



Since 1928

# The Standard

Newsletter of APPALACHIAN Hardwood Manufacturers, Inc.



December 2009

## Improving Our Game Is Theme For '10 Meeting Unified Promotion, RPP, Online Sales Are Topics

The theme for the 2010 Annual Meeting of Appalachian Hardwood Manufacturers, Inc. is "Improving Our Game For The New Season" with speakers slated to discuss promotion, sales and certification programs.

The "spring training" focus is set for Feb. 25-28 at The Longboat Key Club and Resort, Longboat Key, FL. AHMI last visited Longboat Key Club in 2007.

Confirmed speakers are:

1) **Terry Brennan of Baillie Lumber Co.**, who is also the president of the Hardwood Manufacturers Association. He and other industry leaders are developing a strategy for a "unified" promotion program to rejuvenate the work of the Hardwood Council.

AHMI and a dozen other industry trade associations have funded the Council since the early 1990s to educate architects and designers. The effort has slowed in recent years and an emphasis is underway to rebuild the coalition for promotion.

2) AHMI members will learn about the Responsible Procurement Program developed by the National Wood Flooring Association. **NWFA Executive Director Ed Korzcak** and **Mullican Flooring President Neil Poland** will explain the tiered program from sustainability to certification. More than 60 percent of the U.S. hardwood flooring production is enrolled in the program.

3) Three speakers have been invited to discuss opportunities for online hardwood lumber sales in 2010. **George Barrett of Hardwood Publishing** has confirmed that he will discuss the company's WoodLogics system. Two other systems have been



Long Boat Key Club will be the site of the 2010 AHMI Annual Meeting near Sarasota, FL

invited.

4) Meeting participants will receive the results of a certification survey of Appalachian producers and distributors in 2009 that was completed by the U.S. Forest Service. **Iris Montague**, lead researcher, will discuss the findings.

Members are encouraged to register early to be eligible for the following prize drawings:

**Register by Dec. 18 for a \$100 American Express Gift Card!**

**Register by Jan. 15 for a Free Spa Treatment!**

**Register by Feb. 1 for a Free Round of Golf!**

Longboat Key Club and Resort offers 200 luxurious suites with private balconies, miles of white sand beach, 45 holes of championship golf, four unique restaurants, an exceptional spa and fitness center and is minutes away from the shopping, theatre and museums of Longboat Key / Sarasota area.

**(see Meeting on page 3)**

### AHMI

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### Meetings

**2010 Annual Meeting - Feb. 25-28**

Long Boat Key Club, Long Boat Key, FL

**2010 Summer Conference - July 24-27**

The Greenbrier, White Sulphur Springs, WV

**2011 Annual Meeting - March 3-6, 2011**

Ponte Vedra Inn & Club, Ponte Vedra, FL

## ***The way I see it...***

By Tom Inman, AHMI President

...2009 will be remembered as a most challenging year for everyone in the hardwood lumber industry. December magazines are full of forecasts for the coming year so this week I looked back at the hopes for 2009.

The year was supposed to start out slow with modest recovery as the year progressed. The thoughts were half right - the year did start VERY slow for many with the first three months some of the worst for sales in recent years.

The expected recovery never materialized. While many producers and distributors had a few weeks that were bright thanks to flooring companies and others replenishing inventories, overall the remaining quarters were weak.

Production is at least 40 percent down from the peak in 2005 and 2006. Log yards have been held to one- to three-week levels either by design for cash flow or as the result of landowners not accepting market prices.

And lumber inventories have been declining throughout the year with shortages reported for a few species and grades. That is expected to continue.

So the crystal ball forecast for 2010 is better times. What?

Economists are saying the demand for housing is growing, the number of building permit requests is increasing and consumers are adjusting to the new restrictions on credit.

The hardwood lumber industry has also made the necessary changes to match production with demand. Most companies are more lean and working harder than ever before to tailor products for existing and new customers.

