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The Standard

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Demand the Appalachian Standard

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Certification Leaders Explain SFI, FSC To AHMI

The debate over forest and forest product certification was the centerpiece of the 2007 Appalachian Hardwood Manufacturers, Inc. Annual Meeting in Longboat Key, FL.

The two leading certification programs, the Sustainable Forestry Initiative and Forest Stewardship Council, each explained their programs to the large crowd of AHMI members and guests during the opening business session. The result was a general understanding of each program and a tremendous amount of discussion following the session.

"We had a great deal of interest in this program leading up to our meeting and that was evident in the dialogue after the session and throughout the weekend," said AHMI President Tom Inman. "Our members are trying to determine how forest and forest product certification fit into their company."

The theme for the weekend was "What Sustainable Means to Your Customer and What Certified can mean to Your Company." The SFI and FSC speakers detailed the similarities and differences in their programs.

Ned Daly, FSC chief operating officer, said wood consumers want to make certain wood manufacturing companies are operating in ways that are best for the environment and within the law. He said certification programs provide that assurance.

"Consumers do not recognize that U.S. lumber producers have superior social and environmental practices in place to protect our forests," he said. "To gain access into many of these markets, manufacturers today have to provide proof."

Daly said certification enables producers to demonstrate that wood in the supply chain is legal and harvested from sustainable sources. This enables



producers to meet the demand for "green certified" wood, he said.

FSC puts pressure on those not complying with sound forestry practices and reduces the marketplace for illegally harvested logs. Daly called FSC an "Ebay" for sustainable timber that promote good forestry and sustainable practices in the marketplace.

The interim leader of FSC said the program offers response to customer/stakeholders, market access, defined brand or products in the marketplace, reduced liability and a consistent supply.

FSC currently operates in 72 countries and has 36 national initiatives. There are 14 accredited certifiers across the U.S. and approximately 220 million acres are FSC certified in the United States.

Rick Cantrell, vice president of the Sustainable Forestry Board which administers the Sustainable Forestry Initiative (SFI), said the initiative draws support from a wide area. He cited hundreds of SFI participants and noted that more forest acres were enrolled in SFI than FSC. He said SFI offers logger training, reaches out to forest landowners, is internationally recognized and is gaining market clout.

SFI was adopted in 1994 by members of the American Forest & Paper Association and its print
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APPALACHIAN Future Meetings

2007 Summer Family Conference July 22-24

The Greenbrier, White Sulphur Springs, WV

2007 Inter-Industry Meeting - Oct. 16-17

Location to be announced

2008 Annual Meeting - Feb. 20-24

Marco Island Marriott, Marco Island, FL

The way I see it...

By Tom Inman, AHMI President

...the 2007 Appalachian Hardwood Manufacturers Inc. Annual Meeting was terrific! I don't say that because it was my first "official" meeting but that comes from the reviews of attendees after the convention.

We had more than 185 people in attendance, exceptional business sessions with informative presentations each day, fun sporting events, warm fellowship during four receptions and outstanding weather with sunny skies and temperatures hovering around 80 degrees every day.

Chairman John Crites gave all of the credit for the weather and beautiful sunsets to wife, Pat. Everyone had the chance to view the gorgeous orange ball escaping into the water on Saturday during the evening reception.

I want to personally thank all who attended the Annual Meeting and your kind words to me at the close. I want to thank Dinah Farrington and her husband, Sonny, for their assistance in making our meeting run smoothly and cheerfulness and attention to detail.

Our challenge now is to maintain the high level of informative business sessions, fun social and sporting events, and outstanding meeting facilities. We will do our best this summer at the 2007 Summer Conference set for July 22-24 at The Greenbrier in White Sulphur Springs, WV. This has been a tradition of AHMI members for decades and 2007 promises to be even greater following The Greenbrier's \$50 million renovation to be completed in May 2007.

John and I are currently finalizing the program and will have details to you very soon. If you have suggestions for our business session or format of the meeting, please contact me ASAP!

