

# Appalachian Sustainable

## Great Crowd Readies For Annual Meeting In FL Expanded Room Block Sells Out; Overflow Nearby Has Space

A terrific crowd is expected for the 2015 Annual Meeting of Appalachian Hardwood Manufacturers, Inc. and overflow space has been located at area hotels in Bonita Springs for additional attendees.

The 2015 Annual Meeting business program has attracted attention from AHMI members with timely information on the cabinet industry, freight, tax reductions for exporters and export promotion. Five speakers are confirmed for presentations at the Annual Meeting on Feb. 26-March 1 at the Hyatt Regency Coconut Point in Bonita Springs, FL. The property is located on the Gulf of Mexico just north of Naples, FL.

The business program is listed to the right and will also include an update on AHMI's Program of Work for 2015, the Chairman's Report and celebration of member anniversaries. The meeting will include four receptions and an "early-bird" reception at the Naples, FL, home of long-time AHMI members Mitch and Iris Carr of Shenandoah Forests.

AHMI will have two golf tournaments at the resort's championship Raptor Bay Course. A record crowd has signed up for the Second Annual AHMI Fishing Tournament on Friday in the Estero Bay and backwaters.

The resort is located close to the Southwest Florida International Airport. Please make your flight reservations today.

For hotel information, please contact the AHMI office at (336) 885-8315 for a list of overflow hotel space that is nearby in Bonita Springs. Online meeting registration is available at the AHMI website [www.appalachianwood.org/meetings.htm](http://www.appalachianwood.org/meetings.htm). The fee increases after Feb. 6.

We look forward to seeing you in Florida for the Annual Meeting. See full agenda on page 3.

### Business Program

#### Preparing For The Future Of Cabinets

- Chris Watson, president of Conestoga Wood Specialties of East Earl, PA, will share developments in the wood cabinet industry in 2015. Conestoga marked 50 years in the wood products business in 2014 and is preparing for continued success.

#### Domestic International Sales Corporations (DISC)

- Stewart Feldman of The Feldman Law Firm in Houston, TX, will explain an IC-DISC for exporters which reduces tax liabilities by converting a portion of export income into dividends.

#### American Hardwoods: The Environmental Decision

- Mike Snow of the American Hardwood Export Council will explain the American Hardwood Environmental Profile (AHEP) which combines output from the AHEC's Life Cycle Assessment with other data sources.

#### Logistics and Domestic Freight Issues

- Fred Burns, CEO of Burns Trucking in Marlinton, WV, will explain what lumber companies can expect in freight forwarding in 2015.

#### Truth About Trees

- Crystal Oldham, executive director of the Hardwood Forest Foundation, will present a program at a Naples area elementary school and then report on the success of the campaign across the U.S.



February 2015

Monthly newsletter of Appalachian Hardwood Manufacturers, Inc., P.O. Box 427, High Point, NC 27261  
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AHMI welcomes the following new members:

**Supplier**

TJT Consulting  
Robert D. Case  
4001 Legion Drive  
Hamburg, NY 14075

New members are the lifeblood of the association and there are many benefits to companies in each of our divisions. If you know of hardwood sawmills, concentration yards, secondary manufacturer or consulting foresters and suppliers who should join, please share this information with Tom or Brenda at AHMI at (336) 885-8315.

Also we encourage members to discuss AHMI membership with their customers and suppliers. We can provide you with a packet of materials to give to prospective members and will follow from the office.

## Future Meetings

The following is the list of future meetings of Appalachian Hardwood Manufacturers, Inc. that have been contracted. More information will be mailed to members and guests. Please mark your calendar today to make plans to attend.

**2015 Annual Meeting - Feb. 25-March 1**  
Hyatt Coconut Point, Bonita Springs, FL

**2015 Summer Conference - July 24-28**  
Colonial Williamsburg, Williamsburg, VA

**2015 Fall Meeting & Tours - Oct. 20-22**  
in conjunction with the National Wooden Pallet & Container Association

**2016 Annual Meeting - Feb. 25-Feb. 28**  
Naples Beach Club, Naples, FL

**2016 Summer Conference - July 24-28**  
The Greenbrier, White Sulphur Springs, WV

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## The way I see it...

By Tom Inman, AHMI President

...AHMI has a great opportunity to help *Furniture Today* magazine on a series of articles titled "Working With Wood." These are scheduled for publication later this month.

The series will educate furniture manufacturers and retailers about the benefits of solid Appalachian hardwoods and both American and international veneers in furniture. Shouldn't furniture makers know this already?

If you have called on the furniture industry in the past 10 years, you know the sea of change that has occurred. The majority of cased goods are produced offshore and many former manufacturing companies have become marketers of furniture that is made in China, Vietnam and Malaysia under their label.

These companies still use American and European designers to create the pieces and specify the wood, but the production facilities may not follow every instruction.

