



Appalachian Sustainable



AHMI Promotes In Dubai, U.S. Flooring Show

Appalachian Hardwood Manufacturers, Inc. recently participated in domestic and international trade shows to promote Verified Sustainable.

The central point of the association's mission continues to gain interest and attention from hardwood consumers around the world. With improvements in the past five years, Appalachian Hardwood Verified Sustainable has value to secondary manufacturers.

AHMI was an exhibitor at the sixth Dubai Wood Show on April 3-5. The Appalachian Hardwood Verified Sustainable booth was located in the American Hardwood Pavilion along with 15 U.S. hardwood exporting companies and four associations.

The show was well attended by visitors from all over the Middle East, India, Pakistan, northern Africa and southern Europe, reports Tom Inman, AHMI president. Dozens of manufacturers sought more information about Appalachian species and suppliers.

AHMI distributed more than 250 copies of its Export Division list, Resource Guides and other marketing materials.

"There was strong interest in Appalachian Walnut, Appalachian Ash and Appalachian Poplar," Inman said. "Many wanted thicker stock and shipping dry pricing and we gave them lists of our members who can provide it."

The Dubai Wood Show is the only show of its kind in the region and has become a key event. Visitors to the American Hardwood Pavilion ranged from timber importers to joinery and furniture manufacturers.



AHMI's Tom Inman (left) meets with Iada and Stefano Livertani of Bois & Bois Timber Importers of Tunisia in the AHMI booth at the Dubai show

Building in Dubai has slowed from previous years but there is still key demand in office and residential sectors. The region is known for demanding higher quality products.

AHEC's Middle East consultant Rod Wiles said a significant trade in American hardwoods has been developed with Pakistan and this can be directly attributable to US and Pakistani companies being able to meet at the show in Dubai.

AHMI also exhibited at the National Wood Flooring Convention and Trade Show on April 11-13 in Orlando. The association had a booth on the trade floor and Inman spoke during the meet-
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Monthly newsletter of Appalachian Hardwood Manufacturers, Inc.
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Meetings

2012 Summer Conference - July 28-31
The Grove Park Inn, Asheville, NC
2012 Fall Meeting & Tour - TBA
2013 Annual Meeting - Feb. 28-March 3
Hyatt Grand Cypress, Orlando, FL

The way I see it...

By Tom Inman, AHMI President

...hardwood manufacturers around the world love Appalachian species.

I have been from middle Pennsylvania to the Middle East to middle Florida over the past month and the understanding of hardwoods from the Appalachian region is solid. The color, the yield, and the characteristics all add up to the region of choice for buyers.

The question remains, however, on the demand for finished products. Manufacturers in all three parts of the world report that demand for goods is slightly, marginally or just a little better in 2012 than the previous two years. Just a little.

So their demand for lumber resources is also slightly, marginally or just a little better. Production of lumber has stayed about the same so economics dictates that prices are stable.

Sure there is a couple of weeks where the price jumps on certain grades of Poplar or Ash but at the same time there are reductions in Walnut or Cherry. The short term forecast is much the same for most wood manufacturing.

There are a few brighter spots. Domestic furniture makers are reporting a few increases in orders following the pre-market in High Point last month and in anticipation of market starting on Saturday.

Kincaid Furniture has dozens of new pieces. Stanley Furniture is rolling out expanded collections. Vaughan-Bassett continues to grow its offerings.

So the mood is good. Two weeks from now we will know what the retail furniture buyers think and their plans for the summer.

Meanwhile flooring, millwork, cabinetry and windows/doors all bounce along at lower levels. Exports maintain a slight increase from last year. Low grade demand for industrial crating, pallets, ties and mats is stable.

All of this adds up to another spring of uncertainty. Log supplies are good for most and lumber inventories are stocked.

"We just need a little more demand" was the resounding chorus from all of these "middle" folks.



AHMI welcomes the following new member in March:

Consumer

Michael Galis

Green Team Pellet Fuel Co.

PO Box 74

Garards Fort, PA 15334

New members are the lifeblood of the association and if you know of companies that should join, please contact the AHMI office at (336) 885-8315 or info@appalachianwood.org.

