



Since 1928

The Standard

Monthly Newsletter of APPALACHIAN Hardwood Manufacturers, Inc.



October 2008

Going Green Conference Deadline Extended

Appalachian Hardwood Manufacturers, Inc. is one of 14 trade associations merging efforts into the "Dollars and Sense of Going Green" conference on Oct. 28-29 at the Sheraton Indianapolis City Centre Hotel.

The objective of the summit is to provide a forum for leaders in the primary and secondary hardwood manufacturing industries to discuss wood certification and help companies plan for the future. It is organized by Purdue University, Department of Forestry and Natural Resources, and *Wood & Wood Products Magazine*.

The early registration has been extended one week until Friday, Oct. 10 and provides a savings of \$100 per registration. Online signup is available at www.greenwoodseminar.com and AHMI members receive a discount using the code AHMIVIP.

The forum is designed to have "industry talking to industry," said Dan Cassens, Purdue University. More than two dozen speakers are scheduled.

"We want to provide the hardwood industry with as much information about certification, industry experience with certification, and current and future

markets for certified wood products," he said.

AHMI agreed to participate as a cooperator to give Appalachian members the opportunity to hear from a wide range of customer groups. Speakers are set from furniture, kitchen cabinet, flooring, millwork, office and institutional furniture, and retail store fixtures.

"These are all very important customers to AHMI members and we must be aware of their needs and expectations in the future," said AHMI President Tom Inman. More than 100 people are pre-registered.

The complete program and registration details are available at www.greenwoodseminar.com. Make your hotel reservations by Oct. 13, 2008, to qualify for the room rate of \$119 plus tax. Be sure to mention "Green Wood Seminar." For reservations, call the Sheraton at (317) 635-2000.

For more information, please contact Dan Cassens at 765-494-3644 or e-mail dcassens@purdue.edu or Tom Inman at 336-885-8315 or email tom@appalachianwood.org. The registration fee includes meals, refreshments during breaks and meeting materials.

AHMI Promotes Verified Sustainable At NHLA

Appalachian Hardwood Manufacturers, Inc. will exhibit at the 2008 National Hardwood Lumber Association Convention to promote the benefits of Appalachian Hardwood Verified Sustainable.

The marketing campaign began in July 2007 to educate wood consumers about the hardwood lumber resource in the Appalachian Region. In the past 14 months, more than 100 AHMI members have ordered certificates and stickers to promote their companies to customers.

AHMI will be in **booth 415** in the exhibit hall. Members attending the convention are encouraged to visit and meet customers in the booth.

"This is an excellent opportunity to reach lumber distributors around the country and dozens of international customers who are attending the convention with the American Hardwood Export Council," said AHMI President Tom Inman. He is also scheduled to speak to the Hardwood Distributors Association breakfast during the convention.

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APPALACHIAN Future Meetings

Forest Certification Summit - Oct. 28-29, 2008
Indianapolis, IN

2009 Annual Meeting - Feb. 25 - March 1
Ponte Vedra Inn & Club, Ponte Vedra, FL

2009 Summer Conference - Aug. 1-4
The Homestead, Hot Springs, VA

The way I see it...

By Tom Inman, AHMI President

...and, more importantly, hear it from many Appalachian Hardwood Manufacturers, Inc. Producer members is that times are t-o-u-g-h. The industry has moved past "challenging" and solidly into "difficult" for many sawmills over the past several weeks.

The troubles come from all fronts: timberland for sale is decreasing; the price of timber is flat if not up slightly; the number of loggers is decreasing; the price of lumber is decreasing; and the volume of orders are down.

I try to seek out the optimistic people and a bright spot is hard to find. All of the forecasts for recovery are pushed out until the fall of 2009.

Another member said his customers just do not have orders. The slowdown in demand stretches from the consumer all the way back to the woods.

So what's a sawmill to do?

"We just keep plugging away at it and look for every opportunity," one member said. "It is taking more phone calls and emails than I ever imagined to sell one load, but that's where we are today."

Every customer in 2008 is an important customer and sales people must make every effort to meet the needs and reasonable demands of the customer. Now is the time to focus on service.

"We receive an order this morning and we get it to the customer this afternoon," one distributor said. "We never had to do that before or if we did it was very rare. Now it is weekly but you do what you have to and keep the orders."

Einstein once said "Try not to become a man of success but rather try to become a man of value." Now are the times that the industry and individual companies must build and maintain value in the eyes of our customers.

Do you understand your customer?

Do you understand your product?

Do you know exactly what your customer needs?

Do you understand how you can meet their needs?

Can you help your customer improve their yield?

Can you help your customer make a better product?

