



# Appalachian Sustainable



## Last Call For Fall Meeting, Plant Tour

Pre-registration is very good for the 2010 Appalachian Hardwood Manufacturers, Inc. Fall Meeting and Tour on Nov. 9-10 at the Inn at Virginia Tech in Blacksburg, VA. The meeting will be held in conjunction with the Appalachian Lumbermen's Club.

There is still time to register until Friday, Nov. 5 with AHMI or ALC and while the room block has filled, if rooms are available at The Inn, they will honor the Appalachian rate.

The formal program begins on Nov. 9 with a reception for lumber salespeople and buyers from the Appalachian region at 6 p.m., dinner at 7 p.m. and program following a Bourbon Street buffet dinner. The keynote speaker is Curt Hassler of BalkenTier in Morgantown, WV, a contractor for the Appalachian Hardwood Center at West Virginia University. He will report the results of the 2010 Appalachian Production Cost Survey conducted by AHMI earlier this year.

"More than half of AHMI sawmill members completed the survey and the data is being analyzed now to determine production costs in the region," said Tom Inman, AHMI president. "Curt will provide an overview for the meeting and then members who participated will receive an individual report for their company comparing it to the overall average and other companies of the same size."

The presentation should be of interest to distributors and secondary manufacturers by learning more about the costs of their raw materials.

A tour of the rough mill and manufacturing plant of Vaughan-Bassett Furniture in Galax, Va., is



### 2010 AHMI Fall Meeting & Tour Nov. 9-10 Blacksburg, VA in conjunction with Appalachian Lumberman's Club

Wednesday, Nov. 10 at 9 a.m. Vaughan-Bassett Furniture employs more than 700 people and is the largest U.S. producer of cased goods. Tour participants will view the state-of-the-art rough mill and Vaughan-Bassett's new line of Appalachian Hardwood furniture produced in Oak and Cherry.

The fall gathering will include a golf tournament at 11 a.m. on Nov. 9 at the Pete Dye River Course in Radford, Va., with prizes for top finishers.

The Inn at Virginia Tech is an excellent facility with nicely appointed rooms and suites just off the campus. The AHMI rate is \$109 and rooms may still be available by calling (540) 231-8000 and ask for the Appalachian block.

Please complete the registration form on page 6 of this newsletter or online at [www.appalachianwood.org/meetings.htm](http://www.appalachianwood.org/meetings.htm). For more information, call AHMI at (336) 885-8315.

Appalachian Lumbermen's Club members have already paid registration fees in their 2010-11 dues. The golf fee should be paid with registration.

Monthly newsletter of Appalachian Hardwood Manufacturers, Inc.  
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### Meetings

#### 2010 Inter-Industry Meeting - Nov. 9-10

The Inn at Virginia Tech, Blacksburg, VA

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

Ponte Vedra Inn & Club, Ponte Vedra, FL

#### 2011 Summer Conference - July 23-26

The Nemacolin, Farmington, PA

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

By Tom Inman, AHMI President

...the 2011 Appalachian Hardwood Manufacturers, Inc. Annual Meeting is set for March 3-6 at the Ponte Vedra Inn and Club in Ponte Vedra, FL. AHMI in March?

That's correct. We are moving ahead one week to take advantage of the best possible weather in north Florida. And returning to a member favorite - the Ponte Vedra Inn and Club.

We were last there in 2008 and had a great meeting with timely information on the economy, finances and more. The agenda for 2011 is complete with **TIMELY** sessions on:

- Tax implications for 2011 and beyond with certified accountants from Turlington & Associates detailing what to prepare for in the coming tax season;

- The Pallet Industry in 2011 with a presentation from Bill MacCauley, president of John Rock Inc., a leading pallet manufacturer in Pennsylvania;

- Hardwood Industry Checkoff & Vision with a presentation from the Blue Ribbon Committee that is preparing the funding mechanism for an industry-wide promotion.

Add to this:

- break out sessions for Producers and Distributors to discuss specific industry issues;

- networking with industry leaders for three days;

- receptions to catch up with old friends and make new acquaintances;

- golf, sporting clays, and fine dining.

It all comes together for another Appalachian Annual Meeting that you cannot miss.

