



Appalachian Sustainable

December 2013

Monthly newsletter of
Appalachian
Hardwood
Manufacturers, Inc.
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Future Meetings

2014 Annual Meeting - Feb. 26-March 2

Boca Beach Club,
Boca Raton, FL

2014 Summer Conference - July 26-29

The Homestead,
Hot Springs, VA

2014 Fall Meeting - October in North Carolina

in conjunction
with Wood
Products
Manufacturers
Association

Checkoff Comment Period Underway

The U.S. Department of Agriculture published the proposed rule for the Hardwood Lumber and Hardwood Plywood Promotion, Research and Information Order in the Federal Register on Nov. 13. The industry has 60 days to comment on the program to develop a promotion, education and research campaign funded by an assessment on hardwood lumber manufacturers and distributors, hardwood plywood manufacturers and hardwood flooring makers.

The Hardwood Checkoff, as it is commonly called, would be administered by a board of industry members selected by the Secretary of Agriculture. The assessment rate varies according to the product manufactured.

The purpose of the program, as stated in the order, would be to strengthen the position of hardwood lumber and hardwood plywood in the marketplace and maintain and expand markets for hardwood lumber and hardwood plywood. A referendum will be held among eligible hardwood lumber manufacturers and hardwood plywood manufacturers to determine whether they favor implementation of the program prior to it going into effect.

The public has until Jan. 13, 2014 to view the order and make comments. You can learn more and make your comments by visiting <https://www.federalregister.gov/articles/2013/11/13/2013-27108/hardwood-lumber-and-hardwood-plywood-promotion-research-and-information-order>.

2014 Annual Meeting Set In Boca Raton

Appalachian Hardwood Manufacturers, Inc. cordially invites you to attend the 2014 Annual Meeting on Feb. 26 - March 2 at The Boca Raton Resort & Club in Boca Raton, FL. This is our first trip to southeast Florida in more than 15 years and the Boca Raton Resort is an excellent venue for our gathering.

We have planned five informative business sessions with something for everyone. Our agenda includes:

- **Hardwood Flooring Markets Report** with Neil Poland of Mullican Flooring and past chairman of the National Hardwood Flooring Association
- **Industrial Mat Products Rising** with Vince Walters of Bridgewell Mats
- **Forest Growth and Timber Availability** with Blake Stancell of The Forestland Group
- **New Solid Appalachian Hardwood Promotion** with Tom Inman of AHMI
- **Hardwood Checkoff Public Comments and Schedule** with John Crites of Allegheny Wood Products who serves on the Blue Ribbon Committee and a representative of the USDA's Agricultural Marketing Service.

There is ample time for networking with fellow members and guests during receptions, sporting events and dinner. This year will mark the election of officers

(See 2014 Meeting on Page 3)

The way I see it...

By Tom Inman, AHMI President

... a recent study by researchers at Virginia Tech found that timber importers are making purchasing decisions based on price and the quality of the products. Imagine that!

The respondents chose their suppliers because of price (26 percent) and product quality (24 percent). The remaining criteria were delivery times, environmental certification, dimension parts, packaging, firm size, squareness of boards, and moisture content.

As many hardwood lumber salespeople already know, the past several years have been about price. I believe that is changing as "availability" is now the issue.

In the past two months, I have fielded more phone calls and emails from foreign buyers looking for Appalachian Red Oak, White Oak, Poplar and more. Their regular supplier does not have lumber "available" to them. Why?

Certainly supplies are tight and the price-based buyer is learning that other buyers are willing to pay more for the lumber. Economics 101 at its best. Low supply with increasing demand escalates the price.

How long will this continue? It remains to be seen.

The Virginia Tech study interviewed 38 companies at the three different furniture trade shows. The location of the headquarters of the companies surveyed were Asia, the U.S., Europe, South America, and the Middle East.

Respondents were asked for their top three hardwood imports and they were: oak (32%); ash (12%); walnut (11%); maple (6%); poplar (6%), cherry (5%); and "others" (15%).

All of these are Appalachian species that are in ready supply in the forest. Moving them from the forest to the sawmill and to these and other customers is our challenge.

The survey asked buyers what hardwood suppliers can do to increase the value of their products and services. The respondents said suppliers need to consider price (18%) and quality (17%) of their products.

No kidding!