...the joint meeting and mill tours between AHMI and the Hardwood Manufacturers Association is shaping up to be a great event. HMA has tours annually and AHMI is partnering with them for the Appalachian tour on June 6-7 in central Pennsylvania.

Two stops on the tour will include Allegheny Wood Products mill in Marble, PA, and Appalachian Wood Products cabinet plant in Clearfield, PA. Both of these large operations promise to be very informative and interesting tours.

Other facilities will be announced soon as the locations are finalized. Please mark the dates on your calendar now - June 6-7. Be on the lookout for registration materials in the mail very soon.

AHMI Resource Guide Deadline Extended

HIGH POINT - Appalachian Hardwood Manufacturers, Inc. will publish its annual Demand the Appalachian Standard Resource Guide in late March 2007.

The book is the association's main promotional piece for Appalachian hardwood lumber and it lists company and contact information for AHMI members.

A mailing to members about participation was sent in mid-January. The deadline for all materials to be included has been **extended to March 15**. The extension allows all members to finalize plans to be included. Materials may be mailed or sent in electronically to AHMI, P.O. Box 427, High Point, NC 27261 or tom@appalachianwood.org.

More than 8,000 copies will be published and distributed to wood consumers around the world. The listing pages are also posted on AHMI's website. For more information, please contact the AHMI office immediately at (336) 885-8315.

Meeting Sponsors Make Annual Event Special

Appalachian Hardwood Manufacturers, Inc. would like to thank the following companies for their sponsorship of the 2007 Annual Meeting. Their contributions allow the association to keep registration fees low and provide outstanding programs.

The sponsors are:

Friday Reception

Lumbermen's Underwriting Alliance

Business session speakers

Pennsylvania Lumbermen's Mutual Insurance Co.
USNR

American Hardwood Export Council
National Hardwood Lumber Association

Coffee breaks

Southmark Consulting
Hardwood Federation

Golf tournament refreshment

SII Dry Kilns

Golf tournament prizes

Corley Manufacturing Inc.
USNR

Sporting clays tournament

ISK Biocides Inc.

Tennis Tournament

U*C Coatings Inc.

Certified from page 1

principles call on the U.S. forest products industry to practice land stewardship. He said more than 55 million acres of forest land in the United States and 72 million acres in Canada have been independently third-party certified to the SFI Standard.

On the international front, SFI is recognized by the United Kingdom government, meeting all sustainable and legal requirements. It also meets all BRE requirements (UKG Green Building); and was endorsed in December 2005 by the 464 million-acre International Recognition Program (PEFC).

Both speakers received questions after their remarks and many centered on costs for each program. The fees range depending on the size of the company and operation.

"This was a great introduction for many people to certification and the leading programs available," said Inman. "Now each must decide if either is a program that will benefit them and their company."

American Hardwood Export Council consultant Rupert Oliver explained certification demands in Europe. The European market continues to see increased demand for certified lumber and products. AHEC Executive Director Michael Snow shared insight into international markets.

Snow said US hardwoods are losing an important market advantage in major export markets—at a time when exports are increasingly important to the health of the US industry. He added that environmental credentials have been one of strongest tools of AHEC's generic promotion.

The AHEC executive reported that European and Japanese markets recognize US hardwoods as sustainable, but there are demands for "sustainable & legal" wood products. International customers are seeking certification and traceability as proof.

"Our Friday session was terrific with a wealth of information," Inman said. "Participants left the session with a much greater understanding of what is taking place in the market."

Producers and Distributors

The Saturday business session began with separate meetings for Producers and Distributors at 8 a.m. The Producers' Only session featured a roundtable discussion of sustainability of Appalachian hardwood lumber.

The Producers agreed to ask the AHMI board to pursue a sustainability initiative from AHMI for sawmills within the region. The program will be announced later this spring.

The Distributors Division meeting received a pre-

sentation from Ken Arney, U.S. Forest Service Southern Region deputy regional forester. He shared information on U.S. Forest Service plans in the south.