Ponte Vedra is just minutes away from Jacksonville, FL. Roundtrip flights from Ohio, Pennsylvania and New York start at \$200 while driving from the mid-Appalachian area is less than eight hours.

Registration materials will be mailed in the next week to AHMI members to make reservations and travel plans. Please mark your calendar today for the meeting and make plans early for the best flights and dining reservations.

Remember - **AHMI in March for 2011** and save the dates!

## AHMI Offers Green Resource Solutions

Appalachian Hardwood Manufacturers, Inc. has six offerings for members who are seeking "green" documentation for their Appalachian hardwood products.

AHMI has partnerships with the WoodNet Market Council and Columbia Forest Products to provide access to Forest Stewardship Council Group Certification to AHMI members. The two companies currently hold group certificates with participants across the eastern U.S.

AHMI began offering pre-audit services from a contractor in 2008 for members seeking Sustainable Forestry Initiative, Forest Stewardship Council or Program for Endorsement of Forest Certification approval. SFI discounted its fees for AHMI members.

The association also developed a relationship with NSF to provide auditing for all of the schemes at a discounted rate for AHMI members.

The Appalachian Hardwood Verified Sustainable program offers certificates and letters verifying the resource is from the sustainable Appalachian Hardwood forest. To learn more about all of these offerings, please visit the AHMI website at [www.appalachianhardwood.org](http://www.appalachianhardwood.org). For specifics on Group Certification, visit the website and click on the link from the home page. There are forms to print, complete and return to the AHMI office.

Approval for the group program could be completed in less than 30 days. If you have questions, please contact Inman at 336-885-8315.

**Appalachian Hardwood Verified Sustainable certificates**

**US Green Building Council LEED 5.1 & 5.2 requirement certificates**

**Pre-Audit Services for FSC, PEFC & SFI certification**

**FSC Group Certification for forestland and chain of custody**

**SFI forestland and chain of custody certification cost-savings plan**

**Audit Services for FSC, PEFC, SFI & American Tree Farm System**

## Entertainment Units, Darker Tones Top Market

HIGH POINT, NC – Television and entertainment cabinet furniture of every size and style was on display at the High Point Market and retailers were buying.

Dozens of furniture manufacturers expanded offerings for entertainment furniture to house both audio and video. Other manufacturers introduced lines that included the range from small cabinets to complete wall systems for the October market from Oct. 17-22.

New for the fall were introductions of furniture ready for television mounts, some with fireplace units combined with media pieces, and mixed media units. The majority were made from American hardwoods like maple, cherry, oak and ash. The finishes are medium to dark tones with more focus on design and construction.

A popular design in many pieces is a drop down front section or drawer for gaming consoles. Other units incorporated a realistic flame box, which has a heating element and remote control.

Manufacturers reported that retailers were very interested in new product to attract consumers. Buyers spent time in showrooms to learn about the product and place specific orders for goods.

Increased attendance was reported at Kincaid Furniture, Vaughan Bassett Furniture, Bernhardt Furniture, Stanley Furniture and others.

"We are extremely happy with the response to our expanded Appalachian Hardwood Furniture Collection," reported Doug Bassett, vice president of Vaughan Bassett Furniture. "We introduced the Arts and Crafts group and people loved it."

The line expands the new group from April 2010 made of solid Appalachian Oak and Appalachian Cherry.

Kincaid Furniture introduced its American Homecoming collection with more than 50 pieces in walnut, maple, birch and pine solids. The traditional design includes bedroom, dining room, entertainment and occasional pieces.

The response was excellent, reported Dennis Teague of Kincaid, and it should translate into good business in the winter and spring.

"Generally speaking, I think people will be leaving High Point with a good feeling about the suc-



**AHMI's Tom Inman with Dennis Teague of Kincaid Furniture in front of a walnut cabinet**

cess of the market," said Market Authority President Brian Casey. Attendance was reported as slightly ahead of the October 2009 event.

He said many U.S. retail companies sent fewer buyers to market than in past years, but that decline was partially offset by an increase in the number of buyers from other countries.

## ASFD Honors Designers With Pinnacle Awards

Sixteen individuals and companies were honored with Pinnacle Design Achievement Awards by the American Society of Furniture Designers at the Fall 2010 High Point Market. This was the 15th year ASFD has presented the awards.