AHMI welcomes the following new members:

Producers

Pierson Lumber Co.
David Pierson
PO Box 146
Clay, WV 25043

Walker Lumber Co.
Nick Ince
PO Box 60
Woodland, PA 16881

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. We have a packet of materials that is specific to the membership category.

AHMI Resource Guide Information Due In Jan.

HIGH POINT - Appalachian Hardwood Manufacturers, Inc. mailed its 2014 Appalachian Hardwood Verified Sustainable Resource Guide information and the deadline to reply is Jan. 31.

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 including location, contacts, equipment, available species and certification if applicable.

There is also an opportunity to advertise and promote specific details about your company. Advertising rates remain the same for 2014.

"The Resource Guide is a valuable tool in our promotion program to make certain buyers know who to contact when purchasing Appalachian hardwoods," said AHMI President Tom Inman.

It is also available in electronic form on the AHMI website. Please return information by Jan. 31 to be included in the Guide. For more information, please contact the AHMI office at (336) 885-8315 or info@appalachianwood.org

2014 Meeting *from page 1*

and board members. There will be a Chairman's Dinner on Saturday night followed by music, dancing and more fun.

Since 1926, Boca Raton Resort & Club has been the relaxing and preferred tropical destination of families, captains of industry, and for those seeking an unforgettable getaway. Today this captivating hotel continues to offer an array of leisure opportunities and facilities unparalleled in South Florida and a landmark setting like no other.

The amenities include:

- Half mile of private beach, along the stunning Atlantic Ocean
- Five world-class restaurants and six other dining options at the Resort and Beach Club
- Spa Palazzo, offering an indulgent sanctuary of peace and tranquility, with 44 treatment rooms and an extensive menu of services
- Extensive collection of onsite shops, providing a diverse spectrum of boutiques, sundry stores, and other outlets located throughout the resort
- Two 18-hole championship golf courses, including a full program of clinics and lessons, equipment rental, and award-winning pro shop
- Three state-of-the-art fitness centers, allowing you to maintain your daily regimen during travel
- Comprehensive children's program, ranging from age 3 to 12.

There will be golf tournaments each day and for the first time, a fishing tournament on Friday afternoon.

Please make your reservations early by visiting www.appalachianwood.org and click on Meetings and follow the link or call The Boca Raton Resort at **1-888-557-6375** and use the group code **AHMIHB**.

Please make your airline reservations today for the best choices of flights to the Boca Raton area. The airports at West Palm Beach and Fort Lauderdale are the closest and transportation is available from each.

The AHMI registration form is included on page 6 or you may register online. For more information, call AHMI at (336) 885-8315 or info@appalachianwood.org.

We look forward to seeing you in Boca Raton!

2014 AHMI Annual Meeting Agenda

Wednesday, Feb. 26

6 p.m. Early Arrival Reception in the Chairman's Suite

Thursday, Feb. 27

Informal golf tee times available

Informal fishing excursion available

5 p.m. Registration

6 p.m. Welcome Reception

Dinner on your own

Friday, Feb. 28

8:30 a.m. General Session

- **Hardwood Flooring Markets Report** with Neil Poland of Mullican Flooring and past chairman of the National Hardwood Flooring Association

- **Industrial Mats Take More Low Grade** with Vince Walters of Bridgewell Mats

- **Forestland Growth and Timber Availability** with Blake Stancell of The Forestland Group

12 noon Fishing Tournament

1 p.m. Golf Tourney at Boca Country Club

6:30 p.m. Reception

Dinner on your own

Saturday, March 1

8 a.m. Producers Meeting (*Producers only*)

8 a.m. Distributors Meeting

9 a.m. General Session

- **Solid Appalachian Hardwood Promotion** with Tom Inman, AHMI president

- **Chairman's Report** from Chris Keziah of Oak Ridge Hardwoods and AHMI Chairman

- **Annual Meeting and Election of Officers, Trustees, Member Anniversaries**

- **Hardwood Checkoff Public Comments and Schedule** with John Crites of Allegheny

Wood Products and Checkoff Blue Ribbon Committee; official from the US Department of Agriculture

1 p.m. Golf Tourney at Resort Course

2 p.m. Fun at the Beach Club (*AHMI cabana*)

6:30 p.m. Chairman's Reception

7:30 p.m. Chairman's Banquet followed by music and dancing

Sunday, March 2

NO FORMAL BUSINESS

ENJOY BOCA RATON AND HAVE A SAFE TRIP HOME

OSHA Plans New Reporting For Workplace Injuries

WASHINGTON, DC - The Occupational Safety and Health Administration is proposing new regulations that would require employers subject to the recordkeeping requirements to submit their records directly to OSHA and the agency will then publish those records online in a searchable database.

