



Appalachian Sustainable

October 2013

Monthly newsletter of
Appalachian
Hardwood
Manufacturers, Inc.
P.O. Box 427
High Point, NC 27261

T. 336-885-8315
F. 336-886-8865

info@appalachianwood.org
www.appalachianwood.org



Future Meetings

2013 Fall Meeting - Oct. 21-23

The Nemaocolin, Farmington, PA in conjunction with Penn-York Club

2014 Annual Meeting - Feb. 26-March 2

Boca Beach Club, Boca Raton, FL

2014 Summer Conference - July 26-29

The Homestead, Hot Springs, VA

Tours Attract Crowd To Pennsylvania

Sites are mills, yard, pallet plant & hardwood pellets

Registrations continue to mount for the Appalachian Hardwood Manufacturers, Inc. and Penn-York Lumbermen's Club Fall Meeting and Tours in southwestern Pennsylvania on Oct. 21-23.

The Nemaocolin Woodlands in Farmington, PA, is the host hotel and rooms may still be available by calling 866.344.6957. The room block closed on Oct. 7.

The tours offer visits to two sawmills, a concentration yard, a pallet plant and hardwood pellet manufacturing. The meetings are a chance to network with other hardwood industry professionals.

The activities begin with optional golf and sporting clays tournaments on Oct. 21 at 11 a.m. The Nemaocolin has championship golf and shooting facilities and prizes will be awarded to winners.

The monthly Penn-York Lumbermen's Club reception begins at 5:30 p.m. and dinner at 6:30 p.m. hosted by eLIMBS and Northwest Hardwoods. The speaker will be Mark Barford, executive director of the National Hardwood Lumber Association.

Tours will be held on Tuesday, Oct. 22 and Wednesday, Oct. 23 at:

- **Northwest Hardwoods sawmill, Hopwood, PA** - Northwest Hardwoods is a leading North American hardwood lumber brand and operates 12 facilities in the U.S. The Hopwood, PA operation has a 15MMBf fully optimized sawmill and 450MBf in kiln capacity. The sawmill features an optimized headrig, gang resaw, floating sawbox edger, and optimized trimmer.

- **Holt & Bugbee Inc. distribution yard in Mt, Braddock, PA** - Holt & Bugbee Inc. began in 1825 with a sawmill for rough cutting mahogany logs in Charlestown, MA. In 1994, the company opened its Mount Braddock, PA yard and in 1999 opened a yard in Boyertown, PA. The Mount Braddock yard has dry kilns, lumber processing, millwork and sales operations.

- **Frey Lumber & Pallet, Smithfield, PA** - Frey Lumber Company was founded in 1949 by Emanuel Lincoln Frey and in the 1970s the company was passed down to his son, James E. Frey whose son, James E. Frey Jr., joined the company in 1988. The sawmill produces quality hardwood lumber, pallet lumber and makes custom wooden support blocks for coal mines, steel mills and other pallet makers. Frey Lumber also heat treats pallets and blocks. **Frey Pallet Corp.**, founded in 1949 and incorporated in 1995, handles special orders for pallets, crates, and wood blocking material.

- **Greene Team Pellet Fuels in Garards Fort, PA** - Greene Team Pellet Fuel Company, LLC produces clean, renewable energy and reduces dependence on fossil fuels. Pellet quality is the number one goal at Greene Team and they receive

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The way I see it...

By Tom Inman, AHMI President

...the 2013 Fall Meeting and Tours are coming together nicely. We have a great crowd of AHMI and Penn-York Lumbermen's Club members and several guests that have already registered. The room block has been filled and plans are complete for the tours.

This should be a great event in southwestern Pennsylvania where we last toured in 2006. I look forward to seeing many of you there and if you have not registered, please do it today.

...on the meeting front, I recently attended the National Hardwood Lumber Association Annual Convention and the mood was very upbeat. Many producers have growing log inventories and lumber supplies have increased slightly. Distributors and consumers are still demanding hardwood lumber and that was great news.

The convention was well-attended and I was able to visit with dozens of AHMI members and prospects. Kudos to NHLA for a great and condensed meeting.

...the federal government shutdown is impacting the American Hardwood Export Council. I serve on the Board and Executive Director Mike Snow reported at the Annual Meeting last week that there are serious implications from the shutdown. In the short term, all Foreign Agricultural Service Washington personnel have been furloughed so there is no activity on approvals or reimbursements for completed activities. Even the FAS website and on-line systems have been disabled so AHEC staff cannot submit claims or make changes to activity plans.

