



Appalachian Sustainable



Crowd Grows For NC Sawmill, Yard Tours

The registration continues to mount for the joint meeting of Appalachian Hardwood Manufacturers Inc., the Hardwood Manufacturers Association and the Appalachian Lumbermen's Club this month.

The meetings and tours are planned for Oct. 9-11 and will be headquartered at the Crown Plaza in Asheville, NC. This is the third year for the joint fall event.

"This has been very beneficial to our groups in allowing people to network with others they may not normally see," said Tom Inman, AHMI president. "Last year in Ohio we had great tours and expect the same again this year."

The daily tours will be held at:

Columbia Forest Products plywood and veneer plant, Old Fort, NC

Oak Valley Hardwoods sawmill and distribution yard, Marion, NC

Gilkey Lumber Co., Rutherfordton, NC

T & S Hardwoods, Sylva, NC

Oaks Unlimited, Waynesville, NC

The stops include band mills, distribution yards and a plywood production plant. Many of these facilities have installed new equipment in the past three years to remain competitive.

"This is a great opportunity to see new equipment at modern facilities and how these companies produce lumber and plywood," Inman said. "All of these companies are AHMI members and do a terrific job."

The program begins with the ALC meeting on Oct. 9 at the hotel. The reception is at 6 p.m. with dinner at 7 p.m. and a program on plans to reintroduce a hybrid American Chestnut into the

Appalachian hardwood forest. The speaker is the executive director of the American Chestnut Foundation.

ALC members attend this meeting as part of their regular dues. Non-members can attend for a \$50 registration and should be completed at www.lumberclub.org.

The tours begin at 7:30 a.m. on Wednesday and Thursday. There is bus transportation each day but a reservation must be made.

A reception and dinner will be held Oct. 10 at the Crowne Plaza. A North Carolina Congressman has been invited to speak at the dinner.

The Thursday program will end before noon and the bus will make a stop at the Asheville airport for those flying in. It will return to the hotel.

A registration form is on page 6 of this newsletter. You may also register online by following the link at www.appalachianwood.org/meetings.htm.

The hotel room block has expired but there may still be rooms available. To reserve a hotel room, please contact the Crowne Plaza Tennis and Golf Resort, 1 Resort Drive, Asheville, NC 28806, or telephone 1-800-733-3211 and use the code: Hardwood Lumber. The rates are \$139 Single; \$149 Double; \$154 King; \$164 King Double and all include breakfast buffet.

The hotel also offers unlimited play on the 9-hole golf course to meeting attendees: \$35/per person, including cart.

There is informal golf available on Tuesday, Oct. 9 in Asheville. For more information or the schedule, please contact the AHMI office at (336) 885-8315.

Monthly newsletter of Appalachian Hardwood Manufacturers, Inc.
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Meetings

2012 Fall Meeting & Tour - Oct. 9-11

Crown Plaza, Asheville, NC

2013 Annual Meeting - Feb. 27-March 3

Hyatt Grand Cypress, Orlando, FL

2013 Summer Conference - July 27-30

The Greenbrier, White Sulphur Springs, WV

The way I see it...

By Tom Inman, AHMI President

the first Appalachian Hardwood Manufacturers, Inc. gathering at a National Hardwood Lumber Association Annual Convention was very successful.

We had 43 AHMI members and their guests participate in the informal session for drinks, snacks and networking. I shared with the group about AHMI's existing programs and the benefits of membership.

Our members took over and offered their experiences in the association. I will recommend to the board that we make this an annual event.

The mood at the NHLA convention was upbeat. Many companies reported that sales have increased in 2012 over the previous year and profit margins are improving.

There continues to be mixed reporting on log supplies with some mills stating they have plenty of logs. Others are below where they would like to be and struggling to find loggers.

The forecast from many was tighter lumber supplies going into the fall and winter.

...we have a great registration so far for the Fall 2012 Meeting in Asheville next week. Our room block filled very quickly and we have 115 registrations and adding more each day.