The understanding of these things and the transfer of that understanding to your customer will give you value. People want to do business with those who bring them value.

You don't get paid for the hour. You get paid for the value you bring to the hour - Jim Rohn.



MEMBERSHIP

HIGH POINT - Appalachian Hardwood Manufacturers, Inc. welcomes the following new members to the association:

Consumer

Richard Cruse Woodturning

Richard Cruse

1160 Wing Lane

Moneta, VA 24121

Website Offers Wood Industry Training Information

A new website has been established to make it easier for companies and individuals who are seeking training and continuing education programs to automatically be notified of training programs that meet their pre-selected interest and make contact with those who are offering training programs.

HONE will become an one-stop source for information about training programs, workshops, and short courses focusing on the wood products industries.

The site also offers an opportunity to list training needs for organizations that offer these services. Companies can target specific classes based on the request of HONE participants.

More than a dozen classes and workshops are currently posted on the website.

Registering with HONE is free and brings several important advantages that make the site more useful. To get started please sign up for a free account at <http://na.fs.fed.us/hone/signup/>

There is no charge or fee for using this website. It offers easy-to-use registration, automatic notification by email of courses that meet your requirements, and easy browsing of courses offered by various topics.

To learn more or to visit the site, please go to www.honeonline.info. The site is administered by a grant from the U.S. Department of Agriculture through the Wood Education Resource Center in Princeton, WV.

For more information, email woodtraining@gmail.com or telephone 563-652-5104.

Hardwood Leaders Meet With Congress

WASHINGTON, DC - Appalachian Hardwood Manufacturers, Inc. members joined with other hardwood industry leaders at the Fall 2008 Hardwood Federation Fly-In.

More than 25 leaders visited with six Senators and more than 50 Representatives and shared the hardwood message. The agenda included support of House Resolution 1477 in support of the U.S. hardwood industry.

HR 1477 "recognizes the importance and sustainability of the United States hardwoods industry and urging that United States hardwoods and the products derived from United States hardwoods be given full consideration in any program directed at constructing environmentally preferable commercial, public, or private buildings."

"The response was very positive and the legislators from the Appalachian Region are in full support," said AHMI President Tom Inman. "We gained several co-sponsors and I urge all AHMI members to contact their representative and ask them to sign on."

Other issues included increasing the limit on truck weights, estate tax reform, and green building.

"We were there in the middle of the bailout discussion and learned first-hand of the opposition to this plan from the public," Inman said. "The lawmakers were interested in our thoughts about that as well



Tom Inman, Wendell Cramer and Mark Vollinger met with Sen. Elizabeth Dole of North Carolina

as our issues and this trip was very worthwhile."

Attendees received an update on the Lacey Act (see *article below*) and progress for the Hardwood Federation Political Action Committee (HFPAC). Contributions for 2008 are behind and the HFPAC has not been able to assist as many candidates as planned.

HFPAC Chairman Ben Forester asked for new commitments to the HFPAC to complete the 2008 election cycle. For more information about the HFPAC and how you can participate, please contact Deb Hawkinson at 202-463-2705.

Agencies Draft Plan For Lacey Act Implementation

Federal agencies involved in implementing a new requirement for documenting all wood or plant-based imports have reached preliminary consensus with industry groups on compliance with the revised Lacey Act.

A provision in the 2008 Farm Bill amended the Lacey Act to address goods made from illegally harvested wood. Under the law, importers face a Dec. 15 deadline to begin filing declarations specifying the scientific name and species of any wood in a product, and the country of harvest.

USDA agencies have a preliminary plan, which still needs to be signed off on by key lawmakers and committees on Capitol Hill, that would be implemented in five stages.

Full enforcement of the act would start in January 2010.

Support For Truck Weight

A coalition of agricultural and forest product hauling interests have formed a steering committee and developed a plan for 2009 to press the need for increased gross vehicle weight limits for trucks.

The Agricultural Transportation Efficiency Coalition calls for increasing truck weight limits for forest products to move these essential goods in a fuel-efficient manner. The group will target the 2009 Highway Reauthorization Bill.

Increasing weight limits has been a Hardwood Federation position for several years. At a recent Fly-in, Federation members asked Congress to consider Department of Transportation studies that showed the increased limit posed no threat to highways or safety.

"We will make the case that improving our road system's ability to move these more efficiently will conserve fuel, improve safety, reduce emissions and prevent the loss of more U.S. jobs to other countries," said Mike Branch, AgTEC chairman.

For more information, contact the AHMI office at 336-885-8315.

AHMI Takes Green Message To Market

HIGH POINT, NC - Appalachian Hardwood Manufacturers, Inc. will take its sustainable message to attendees of the International Home Furnishings Market in October.