In the longer term, the Farm Bill has not been extended and is reminiscent of 2012. This will seriously tighten normal cash flow and could potentially disrupt events. AHEC received a loan from NHLA in 2012 to cash flow its operating budget. It has been repaid and AHEC requested the same again for this year. The request was approved last week so AHEC and the rest of the U.S. waits on the government to settle this.

High Point Furniture Market Is Oct. 17-22

The High Point Furniture Market is the largest furnishings industry trade show in the world, bringing more than 75,000 people to High Point every six months.

The fall 2013 event is set for Oct. 18-23 with 2,000 exhibitors filling more than 180 buildings. Participants attend from more than 106 countries.

Showroom hours are Friday – Wednesday: 8am – 7pm. The final day is still considered supplier day with company purchasing staff on hand to view product and meet with suppliers. Appointments are recommended prior to arriving to make sure staff is available.

For more information on market or if you plan to attend, please contact the AHMI office for assistance with transportation and hotels. Our office is located across the street from free market shuttles and we can help with showroom locations and more.

The market overlaps with the AHMI Fall Meeting this year because of timing with the Penn-York Lumbermen's Club month meeting. AHMI's Dinah Farrington will be in the office to assist members visiting High Point and attending market. For more information, call AHMI at (336) 885-8315.

Plum Creek, Enova Group Ink 10-Year Wood Fiber Deal

Plum Creek Timber Company, Inc., announced recently it has entered into a 10-year fiber supply and services agreement with The Enova Group, a bioenergy firm headquartered in Atlanta, Ga.

Plum Creek will deliver up to 3 million tons annually of sustainably-managed wood fiber to three pellet manufacturing locations that will be constructed in the Southeastern United States. Approximately 500,000 tons will originate from Plum Creek's timberlands with the remaining 2.5 million tons to be sourced and delivered from third party landowners.

Enova will construct mills to convert wood fiber into pellets to serve global biomass markets. Pellet shipments are expected to begin in 2015.

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fresh sawdust daily from local sawmills and process it into wood pellet fuel quickly. The state of the art facility allows Greene Team to consistently produce the highest quality pellet fuel. The company has an in house lab and tests finished product every ½ hour to maintain quality.

A bus will be available for the Tuesday tours. The Wednesday group will drive on their own.

A reception and dinner will be held on Tuesday, Oct. 22 at the Nemaocolin with a wrapup of the days events and presentation by Dana Cole, executive director of the Hardwood Federation. Tours are planned for Wednesday morning and will conclude at noon.

Registration is available on page 6 of this newsletter or online at www.appalachianwood.org and follow the tab for Meetings. You can reserve your room today at the Nemaocolin by calling 866.344.6957.

Questions? Call AHMI at (336) 885-8315 or tom@appalachianwood.org

Fall Meeting & Tours Agenda

Monday, Oct. 21

11 a.m. Golf and Sporting Clays tournaments at The Nemaocolin, Farmington, PA

5:30 p.m. Reception at the Nemaocolin

7 p.m. Dinner at the Nemaocolin with program

Tuesday, Oct. 22

8 a.m. Depart by bus for mill tours

8:30 a.m. Northwest Hardwoods, Hopwood, PA

11 a.m. Holt & Bugbee Inc., Mt. Braddock, PA

1 p.m. Lunch in Uniontown, PA

2 p.m. Frey Lumber & Pallet, Smithfield, PA

5:30 p.m. Reception at the Nemaocolin

7 p.m. Dinner at the Nemaocolin with program to follow

Wednesday, Oct. 23

8 a.m. Depart for mill tour (*participants will drive on their own*)

9 a.m. Greene Team Pellet Fuels in Garards Fort, PA

11:30 a.m. Tour ends

12:30 p.m. AHMI Board of Trustees luncheon

Manufacturers Use DNA Technology To Track Lumber Origin

Technology companies are now able to identify lumber species by its DNA and determine country of origin.

Since 2007, a few companies have been using new technology involving DNA sampling and testing. Developed by Double Helix, based in Singapore, and certification body Certisource, the technology involves checking wood fibers against the genetic code of trees.