While OSHA offers an array of justifications for this new regulation, there is no question that this information will be used by unions and other activists wishing to characterize employers as having bad safety records.

Here are some details about the proposed regulation:

- Currently employers are required to record work-related injuries but do not have to submit these records to OSHA unless they are solicited as part of an annual survey or OSHA conducts an inspection. They must post these records each year in a conspicuous location so employees have access to them. The new regulation will not change what injuries and illnesses have to be recorded or how they are recorded, but will create new requirements for employers to submit these records directly to OSHA electronically.

- Employers with 250 or more employees, who are required to keep records, will have to submit records to OSHA on a quarterly basis. Employers with 20 or more employees, and who are in certain designated industries, will have to submit their summary records annually. Certain other employers, who OSHA contacts, will be required to submit more detailed information about specific injuries and illnesses.

- OSHA will post in a searchable online database company and location specific data on injuries and illnesses, other than employee identification information.

With the possibility that OSHA reporting requirements could change soon, it's important for businesses to make sure they remain in compliance with OSHA's recordkeeping rules.

AHMI Activities 2014

Appalachian Hardwood Manufacturers, Inc. will attend / display at the following meeting, trade shows and other events to promote AHMI members and products in 2013-14:

Feb. 4-6, 2014: Indiana Hardwood Lumbermen's Association, Indianapolis, IN

Feb 11-12: Hardwood Federation Annual Meeting, Washington, DC

Feb. 26-March 2: AHMI 2014 Annual Meeting, Boca Raton, FL

March 12-14: HMA National Conference, Savannah, GA

March 28-April 1: Interzum Guangzhou, Guangzhou, China

April 4-10: High Point Furniture Market, High Point, NC

April 7-8: Annual Material Use and Design Survey at Furniture Market, High Point, NC

April 16-19: NWFA Convention & Flooring Show, Nashville, TN

May 15-18: ALC, Myrtle Beach, SC

June 9-11: NeoCon, Chicago, IL

July 28-30: AHMI Summer Conference, The Homestead, Hot Springs, VA

Sept. 8-10: Hardwood Federation Fly-In, Washington, DC

Oct. 8-11: NHLA Convention, Las Vegas, NV

Oct. 18-23: High Point Furniture Market, High Point, NC

Oct. 21: American Society of Furniture Designers, High Point, NC

For more information, please contact the AHMI office at (336) 885-8315.



For more information on either program, please contact the AHMI office at (336) 885-8315 or email info@appalachianwood.org.

Chinese Furniture Maker Moves Into Merillat Plant In VA

RICHMOND, VA - Chinese furniture manufacturer and IKEA supplier Liaoyang Ningfeng Woodenware Co. Ltd. will invest \$2.1 million to establish its first U.S. subsidiary, New Ridge LLC, in Smyth County, VA. The new venture will create 125 jobs in the facility formerly operated by Merillat Cabinets.

New Ridge will manufacture furniture components for the Chinese market, and finished furniture for European and U.S. customers. The company said it also plans to expand into lumber production and export to China.

"The addition of New Ridge, LLC and 125 new jobs is tremendous news for an area that is recovering economically, and the company is able to take advantage of an existing facility that is outfitted for furniture manufacturing and allows quick startup to production. We welcome New Ridge, LLC as a great addition to our strong wood products industry cluster in Southwest Virginia," Virginia Governor Bob McDonnell said in a statement.

Jim Cheng, Virginia Secretary of Commerce and Trade, said "In addition to creating new jobs and repurposing a vacant facility, the company will also use Virginia timber to manufacture its furniture components. We are pleased New Ridge can take advantage of the region's plentiful natural resources as it expands into the U.S. market."

Established in 1998 and headquartered in Liao Yang, China, the privately-held, family-owned Liaoyang Ningfeng Woodenware Co. has more than 550 employees, along with operations in Russia and locations in Northeast China. Liaoyang is a global strategic supplier to IKEA in Asia Pacific and manufactures solid wood bathroom furniture that is shipped to IKEA stores in worldwide.