The association returned to furniture market as an exhibitor in April to promote the Appalachian Hardwood Manufacturers, Inc. Verified Sustainable program in the Eco-Pavilion. "The area received wide promotion around the furniture market and there were seminars on green design and purchasing throughout the week," said AHMI President Tom Inman.

AHMI recently upgraded its trade show booth to focus specifically on Verified Sustainable.

"I make it clear to people that AHMI's program is not forest or product chain of custody certification," he said. "I help customers understand that our Appalachian forests are sustainable and we show them the data and our definition."

The AHMI exhibit was viewed by thousands of marketgoers in April and dozens picked up brochures and press releases about Verified Sustainable and the 2008 Appalachian Hardwood Resource Guide.

AHMI members are invited to participate in the furniture market. Please contact Inman for assistance.

ALC Invites AHMI Members To Nov. Meeting

The Appalachian Lumbermen's Club (ALC) has invited all Appalachian Hardwood Manufacturers, Inc., members who are not affiliated with ALC to attend the next meeting as a guest of the club.

ALC is a social club, encouraging members and their guests to fellowship, exchange ideas, conduct informal business discussions, and support each other and the hardwood industry. The club is bound by antitrust laws which can be found on its web site www.lumberclub.org.

"We would like to extend to members of AHMI an open invitation to attend any of our regular meetings, as a guest of the club itself," said Jamie Straka, ALC vice president.

The next meeting is November 11 at the Rock Barn Country Club in Hickory, NC. A meeting registration form is available from the AHMI office by calling 336-885-8315.



AHMI Booth At Furniture Market's Eco-Pavilion

Hardwood Council Exhibits At Greenbuild

The Hardwood Council will be exhibiting at the U.S. Green Building Council's Greenbuild, in Boston on Nov. 18-20. More than 25,000 green building professionals will attend the conference with the theme "We Are Revolutionary Green."

AHMI is a member of the Hardwood Council and the U.S. Green Building Council. The USGBC administers the LEED program and its mission is to have green building concepts for all residential and commercial construction in the next generation.

Greenbuild includes over 100 educational sessions featuring world renown speakers, LEED workshops, off-site educational sessions, and Green Building tours of local Boston sites.

The Hardwood Council has received 75 complimentary VIP Expo passes. These passes will get you, or guests, in for one day, either the 19th or 20th. If you'd like to attend both days, then you must complete the form twice.

Please follow the link below, and you will be guided through a series of steps to complete your registration. <https://register.greenbuildexpo.org/portal/registration/thegw4s6>

If you have questions, please contact Tom Inman at AHMI at 336-885-8315.

Thomasville Adds Jobs

THOMASVILLE, N.C. — Thomasville Furniture Ind. will add about 100 jobs to its Plant C here in the next several months as part of a plan to better utilize its production facilities.

Some of the workers have already been hired to assemble dining chairs for six or seven dining groups, while others will produce beds and tables for a few inline collections.

Plant C was largely idled in mid-2007 when its operations were consolidated into the company's Lenoir, N.C., case goods plant. While the facility has employed a small number of workers to handle small jobs since then, this would be the first significant hiring for production there.

As of late September, the plant employed about 15 workers. That figure is expected to reach about 30 in the next couple of weeks and rise to at least 100 in the next several months, said Thomasville Furniture President Ed Teplitz.

Thomasville also is hiring workers for the Lenoir facility, which is expected to add 100 jobs by the end of the year. Teplitz said the added production capacity will help reduce lead times, compared with shipping goods from Asia.

"We are pleased to be able to bring this work back here and create these jobs," he added. "We think it will lead to better service levels to our customers."

Columbia Meets CARB

GREENSBORO, N.C. - Industry supplier Columbia Forest Products said it is producing California Air Resources Board Phase 2 certified board with its formaldehyde-free PureBond Veneer Core Hardwood Plywood.

The Phase 2 requirements begin for manufacturers of hardwood plywood with a veneer core starting in January 2010. Furniture retailers in California will be required to carry only products containing compliant board starting in July 2010.

The Hardwood Plywood and Veneer Assn., an approved third-party certifier for board manufacturers as required under CARB, informed Columbia that its seven North American plywood mills were certified to produce panels that are compliant with the CARB formaldehyde standard, a .05 parts per million emission limit.

Columbia said its packaging and paperwork will be modified to include the certification information for customers who need to document the use of CARB-compliant panels.



MARKETS

Furniture Antidumping Review Delayed

Furniture Today

WASHINGTON - The U.S. Department of Commerce has delayed the release of preliminary results of the 2007 administrative review of furniture antidumping duties by 120 days.