AND wood products are finally getting a little recognition for being GREEN! Come on 2010!!

## **New Group Targets Building Codes, Regulations**

A new, national coalition, formed under the American Wood Council (AWC), will provide an organizational structure for wood products companies and associations to work together on building codes and standards, green building policy issues, and environmental regulations affecting manufacturers.

The coalition will focus on a narrow set of issues to maximize advocacy efforts before key code and policymaking bodies. It will work with state and regional associations, who can also become members,



## **MEMBERSHIP**

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

### **Consumer**

Walnut Creek Planing, Ltd.  
Charles Kratzer  
5778 State Route 515  
Millersburg, OH 44654

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## **AHMI's 2010 Membership Renewals, Resource Guide**

HIGH POINT - Appalachian Hardwood Manufacturers, Inc. mailed its 2010 membership renewal information on Dec. 1. For the 18th consecutive year, AHMI dues have remained at the same level for all divisions.

Membership in the association assures the promotion of Appalachian hardwood lumber and products will continue around the world. AHMI signed up 13 new members in 2009.

Exciting plans are developing for 2010 that will further benefit member companies with sustainability, certification and promotion, said AHMI President Tom Inman.

The association also mailed information for the 2010 Appalachian Hardwood Resource Guide. The directory is published annually and distributed to thousands of lumber buyers around the world. It lists each member of the association and details about the company and its offerings

For more information about membership or participation in the Resource Guide, please contact Inman at the AHMI office at (336) 885-8315. The deadline for each is Jan. 31, 2010.

in order to maximize its leverage and effectiveness.

The coalition began forming in August and has received participation commitments from over 40 companies representing more than 50 percent of lumber production, 70 percent of structural panel production, and 60 percent of engineered wood products. The coalition is expected to launch on January 1, 2010.

"We seek to expand our force and effectiveness by ensuring that we reflect the full range and diversity of America's wood products industry," officials said.

## Meeting from page 1

The resort features 200 guest rooms and suites, with the "Beachview Club Suite" highly recommended. Rates start at \$360 and most rooms have private balconies and full kitchens. Please ask the reservationist for all of the options.

Please make your reservations early at Longboat Key by calling 1-800-237-8821 and make your travel plans today. The AHMI registration form is included on page 6 of this newsletter and can also be completed online along with the resort reservations at [www.appalachianwood.org/meetings.htm](http://www.appalachianwood.org/meetings.htm).

For more information, please contact the AHMI office at (336) 885-8315. We look forward to seeing you in Longboat Key!

Hardwood Spring  
Training 2010  
Improving Our  
Game For The  
New Season!  
Feb. 25-28



## Chipper/Grinder Safety Video

The North Carolina Forestry Association has produced a 21-minute Wood Chipper/Grinder Safety Video, to orient logging personnel and others about the hazards of working with, and working in the vicinity of, this equipment. The video comes with a guide to help as a resource for a one-hour training workshop.

The Forest Resources Association distributes the video, in DVD format, nationwide. Each DVD contains two versions of the video, one with English and one with Spanish narration.

The video addresses personal protective equipment, doing an equipment safety check, assessing the site for hazards, being aware of other workers and equipment in the operating area, limitations and operating parameters of the equipment, basic maintenance, "situations to avoid," log deck layout, lock-out/tag-out procedures, and transporting equipment.

FRA members may order the Wood Chipper/Grinder Safety Video (DVD format) and Guide at \$50 apiece, or \$100 apiece for non-members. Please enclose payment with order, checks payable to "FRA"; charge orders may be faxed to 301/838-9481. Direct orders to Forest Resources Association Inc., 600 Jefferson Plaza, Suite 350, Rockville, MD 20852, and refer to stock number 09-A-7.