This series will help the makers/marketers understand the sustainability and legality of the Appalachian hardwood resource. It will also educate the furniture retailer and sales team about the products they are selling.

Associate Editor Tom Russell and I traveled to western North Carolina recently to tour sawmills and concentration yards. We meet with lumber manufacturers and sales staff, asking very detailed questions about the Appalachian resource.

Russell had never toured a modern sawmill facility and was impressed with the technology and speed of production. He was equally impressed by our forest resource message - growing 2.45 trees for every tree harvested or dying combined.

The series will also discuss panels and veneer products and their applications in furniture. I guess there is room for those guys at the table!

*Furniture Today* is published in Greensboro, NC, and has more than 25,000 subscribers in furniture design, manufacturing and retail.

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**2015 Annual Meeting Agenda**

**Wednesday, Feb. 25**

6 p.m. Early Arrival Reception at home of Mitch and Iris Carr in Naples, FL. *Bus provided*

**Thursday, Feb. 26**

*Informal golf and fishing available. Call AHMI*

3 p.m. Board of Trustees Meeting

5 p.m. Registration

6 p.m. Welcoming Reception

Dinner on your own

**Friday, Feb. 27**

7:30 a.m. Fellowship of Christian Lumbermen

8:30 a.m. General Session

*Preparing For The Future Of Cabinets* - Chris Watson, president of Conestoga Wood Specialties of East Earl, PA, will share developments in the wood cabinet industry.

*Domestic International Sales Corporations (DISC)* - Stewart Feldman of The Feldman Law Firm in Houston, TX, will explain the DISC program and tax benefits for exporters.

*American Hardwoods: The Environmental Decision* - Mike Snow of the American Hardwood Export Council will explain the American Hardwood Environmental Profile (AHEP)

9 a.m. Ladies Breakfast

12 noon Fishing Tournament in Estero Bay

12:30 p.m. Golf Tournament at Raptor Bay

6 p.m. Reception

Dinner on your own

**Saturday, Feb. 28**

8 a.m. Producers Meeting

8 a.m. Distributors Meeting

9 a.m. General Session

Annual Meeting & Member Anniversaries and Chairman's Report from Steve Houseknecht of Wagner Lumber Co. and AHMI Chairman

*Logistics and domestic freight delivery issues* - Fred Burns, Burns Trucking, will discuss freight forwarding issues in 2015

*Truth About Trees* - Crystal Oldham, executive director of the Hardwood Forest Foundation, will present a program at a Naples area elementary school as part of the meeting. She will report on that and success of the educational campaign across the US.

12:30 p.m. Golf Tournament at Raptor Bay

1 p.m. Fun at Big Hickory Island (*AHMI cabana on the beach*)

6 p.m. Chairman's Reception

**Sunday, March 1**

No formal business - Safe Travels!

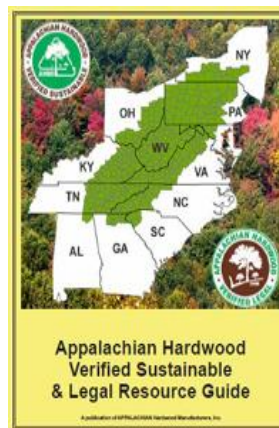
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## AHMI Resource Guide Information Due NOW

HIGH POINT - Appalachian Hardwood Manufacturers, Inc. will publish the 2015 Appalachian Hardwood Verified Sustainable and Legal Resource Guide in March and deadline to be included is NOW.

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 2015. It is also



available in electronic form on the AHMI website and emailed annually to thousands of lumber buyers around the world as they seek information about Appalachian species and AHMI member companies.

For more information, please contact the AHMI office at (336) 885-8315 or tom@appalachianwood.org immediately.

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## AHMI Schedule Of Events

Appalachian Hardwood Manufacturers, Inc. will attend / display at the following meetings and other events to promote AHMI members in 2015:

Feb. 10-11: **Hardwood Federation**, Washington, DC

Feb. 25-March 1: **AHMI Annual Meeting**, Bonita Springs, FL

March 10-12: **Indiana Hardwood Lumber Association**, Indianapolis, IN

March 17: **Appalachian Lumbermen's Club**, Greensboro, NC

March 25-27: **Kentucky Forest Industries Association Annual Meeting**, Lexington, KY

March 29-April 1: **Interzum Guangzhou**, China

April 18-23: **High Point Furniture Market**, High Point, NC

April 20-21: **Furniture Market Wood Species Design Survey**, High Point, NC

April 28-May 1: **National Wood Flooring Association Convention**, St. Louis, MO

June 25-26: **AHEC Southeast Asia Convention**, Nanning, Guangxi, China

July 26-28: **AHMI Summer Conference**, The Williamsburg Lodge, Williamsburg, VA

Oct. 7-9: **NHLA Convention**, Nashville, TN

Oct. 17-22: **High Point Furniture Market**, High Point, NC

Oct. 19: **American Society of Furniture Designers**, High Point, NC

For more information, contact the AHMI office.