This is a great opportunity to see sawmills and yards who have added new equipment and doing new things to remain competitive. There is also time to network with other hardwood industry leaders and top managers.

I encourage you to consider sending production staff on these tours to see how others operate. Participants always report that they saw something they need to do differently at their facilities. Please register today.

...if you plan to attend the High Point Furniture Market in two weeks, please let the AHMI office know. We are happy to assist you with housing, market passes, transportation and general information about the world's largest furniture market. The dates are Oct. 13-18 with Supplier Day on Oct. 17.



MEMBERSHIP

AHMI welcomes the following new members:

Producer

Southern Forest Products
Tony Tunnell
PO Box 152
Appalachia, VA 24216

Consumer

Wood Craft Inc.
Tim Elliott
PO Box 1819
Morristown, TN 37816

Supplier

Cooper Machine Co.
Frances Cooper
PO Box 550
Wadley, GA 30477

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 Plans 2013 Meeting In Orlando

The 2013 Annual Meeting of Appalachian Hardwood Manufacturers, Inc. will be Feb. 27-March 2 at the Hyatt Grand Cypress in Orlando, FL.

There is a minor change from previous years to allow members to take advantage of the many offerings in the Orlando area. The Welcoming Reception is scheduled for Wednesday, Feb. 27 and business sessions are Thursday, Feb. 28 and Friday, March 1.

The change will give members and their families time on the weekend for other activities.

Please make your flight arrangements early for the best selections. You can make your room reservations now by calling the Hyatt at 1-407-239-1234. AHMI's meeting package will be mailed in early November.

Mullican Flooring Adds Jobs At VA Plant

Mullican Flooring is anticipating increased demand in the coming months and announced recently plans to hire 28 employees and expand production at its plant in Norton, Va.

Mullican is investing \$3 million to facilitate the expansion; \$65,000 of that amount was granted to the company by the Virginia Tobacco Indemnification and Community Revitalization Commission. The Norton facility will have an additional 400,000 board feet of kiln capacity, representing a 20 percent increase in the facility's overall production.

Mullican makes solid wood flooring in Norton for its Knob Creek, Chatelaine, Muirfield, Castillian and St. Andrews collections.

"Right now, housing starts are up 21.5 percent, which is a good sign," said Neil Poland,

president of Mullican Flooring. "We want to remain poised to meet the market demands of builders and developers as the American economy continues to improve" He added, "future demand will increase as housing rebounds toward more normal levels of housing starts."

In November 2011, Mullican announced it would re-locate its headquarters in Johnson City, Tn., and shift production of certain engineered flooring products from China to the U.S.

"The changes over the past year to our finishing capacity in Johnson City have played a key role in our ability to increase production at Norton," Poland said. "By the end of 2012, we will have added more than 100 new jobs in Southwest Virginia and Northeast Tennessee."

Hardwood Federation Meets With Congress

More than 40 hardwood industry leaders visited members of Congress and the staffs on key House and Senate committees during the Hardwood Federation Fall Fly-in in Washington, DC, in September.

AHMI members participating were:

Steve Houseknecht of Wagner Lumber

John Crites, John Crites II and Donna Reckart of Allegheny Wood Products

Mark Vollinger of W.M. Cramer Lumber

Jim Howard of Atlanta Hardwoods

Brad Thompson of Columbia Forest Products

Dave Redmond of Highland Hardwoods

Mike White of Harold White Lumber Co.

Mark Cifranik of Baillie Lumber Co.

Tom Talbot of Glen Oak Lumber

Jack Shannon of Shamrock Flooring

The meetings covered a variety of topics including regulatory relief, tax policy, trade initiatives, and achieving more wood recognition in green building programs. The Lacey Act was also a hot topic: Fly-in participants thanked supporters who helped beat back the misguided attacks on the Act this past year, and urged them to fully fund the implementation of the Act.

The Fly-in is a key part of the year-round advocacy strategy of the Hardwood Federation, and Executive Director Dana Lee Cole believes in the importance of grassroots engagement.

