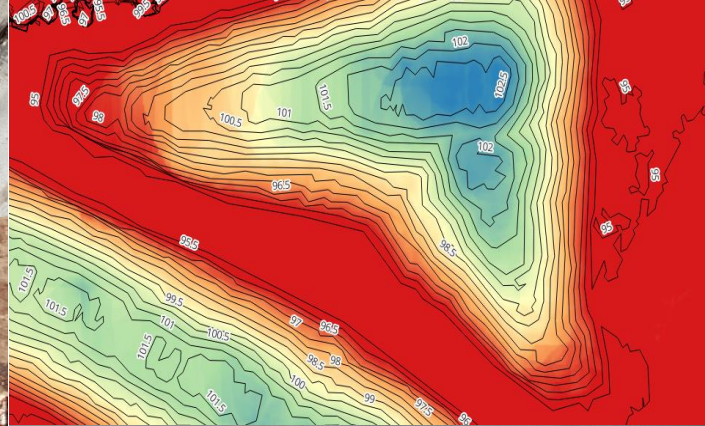
7 min

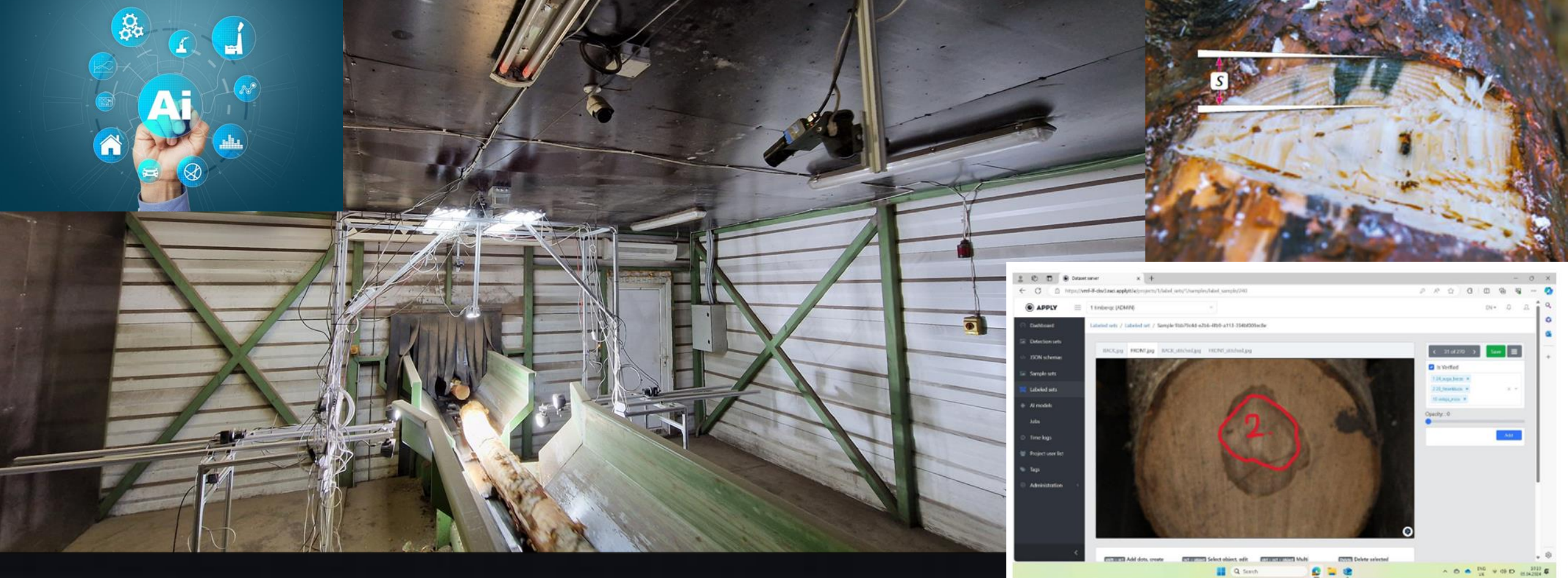
VMF Photo Web app



Testing report







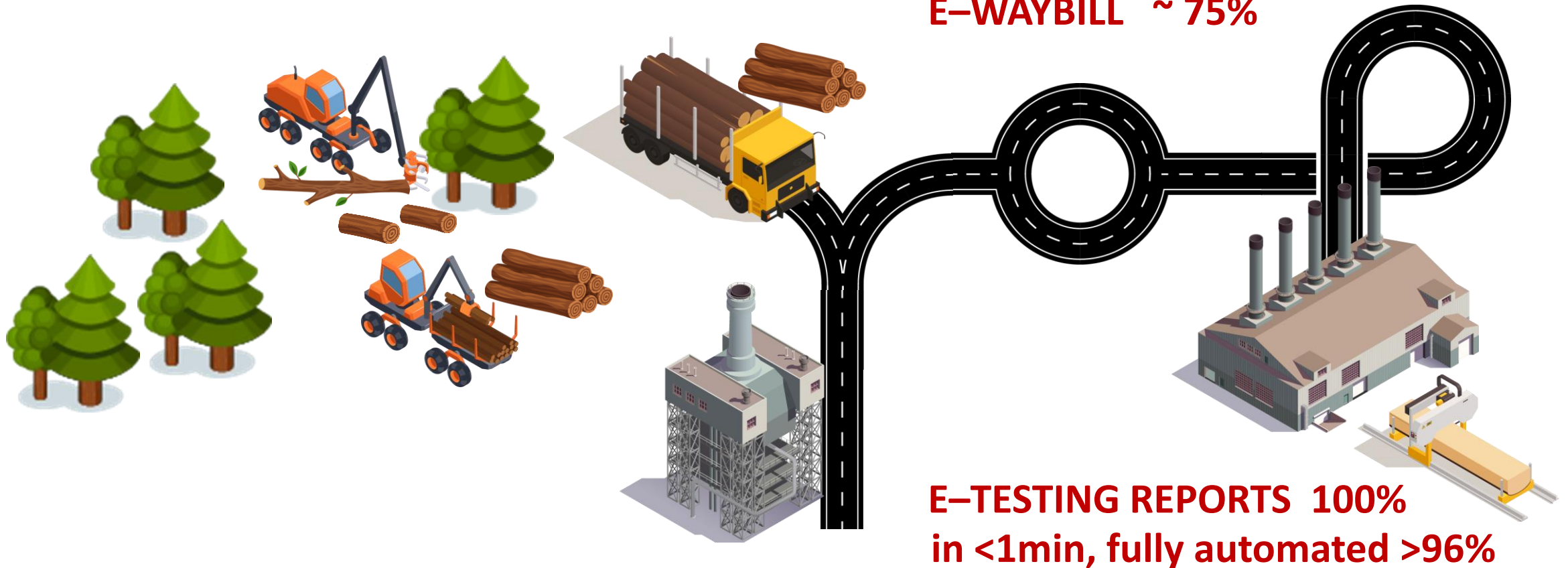
3. att. Kodola iekrāsojums ar meža trapes pazīmēm bērza finierkluča gala plaknē.





Mission of Data platform: to support the timber flow business through data exchange

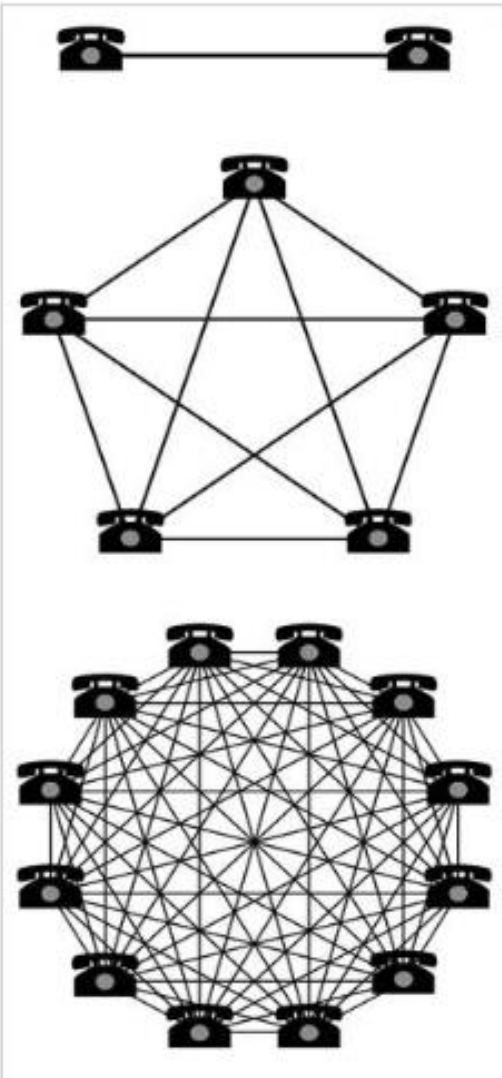
E-WAYBILL ~ 75%



**E-TESTING REPORTS 100%
in <1min, fully automated >96%**

Why IT platform?

Metcalfe's law



500 users
125 000 IT solutions
> 10 M €

$$= N (N-1) / 2$$





WOOD FLOW DATA CENTER : an industry innovation

uses **papiNet** data standart



maintains classifiers and codes

maintains identities

ensures the ability to transfer and receive business data – stable operation of the data exchange platform

receive from devices timber measurement data securely and prepare testing results automatically

develops business intelligence services

provides consultations

represents forest sector in ICT area in Latvia and internationally

