



APPALACHIAN

Newsletter of APPALACHIAN Hardwood Manufacturers, Inc.,
serving the lumber industry since 1928

Demand the Appalachian Standard

July/August 2003

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APPALACHIAN Future Meetings

2003 Inter-Industry Meeting

Oct. 2 - The Grandover Resort, Greensboro, NC

2004 Annual Meeting

Feb. 26-29 - Sawgrass Marriott Resort, Ponte Vedra, FL

2004 Summer Meeting

July 18-20 - The Grove Park Inn, Asheville, NC

Bush Administrator Seeks Balance Between Business, Environment

WHITE SULPHUR SPRINGS, WV - "We are trying to do things that are good for the environment, good for business and start getting board feet (of lumber) out of the forest again."

The upbeat message was part of the remarks from a Bush Administration leader speaking at the 75th anniversary Summer Family Conference of Appalachian Hardwood Manufacturers, Inc. The event was held July 20-22 at The Greenbrier, White Sulphur Springs, WV.

The keynote speaker was James L. Connaughton, chairman of the Council on Environmental Quality (CEQ) for the Bush Administration. The Council coordinates federal environmental efforts and works closely with agencies and other White House offices in the development of environmental policies and initiatives.

Connaughton said the Bush Administration seeks balance. "We are all about finding the balance between natural resource stewardship, good solid economic growth, protecting and growing our communities, and making ourselves leaders in the world," he said.

"It is that balance that is going to sustain not just your businesses today but it going to sustain the way of life and the communities that you live in into the future for your children and your grandchildren," he told the more than 100 lumber producers, distributors and buyers in at-

tendance at the business session.



**Jim
Connaughton**

An environmental lawyer, Connaughton has an extensive background in environmental management for companies around the world. His work included sustainable environmental management practices and helping companies stay in compliance with the law.

A major milestone for his office and the Bush Administration has been the Healthy Forests Restoration Act. The measure has passed the House of Representatives and awaits introduction in the Senate.

There are aspects of this bill that are important to the Appalachian forest, Connaughton said. Insect infestation is a key component of the bill and getting at the problem has plagued forest management in the past.

The measure accelerates information gathering to identify and address insects that cause large scale damage to forest ecosystems, Connaughton said. It is much more

(See Meeting on page 3)

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Mark my words.....

By Mark A. Barford, CAE, CF
President

North Carolina State University released a review of recent changes to the furniture industry, and the figures tell the story clearly.

- In 2000 and 2001, the domestic furniture industry lost 36,000 jobs out of a total workforce of about 550,00 workers, about 6.5%.

- Wood furniture sales decreased from \$10.5 billion to \$9.5 billion.

- North Carolina and Virginia bore the brunt of those losses, as economic rival states Alabama, Georgia and South Carolina, actually gained employment. In 2001-02, more than 50 furniture plants in North Carolina closed.

Most furniture closing, with some notable exceptions like Universal Furniture which ceased all domestic manufacturing, were due to consolidations and efficiencies in manufacturing.



Mark A. Barford

As suppliers to this great industry, these statistics are not surprising, nor is the reason it is happening. Imports. The global economy. The North American Free Trade Agreement (NAFTA). The NCSU report says imports now account for 53% of domestic furniture production and one-third of all the furniture sold in the U.S.

With globalization has come a marked relaxation of import control rules. An industry like ours that has long been a promoter of free trade also understands the difference between free trade and fair trade. In many markets, our trade is far from fair.

The furniture industry has decided to fight back. Several domestic furniture manufacturing leaders have formed the American Furniture Manufacturers Committee for Legal Trade. To learn more about this effort, be sure to join us at our inter-industry meeting October 2 in Greensboro with invited speaker, Doug Williams, president of Hooker Furniture Co.

The effects of the loss of domestic furniture manufacturing greatly increases our competition for hardwood lumber with the world, as overseas facilities often find it easier to source their wood in nearby countries. Yes, we still have the finest hardwood resource and industry on the planet, but we need to remind the world of that fact even more often today.

