



Since 1928

The Standard

Newsletter of APPALACHIAN Hardwood Manufacturers, Inc.



October 2009

Inter-Industry Is Attracting Lumber Buyers

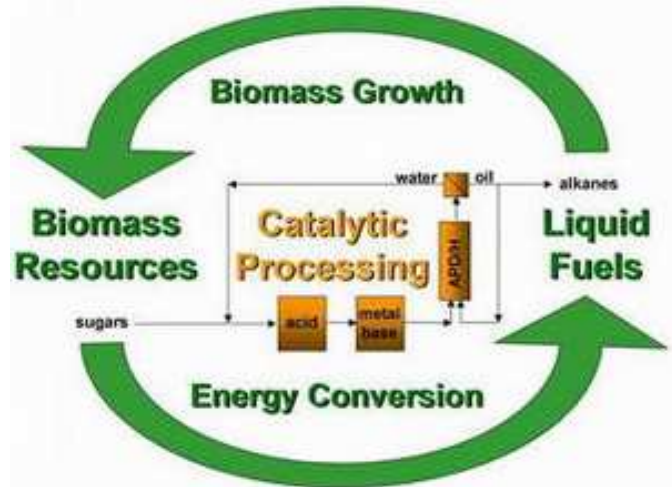
The 2009 Appalachian Hardwood Manufacturers, Inc. Inter-Industry Meeting and Tour is attracting the attention of lumber buyers throughout the central Appalachian region.

The meeting is set for Oct. 27-28 at the Marriott Griffin Gate in Lexington, KY. The agenda includes a reception for lumber buyers and producers, a business program on wood fiber biomass for energy, a tour of Moulding & Millwork of Lexington, KY, fall golf tournament and an afternoon of horse racing at Keeneland.

"This format has been very popular with our members and guests and the registration is building," said Tom Inman, AHMI president.

The keynote speaker is Dr. Bruce Pratt, chairman of the Eastern Kentucky University College of Agriculture. The university has partnered with General Atomics to develop a biomass energy production facility in Clark County, KY. He will discuss the future prospects for wood fiber conversion into energy in Kentucky and the Appalachians.

The chemical process of creating biodiesel builds on decades of research on the production of cellulosic ethanol, Pratt explains. It can begin with a wide



range of raw materials or biomass: forest and woody wastes like saw dust, tree thinnings, or pulp-mill residue, switchgrass or sorghum. This variety of raw material means that biodiesel production need not directly compete with human or livestock food sources, a significant concern with the corn ethanol processes.

The basic process begins when biomass is digested by commercially available Cellulase enzymes, producing sugars. The sugars are then fed to a strain of algae called heterotrophic, meaning that they are not reliant on the sun as the source of nutrients through photosynthesis. These heterotrophic algae begin to produce oils which can be processed into biodiesel.

While biodiesel is the end product, even the by-product hold potential: once oil is extracted from the algae, the algae residue is a potential livestock feed, says Pratt, and lignan, a component of plant cell walls from the biomass, is high in phenyls, a component in the production of jet fuel from biodiesel.

The U.S. Department of Agriculture is writing regu-
(See Inter-Industry on page 3)



Moulding & Millwork in Jeffersonville, KY, produces poplar mouldings for residential and commercial construction

AHMI

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Meetings

2009 Inter-Industry Meeting - Oct. 27-28

Marriott Griffin Gate, Lexington, KY

2010 Annual Meeting - Feb. 24-28

Long Boat Key Club, Long Boat Key, FL

2010 Summer Conference - July 24-27

The Greenbrier, White Sulphur Springs, WV

The way I see it...

By Tom Inman, AHMI President

...the list of lumber buyers planning to attend the 2009 AHMI Inter-Industry Meeting is growing. Buyers are invited this year to attend as guests of the association, sponsored by AHMI Producer and Distributor members. This practice began in the mid-1990s to attract as many buyers as possible to interact with sawmill and distribution yard sales staff.

The meeting is set at in Lexington, KY, for golf, networking during a reception, a dinner program on biomass use for energy sources, and a tour of Moulding and Millwork of Lexington. The dates are Oct. 27-28 and more details are on page 1 and a registration form is on page 6 of this newsletter. You can also register online at www.appalachianwood.org.

The session will end with an afternoon of horse racing at Keeneland. Advanced registration is required by Oct. 16 for this event.

Business and fellowship go hand -in-hand at AHMI conferences and the 2009 Inter-Industry will be exceptional. We hope to attract more than two dozens buyers from flooring, cabinet, millwork, furniture and other secondary manufacturing to the meeting. This is an excellent venue to meet new customers.

...the mood at the recent National Hardwood Lumber Association 2009 Convention in Boston was mixed as expected. The talk around the Trade Hall centered on slow sales, anxiety over timber availability and the future for loggers across the U.S.