AHMI Summer Conference Set At Grove Park Inn

The 2012 AHMI Summer Family Conference is July 28-31 at the Grove Park Inn in Asheville, NC, a member favorite with its panoramic view of the Appalachian Mountains, award-winning spa facility, newly-designed golf course and central location.

AHMI meeting attendees will also be able to experience Asheville's finest attractions with:

- Accommodations at the Grove Park Inn
- Optional tour of the Biltmore House on Sunday.

- Annual Bele Chere Festival in the downtown area is Friday-Sunday. Bele Chere means "beautiful living" and the festival is a celebration of that with music, food, crafts and celebrations.

The Grove Park Inn Spa is one of the country's finest and provides full services to guests. The spa appointments go quickly and members are encouraged to reserve times today by calling (828) 252-2711 ext. 2772.

AHMI will have golf and sporting clay tournaments in conjunction with the meeting. There is also whitewater rafting, hiking, mountain biking and more recreational opportunities available in the Asheville area.

Registration forms will be mailed soon. If you have questions, please call the AHMI office at (336) 885-8315.

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-ing on the sustainability of Appalachian Hardwoods and the recent Life Cycle Analysis completed by the American Hardwood Export Council.

"The renewability of the hardwood resource is a key message for the flooring industry as hardwoods remain in favor for consumers," Inman said. "While building is down, the renovation of existing houses has kept the flooring industry in business."

Other sectors like institutional and store fixtures have also contributed to hardwood flooring sales.

The AHMI booth focused on Verified Sustainable and was well-received. Hundreds of AHMI Resource Guides were distributed and AHMI staff highlighted the hardwood flooring members who were in attendance at the show.

NWFA reported that attendance and exhibit space sales were both up approximately 30 percent from last year.

"Appalachian hardwoods are recognized by companies in the U.S. and around the world for the consistent color, yield and working properties,"



Barefoot Flooring's Roy Cummings visits with AHMI's Tom Inman at the NWFA show

Inman said. "We have to keep promoting that to new companies and others who may be more focused on price."

AHMI has other shows and events planned for 2012 including the International Woodworking Fair in Atlanta on Aug. 22-25.

HFPAC Sets Aggressive Goals for 2012

The Hardwood Federation Political Action Committee has set an aggressive fundraising goal for 2012 - targeting \$200,000 before the November elections.

The PAC Board plans on reaching this goal by increasing the overall number of PAC participants, increasing the amount contributed by each participant, working closely with partner associations to emphasize PAC participation, and ensuring 100% of Board members are participants. The Board is also going to redouble efforts to increase participation in the annual Fall-Fly in set for September 19-20.

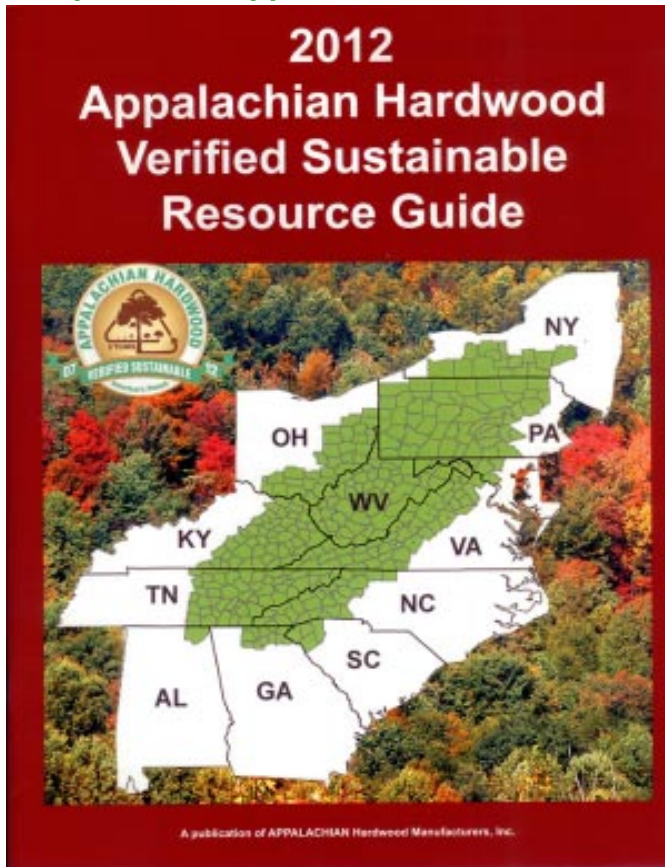
The Board specially recognized a few of their own for going above and beyond in their efforts to raise PAC funds, awareness, and their own contributions. Those honored were: Jim Howard, Pem Jenkins, Chris Keziah, Dave Redmond, Jim Steen, Brad Thompson, and Mark Vollinger.