AHMI Report

The Saturday general session began with the Annual Report and remarks from AHMI Chairman John Crites. He thanked Mark Barford for his leadership as AHMI president and executive from 1993-2006 and also praised former Administrative Assistant Susan Koontz for her 23 years of service. Both former employees and their spouses attended.

Crites detailed AHMI's progress in 2006 in membership retention and growth, the successful program of work on promotions, education and forestry initiatives and called on Vice Chairman of Finance Jimmy Powell for a financial report. AHMI had a net gain of more than \$16,000 for 2006 and has a balanced budget set for 2007.

NHLA Report

The National Hardwood Lumber Association was a focus of the Saturday session with reports from NHLA President Jim Howard and Executive Director Mark Barford. Howard said the NHLA Board is considering several initiatives to streamline the work of the association and better serve members.

Barford said NHLA has been known as the "grading and inspection" group for decades and that has served the association in the past. They have learned, however, grades are not the only service the national association must provide and are expanding networking opportunities, communications, forest resource information and improving meetings.

The 2007 NHLA Convention is set for Sept. 12-15 in Washington DC and NHLA has invited Gen. Colin Powell and Lt. Col. Oliver North as speakers. Barford encouraged AHMI to become more involved in NHLA.

The New Oak Partnership (NOP) presented a report on its progress in 2006 and plans for 2007 from Co-Chairman Ed Ramsey. The Partnership has raised almost \$500,000 and is reaching architects, designers and consumers with a positive message about the benefits of Oak.

NOP efforts include mailing cards, an interactive website, college student design contests and cooperative marketing arrangements with manufacturers.

"Our business sessions were very well-attended and participants were very engaged in the programs," Inman said. "The speakers provided great insight into their work and provided detailed answers."

For more information about specific programs, contact Inman at (336) 885-8315.

Hardwood Federation Sets 2007 Priorities

WASHINGTON, DC - The Hardwood Federation recently set 2007 legislative priorities at its Annual Meeting in February.

Appalachian Hardwood Manufacturers, Inc. President Tom Inman participated in the two-day event. The first day was discussion of the changes in the 110th Congress as Democrats take over leadership of both houses and Federation strategy for addressing it and the second day was visits to Congress.

Federation Executive Director Betsy Ward told the Board that staff was developing relationships with the new members of Congress and their legislative assistants. Many key agricultural and natural resource committees and assignments have changed.

The legislative priorities for 2007 will include:

Trade/Competition: The HF supports a level playing field in international trade and will aggressively counter unfair trade practices that put US manufacturers at a competitive disadvantage. The HF has asked Congress to initiate a request for a "Section 332" study of the competitiveness of the US wood flooring industry and impact of wood flooring imports to be conducted by the International Trade Commission (ITC) to better understand the extent of import challenges facing the industry.

The HF also petitioned the International Trade Commission (ITC) to develop more detailed subcategories for US tariff codes to give the hardwood industry a clear picture of import trends for lumber, plywood, veneer and flooring products.

Illegal Logging - Illegal logging contributes to deforestation, undermines the viability of legally harvested and traded forest products, and creates unsustainable forest conditions. The HF is committed to address this problem and has adopted an illegal logging position statement and is working with the US government, industry, non-governmental organizations, and international groups to seek common solutions to this growing problem.

Wood Pallets - The HF is working to protect wood pallets from unreasonable trade restrictions which would contradict international standards. The HF was instrumental in temporarily halting the European Union's proposed debarking standard on wood pallets. The EU intends to implement the unjustified debarking standard in September 2007.

Farm Bill Reauthorization - Comprehensive agricultural legislation is scheduled to be considered in the 110th Congress. The Farm Bill primarily governs farm commodities with support payments and



Making a legislative visit are (from left) Jack Shannon, Shannon Lumber; Harry Demorest, Columbia Forest Products; Rep. Heath Shuler, D-NC; Wendell Cramer, Cramer Lumber Co.; Tom Inman, AHMI

loan programs. Also included in the law are timber-related provisions that address conservation, watershed protection and erosion protection. The HF seeks to enhance the current farm law with provisions which will encourage more hardwood acreage, and reflect the unique conservation attributes inherent in hardwood stands.

