

NEWS

PROJECT

UFIL - Urban Forest  
Innovation Lab

📍 Cuenca, Spain

TOPIC

Jobs and skills in the  
local economy

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## DENDRON, a 'tree' grown in UFIL innovation lab

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website



Dendron is the Greek word for 'tree'. This is the name given by Diego, Héctor and José to their company established in 2022 as a follow up to their participation in the Urban Forest Innovation Lab project.

The role of the UIA project in supporting future young entrepreneurs has been discussed in several other web articles. This time, the story is told from the perspective of UFIL former trainees and current entrepreneurs. This web article primarily reports on a talk I had with José in May 2023. It aims to highlight how these young men got together, developed their ideas in UFIL and then transformed these ideas into a business. Also, how do Diego, Héctor and José see the scalability and replicability of their activities? Which lessons do they wish to share with other potential fellows eager to start a company in the forest sector? Is the forest bioeconomy in and around Cuenca mature enough to offer opportunities?

### How DENDRON started

DENDRON is a for-profit company. Its three co-founders, Diego, Héctor and José, formally registered it in April 2022, but even before registration they were already working together as a team to the kick-off of their business. Diego and Héctor are from Cuenca or nearby areas. José comes from the region of Extremadura, in the western part of Spain. However, José and Héctor knew each other before UFIL as they both attended, a few years ago, a Masters Degree in Forestry in Finland. It was Héctor who mentioned the UFIL programme to José.

Diego, Héctor and José participated in the second course of UFIL that took place in 2021. They were motivated for different reasons. Before UFIL, Diego (a forest engineer) had a part-time occupation as forest wildfire fighter, Héctor (a biologist specialised in forestry) had no occupation and José (a forest engineer) had a well-paid job as a drone pilot – but was not very satisfied with his occupation. During the UFIL course, the three young men (aged between 29 and 38 years) developed projects with similar objectives. That is the reason why they decided to merge their projects together into a single business idea.

We shared the same values, vision and ambition on what to do in the forestry sector of the province (of Cuenca), of the region (of Castilla-La Mancha) - and even of Spain. Our company was very clearly-shaped in our minds even before it was actually registered. In fact, we started working before the

completion of the UFIL course. The official registration of the company was delayed by few months because of some administrative issues.

### The first business years are the most difficult, but so far so good...

DENDRON is a consulting company providing services. Heavy equipment is not necessary to do the work and this is why the kick-off costs of the newly established business were limited. In addition, the company was supported by the administration of the City of Cuenca, for example in identifying potential customers among forest owners. No less important is the fact that DENDRON benefitted from a number of prizes and acknowledgments. Besides enhancing the company's visibility, these prizes also provided financial support from the Provincial Council of Cuenca. However, it was not cash in hand. It had to be co-funded by DENDRON.

You are always happy when you receive a prize, in the first place because it is a recognition of the good work you are doing. Yes, these prizes gave us the opportunity to buy tools and equipment, from computers to sensors and drones, but we had to bear part of the cost. This co-funding approach is fundamental because it requires your commitment. Overall, we are satisfied of how things are going. Yes, we are lucky, but we also work hard - and well.

DENDRON ranked second in the UFIL Best Business Project Award (in the second course). They qualified for a €50,000 contribution by the Provincial Council of Cuenca within its first call 'INTEGRA 4.0' for innovative entrepreneurial projects and was recently awarded the title of best entrepreneur in the whole region of Castilla-La Mancha.



### Modernising Cuenca's forestry sector

DENDRON's key message to potential customers is that forests are a source of prosperity and biodiversity and that these two characteristics can work together rather than against each other. This is the same approach that was behind the UFIL project. The 'sleeping giant', as the Mayor of Cuenca called the over 54,000 hectares of forests owned by the municipality (see [Zoom-in #3](#)), is not just a place of beauty and to relax, but a valuable asset that may drive sustainable socio-economic development in and around the City of Cuenca. DENDRON takes on board all the values promoted by UFIL: forests as a source of income, forests as a way to retain people in depopulating areas, forests as places to be managed sustainably in order to protect biodiversity and natural resources...But what is the type of innovation introduced by DENDRON?

Our model is disruptive because of the (modern) technologies we are using and because we want to change the way things are done in the forest sector. We want to change the mentality. In addition, the introduction of ecosystem services schemes will be a novelty.

DENDRON's main target customers are private forest owners and large companies wishing to be socially useful through Corporate Social Responsibility. The engagement of both categories of customers is not an easy task.