The DNA tracking system provides a higher standard of proof than that offered by either the Forest Stewardship Council or the Programme for the Endorsement of Forest Certification, both of which focus on auditing company processes, not authenticating individual shipments, Double Helix company officials said.

However, DNA testing is not the only tracking technology being employed by suppliers and customers to determine species and origin. Companies such as Track Record and SGS offer software, digital barcoding, radio frequency identification tags and even satellite tracking to corroborate timber loads.

Other verification systems claim to track a product back to the forest where it began life as a sapling using barcode tags, which are then fixed to the product. The introduction of tough new legislation aimed at combatting the trade in illegally sourced timber – such as the 2008 amendments to the US Lacey Act, 2012 Illegal Logging Prohibition Act in Australia, and 2010 EU Timber Regulation – has helped increase the appeal of authentication technologies. Violators faces penalties like criminal convictions, fines and even prison.

According to Jonathan Geach, executive director of Double Helix, the current chain-of-custody systems are open to abuse because they act more like an “honour system” based on trust. The access to markets and suppliers that FSC or PEFC certification offers creates a “perverse incentive” for fraudsters to cheat the system, adds Geach.

Hardwood Federation Seeks Participants For DC Fly-In Oct. 30-31



The Hardwood Federation is asking all association members to participate in the 2013 Annual Fly-In to Washington DC on Oct. 30-31 to contact members of Congress and their staff.

The event is an excellent opportunity to meet with leaders in Congress and high-ranking Obama Administration officials, but also time with industry peers. The host hotel is the Liaison Hotel at 415 New Jersey Avenue, NW, Washington, DC.

There will be a briefing on the Federation's issue and attendees are placed on teams by state to make visits. There are typically five key items that will be addressed with elected officials.

The agenda is:

Tuesday, Oct. 29

7-9 p.m. Hardwood Federation/National Wood Flooring Association Welcome Reception

Wednesday, Oct. 30:

8-10 a.m. Hardwood Federation Board of Directors' Meeting

10 a.m.-noon Hardwood Federation PAC Board of Directors' Meeting

12 noon - 2 p.m. Hardwood Federation Fly-In Briefing Session and Luncheon

2 - 5 p.m. Hardwood Federation Capitol Hill Visits

5:30 - 7 p.m. HFPAC Republican Members Reception

7 p.m. - 9:00 p.m. Hardwood Federation Fly-In dinner

Thursday, Oct. 31

8:00 a.m. - 10:00 a.m. HFPAC Democratic Members Breakfast

10 a.m. - 2 p.m. Hardwood Federation Fly-In Capitol Hill Visits

To register, please visit the Federation's website at www.hardwoodfederation.com.

The HF Board of Trustees has asked each participating association to send at least two members to the Fly-In to contact Congressional leaders. For more information, please contact the AHMI office.

The Farm Bill is on hold pending the resolution on the U.S. Budget. This important piece of legislation provides for the Market Access Program (MAP) and the Foreign Market Development (FMD) which help fund the work of the American Hardwood Export Council.

With this delay and uncertainty of resolution, AHEC staff and its board are reviewing immediate plans for trade events and meetings. If you are planning to participate in events in the next few weeks, please contact the AHEC office for an update.

Hardwood Federation Executive Director Dana Cole reports that also included in one form or another in both the Senate and House versions of the Farm Bill, are fixes to the USDA's bio-preferred products program. In the past, wood products have been excluded because they fall into what USDA calls "the mature market" category. But that is being "fixed" to ensure American wood products receive the green credit they deserve.

She said HF is also watching how the renewable energy provisions—many of which incentivize use of hardwood mill residuals - play out in the Bill. The Senate and House versions are far apart, with the Senate proposing almost a billion dollars to fund these programs while the House has eliminated program funding.

The big question - "Will this be a five-year-bill or another one-year extension?" Cole said many agree that a five-year-bill is in everyone's interest. It provides the stability small businesses require and is largely seen as the right thing to do.

The current Farm Bill extension expired on Oct. 1 but many Farm Bill programs are funded beyond that date, affording time for lawmakers to reach a deal after the deadline. But the sooner the better, for the stability of Farm Bill programs.

For more information, please visit the Federation's website at www.hardwoodfederation.com.