Support Immigration Reform - The US hardwood industry employs thousands of workers throughout the United States. The HF is monitoring the various Congressional bills under consideration and believes that any immigration reform must include a guest worker program, a clearly defined process for allowing existing immigrant workers lacking adequate documentation to pay reasonable fines and apply for permanent residency, and continuity and expansion of H-1B and L-1 visas for professionals and highly valued workers.

LEED Building Standards - The HF supports the concept of environmentally sustainable building but the United States Green Building Council's LEED rating system as currently developed and implemented fails to fully recognize the environmental benefits of wood and discriminates against the use of wood products in LEED certified buildings. Legislation regarding green building standards should utilize rating systems that compare environmental qualities of building materials like Life Cycle Assessment (LCA).

For more information on these activities, please contact Tom Inman at the AHMI office at (336) 885-8315.



Forest Products Sales Training Set At VT

BLACKSBURG, Va. - The Department of Wood Science and Forest Products will present their sixth annual short course on "Advanced Sales Training in the Forest Products Industry," March 28-29 at the Inn at Virginia Tech and Skelton Conference Center.

The course is designed for those who are currently selling forest products and want to understand the importance of improving their communication, time management, and negotiation skills. Some of the topics that will be addressed include trends in the industry, effective communication to improve sales, and relationship selling for wood products industry.

The course is sponsored by Virginia Tech's Center for Forest Products Marketing and Management, the Virginia Forest Products Association, the Hardwood Manufacturers Association, and Virginia Tech's Continuing and Professional Education Program. The fee for the course is \$395 or \$325 for employees of companies that are members of the Center for Forest Products Marketing and Management.

Registration is due no later than March 14 and is limited to the first 30 applicants. Interested applicants can visit www.cpe.vt.edu/astfpi to complete the registration online and also contact Bob Smith at 540/231-9759 or rsmith4@vt.edu for more information.

Carolinas Expo Draws Crowd

GREENSBORO, NC - The 2007 Carolina Industrial Woodworking Expo here recently attracted hundreds of woodworkers from across the Carolinas and Virginia.

As furniture manufacturing continues to move offshore, this show has declined in size in recent years. The 2007 version was down slightly from the previous year but still attracted attendees.

"The show is important to our producer and distributor members as they serve and develop new leads within the central Appalachian region," said AHMI President Tom Inman. "There were several AHMI members with booths and visits from customers asking about Appalachian hardwood lumber.

"It is always beneficial to attend these events and make contact with wood consumers from the small shops up to the large manufacturers," he said.

AHEC Board Reviews '06; Sets 2007 Goals

WASHINGTON DC - The American Hardwood Export Council Board of Directors met recently to review work in 2006 and prepare a plan of action for 2007.

AHEC was very successful in reaching new and existing markets with a message about American hardwoods, reported AHEC Executive Director Michael Snow. The organization was able to increase funding from the U.S. Department of Agriculture and expand markets in Asia, Europe, the Middle East and Mexico.

Snow reported, however, that membership in AHEC is down slightly and the budget for 2006 was a deficit. He said membership retention and recruiting plans are underway for 2007.

The AHEC calendar for the first six months of 2007 include trade shows and exhibits in 22 locations in Europe, Asia, the Middle East, and Mexico. Appalachian Hardwood Manufacturers, Inc. is a member of AHEC contributes annually to its administration.

US Asks WTO To Review Chinese Subsidies

U.S. Trade Representative Susan C. Schwab announced today that the United States has requested World Trade Organization (WTO) dispute settlement consultations with the People's Republic of China regarding its provision of subsidies that appear to be prohibited by WTO rules.

"We are committed to challenging China's WTO-inconsistent practices that harm American workers and businesses," said Ambassador Schwab. "China's use of market-distorting subsidies creates an uneven playing field and subverts China's own efforts to foster consumption-led growth. Where China has failed to meet its commitments, we will use the full array of tools available to secure compliance. Our decision to bring this case to the WTO comes after our efforts at dialogue failed."