New Ridge President & CEO ZOU, Xiaohui said Virginia's favorable conditions and incentive programs factored in the decision. This is the second Chinese manufacturer to announce plans to open a U.S. plant with Zeyuan Flooring International Corp. opening in Danville, VA.



CONSUMER

Bassett Inducted Into Furniture Hall Of Fame

HIGH POINT, NC - The American Furniture Hall of Fame inducted six people for 2013. They are: John Bassett III, chairman of Vaughan-Bassett Furniture Industries; Aminy Audi, CEO and chairman of L. & J.G. Stickle; furniture designer Milo Baughman Jr.; rug maker Leon Capel Jr.; Hassel Franklin of Franklin Corp.; and Gene Rosenberg, founder of Bob's Discount Furniture.

Bassett is a champion of American-made furniture and the third generation to work in the furniture industry. Under his leadership, Vaughan-Bassett Furniture Co. sales have increased from \$38 million in 1983 when he joined the company to more than \$90 million today, the largest wood bedroom manufacturer in the United States.

Furniture Plants Open In Mississippi

JACKSON, MS – Jackson Furniture Industries is investing \$2 million to open two residential furniture plants in Mississippi, a move that will create 250 jobs over three years.

Based in Cleveland, Tn., Jackson Furniture manufactures motion furniture under its Catnapper reclining products brand and stationary furniture under the Jackson brand. A line of Duck Dynasty-branded furniture will debut in January.

The new production facilities will be located in Mantachie and Myrtle, Ms. According to the company's website, it has four additional plants and more than 1,000 employees and vendors.

"Jackson Furniture is excited about expanding production in Northeast Mississippi, the ideal location for us based on an excellent labor pool of experienced living room furniture makers," CEO Ron Jackson said in a statement.

Gov. Phil Bryant said in a statement. "These jobs will certainly have a positive impact on their local communities and the northeast Mississippi region, while strengthening our furniture industry."

APPALACHIAN Hardwood Manufacturers, Inc.



2014 Annual Meeting on Feb. 26 - March 2 Boca Raton Resort & Club, Boca Raton, FL

To reserve your room, call the **Boca Raton Resort** at 1-888-557-6375 and use the group code **AHMIHB**. The block cutoff is Jan. 28. Rooms begin at \$278

To plan functions and include all participants on the Registration List, please complete this form and return with your payment to: AHMI, P.O. Box 427, High Point, NC 27261. Badges and other materials will be on site

Registration before Feb. 7, 2014:

AHMI MEMBER - \$395 per person	GUEST - \$495 per person
MEMBER SPOUSE - \$250	GUEST SPOUSE - \$350
CHILDREN AGE 10 & older - \$150; UNDER 10 - FREE	
Add \$50 to any registration fee after Feb. 7, 2014	

Registration fee includes all business sessions and speakers, four evening receptions and Saturday Chairman's Banquet and entertainment.

Full registration fee refunded on cancellations received by Feb. 7, 2014. Cancellations received after that time will be subject to 50% forfeiture.

REGISTER for AHMI'S 2014 ANNUAL MEETING

Name: _____ FEE: \$ _____

Name: _____ FEE: \$ _____

Company: _____

Address: _____

City/State/Zip: _____

Optional events: We will attend

Early Bird reception Wed., Feb. 26

Saturday Afternoon at the **Beach Club**

We want info on:

- Other golf times
- Other fishing times
- Off-site shopping
- Off-site dining
- Off-site recreation

ANNUAL GOLF TOURNAMENTS *Boca Raton Resort Club & Country Club, 1 pm Shotgun Start each day*

Name: _____ FEE: \$ _____

Please check: Friday at Boca Country Club Course \$160
 Saturday at Boca Resort Course \$190

Name: _____ FEE: \$ _____

Please check: Friday at Boca Country Club Course \$160
 Saturday at Boca Resort Course \$190

FISHING TOURNAMENT *Friday at 12 p.m. (Departs from boat dock for 5 hour trip, includes tackle, bait, license) Fee: \$100*

Name: _____ FEE: \$ _____

Name: _____ FEE: \$ _____

Check # _____ Received _____

Visa or MasterCard _____ Exp. _____

TOTAL \$ _____