Private ownership of forests is a challenge from the perspective of sustainable forest management. Private properties are often small-sized and owners are not willing to invest in their management because investment costs are much higher than potential returns. The 'mobilization' of private forest owners towards the sustainable management of their forests is a shared problem at the EU level, especially in the Mediterranean area, where

fragmentation of properties is common. So, it is not specific to Cuenca or Spain. DENDRON offers to smallholders the opportunity to group together. The aim is to achieve a sufficiently big forest area to make shared management across properties profitable from an economic point of view. Towards the same scope, i.e., economies of scale, DENDRON is also the coordinator of a forest certification group, acting as a group manager responsible for the FSC certificate. Instead, with respect to large companies with high profits and the need to promote publicly their image, DENDRON offers the possibility to implement initiatives having a positive impact on communities and related, for example, to fire prevention and habitat conservation.

Involving private forest owners is a big challenge. Our approach is to go to the territory. We go and talk to people. One week after the other. In the end, we create relationships, people start trusting us and stop thinking that we want to cheat them. Also, we realised that there are two categories of forest owners: the traditional ones who do not trust anybody – and they usually are old people; and the ‘urban’ ones who live in, for example, Valencia or Madrid, but own forest holdings and have a sort of romantic link with these properties. These owners are keen to protect their forests from, for example, fires or other damages and ask us what it can be done to improve the situation. Step by step, our aim is to create a forest owners association at the province level, including by merging already existing small groupings.



Spatial planning, forest restoration, habitat connectivity, ecological modelling, use of drones for inspections and surveys, application of the LiDAR technology (allowing the creation of three-dimensional models of forests) and use of algorithms are among the methods and technologies used by DENDRON.

Source: DENDRON website at <https://www.dendron.es/>.

## Replicability and scalability

DENDRON is an example of highly replicable and scalable business. It can be implemented anywhere in Spain. It is also replicable in Europe, although it requires a good knowledge of each country’s situation in terms of, for example, land tenure, overall attitude of private forest owners towards forest management practices, and presence/absence of forest owners’ associations.

Our activities are systematic, there is no need of high innovation or creativity, so replicability is very good. Our goal, in the medium-to-long term is to open another office and cover the whole of Spain.



Source: DENDRON

DENDRON has also a good potential for scalability and its three co-founders are seeking the opportunity to scale-up their business based on their existing and future connections in Europe. In particular, thanks to FSC (a partner in UFIL), they ended up being included in a consortium applying for LIFE funding. The project, where the public administration of Castilla-La Mancha is also involved, is expected to provide the opportunity to develop an attractive scheme for large companies on the basis of the development of ecosystem services.

Ecosystem services represent the great potential of forests. They are the future of the forest bioeconomy.

It is impressive for such a young business to be included in an EU project proposal. This situation may really trigger the future growth of their company. Indeed, the familiarity of the three young men in working and studying abroad had a role in turning their interest towards Europe. Lucky circumstances made the rest.

### Hints from DENDRON

When asked what they could suggest to other young people eager to start working in the forest sector in and around Cuenca, José had no doubts: the best way is to start a business.

Of course, you need to have very clear what your focus is and what your company is going to do. But instead of complaining about employers who do not pay fairly, set your company and be sure to pay fairly your employees. When it comes to work, the current generation is willing to take more risks than it used to be in the past. Creating your own job is connected to a sense of freedom.

But is the forest bioeconomy in and around Cuenca mature enough to offer good opportunities?

The bioeconomy sector, not only related to forestry, will offer great opportunities. In Spain in particular, the forest sector has a great potential, not only in terms of consulting services, but also with respect to saw milling and timber harvesting. It is now the right time to enter the market, not in a few years when competition will be tougher. Spain is the right place to be in terms of upcoming huge opportunities.....However, it is also important to be patient. Things do not happen fast. There are some difficulties related to administrative burden, late payments and similar. But it is only a matter of waiting. UFIL was very useful in helping us in all these aspects. Actually, I am not sure we would have ended up in creating a business without UFIL. Still, even if you receive support, you soon have to become independent. You cannot keep on relying on others.

José admits that the creation of a company was unexpected at the beginning of their participation in the Urban Forest Innovation Lab. But afterwards, it became the natural consequence of what they did (and, I would add, learnt) in the programme. They came out of UFIL with a very clear idea of what their company was going to be. Indeed, DEDRON is an example of how well UFIL achieved its objectives.

See on UJA website