The subsidy programs at issue appear to grant export subsidies, which provide incentives for foreign investors in China and their Chinese partners to export to the United States and other markets. These subsidies offer significant benefits and are available for all products made in China, including, for example, steel, wood, paper, and other manufactured products.

AHFRA Awards Projects To VT, WVU

The Appalachian Hardwood Forest Research Alliance recently awarded contracts for its first two research projects to professors at West Virginia University and Virginia Tech.

The first project is titled "Review and Analysis of Existing Growth and Yield Models in Appalachian Hardwoods" and contracts were awarded to Dr. John Brooks of West Virginia University and Dr. Phillip J. Radtke of Virginia Tech. While the proposals were competing, the AHFRA review panel agreed to fund both activities.

"The respective approaches were believed to be sufficiently complimentary and that significant value would result from both," said Curt Hassler, AHFRA research director. "In particular, the emphasis on northern and southern Appalachian types that each proposal offered was a more comprehensive and desirable evaluation."

The second project is "Preconditioning Treatments in Appalachian Hardwood Stands to Achieve Adequate Regeneration of Desirable Commercial



FORESTRY

Species Following Harvest." The contract was awarded to VT Professor Tom Fox.

AHFRA was formed in late 2005 as a partnership of the forest products industry, landowners, academic and government scientists, state and federal agencies, non-governmental agencies and Appalachian Hardwood Manufacturers, Inc. The goal is to pool scarce resources to conduct the research and technology transfer on Appalachian hardwood forests.

AHFRA has established a review committee and proposals are studied and agreed upon before requests for proposals are accepted.

AHMI serves as the managing partner of the AHFRA. For more information on these projects, please contact Hassler at ahfra@appalachianwood.org.

Proposal Would Sell 6,000 Acres Of Forests

More than 10,000 acres in the two states are among 273,000 acres the administration would sell nationwide in the 2008 budget year. The sales could raise \$800 million.

The proposal reduces a 2006 proposal to sell the land in North Carolina. The land includes 800 of he 50,000 acres in the Uwharrie National Forest and 4,800 acres of the Pisgah and Nantahala National Forests.

Rep. Heath Shuler, D-N.C., says he would fight the proposal to sell 4,800 acres in the Pisgah and Nantahala forests of his western district.

The Forest Service says the land targeted for sale is in isolated tracts that are hard to manage. Congress would have to approve the sales.

Last year the administration said land-sale revenues were needed for a program that helps rural schools in counties with declining timber sales. About 14,000 acres in the Carolinas were proposed for sale then.

This year's plan would give half the money to the rural schools program. The other half would be used to buy forest land with higher environmental values.

Terry Seyden, a Forest Service spokesman in Asheville, said sensitive tracts such as habitat for endangered species were removed from this year's sale list.

Annual Meeting Sporting event winners

Golf

Men Low Gross: First - John Winkler; Second - Roy Cummings; Third - Chris Jacobson

Men Low Net: First - Norm Steffy; Second - Chris Keziah; Third - Buck Vaughn

Ladies Low Gross: First - Marijo Wood; Second - Courtney Borntraeger; Third - Bert Barrett

Men Long Drive: Webb Heinzleman

Men Closest to the Pin: Buck Vaughn

Ladies Long Drive: Courtney Borntraeger

Saturday Captain's Choice:

First Place Team - Joe Pryor, Doug Toothman, Mike Sanders, Bill Moore

Second Place - Joe Kelly, Jay Reese, Mark Church, Gary Miller

Third Place - Webb Heinzleman, Steve Morris, Bob Keiver, Barry Cook

Tennis

Men: First - Kent Carr; Second - Mitch Carr

Ladies: First - Diane Carr; Second - Debra

Law

Sporting Clays

First - John Patterson; Second - Tim Borntraeger; Third - John Crites II