"We use these meetings to educate Congress on our key issues, and put a face and story to how the decisions they are making here impact us every day," Cole said.

"Our Congressmen, Senators, and the agencies we deal with need to hear our voice – we need to protect our interests here in Washington," added HF Chairman Brad Thompson. "When they hear the story of wood, they get behind us. But they need to hear it."

The Hardwood Federation will continue to advocate for the hardwood industry in Washington and push for those good, educated, pro-wood decisions. The 2013 Fly-in has tentatively been scheduled for September 17-18, and Federation leaders hope to greatly increase individual and company participation.

AHMI contributes annually to the Federation administrative budget and has one seat on the Board of Directors. For more information, contact the AHMI office at (336) 885-8315.

Doug Bassett Named President Of VB

GALAX, VA — Doug Bassett has been promoted to president of Vaughan-Bassett Furniture, a manufacturer of wood bedroom furniture. He most recently held the position of executive vice president and COO.

Doug Bassett, succeeds his brother Wyatt,, who remains CEO of the company, according to Furniture Today. The brothers' father, John Bassett, remains chairman of the board.

Vaughan-Bassett Furniture manufactures bedroom furniture in Galax, VA. In 2012, it completed the purchase of the old Webb Furniture #1 bedroom plant and a major expansion of its existing Galax factory.

The company has purchased over \$1.7 million of equipment to expand its rough end, the section of a case goods plant that cuts the lumber into a workable length, width and thickness.

Vaughan-Bassett officials credit its unusually strong growth rate to its Appalachian Hardwood collections and the "Made in the USA" trend that has taken hold with the American consumer.

Plywood Makers File Claims Against China

The Coalition for Fair Trade of Hardwood Plywood, an association of U.S. manufacturers of hardwood and decorative plywood, has filed an unfair trade petition regarding imports of the product from China.

The petition, filed with the U.S. Department of Commerce and the U.S. International Trade Commission, asserts that imports of the product are sold in the United States at dumped prices and are subsidized by the government of China. The association says Chinese manufacturers have gained an unfair competitive advantage through these unfair trade practices.

The petition also claims that U.S. manufacturers of hardwood and decorative plywood have suffered material competitive injury, and that the industry continues to be threatened further.

"China has dumped products into the U.S. market at prices that are well below fair value. Furthermore, Chinese manufacturers receive an

Armstrong Sells Cabinet Business

LANCASTER, PA- Armstrong World Industries Inc. announced in September it will sell its cabinet business to American Industrial Partners (AIP) for \$27 million.

Reportedly the seventh largest manufacturer and distributor of cabinets in the U.S., Armstrong Cabinet Products had sales of \$136 million in 2011 and has approximately 750 employees. Armstrong World Industries (AWI) said it will instead concentrate on its core businesses of flooring and ceilings. Consolidated net sales for the company last year totaled approximately \$2.9 billion.

As recently as May 2012, Armstrong Cabinet Products was producing four thousand cabinets a day at the 300,000-square-foot Thompsontown, PA-based manufacturing facility. AWI entered the cabinet market in 1998 following its acquisition of Triangle Pacific's cabinet and flooring businesses.

Armstrong Cabinet Products specializes in semi-custom kitchen and bath cabinets for the multi-family as well as single family new construction and remodeling markets.

array of government subsidies, including their access to raw materials – logs and timber – that come from suspect or illicit sources," said Jeff Levin, counsel. "All of these factors equate to an enormous unfair advantage for Chinese manufacturers and injure the entire domestic hardwood plywood industry.

The petition requests that the U.S. Government investigate these unfair trade practices and their harmful impact on the domestic manufacturing industry, and apply antidumping and countervailing duties on imports of hardwood plywood from China to restore competition in the U.S. market.

In line with regulatory timelines, the CFTHP says it expects a preliminary ruling and escrow deposit requirement to be implemented by Spring 2013 and a final ruling and duty to be implemented by late Fall 2013. For more information on the petition, visit www.hardwoodplywoodfairtrade.org.