AHMI Mourns Death Of Richard Johnsa

BUFORD, GA - Appalachian Hardwood Manufacturers, Inc. is sad to report the death of Richard Johnsa. He was 66.

Johnsa was vice president of Suwanee Lumber Co., Suwanee, GA. He is survived by his wife, two sons, five grandchildren and one great-grandchild.

AHMI Thanks Summer Conference Sponsors

AHMI would like to thank the following sponsors of the 2003 AHMI Summer Family Conference at The Greenbrier:

General Meeting - **BB&T, Charlotte, NC**

Golf Prizes - **Aurora Timberland Wholesale Hardwood Lumber Inc., Aurora, Ontario, Canada** and **Pardee & Curtin Lumber Co., Webster Springs, WV**

Tennis - **U*C Coatings Corp., Buffalo, NY**

Sporting Clays - **USNR, Woodland, WA**

Summer Tournament Winners

Golf - Men

Low gross - 1st Tim Church; 2nd John Winkler; 3rd Buck Vaughn

Low net - 1st Paul Baity; 2nd Joe Pryor; 3rd Dan Mathews

Longest drive - Tim Church; Closest-to-the-pin - George Barrett

Golf - Ladies

Low gross - 1st Susan Smith; 2nd Marijo Wood; 3rd Bert Barrett

Low Net - 1st Kim Cummings; 2nd Christine Shuman; 3rd Patricia Weaber

Longest drive - Susan Smith; Closest-to-the-pin - Gladys Hamer

Sporting Clays

The winners of the Sporting Clays Tournament sponsored by USNR were: First - John Crites Sr.; Second - Dean Alanko; Third - Keith Price

Tennis

The winners of the Tennis Tournament were:

Men's - Kent Carr and Ladies - Iris Carr

AHMI Honors Its Past Presidents

On Monday evening, a special "past presidents" reception was held. Those AHMI past presidents in attendance were from left **Howard M. Carr, Augusta Lumber Co., North Garden, VA 1996-97**; **James T. Powell, Jr., Canton Hardwoods, Canton, NC 1988-89**; **Jim C. Hamer, Jim C. Hamer Co., Kenova, WV 2000-01**; **George P. Ramsey, Jr., Taylor-Ramsey Corp., Lynchburg, VA 1980-81**; **Bonnie N. Hoover, Neff Lumber Mills, Broadway, VA 1990-91**; **Wendell M. Cramer, W.M. Cramer Lumber Co., Hickory, NC 1992-93**; **Emmet P. Vaughn, Jr., Emmet Vaughn Lumber Co., Knoxville, TN 1998-99.**



Meeting from page 1

coherent federal strategy to get the information to forest managers who then can act quickly in response.

"We have been delighted by the broad base of support we have developed on this initiative on the administrative side and now we are at the critical point in the legislative process," Connaughton said. "The bill passed the House of Representatives this spring by an overwhelming margin. It's a testament to the president's leadership but more importantly your industry's leadership in bringing people the facts about what we are doing."

The Senate is expected to begin debate on its version after the August recess. "It is going to take the efforts of all of you to educate your senators one on one on this issue and hold them to account to see that it passes," Connaughton said. "It would be wise to have your Congressmen call your Senators and tell them that this is important, it's smart, it's environmentally responsible and we need it for our future."

The Bush Administration is considering categorical exclusions for certain tracts of forests to enhance harvesting. Forest managers will be instructed to review sales and determine those that have little impact on the environment. These will be granted an exclusion from many of the multi-year environmental review processes.

The exclusions will be applied to small timber sales meeting the following criteria: Green sales up to 70 acres; Salvage sales up to 250 acres; Sanita-

tion sales to remove disease and insect infested trees up to 250 acres. Each category will allow up to one-half mile of road construction.

"We are very hopeful the use of these exclusions will help the forest service efficiency in planning these harvests," Connaughton said. "Forest Service Chief Dale Bosworth has made a stump speech out of the process paralysis that faces the forest service these days. The agency spends as much as 48 percent of its management resources on planning and analysis. If you spent half of your time on planning and analysis, we wouldn't be seeing many of you in business anymore."