## 2010 Annual Meeting Agenda

### Wednesday, February 24

6 p.m. Early Bird Reception *TBA*

### Thursday, February 25

5-6 p.m. Registration *Lobby area*

6 p.m. Welcoming Social *Island House*

*Dinner on your own*

### Friday, February 26

9 a.m. General Session *John Ringling Ballroom*

Unified Hardwood Promotion Council  
Responsible Procurement Program for Hardwoods

9:30 a.m. Ladies to St. Armands Circle *Lobby*

12:30 p.m. Golf Tourney *Islandside Course*

Shotgun Start - Medal Play

1 p.m. Sporting Clays *Sarasota Trap & Clays*

6 p.m. Reception *Harbourside Dining Room*  
(Co-sponsored by LUA)

*Dinner on your own*

### Saturday, February 27

8 a.m. Producers Meeting *Island House Dining Room*  
(open to producers only)

8 a.m. Distributors Session *John Ringling Ballroom*  
(open to all meeting attendees)  
Chairman David Kay

9:15 a.m. General Session *John Ringling Ballroom*

Annual Meeting, Chairman's Report  
2010 Plan of Work  
Online Lumber Sales Systems  
Appalachian Hardwood Certification Survey

**\*NEW\* 11:45 a.m. Business Luncheon**  
*Island House Dining Room*  
(included with registration fee)

1 p.m. Golf Tournament *Harborside Course*

6 p.m. Closing Reception  
*Barefoots Poolside*  
*Dinner on your own*

### Sunday, February 28

NO FORMAL BUSINESS  
HAVE A SAFE TRIP HOME

# Augusta Lumber Acquires AHI Operations

WAYNESBORO, VA - Augusta Lumber announced in November the acquisition from American Hardwood Industries of the assets of its Blue Triangle division located in Everett, PA and its Graham Lumber division with facilities located in Linden, TN, Selmer, TN and Fulton, MS.

The combined companies will operate as American Hardwood Industries ("AHI") and will continue to sell its products under the Augusta, Blue Triangle, Graham Lumber and Rossi American Hardwoods names. AHI's Emporium and Northern facilities will not be acquired as part of this transaction.

John O'Dea, currently President of Augusta Lumber, will become President of AHI with full responsibility for each of its Augusta, Blue Triangle and Graham Lumber subsidiaries.

"We view this as a terrific opportunity to acquire two of the marquis producers in the Appalachian region with a strong reputation in both the export and domestic markets," O'Dea said. "This furthers solidifies our leading position in our region and in the export markets. We look forward to offering our customers more of the same quality and service they have come to expect from us.

"Thanks to the continued support and investment of our shareholders and banking partners, we are well capitalized and are confident we will emerge stron-

ger from this challenging time in our industry," he said.

AHI's current headquarters operations will be consolidated into Augusta's headquarters in Waynesboro, VA. Existing mill management will continue to run the Blue Triangle and Graham Lumber facilities, and certain members of AHI's senior management, including the Blue Triangle and Graham Lumber core sales team, will work for Augusta and/or relocate to Augusta's headquarters.

As part of the transaction, former AHI CEO Ted Rossi will no longer be active in the operations of the business and will serve as an advisor to its Board for acquisitions and strategic initiatives.

The new operations will make American Hardwood Industries among the largest Appalachian producers in the USA with a combined production capacity of over 120 million board feet. The combined operation will maintain leadership positions across all of the major export markets including Europe, Asia and the Middle East.

Founded in 1955, AHI is a vertically-integrated supplier that includes nine sawmills with a total capacity of 120 million board feet, five Kiln locations with a total annual kiln dried capacity of 65 million board feet, and a flooring plant which manufactures pre-finished flooring under the brand name Montebello Flooring.

## Gibson Guitar Raided

*Reprinted from The Business Journal*

Gibson Guitar Corp. is the first U.S. company to face prosecution under a new federal law banning illegal wood. Agents with the U.S. Fish & Wildlife Service executed a search warrant at Gibson's Nashville guitar plant in November. According to unconfirmed media reports, agents seized various items, including an endangered form of rosewood from Madagascar.