While demand for hardwood has ticked up slightly, it has been met with adequate supply for most species and grades. There have been a few orders that remain unfilled and there continues to be forecasts of lumber shortages in the near future.

Keynote speaker Rudy Guiliani gave a positive speech about leadership and encouraged industry leaders to take small steps to improve during this economy. He cited preparation and planning as keys to meeting any challenge and the willingness to adapt to the situation.

The convention also offered speakers on markets, green trends, and the annual American Hardwood Export Council session with a delegation of media from China. The group toured the Harvard forest and distribution yards around Boston.

...you should mark your calendar now for the 2010 Appalachian Hardwood Manufacturers, Inc. Annual Meeting in Long Boat Key, FL, on Feb. 24-28.



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

Distributor

Billy Thompson
Thompson Forest Products
PO Box 9206
Greensboro, NC 27429

Consumer

Dennis Crews
Signature Custom Woodworking
PO Box 345
King, NC 27021

High Point Furniture Market Is Oct. 17-24

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 2008 to promote the Appalachian Hardwood Manufacturers, Inc. Verified Sustainable program. AHMI displays plaques at member booths promoting the program.

"I help customers understand that our Appalachian forests are sustainable and we show them the data and our definition," said AHMI President Tom Inman. Thousands of marketgoers receive brochures and press releases about Verified Sustainable and the 2009 Appalachian Hardwood Resource Guide.

AHMI will administer the 2009 Wood Species and Design Survey at the Fall market. Each year, survey teams visit each showroom to gather data on the species and design of bedroom and dining room groups, entertainment centers and home office. The survey is compared with previous years to determine trends.

AHMI members are invited to participate in the furniture market survey or simply contacting companies. Supplier Days are typically the final two days of market.

Please contact Inman for assistance in securing badges for entrance, parking or the location of potential customers.

Inter-Industry from page 1

lations on the Biomass Crop Assistance Program (BCAP) with a final rule expected by early 2010. The BCAP program, authorized as part of the 2008 Farm Bill, includes a dollar for dollar matching payment to "eligible material owners" of renewable biomass that is delivered to a "biomass conversion facility" or BCF—a facility that converts biomass into heat, power, bio-based products or a combination of any or all of the above.

Forest biomass as well as sawdust and other mill residuals are eligible under the program. Currently about 50 BCFs have qualified under the program with about another 75-100 applications pending. Roughly 30 percent of the applicants are wood pellet facilities and the remainder biomass-to-electric facilities with about 4 pulp and paper mills.

The meeting will include a tour of Moulding & Millwork in Lexington, KY, a poplar moulding manufacturer. The facility is part of the hardwood division of Sauder Industries Ltd., one of the largest suppliers of wood mouldings in North America, including oak, poplar, hemlock, mahogany, maple, cedar, pine and MDF mouldings with nine manufacturing facilities and 37 sales and warehouse facilities.

The Inter-Industry reception begins at 6 p.m. on Oct. 27. Dinner is served at 7 p.m. with the program

to follow. The tour the next day begins at 9 a.m. in Jeffersonville and concludes at 11 a.m.

Sporting events for the fall meeting include the annual golf tournament at 10 a.m. on Oct. 27 at the Marriott Griffin Gate course. Lunch will be provided.

Attendees are also invited to Keeneland on Oct. 28 at 12 noon for an afternoon of horse racing. AHMI will reserve a section of seating based on reservations and buffet lunch is included. There is an added fee for the racing and a jacket is required for entrance.

"Fellowship is a key ingredient for AHMI meetings as buyers and sellers can communicate in these informal settings," Inman said.

The Marriott Griffin Gate is an excellent facility with nicely appointed rooms and suites and a spa on site. The AHMI rate is \$114 and there are still rooms available. Please contact Megan Samuels at the Marriott at (859) 231-5100.

You may also reserve your room or register for the meeting online at www.appalachianwood.org/meetings.htm. There is a registration form on page 6 of this newsletter for your convenience.

If you have questions or need assistance, please call AHMI at (336) 885-8315 or email to info@appalachianwood.org.

VT Offers International Marketing Workshop

BLACKSBURG, VA - Virginia Tech's College of Natural Resources and Virginia Cooperative Extension will hold a workshop on International Marketing for Forest Products Industries on Oct. 20, at the U.S. Department of Agriculture Forest Service Wood Education and Resource Center in Princeton, WV.

The forest products industry has played an important role in the U.S. economy, yet the industry has suffered tremendously because of increasing global competition and is looking for ways to remain competitive. The workshop has been planned to help address this issue.

The workshop will introduce modern concepts in marketing for U.S. forest products industries to take advantage of global trade benefits. Included are sessions on the fundamentals of marketing, expanding your horizons by going global, and logistics and transportation issues, as well as a roundtable discussion. Managers at all levels of the forest products industry, independent consultants, academicians, and employees with responsibilities in marketing are strongly

urged to participate.