In a recent development, HF Board Chairman Brad Thompson announced the resignation of Deb Hawkinson as the Executive Director of the Hardwood Federation.

Over the recent weeks she has been in discussions with the Forest Resources Association (FRA) about taking on the role of President for that organization. After careful thought Deb believed this opportunity was too important for her to pass up.

"Of course we will all miss Deb as she has laid a solid foundation for the Hardwood Federation during her tenure as Executive Director.," Thompson said.

Hawkinson will remain with the Federation through May and will focus her efforts in assisting the HF Executive Committee in the recruitment of a new Executive Director.



AHMI Verified Sustainable Materials Available

The 2012 Appalachian Hardwood Verified Sustainable Resource Guide was mailed recently to more than 5,500 hardwood lumber consumers.

The Guide is the membership directory for AHMI and includes company and contact information for all membership divisions. Additional copies were distributed at the Dubai Wood Show, the National Wood Flooring Show and will be given out at the International Woodworking Fair in August.

If you need additional copies for your staff, please contact AHMI.

Members are reminded that 2012 Appalachian Hardwood Verified Sustainable materials are available from the AHMI office. These include certificates, letters from AHMI and from the U.S. Forest Service explaining the program and decals for use on packaging or invoices.

These materials can be delivered to your company within a few days of placing your order. Please contact the AHMI office at (336) 885-8315.

Export University Is April 23 During High Point Market

The U.S. Commercial Service, in cooperation with the NC Department of Commerce, Appalachian Hardwood Manufacturers Inc., NC Agriculture, SBTDC, and the NC District Export Council, present Export University-Advanced Lumber Products Exporting on April 23, 2012 from 8:30 a.m. – 3:30 p.m. at the Columbia Forest Products, Headquarters on 7900 Triad Center Drive, Greensboro, NC 27409

The registration fee of \$50 includes lunch, an electronic copy of The Basic Guide to Exporting, and copies of all training materials. At this event, you will:

Learn through case studies how to negotiate the sale to avoid non-payment.

Learn how to use the letter of credit to give buyer credit while you get paid faster. Use it as a negotiating tool to get paid faster.

Learn how to avoid losing the payment in the international banking payment system.

Learn what your freight forwarder can do for you when the sale or shipment goes bad.

Learn how export credit insurance can be used to decrease risk, reduce transaction cost, and increase sales.

Learn how U.S. Department of Commerce, U.S. Small Business Administration, NC Department of Commerce can help you enter new markets.

Learn directly from manufacturers in emerging markets about their markets. Presentations directly from Asian furniture manufacturers. And learn about possible future risks in shipping to China.

Who Should Attend?

- Companies that are exporting and want to expand into new markets.
- Companies that are new to exporting and need the tools to begin and avoid costly mistakes.
- Companies that want to sell to foreign exhibitors at the High Point Furniture Market.

For more information, email George.Thomas@trade.gov in the Charlotte U.S. Export Assistance Center – <http://www.export.gov/northcarolina> or the AHMI office at (336) 885-8315.

Forestry Meeting Offers Skid Trail Findings

The 2012 Appalachian Hardwood Forest Research Alliance workshop and meeting will be May 30 at the Days Inn Conference Center in Flatwoods, WV. AHFRA will again partner with Appalachian Hardwood Manufacturers, Inc. for this meeting.

Dr. John Brooks of West Virginia University will discuss his followup research on Whole Stand Appalachian Hardwood Growth and Yield Systems. This AHFRA-funded project began in September 2009 with the objective of developing a whole stand growth and yield model to predict future trees per acre, basal area and volume. He presented at the 2011 meeting and was given instruction to expand his analysis.

Dr. Chad Bolding of Virginia Tech will present his research comparing erosion rates under a variety of sites and closure techniques in order to provide additional insight into the BMP recommendation. Based on previous strong correlations be-

tween actual erosion and predicted erosion (USLE-Forest and WEPP-Roads), the modeling evaluated a wide range of conditions and cover BMPs for skid trails in West Virginia.