Andrew Ames, spokesman for the U.S. Department of Justice, confirmed the raid but declined further comment. Gibson posted a statement on its Web site stating that it is "fully cooperating" with Fish & Wildlife officials.

The search was seeking violations of an amendment to a century-old law called the Lacey Act, which combats trafficking in illegal wildlife, fish and plants. Congress expanded Lacey in May 2008 to include timber and wood products, making the U.S. the first in the world to regulate trade in plants and plant products. Declaration rules went into effect in May.

## Certification, Marketing Highlight Going Green

Representatives of secondary wood products companies, suppliers, trade groups and other interested parties gathered for the second Dollars & Sense of Going Green Conference in November.

The conference was organized by Purdue University's Department of Forestry and Natural Resources and Wood & Wood Products magazine. Banks Hardwoods Inc. of White Pigeon, MI, and the Wood Education and Resource Center of Princeton, WV, sponsored the conference.

Among the issues addressed by the conference were: the steps a wood products company should take to produce greener products; the status of forest and wood certification schemes; and ways a company can translate its environmental efforts and achievements into an impactful and credible marketing program?

For more information or a copy of the results, contact the AHMI office.



## AHMI Plans Booth At Interzum Guangzhou

Appalachian Hardwood Manufacturers, Inc. will exhibit at the China International Woodworking Machinery & Furniture Raw Materials Fair (Guangzhou) in March 2010.



The 7th Interzum Guangzhou will be held from 26-29 March 2010 at the China Import and Export Fair Pazhou Complex, Guangzhou, China. Interzum Guangzhou is held in conjunction with China International Furniture Fair (CIFF).

AHMI will be exhibiting in the Appalachian

Regional Commission's "Appalachian Hardwood Pavilion." AHMI exhibited at the show in 2009 and received information from dozens of furniture companies.

"We want to be sure AHMI and our members are a part of this hardwood pavilion in one of the leading wood furniture manufacturing areas in China," said



Tom Inman, AHMI president. "We will be distributing our Export Resource Guide and another Appalachian promotion piece that is written in Chinese so they can understand the benefits of specifying Appalachian."

Interzum Guangzhou is recognized as Asia's most comprehensive woodworking machinery and accessories fair. The exhibits this year span across eight halls and more than 80,000 square meters of exhibition space. Over 600 exhibitors will showcase an international mix of the latest technology in furniture production and woodworking.

Show organizers expect more than 50,000 visitors from the woodworking and furniture production industry. The industries represented include furniture manufacturing, wood trading, DIY (Do-it-yourself) and BIY (Build-it-yourself), institutions, wood processing, furniture wholesale and interior design.

In 2009, five AHMI member companies sent agents or sales staff to work in the AHMI booth. That is available again to all members.

For more information or to participate in the AHMI space, please contact Inman at (336) 885-8315. More information about the show is available online at [www.interzum-guangzhou.com](http://www.interzum-guangzhou.com).

## AHMI Participates In AHEC Europe Workshop

Appalachian Hardwood Manufacturers, Inc. President Tom Inman participated in the American Hardwood Export Council's European Public Relations Workshop in Lisbon, Portugal on Dec. 2-3.

Representatives from six public relations companies and AHEC's European office gave reports on activities in 2009 and made plans for 2010. The work included trade shows, hundreds of press releases, design contests, lumber grading seminars and trade and consumer exhibits.

"AHEC is doing a terrific job promoting American hardwoods across Europe and teaching these architects, designers and consumers," Inman said.

AHEC Director Mike Snow and European Office Director David Venables discussed plans to expand the promotion of the legality and sustainability of U.S. hardwoods.

AHEC is developing plans for exhibits in 2010 including a new show in Moscow in May and existing

shows in Germany, Italy, Spain and the UK. AHEC will also expand efforts in the Middle East in 2010 with shows in Dubai in May and Abu Dhabi in May.