WCMA tour participants see chairs assembled at HW Chair in Millersburg, OH

AHMI Participates In Component Plant Tours In Central Ohio

Appalachian Hardwood Manufacturers, Inc. President Tom Inman and more than 20 AHMI members participated in the 2013 Wood Component Manufacturers Association Annual Meeting & Tour near Millersburg, OH, in September.

The tours offered insight into component, lumber, cabinet, furniture and machinery manufacturing in what is often referred to as "Amish Country" in central Ohio. Tour locations included AHMI members Yoder Lumber Co., HW Chair, Hochstetler Wood, Walnut Creek Planing and also Gerber Wood Products, Hiland Wood Products, Schrock Cabinets, Miller Wood Design, Eagle Machinery & Supply and Keim Lumber Co.

Most of the woodworking facilities utilized solid wood frames and hardwood panel products. They manufactured parts or semi-finished goods for residential and commercial applications.

The species included red oak, white oak, ash, hard maple, soft maple, poplar and walnut. The spokespeople reported that business was improving and they were operating closer to capacity.

"This was a great tour and it was very interesting to see the unique ways each company manufactures," said Inman. "The central Ohio area is fast becoming a wood furniture and cabinet manufacturing base with dozens of small and medium-sized businesses located there."

AHMI Activities 2013-14

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:

Oct. 19-24: High Point Furniture Market, High Point, NC

Oct. 20: American Society of Furniture Designers, High Point, NC

Oct. 21-23: AHMI Inter-Industry Meeting and Tours, Farmington, PA

Oct. 29-31: Hardwood Federation Fly-In, Washington, DC

Nov. 13-15: NC Wood Exports Conference, Raleigh, NC

Nov. 20-22: GreenBuild, Philadelphia, PA

Feb. 4-6: 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 28-April 1: Interzum Guangzhou, Guangzhou, China

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

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

Appalachian Verified Materials

AHMI members are reminded that 2013 Appalachian Hardwood Verified Sustainable and Verified Legal 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 for Verified Sustainable.

There are also Verified Legal certificates, procurement forms, letters and labeling. Assistance for auditors is also available. Verified Legal provides a process to verify that members are legal entities in the U.S., adhere to the rule of law and provide timber and lumber products that are legally sourced. These materials can be delivered to your company within a few days of placing your order. Please contact AHMI at (336) 885-8315.

2013 Appalachian Hardwood Manufacturers, Inc. Fall Meeting & Tours

in conjunction with Penn-York Lumbermen's Club The Nemaquin, Farmington, PA Oct. 21-23

To accurately plan the functions and make sure all participants are included on the Registration List, please complete this form and return it with your check or complete the credit card information below today to AHMI, P.O. Box 427, High Point, NC 27261.

PLEASE REGISTER FOR PENN-YORK AND AHMI FALL MEETINGS & TOURS

Name: _____

Company: _____

Address: _____

City/State/Zip: _____



Fees (please circle your selection)

Both Meetings, tours & meals: \$250 Penn York & AHMI members / \$350 guests

or Monday Penn York Meeting only, "open bar" reception and dinner: \$65

Tuesday and Wednesday AHMI tours, bus, Tuesday lunch, reception & dinner only:

\$195 for Penn York & AHMI members / \$295 for guests

MILL TOURS Please select the tour sites you will attend and if you will ride the bus departing/ returning to the Nemaquin on Tuesday. Wednesday tour will drive on your own.

Tuesday, Oct. 22 Northwest Hardwoods I will ride the bus

Holt & Bugbee Inc. I will ride the bus

Lunch

Frey Lumber & Pallet I will ride the bus

Wednesday, Oct. 23 Greene Team Pellets (drive on your own)

Total _____

Check enclosed _____

Credit Card: VISA / MasterCard # _____

Expiration date _____

Name on card: _____

Billing zip code _____

You may also register online at www.appalachianwood.com/meetings.htm

GOLF TOURNAMENT

Yes I will golf

Monday, Oct. 21 at 11 a.m. Mystic Rock Course. Fee is \$65 payable on site to Nemaquin.

SPORTING CLAYS TOURNAMENT

Yes I will shoot

Monday, Oct. 21 at 11 a.m. at Shooting Academy. Fee is \$75 for 100 targets with own gun & ammo. Fee for gun rental, ammo & clays is \$129 payable on site to Nemaquin.

Room reservations can be made online at www.nemaquin.com or call (724) 329-8555

Room rates start at \$149.99 per night