The administrative review covers wood bedroom furniture shipments from China in 2007. The annual review allows the government to audit the shipments of Chinese wood bedroom producers originally assigned specific duty rates. Those found to be dumping, or selling to the United States at below normal value, can be assigned a higher rate for the time period in question.

Preliminary results of that review originally were supposed to be released on Oct. 2. However, the DOC has determined it needs more time to analyze the review results along with new shipper reviews for the same period.

New shipper reviews are for manufacturers that automatically are assigned a 216% duty rate because they do not have a previous history of shipping wood bedrooms to the U.S. To achieve a lower rate, a company must show the government it deserves one based on their most recent shipments.

Statton Furniture Closes

HAGERSTOWN, MD — Officials with Statton Furniture Mfg. Co., a domestic producer of high-end solid cherry 18th and 19th century case goods, say the company will close after 82 years.

The family-operated company made the decision to liquidate its assets so it would not be put in a situation where it may have to file for bankruptcy protection, said President T. Hunt Hardinge III.

"I think people are really scared to buy right now and orders just truly dried up over the summer," he said. "We just don't have the reserves to sustain operations."

In the last 15 years Statton's employment has declined from 200 employees to just 38 remaining at the plant, Hardinge said. Pressure from imports in the past several years and the loss of some retail customers also have hurt.



Appalachian Interest

AHMI President Tom Inman recently met with buyers from Sorachi Veneer Co., Ltd. of Hokkaido, Japan at the AHMI office. The men wanted information on Appalachian logs and lumber and the Verified Sustainable program.

Lumber Grading Course

Haywood Community College has scheduled its first short course, Hardwood Lumber Grading, for October 28-30. Tuition is \$300 per participant and includes lunches and instructional materials/supplies for the course.

The course will include an introduction to the NHLA hardwood lumber grades and accepted practices and gives students the basic knowledge of hardwood lumber grades and how to apply the rules in grading, measuring, tallying and manufacturing lumber. The cost is \$300 and includes lunches and course materials.

Accommodations are available in the Canton, NC, area. To register, contact Rinda Green at HCC at 828-565-4243.

Officials Try To Stop European, Asian Moths

The Associated Press

CHARLESTON, WV - Having defoliated 75 million acres of hardwood forest in the Northeast since 1970, European gypsy moths are munching their way across U.S. forests while the even more destructive Asian gypsy moth has been detected in western states.

While officials say the voracious plant-eating European gypsy moth eventually will reach as far across the country as Georgia and Minnesota by 2025, the federal government is devoting about \$5 million this year in a program to eradicate and suppress the insects' development.

Yet officials say that's a small price to pay to blunt

'09 Meeting Focus: Economic Recovery

PONTE VEDRA, FL - Appalachian Hardwood Manufacturers, Inc. is making plans for the 2009 Annual Meeting set for Feb. 25-March 1 at the Ponte Vedra Inn & Club.

The theme is "Will Economic Recovery Come in 2009?" and is based on the ever-changing forecast from economists and other financial leaders. The agenda will include presentations from credit insurance specialists, an economist, and industry experts.

"Economic issues will continue to be at the forefront in early 2009 and we want to prepare AHMI members with strategies to succeed," said Tom Inman, AHMI president. "There are so many variables that are constantly changing. We will look at a few key areas and offer insight for meeting attendees."

The Ponte Vedra Inn & Club has completed a renovation since AHMI's last visit and there are renowned restaurants, championship golf, a world-class spa and a wide range of activities and amenities. The inn & Club offers new dining options and completely redesigned and redecorated guest rooms.

"Ponte Vedra is a favorite destination for its outstanding facility and proximity to our members," said AHMI President Tom Inman. "We have an exceptional rate and registration materials will be sent out in the next few weeks to members who will get first chance at the accommodations."

There will be an extra emphasis on the receptions and social times this year along with golf, tennis, and sporting clays. Please view more information about the resort at www.pvresorts.com or contact the AHMI office at (336) 885-8315.

the movement of insects that the federal Department of Agriculture estimates causes \$30 million in economic losses each year, mostly from quarantines on timber and agricultural products.

The battle against the European gypsy moth spans a 1,200-mile frontier from Wisconsin to North Carolina. The Slow the Spread program in Illinois, Indiana, Kentucky, Michigan, Minnesota, North Carolina, Ohio, Virginia, West Virginia and Wisconsin is reducing the moths' southward progress to 7.5 miles a year from 12.5 miles per year.

The program, which uses federal, state and local funds, includes traps, insecticides and mating-disruption techniques.