AHEC members companies can participate in the AHEC exhibit or contract their own space in the American pavilion. Contact AHEC for more details.

The European office has re-written and re-styled the Species Guide, one of AHEC's most important and widely circulated publications. The new brochure "Sustainable American Hardwoods – a guide to species" was launched by the European Director during the AHEC European Convention in Athens.

Key changes include; new and up-to-date application photography, more technical information and data and an increased emphasis on the main commercial species. An initial print run of 30,000 copies in English will be followed by further printing in most main European languages. There are also plans to make it available in Turkish and Russian.

# 2010 AHMI Annual Meeting Feb. 25-28 Registration

To accurately plan functions and include all participants, please complete this form and return it with your check to: AHMI, P.O. Box 427, High Point, NC 27261 before Feb. 1, 2010. AHMI will mail registration materials to meeting attendees prior to Feb. 15.

**Return earlier for special drawings:**

**Register by Dec. 18 for a drawing of \$100 American Express Gift Card!**

**Register by Jan. 15 for a drawing of Free Spa Treatment!**

**Register by Feb. 1 for a drawing of Free Round of Golf!**

**Registration fee before Feb. 1, 2010:**

**AHMI MEMBER - \$300 per person**

**GUEST - \$400 per person**

**MEMBER SPOUSE - \$200**

**GUEST SPOUSE - \$250**

*Add \$50 to any registration fee after Feb. 1, 2010. Register online at our website [www.appalachianwood.org](http://www.appalachianwood.org). Full registration fee refunded on cancellations received by Feb. 1, 2010 After that time will be subject to 50% forfeiture.*

**Call Longboat Key Club at 1-800-237-8821 beachfront rooms start at \$360 before 1/22/10**

**PLEASE REGISTER THE FOLLOWING FOR AHMI'S 2010 ANNUAL MEETING**

Name: \_\_\_\_\_ Badge Name: \_\_\_\_\_ FEE: \$ \_\_\_\_\_

Name: \_\_\_\_\_ Badge Name: \_\_\_\_\_ FEE: \$ \_\_\_\_\_

Company: \_\_\_\_\_

Address: \_\_\_\_\_

City/State/Zip: \_\_\_\_\_

**REGISTER FOR GOLF** (*Tournament on Friday at Islandside; Saturday at Harbourside*)

Name: \_\_\_\_\_ FEE: \_\_\_\_\_  
Please check:  Friday @ (\$175)  Saturday at (\$175)

Name: \_\_\_\_\_ FEE: \_\_\_\_\_  
Please check:  Friday @ (\$175)  Saturday at (\$175)



**REGISTER FOR SPORTING CLAYS** (*Friday 1 p.m. Sarasota Trap and Clay*)  
(*100-shots, ammunition, gun rental and cart included*)

Name: \_\_\_\_\_ FEE: \$75

**NEW - REGISTER FOR SATURDAY BUSINESS LUNCHEON** (*11:45 a.m.*) **PLEASE COMPLETE FOR COUNT**

Name: \_\_\_\_\_ (incl. with registration)

Name: \_\_\_\_\_ (incl. with registration)

**LADIES TRIP TO ST. ARMAND'S CIRCLE** (*Friday 9:30 a.m.-3:30 p.m.*)

Name: \_\_\_\_\_ FEE: \$10 (*for transportation*)

**Payment information**

**TOTAL \$ \_\_\_\_\_**

Check enclosed \_\_\_\_\_ Credit Card: VISA / MasterCard # \_\_\_\_\_

Name on card: \_\_\_\_\_ Expiration date \_\_\_\_\_

Billing zip code \_\_\_\_\_

*You may also register online at [www.appalachianwood.org/meetings.htm](http://www.appalachianwood.org/meetings.htm)*

Received \_\_\_\_\_