"U.S. forest products industries always need to look for market opportunities locally and internationally. This workshop will provide basic marketing principles, a global outlook of the forest products industry, critical information on logistic aspects, and potential international business opportunities," said Henry Quesada, assistant professor in the Department of Wood Science and Forest Products, who organized the workshop.

Those interested should register online at www.cpe.vt.edu/reg/imwpi/ before Oct. 13. The course fee of \$50 covers registration, coffee breaks, and lunch. Workshop partners include the USDA Forest Service Wood Education and Resource Center and Purdue University.

For more information e-mail Henry Quesada at quesada@vt.edu or call (540) 231-0978, or visit the International Marketing for Forest Products Industries workshop website at www.woodscience.vt.edu/workshops/intl_marketing/.



(From left) AHMI President Tom Inman; Rep. Kathy Dahlkemper D-Pa; Wendell Cramer and Mark Vollinger of W.M. Cramer Lumber Co. in Washington DC

Hardwood Federation Members Call On DC

The Hardwood Federation held its fall Fly-In recently and 24 Federation members participated in two days of meetings and contacts with members of Congress about industry priority issues.

In addition to 48 face-to-face meetings in Capitol Hill offices, more than 25 Members of Congress attended two receptions – one for Democrats, one for Republicans – hosted by the Hardwood Federation PAC. Cong. Courtney (D-KY) and Ellsworth (D-IN) spoke at a breakfast meeting, Senator Shaheen (D-NH) spoke at a lunch reception, and Senators Lugar (R-IN) and Burr (R-NC) spoke at an HFPAC dinner. Overall, including the HFPAC receptions and dinner/breakfast meetings, the hardwood industry met with more than 70 congressional members and their staff.

AHMI's Federation Board member Mark Vollinger and AHMI President Tom Inman attended. They met with Representatives from North Carolina, Pennsylvania and Arizona.

SFI Offers Revisions for 2010-2014 Standard

The 14th annual SFI Inc. conference – “SFI Program – 2010 and Beyond” – explored issues such as green building, responsible procurement, and ecosystem services, and offered a preview of the draft revised SFI 2010-2014 Standard, which takes effect Jan. 1, 2010.

AHMI President Tom Inman joined more than 200

2nd Going Green Conference Set

The second Dollars and Sense of Going Green seminar will be held at the Renaissance Schaumburg Hotel in north suburban Chicago on Nov. 19-20.

The seminar is organized by the Department of Forestry and Natural Resources at Purdue University and *Wood and Wood Products Magazine*, and sponsored by Banks Hardwood, Inc. Last year's program, held in Indianapolis, brought together more than 250 wood products professionals, industry suppliers and industry association representatives.

The seminar on Green, specifically designed for the wood industry will discuss:

1. What does it mean to be green
2. Green Products for Wood Manufacturing
3. Forest and Wood Products Certification
4. Green Horizons

The seminar is designed to bring wood manufacturer up to date in terms of current industry practices, the development of green products, new developments in certification and regulation and what the future holds according to Dan Cassens, professor, Purdue University.

In addition, day one of the conference will conclude with a networking reception featuring table-top exhibits and hosted by representatives of wood products, woodworking machinery, wood working suppliers and other interested exhibitors.

The conference has the cooperative support of five major wood industry trade groups and two wood organizations. Cooperating Associations include:

Appalachian Hardwood Manufacturers Inc.; Association of Woodworking and Furnishings Suppliers; Business & Institutional Furniture Manufacturers Assn.; Hardwood Plywood & Veneer Assn.; Wood Component Manufacturers Assn.

For additional information about attending, exhibiting or sponsorship opportunities, contact: Cassens at 765-494-3644 or dcassens@purdue.edu or visit www.greenwoodseminar.com.

delegates from every link of the forest supply chain, including small and large landowners, government, professional foresters, conservation groups, auditors, buyers, forest products companies and biologists.

The SFI program will head into 2010 with a revised standard to support responsible forest management and address the growing market interest.

Stanley Brings Young America Group Back

STANLEYTOWN, VA — Stanley Furniture is re-vamping its Young America youth furniture program as part of a push to improve product safety and expand consumer options available through the manufacturer's domestic factories.

The YA 2.0 initiative debuted at the ABC Kids Expo at the Las Vegas Convention Center and premarket in High Point. Dealers saw an array of 60 finish options, including 20 now in the myHaven collection.

"The finishes will not just be specific to one pattern, but for the entire Young America brand," said Stanley President Glenn Prillaman. In addition to the color options, consumers will be able to choose among 10 American hardwood species such as maple, cherry, oak, ash and poplar. The company said finishes are available without premium prices or delivery delays. Certain wood options may carry a premium price.