BoilerMACT Changes Likely On Hold Until After The Election

The Environmental Protection Administration and the Obama White House appear to be holding the Boiler MACT rules until after the election given the potential controversy around issuing any expensive EPA regulations during the fall Presidential campaigns.

At this point, the American Forest & Paper Association estimates the cost has gone from roughly \$7 billion for the 2011 final rule, to \$4 billion for the December reproposal to under \$3 billion with the changes in the OMB version of the draft final rules.

If EPA signs and publishes the rules in the Federal Register before November 20th, then there would be no opportunity for the new President to prevent the rules from going into effect although the Congressional Review Act would still apply. Although the 2011 rule remains in effect with its 2014 compliance deadline, all expectations are for EPA to follow through with its plans to modify the rules later this year.

EPA is considering adding language to the preamble that would encourage states to grant an extra year upfront to comply based on some of the criteria we suggested, such as, difficulty in acquiring control technology, use of CHP, switching to natural gas, or multiple control obligations. The exact nature of the language will be critical to how easy it will be for mills to get the extra year from their states.

Although the delay in issuing the final rules is creating uncertainty, the prospects for ORCR to list more biomass materials as non-waste fuels is very attractive. In addition, a new EPA might consider even further improvements to the final rule. However, concern remains that a second Obama administration may back away from some of the planned improvements in the draft final rule if pressured by environmental groups.

For more information, please contact the AHMI office at (336) 885-8315. AHMI will keep members updated on the changes as they are announced.

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:

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

Oct. 9-11 - Fall Meeting with ALC and HMA, Asheville, NC

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

Oct. 16 - High Point Furniture Market Species and Design Survey

Oct. 22 - Penn York Lumbermen's Club, Farmington, PA

Nov. 12 - North Carolina State University forestry class, Raleigh, NC

For more information or to participate in these events, please contact the AHMI office at (336) 885-8315.

NHLA Accepts Grading Rules Changes in 2013

The National Hardwood Lumber Association is accepting proposals for Grading Rules Changes in 2013.

NHLA strives to provide its members with the tools they need to succeed in a global economy. One very important tool which defines and distinguishes North American hardwoods is the NHLA Grading Rules which are utilized around the world in sales transactions.

Every four years NHLA reviews the Grading Rules and opens the system to Rules Change proposals. There was discussion of several proposals at the 2012 NHLA Annual Convention.

Rules Change proposals should be made in writing and be submitted via mail, email or fax to the Chief Inspector by March 31, 2013.

Email to: rules@nhla.com

Fax to: 901-382-6419, Attention Chief Inspector Dana Spessert

Mail to: NHLA

Attention Chief Inspector, Dana Spessert

PO Box 34518

Memphis, TN 38184-0518

REGISTRATION FORM

Please send this form, with payment, to:

Hardwood Manufacturers Association 665 Rodi Road, Suite 305 • Pittsburgh, PA 15235

Register online at www.HMAmembers.org or

Fax: **412.244.9090**

Questions? Call the HMA office at 412.244.0440.

Company _____

Address _____

City _____ State _____ Zip _____

Phone _____ Fax _____

E-mail address _____

Name of those attending (for name tags):	Check box if riding the bus on	
	Wednesday	Thursday
_____	<input type="checkbox"/>	<input type="checkbox"/>
_____	<input type="checkbox"/>	<input type="checkbox"/>
_____	<input type="checkbox"/>	<input type="checkbox"/>

To guarantee a seat on the bus, please check the appropriate blocks above. Available bus seats will be filled on a first-come, first-served basis after all pre-registered riders have boarded the bus.

Members attending x \$150 each \$ _____

Non-members attending x \$250 each \$ _____

Appalachian Lumbermen's Club Dinner attending x \$45 each \$ _____

I am enclosing a check with this registration

OR

Charge to my credit card: VISA MASTERCARD

Account Number _____

Expiration Date _____

Cardholder Name _____

Authorized Signature _____

Registrations will not be accepted without a designated form of payment.
Any credit card disputes resulting in a chargeback will include a \$25 fee, payable by the cardholder.