The business session began with a presentation by International Trade Specialist Paul Baity from BB&T on "Getting Paid When You Sell Overseas." He helped exporters understand complex banking terms and strategies.

The meeting ended with a panel discussion on "What Will The Appalachian Hardwood Industry Look Like In The Future?" The panelists were AHMI members: John Crites II, **Allegheny Wood Products Inc.**, Petersburg, WV; Rick Armstrong, **Homer Gregory & Co.**, Morehead, KY; Jay Reese, **Spartansburg Forest Products**, Spartansburg, PA; Larry Thompson, **T&S Hardwoods, Inc.**, Sylva, NC. The transcript of their remarks are included with this newsletter for AHMI members.

For more information on the conference or a copy of Connaughton's remarks, contact the AHMI office.

Anti-Dumping Action Focus Of Inter-Industry

Hooker Furniture President To Speaks On U.S. Furniture Makers Complaint

HIGH POINT, NC - A complaint by U.S. manufacturers fighting Chinese furniture imports will be the focus of the 2003 Appalachian Hardwood Manufacturers, Inc. Inter-Industry Meeting on Oct. 2.

The American Furniture Manufacturers Committee for Legal Trade is made up of 17 case goods manufacturers. The group contends Chinese manufacturers are illegally dumping bedroom furniture in the U.S. market, causing financial harm to U.S. manufacturers.

The group plans to present its petition to the U.S. Department of Commerce and the International Trade Commission. The petition asks the U.S. government to enforce existing U.S. laws and agreements.

The petition would seek anti-dumping duties against Chinese products. The investigation on the allegations can take up to one year, but preliminary duties could be imposed in six months.

The group contends that Chinese government support of its currency gives Chinese goods false lower prices in the United States.

AHMI members participating on the committee are **Hooker Furniture Co.**, **Keller Mfg.**, and **Stanley Furniture Co.** Hooker Furniture President Doug Williams has been invited to the Inter-Industry meeting to speak on the issue.

The session will be held at The Grandover Resort, Greensboro, NC. The reception begins at 6:30 p.m. and dinner is at 7:30 p.m.

This meeting typically is the opportunity for lumber producers to make contact with buyers, AHMI President Mark Barford said. A record crowd of buyers attended the 2002 session and an equal number are expected this year.

"This is a great meeting for lumber producers and buyers to get together and discuss common issues," Barford said. "Our subject this year is of interest to everyone in the hardwood business to see what happens with this furniture petition."

Attendees are invited for golf at the Grandover beginning at 1 p.m. The golf fee of \$110 must be paid to AHMI with registration.

A sporting clays tournament will be held at



MEETINGS

Lumber Buyer Sponsors Sought

HIGH POINT, NC - Appalachian Hardwood Manufacturers, Inc. is seeking Consumer attendee sponsorships for the 2003 Inter-Industry Meeting.

The meeting is set for Oct. 2 at The Grandover, Greensboro, NC. The sponsorship is \$95 and pays for a lumber buyer to attend for free.

The AHMI Board of Trustees is asking AHMI Producer and Distributor members to fund these free registrations. Sponsoring companies will receive the opportunity to socialize with these buyers during the reception and dinner that evening. Companies will receive a list in advance of all of the lumber buyers who will attend.

The lumber buyers will receive a list of all sponsor companies, addresses, contact names and telephone numbers.

For more information and to become a consumer sponsor, contact the AHMI office at (336) 885-8315.

Consumers interested in attending this meeting should also contact AHMI about sponsorship availability.

Shane's Sporting Clays just north of Greensboro beginning at 1 p.m. The shooting fee of \$30 must be paid to AHMI with registration. Shooters must provide their own gun and shells.

A block of rooms has been reserved at The Grandover. AHMI has secured a rate of \$170 per night and reservations may be made by calling The Grandover Resort at (336) 294-1800. The room cut-off date is Sept. 10.