The meeting will begin at 9:30 a.m., break for lunch and should be completed by 4 p.m. Meeting registration fee is \$45 and includes materials, breaks, and lunch. Please complete the registration form below and send with payment to AHMI. This meeting is open to all AHFRA and AHMI members and guests.

Please mail before May 23 with your credit card information or check to AHMI, P.O. Box 427, High Point, NC 27261. For more information, please contact AHMI at (336) 885-8315 or e mail to tom@appalachianwood.org.

AHMI has requested five (5) hours of Continuing Forestry Education credits from the Society of American Foresters and certificates should be available at the meeting upon completion.

2012 AHMI / AHFRA Workshop May 30 Days Inn Conference Center, Flatwoods, WV

MEETING FEE: \$45 per person (includes materials, lunch and breaks)

NAME: _____ Fee: \$45

NAME: _____ Fee: \$45

COMPANY: _____

ADDRESS: _____

CITY: _____ ST _____ ZIP _____

CREDIT CARD PAYMENT (Visa or Mastercard only)

CARD NUMBER _____ EXPIRATION _____

CARD BILLING ZIP CODE _____

PLEASE RESPOND BY May 23. You may also send payment by check.

Mail to: AHMI, PO Box 427, High Point, NC 27261.

Please duplicate this form if needed.

Stanley Moves To High Point

HIGH POINT, NC - Stanley Furniture will relocate its headquarters from Stanleystown, VA to a 60,000 square foot office with showroom in High Point, NC. City, state and county governments provided \$755,000 in incentives to beat competing locations.

Stanley Furniture plans to create 42 jobs and invest \$4 million over the next three years in High Point. Stanley has already made a large investment in manufacturing in Robbinsville, NC, where it's Young America furniture line is produced. Stanley employs over 350 people there.

"The State has helped Stanley adapt, sharing with us the belief that past business models were no longer relevant and that new thinking and investment would position us well to return to a pattern of growth," said Glenn Prillaman, president and CEO of Stanley Furniture. "We are working to become the largest and most efficient children's furniture manufacturer in the country."

Stanley Furniture Company, Inc. announced earlier this year it will spend \$4 million retooling its Robbinsville, NC factory, based on the belief that consumers prefer children's furniture made in the U.S.

Stanley Furniture, midway in its transition to domestic production of furniture, says it made \$4.2 million in capital expenditures in 2011, and it is also spending \$3 million over the next two years on customer management information systems.



Ethan Allen Grows In China

DANBURY, CT – Ethan Allen is seeing huge growth in China, where it is concentrating a good deal of its retail expansion efforts.

Since last September, Ethan Allen has refreshed or replaced 60 percent of its lines with new products. New designs rolled out in February and another is due to arrive in May. Overall, 60 percent of the furniture maker's products are new since September 2011.

Ethan Allen owns and operates seven manufacturing facilities in North America, including five manufacturing plants and one sawmill in the United States and one manufacturing plant in Mexico. Approximately seventy percent of its products are made in its United States plants.

Farooq Kathwari, chairman, president and CEO, told a business investors group recently that the company has maintained manufacturing in the United States at a time when many people left. "However, to stay in the United States, you have to be the best that you can be," he said.

Case goods is the greatest challenge for manufacturing in the United States, he said. Ethan Allen has a saw mill, with the main manufacturing of case goods and another plant in Old Fort, North Carolina where approximately 50% to 60% of all case goods are made.

Upcoming AHMI Activities

Appalachian Hardwood Manufacturers, Inc. will attend / display at the following meeting, trade shows and other events to promote AHMI members and products in 2012:

April 21-26 - High Point Furniture Market, High Point, NC

April 23 - Export Seminar, Greensboro, NC

May 30 - Forestry Division Meeting, Flatwoods, WV

June 19-22 - AHEC Southeast Asia Convention, Singapore

Aug. 22-25 - International Woodworking Fair, Atlanta, GA

Sep. 12-15 - National Hardwood Lumber Association Convention, Chicago, IL

Oct. 3-5 - NC Forestry Association Annual Meeting, Asheville, NC

Oct. 13-18 - High Point Furniture Market, High Point, NC

For more information, contact the AHMI office.