AHMI member companies who won were:

- Occasional tables: Modern Craftsman by Richard Schroeder, Denis Kissane and Gary Hokanson for Stanley Furniture.

- Casual dining: Mango Bay by Tim L. Annas for Kincaid Furniture.

- Formal dining: Wellington Court by Christopher Bergelin and Thad Bergelin for Century Furniture.

- Home office: Greenwich Street Secretary by Paul Galli, Jason Culler and Rosma Gutierrez for Bernhardt Furniture.

# Unified Hardwood Promotion Seeks Brand

By Grace Terpstra, Terpstra & Associates

Over three September days (and evenings) focus groups comprised of professional buyers/specifiers or “pro-sumers” - architects/designers/builders - and consumers (homeowners in the market for building products) fed their views and responded to questions designed to understand what goes into choosing hardwood products versus products made with other materials.

Unlike the focus groups of previous eras, this time the participants could participate at their own pace, answer questions and react to the answers of others in a facilitated “Chat Room” format online.

The selection process for participants was far from random. They were carefully selected by a professional market research firm to assure that the answers and the sampling process would be representative of potential hardwood buyers.

Questions posed to the participants were drafted to gain insights into purchasing decisions without presenting a bias towards any product or material.

Unified Hardwood Promotion (UHP) has contracted with the firms of Gibbs & Soell Public Relations and Harris Interactive Research to conduct this market research and analyze the findings - leading up to a branding for hardwood products to be used throughout all segments of the industry. For even the seasoned hardwood leaders who have embarked on the new promotion project, the research is compelling.

What did the consumers and so-called “pro-sumers” have to say?

- All had positive impressions of the hardwood industry. Many view the industry as largely American, hard-working, and defined by integrity and honesty.
- Some express concerns over environmental factors particularly forest harvesting and international impacts. Others perceive the industry as environmentally-conscious and undeserving of criticism.
- Most said hardwood products convey a sense of style and make homeowners proud. For professionals in the design and building busi-

nesses, hardwoods even enhance their own image and brand.

- As to drawbacks, cost and durability were most often cited but did not outweigh the benefits. Interesting findings...but what does all of this mean?

Back to the UHP goal – value messages and branding of American hardwoods for use throughout the industry. The focus group findings are analyzed by experts on a laddering scale to get a closer reading of not only how buyers of hardwoods view the product, but how they feel about the product.

Example: A consumer might say: “Hardwoods are easy to clean. Therefore they are quick and modern. They save time and money. This provides the buyer with pride and self-esteem.”

A prosumer might say: “Hardwoods are durable and a good investment. Therefore they will satisfy my clients and bring me more referrals. I will then have a positive reputation and trust within my profession. This will make me successful and accomplished.” From an attribute to a personal value – these qualities drive behaviors.

This research then moves toward the essence of what will eventually be a message and brand.

Fortunately the hardwood industry is not the first to tackle this exercise and has hired firms who bring experience from many other product categories. Imagine thinking of Maytag without their underlying message of “dependability” or Southwest Airlines without “fun”. Through this process a unique key message will be understood for American hardwoods.

Hardwood leaders who initiated the UHP project are participating fully in the process – from observing the online focus groups to learning firsthand the mythologies of the brand development. It’s a continued show of unity and commitment from a broad group of industry leaders who are ready to promote American hardwoods and see the results throughout the world.

For more information on the Unified Hardwood Promotion project, or to add your company name in support, please contact Grace Terpstra at [gt@terpstraassociates.com](mailto:gt@terpstraassociates.com).

# Federation Leads Fight Against BoilerMACT

The Hardwood Federation has joined other wood products organizations in submitting comments to the Environmental Protection Agency objecting to its proposed "Boiler MACT" ruling.

The new rules regulate wood residue under the same category as fossil fuels, and which would require all boilers to achieve "Maximum Achievable Control Technology" (MACT), minimum levels of pollutants that are beyond what boilers on the market today can achieve. HF, along with other organizations, has worked to educate Members of Congress on this issue.

HF's grassroots effort generated 43 letters to 35 Congressmen. In turn, both the House and the Senate sent letters to EPA Administrator Lisa Jackson objecting to the new ruling, and 114 House Members and 41 Senators signed on to the letter.