The meeting registration fee is \$95 for members and \$195 for non-members. A form is included on page 8 of this newsletter. A printable registration form is available online at www.appalachianwood.org.

For more information, contact the AHMI office at 336-885-8315 or e mail to ahmi@northstate.net.



EDUCATION

AHMI Helps Train Teachers On Forestry

HIGH POINT - Appalachian Hardwood Manufacturers, Inc. participated in teacher training workshops in Tennessee and Kentucky.

The third annual Tennessee Teacher Conservation Workshop was held at the University of Tennessee-Knoxville and included 16 teachers. AHMI staff spoke to the group about the Appalachian hardwood forest and distributed all AHMI literature, videos and offered wood sample kits. Staff also participated in other sessions on forest management.

The first annual Timber Academy was held at Morehead State University, Morehead, KY, and included 17 teachers. AHMI staff spoke to the group about the Appalachian hardwood forest and distributed all AHMI literature, videos and offered wood sample kits. Staff also participated in other sessions on forest management and tours of harvested sites.

NCSU Offers Kiln Course

RALEIGH, NC - North Carolina State University, Wood Products Extension will conduct its 35th Dry Kiln Operator's Short Course at Haywood Community College in Clyde, NC, Sept. 23-26. The course is sponsored by the Southeastern Dry Kiln Club.

Participants will learn to operate a kiln on a daily basis and gain hands on experience drying a kiln load of lumber. The course is designed for new operators and will cover sample selection, monitoring, equalizing and conditioning.

For more information, contact Joe Denig, NCSU, Campus Box 8003, Raleigh, NC 27695 or phone 919-515-5582.

Selling Forest Products Course Set At VA Tech

BLACKSBURG, VA - The Center for Forest Products Marketing at Virginia Tech will offer its two-day "Selling Forest Products" shortcourse Sept. 11-12.

The program concentrates on the fundamentals of salesmanship. Instructors are Bob Smith and Robert Bush from the VA Tech Department of Wood Science and Forest Products.



Flooring distributors at Mullican operation

Barford Educates Flooring Distributors

JOHNSON CITY, TN - AHMI member company Mullican Flooring recently invited AHMI President Mark Barford to speak to California flooring distributors who were attending a training session at Mullican facilities in Tennessee.

Barford said the participants understood the value and desirability of wood. They were interested in learning about the natural sustainability of Appalachian hardwoods.

"The group was very attentive and full of questions about how hardwoods grow, and why the resource continues to expand despite the pressures of urbanization and the locking up of our national forests," Barford said. "It was a great opportunity to help them understand and feel better about the product they are using and to be able to go back to their customers and assure them of an unending supply of the finest flooring in the world."

Both Barford and AHMI Director of Communications Tom Inman are available for members to assist them in promotion and education efforts. For more information, call the AHMI office at 336-885-8315.

The course will be taught at the Donaldson Brown Hotel and Conference Center in Blackburg. The cost is \$395.

To register, contact Bob Smith, Center for Forest Products Marketing, Virginia Tech, 1650 Ramble Rd. - Mail Code 0503, Blacksburg, VA 24061. Telephone 540-231-5876 or e mail to rsmith4@vt.edu.

Forestry Division Learns Of Inventory, Satellite Imagery

FLATWOODS, WV - Appalachian Hardwood Manufacturers, Inc.'s Forestry Division held its annual business meeting and heard excellent presentations on current forestry issues.

Division Chairman Trenor Hypes, MeadWestvaco Corp., led the session with 40 participants. The program included:

- An update on the West Virginia Forest Inventory by Richard Widmann of the U.S. Forest Service Inventory Staff. He said hardwoods are still growing at a faster rate than they are being harvested. The recent survey also found the species composition was changing to include more soft maple growing stock.

