



A BETTER TIMBER MAT

Trying to meet long-term budget & reduce cash outflow risk?

Problem: You have a long-term mat requirement, but spot mat pricing makes projecting cash requirements difficult without “padding” the budget or putting in a cushion.

General Solution: World Forest Group can provide long-term, fixed-price mat solutions.

Real World Problem: A contractor running an annual purchasing program knows the base number of mats they will need each month. They are experiencing the tension between wanting to push off purchases as long as possible with trying to lock in the current market price to avoid future price surprises.

Real World Solution: World Forest Group can eliminate the timing/price tension by offering large customers a fixed price contract on a portion of WFG’s monthly mat production over a 3, 6, 9, or even 12-month period. World Forest Group guarantees a locked-in price and weekly or monthly mat deliveries to one or multiple locations within the US. Because the COVID crisis affects shipping and exchange rates in a positive fashion, World Forest Group can lock in very attractive long-term pricing for the customers.

Unintended Consequences:

1. Because prices are fixed contractors can bid using more accurate pricing forecasts and be more competitive in the bidding process.
2. By purchasing mats now customer has locked in mat pricing and avoided spot market surcharges.
3. Contractor has improved cash flow; project owner has a more competitively priced project.
4. The contractor can also put a small portion of their annual attrition mat purchases into a long-term, fixed price solution with World Forest Group. The contractor can use fixed pricing for A Better Timber Mat to keep other mat vendors competitive.