As a result of this push, EPA is receptive to amending the ruling. They have arranged meetings with some wood product industry representatives, including AF&PA, and are considering

allowing some flexibility for pollutants that are demonstrated to pose no public health threat.

HF and an industry coalition continue to keep pressure on the Agency as the final ruling is due in January. Any new parts of the ruling would have to go through a public comment period, so very little time is available for major changes to the ruling.

If it goes through as it currently stands, most boilers used by the hardwood industry would have to be upgraded or replaced, and it would provide a significant disincentive to use wood residue instead of fossil fuel.

HF also drafted a letter that can be sent directly to EPA Administrator Lisa Jackson. If you wish to send this letter please contact the AHMI office for a copy.



## NC Utilities Biomass Wording Includes Trees

The North Carolina Public Utilities Commission recently included "trees" in the state's renewable energy biomass definition after a Duke Energy study found there was not enough "wood waste" from logging residuals to achieve mandated renewable energy portfolio standards (REPS).

North Carolina's REPS requires 12.5% of all energy be renewable by 2021. Duke has two registered renewable energy facilities in Rowan County, NC and Anderson County, SC. These have been testing co-fired wood and coal since July 2009.

The Duke study found there was not enough sawdust and secondary manufacturing wood byproducts to fuel the operations and requested the Commission to include trees.

Timberland owners should be able to enjoy "new wood markets," while sawmills could find new markets for sawdust and chip byproducts.



The Department of Wood Science and Forest Products at Virginia Tech will be presenting two workshops during the Fall of 2010.

**Innovation-Based Manufacturing** Nov. 11 to give an understanding of why innovation based manufacturing is critical to achieve economic development and how it can be pursued. Registration: \$125 includes materials, practical session, coffee break, and lunch. Please go to <http://www.cibm.ise.vt.edu/workshop/index.html>

**Supply Chain Management** on Nov. 12 will focus on the most relevant aspects of supply chain management.

Registration: \$35 includes materials, coffee break, and lunch. Please go to <http://www.ialr.org/news/event-registration> to register.

For more information on any of the workshops visit [www.woodinnovation.org](http://www.woodinnovation.org) or contact Dr. Henry Quesada at [quesada@vt.edu](mailto:quesada@vt.edu) or (540) 231-0978.



Since 1928

# Appalachian Hardwood Manufacturers, Inc. Inter-Industry Meeting - Nov. 9-10, 2010 The Inn at Virginia Tech, Blacksburg, VA



*(joint meeting with the Appalachian Lumbermen's Club)*

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 a block of rooms at the Inn at Virginia Tech, Blacksburg, VA for \$109 per night. Call (540) 231-8000 and ask for the Appalachian Hardwood room block.**

## **MEETING REGISTRATION FEE: \$85 for members / \$185 for non-members**

*ALC members registration fee is paid with annual dues to the Club.*

*The meeting registration fee will be refunded on cancellations before Oct. 10. After that, subject to 50% forfeiture.*

**Register Online at [www.appalachianwood.org/meetings.htm](http://www.appalachianwood.org/meetings.htm)**

### **REGISTER FOR AHMI'S 2010 INTER-INDUSTRY MEETING**

**NAME:** \_\_\_\_\_ **FEE: \$85 / Guest \$185**

**NAME:** \_\_\_\_\_ **FEE: \$85 / Guest \$185**

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

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

**City** \_\_\_\_\_ **St.** \_\_\_\_\_ **Zip** \_\_\_\_\_

### **REGISTER FOR FALL GOLF TOURNAMENT on Tuesday, Nov. 9 at 11 a.m.**

**Pete Dye River Course, Radford, VA. Medal play.**

**GOLF:** \_\_\_\_\_ **FEE: \$50**

**GOLF:** \_\_\_\_\_ **FEE: \$50**

### **REGISTER FOR TOUR OF VAUGHAN-BASSETT FURNITURE PLANT, GALAX, VA on Wednesday, Nov. 10 at 9 a.m.**

**45 min. southwest of Blacksburg. Reservation required**

**TOUR:** \_\_\_\_\_ **FEE: FREE**

**TOUR:** \_\_\_\_\_ **FEE: FREE**

**TOTAL:** \_\_\_\_\_

CREDIT CARD PAYMENT (Visa or Mastercard only)

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CARD BILLING ZIP CODE \_\_\_\_\_

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