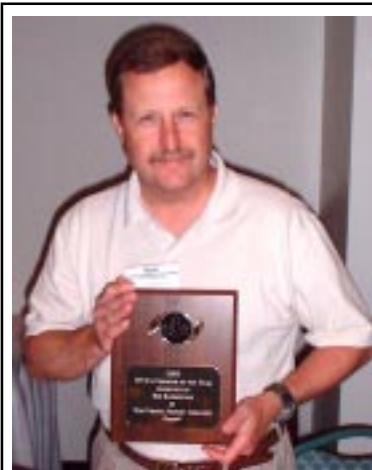
- AHMI member Adam Rousselle, president of Falcon Informatics, went through a demonstration of how satellite imagery can be used to measure the volume and species of trees without ground cruising of the forests. He gave examples of recent applications and the potential for the future.

West Virginia State Forester Randy Dye and Dick Waybright of the W.V. Forestry Association provided updates on several issues regarding state government, including forestry funding, worker's compensation and industry competitiveness issues.

The Forestry Division meets twice a year, with a tour illustrating a forestry issue and the second meeting covering various topics of interest to the promotion of sound forestry practices.



Trenor Hypes



Bob Radspinner, Plum Creek Timber Co. forester, Lewisburg, WV, was named 2003 Forester of the Year by the West Virginia Forestry Association. Congratulations Bob!



FORESTRY

Study: Oaks Decline, Maples Rise In U.S.

Researchers are trying to find out why oak species, particularly red oaks, appear to be on the decline throughout much of the central hardwood region, which stretches from southern New England to the Carolinas and Tennessee and west to Texas.

"Just walking in the woods, we can see that there are a lot fewer oaks than there used to be," said Gary San Julian, a Penn State wildlife resources professor. At the same time, red maple populations are increasing - but it's not exactly an even trade. Several animal species rely on oaks and acorns as a valuable food source that isn't replaced by maples.

In the wood-products industry, oak and maple often are used in the same products, but oak is much more valuable.

Researchers say a combination of factors - could be behind the change in forest diversity. Among them:

- 1) A century of actively suppressing forest fires has made it easier for maples to expand their range. Although maples have long been part of central hardwood forests, red maples are particularly sensitive to fire. Few red maple trees survived fires in the understory - bushes and small trees that are under the forest canopy - that once moved through the forests every few years. Oaks, on the other hand, used fire as part of their natural regeneration.

- 2) Soil quality and quantity have fallen, particularly on mountainsides. The remaining soil has been polluted by acid rain, stripping important elements from the soil. These factors favor maples over oaks, the researchers say, because maples are more tolerant of acidic soils.

- 3) In New York, Pennsylvania, Virginia and West Virginia, oaks are also stressed by deer overpopulation. Researchers don't know the reasons, but they do know that deer would rather eat oak than maple.

To some extent, these species realignments are part of a natural system. Many eastern forests once were dominated by chestnut and white oak. Red oak only became a predominant species after a disease ravaged chestnut populations.

But if the red oak is to be kept from following the chestnut, forest managers need to begin working to defend existing oaks stands, researchers said.

AWP Wins Bid, Plans Canyon Timber Harvest

MORGANTOWN, WV - Allegheny Wood Products recently bought a 16-mile stretch of densely forested canyon from Allegheny Energy. The timber on the property in northern West Virginia will be harvested every 12 to 15 years.

The state of West Virginia, the Conservation Fund and private recreational users, considered buying the 5,600 acres to place it off limits in a preserve. AWP, however, was the high bidder.

Allegheny Energy has owned the land since the 1920s, planning hydroelectric projects that were never built. The gorge has steep, rocky walls, few

roads and environmentally sensitive areas.

The sale agreement includes public access for rafts and kayaks, and Allegheny Wood Products spokeswoman Donna Reckart sought to reassure hikers, hunters and boaters who use the canyon.

"We hope to be able to keep it open to public use and also responsibly harvest timber periodically," Reckart said. Reckart noted that Allegheny Energy also logged the land periodically.

AWP's Kingwood, WV, sawmill was recently named West Virginia Sawmill of the Year by the West Virginia Forestry Association.