Stanley said the announcement is part of its efforts to differentiate itself in youth furniture as a domestic manufacturer. Up to now, about 25% of its youth line was sourced in China and Vietnam and the balance was made in its Robbinsville, N.C., plant.

Starting in November, 100% of the youth product will be made in Robbinsville. All youth products shipped from December on will be U.S. made.

By shifting to all-domestic product, the company said it can offer options and still ship in 30 days or less from the time of order. Some 85% of orders are expected to ship in half that time.

(Reprinted from Furniture Today)



Vaughan-Bassett Reopens NC Plant

ELKIN, NC — Bedroom furniture manufacturer Vaughan-Bassett will reopen part of a North Carolina plant that it shut down earlier this year and rehire 50 workers by late November.

When the company announced last December that it planned to close the facility, it employed about 400 workers. The shutdown occurred earlier this year, and Vaughan-Bassett shifted some of the Elkin work to its main plant in Galax, Va.

The Elkin plant will now handle assembly and finishing of various pieces in the line. It also will machine some parts to supplement parts production in Galax, which employs more than 600.

Vaughan-Bassett is reopening the plant because its incoming orders are outpacing production capacity in Galax, said company President and CEO Wyatt Bassett. That plant is now producing 20% more than its previous peak production in early 2008, he said.

"We're pleased that our business is strong enough to warrant this move," he said in a statement.

The company said that some of the Elkin jobs will be filled by Vaughan-Bassett employees who were transferred to Galax from Elkin. The company will refill those Galax positions as part of a commitment to add 100 jobs in Galax over the next three years in exchange for some \$300,000 in Virginia economic development grants. It already has added 65 of those jobs in the past seven months.

Chinese Furniture Anti-Dumping Duties Remain

WASHINGTON — The U.S. Department of Commerce has agreed not to perform an administrative review of antidumping rates for the 2008 shipments from 128 Chinese bedroom furniture manufacturers.

According to the DOC, the parties that had sought a review of those companies withdrew that request earlier this year. The antidumping case dates back to a 2004 investigation by U.S. trade officials, sparked by a group of U.S. manufacturers who alleged they were injured by Chinese wood bedroom furniture imports sold at below-market prices.

Every year since then, each Chinese manufacturer has received an initial duty rate that is paid by importers of record. But that initial rate is subject to

an annual review or audit by the government, and can be adjusted higher or lower, meaning the importers would have to pay more or would receive refunds.

By being taken off the review list, many of the 128 companies have locked in at duty rates of 7.24% or lower for wood bedroom furniture shipped in 2008.

The 2008 review initially targeted some 200 Chinese wood bedroom manufacturers. Another 30 companies on the list have been assessed at the all-China rate of 216%. The Department of Commerce has delayed issuing payment instructions for these companies until the completion of the 2008 review. Preliminary results of that review are due in early October and the final results are due in February.



Since 1928

Appalachian Hardwood Manufacturers, Inc.

Inter-Industry Meeting - Oct. 27-28, 2009 Marriott Griffin Gate, Lexington, KY



To accurately plan the functions and ensure all members and guests are included on the Registration List, 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 Marriott Griffin Gate, Lexington, KY for \$114 per night. Call (859) 231-5100 and ask for Megan Samuels to reserve a room. The Appalachian Hardwood room rate is \$114 while rooms are available.

MEETING REGISTRATION FEE: \$90 for members / \$190 for non-members
Register Online at www.appalachianwood.org/meetings.htm

REGISTER FOR AHMI'S 2009 INTER-INDUSTRY MEETING

NAME: _____ FEE: \$90 / Guest \$190

NAME: _____ FEE: \$90 / Guest \$190

Company: _____

Address: _____

City _____ St. _____ Zip _____

REGISTER FOR FALL GOLF TOURNAMENT on Tuesday, Oct. 27 at 10 a.m.

Marriott Griffin Gate Course, Lexington, KY and includes lunch

GOLF: _____ FEE: \$50

GOLF: _____ FEE: \$50

REGISTER FOR TOUR OF MOULDING & MILLWORK - LEXINGTON, KY

Wednesday, Oct. 28 at 9 a.m. 45 min. east of Lexington. Reservation required

TOUR: _____ FEE: FREE

TOUR: _____ FEE: FREE

REGISTER FOR HORSE RACING AT KEENELAND on Wednesday, Oct. 28

Arrive after tour. Reserved seating and buffet lunch. Jacket required. Races start at 1 pm.

KEENELAND: _____ FEE: \$40

KEENELAND: _____ FEE: \$40

CREDIT CARD PAYMENT (Visa or Mastercard only)

TOTAL: _____

CARD NUMBER _____ EXPIRE _____

CARD BILLING ZIP CODE _____

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