Judge Strikes Down Clinton Roadless Rule

From The Associated Press

WASHINGTON — The roadless rule may be at a dead end. The Clinton-era policy, which blocks development on nearly a third of national forests, was struck down by a federal judge, who said officials had improperly designated wilderness areas.

The decision in a Wyoming case prevents the rule from being applied in any of the 38 states that have designated roadless areas. The rule had blocked road-building and other development in 58.5 million acres of remote forests, mostly in the West.

The July 14 ruling by U.S. District Judge Clarence Brimmer was the most serious among several setbacks suffered by the roadless rule. The decision, the Bush administration formally proposed exempting the nation's two largest federal forests from the roadless policy. The plan would settle a lawsuit by Alaska and allow logging and other development in nearly a half-million acres of the vast Tongass and Chugach forests. The House defeated an amendment that would have blocked the Alaska settlement and prevented the Bush administration from allowing governors to request exemptions.

Rep. Richard Pombo, R-Calif., chairman of the House Resources Committee, which oversees land use issues, called the roadless rule a "don't touch" management plan that also would block recreation activities and prohibit needed forest maintenance to prevent catastrophic wildfires.

PA Offers Plan To Manage State Forests

PITTSBURGH — Pennsylvania's protected wild and natural areas would grow by more than 20,000 acres while timber production is maintained at current levels under a plan being proposed by the state Department of Conservation and Natural Resources.

The agency unveiled a plan recently that aims at balancing forestry goals with increased recreational uses of the state's natural areas. Since 1955, state forest management has been set by plans written every 15 years.

But early plans focused almost solely on timber management. The new plan grew out of more than two dozen public meetings dating back five years. During that time, more than 5,000 comments were submitted.

DCNR Secretary Michael DiBerardinis said the new draft plan recognizes the need to see the wild and natural areas of the state as ecological regions. At the same time, it does not ignore timber production on state lands. Officials say timber production from state land is part of a \$5 billion a year industry that employs 100,000 people in Pennsylvania.

The plan would maintain timber production at levels reached during the 15-year period from 1985 to 1999. The state Bureau of Forestry estimates that about 635 million board feet of timber was harvested during that period.

The agency plans to hold eight public meetings across Pennsylvania, to be followed by 20 additional meetings in each of the state's 20 forest districts, during which time more public testimony will be solicited on the final draft of the plan. DCNR officials want to finalize the plan by fall.

REGISTRATION FORM



APPALACHIAN

Hardwood Manufacturers, Inc.

Inter-Industry Meeting

Oct. 2, 2003

The Grandover, Greensboro, NC

To accurately plan the functions and ensure all members and guests are included on the Registration List, please complete this form and return it with your check to: **AHMI, P.O. Box 427, High Point, NC 27261. AHMI has reserved a block of rooms at The Grandover Resort for \$170 per night. Call (336) 294-1800 to reserve a room before Sept. 10.**

MEETING REGISTRATION FEE: \$95 for members / \$195 for non-members

The AHMI meeting registration fee will be refunded on cancellations before Sept. 22. Cancellations after that time will be subject to 50% forfeiture.

PLEASE REGISTER THE FOLLOWING FOR AHMI'S MEETING

NAME: _____ **BADGE NAME:** _____ **FEE: \$95/\$195**

NAME: _____ **BADGE NAME:** _____ **FEE: \$95/\$195**

Company: _____

Address: _____

City _____ **St.** _____ **Zip** _____

PLEASE REGISTER THE FOLLOWING FOR GOLF

The Grandover Course 1 p.m. Shotgun Start, \$110 per person

GOLF: _____ **HANDICAP** _____ **FEE: \$110**

GOLF: _____ **HANDICAP** _____ **FEE: \$110**

PLEASE REGISTER BELOW FOR SPORTING CLAYS TOURNAMENT

Shane's Sporting Clays, Summerfield, NC, at 1 p.m. \$30 per person

SHOOTING: _____ **FEE: \$30**

SHOOTING: _____ **FEE: \$30**

(Shooters must provide their own gun and shells)

TOTAL: _____

Check for \$ _____ encl. Date: _____ By: _____