## NCSU Seeks Summer Internships For Students

The North Carolina State University undergraduate Sustainable Materials and Technology (SMT) program (*formerly the Wood Products program*) is seeking to place interns for the Summer of 2015. Internships are a great opportunity for students to learn about the industry and to earn money at the same time. For the industry, having a summer intern is a means to hire temporary summer labor and evaluate that individual for possible future employment.

The Department of Forest Biomaterials at NC State offers employers access to a well-trained pool of bright young professionals in the sustainable materials and allied industries. SMT is an applied material science and engineering program focused on the economic, environmental, and social attributes of renewable.

For more information, contact the Forest Biomaterials Career Services Coordinator is:

Ms. Pat Hill

Department of Forest Biomaterials

Sustainable Materials & Technology and Paper Science & Eng. Programs

2209 Biltmore Hall

Campus Box 8005

Raleigh NC 27695-8005

pat\_hill@ncsu.edu or phone 919.515.2888

<http://cnr.ncsu.edu/fb/career-services/>

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## Study: Biomass Demand Will Increase Forestland

Europe's demand for wood pellets to generate renewable bioenergy will lead to an increase in US forestland as timber exports rise, according to US Forest Service scientists.

A new study finds that policies in the European Union and elsewhere requiring the use of renewable and low greenhouse gas-emitting energy are driving demand for wood pellets used in the generation of biomass energy. This demand could provide lucrative new markets for US timber exports, increase wood prices, and lead to substantial increases of forested areas.

Karen Abt, research economist with the Forest Service's Economics and Policy unit and lead

author of the report, said: "Southern forests and some northern forests as well, are being used to produce pellets for export to the EU. Current and proposed production levels have the potential to increase prices, but may also lead to an increase in timberland area."

Abt and her team used a computer model to simulate timber markets in the U.S. Coastal South up until the year 2040. It accounted for continued bioenergy demands based projections of wood consumption by pellet mills and other bioenergy producers. "We know people plant more when prices go up and we also know that they keep more natural forest as forest when prices go up."

# Hardwood Exports To Asia Increase 22%

*From American Hardwood Export Council*

Data released by the U.S. Department of Agriculture for the first three quarters of 2014 shows a continuing growth in global exports of American hardwood products with an increase of 22% in value in comparison to the same period last year.

American hardwood lumber exports to Southeast Asia represent US\$195.9 million in value for the first nine months suggesting that the overall value in 2014 would be estimated at \$261.2 million if shipments continue at the same rate in the final quarter. From 2009, the annual increase is 126% in five years.

The export of US hardwood lumber to Vietnam accounts to nearly 75% of the total of US hardwood lumber export to Southeast Asia. This large increase attributes to the steady growth in furniture, joinery and flooring markets.

Malaysia has shown an increase of 18% of American hardwood lumber as well as an increase of 16% of veneer imports.

Thailand continues to be the fourth largest market in Southeast Asia for American hardwood products with an increase of 12% of hardwood lumber. Plywood had the largest import value with an increase of 721% in comparison to log imports which decreased by 15%.

The Philippines is a relatively small market for American hardwoods however there has been an

increase in lumber exports to 44% in value from the same period last year.

Although Singapore showed a decrease of hardwood lumber there has been an increase of veneer and hardwood flooring. However Singapore companies remain highly competitive by setting up production facilities in China, Vietnam, Malaysia and Indonesia.

U.S. exports of sawn hardwood lumber to China were up 40% in value and American hardwood logs up 45%. Most of this is now consumed domestically, making it by far the largest market for American hardwood exports.

The total value for the first three quarters of 2014 for Greater China including Hong Kong and Taiwan was US\$1.26 billion. This is in comparison to US\$813,057,959 in 2013. Major sectors are furniture and flooring, especially Oak, the popularity of which continues to rise exponentially for flooring in China.

John Chan, AHEC Regional Director for Southeast Asia and Greater China said "This data demonstrates US hardwoods continuing to make strong progress throughout Asia".



## EXPORTS

## West Coast Ports Slowdown Continues

LOS ANGELES - The Pacific Maritime Assn. on Feb. 6 made another contract offer to members of the International Longshore and Warehouse Union on a new labor deal at West Coast ports. If an agreement is not reached, ports could lockdown within days.

The PMA represents port operators and offers ILWU members a wage increase of 3% per year and provide fully paid health care that costs employers \$35,000 per worker per year. The maximum ILWU pension would rise to \$88,800 per year as part of the proposed five-year contract.

The dispute has lingered for nine months, and

follows three months of slow productivity at major West Coast ports.

PMA's offer also meets the ILWU's two biggest demands: maintenance of their health benefits – which feature no worker premiums, no co-pays and no deductibles for in-network benefits – as well as jurisdiction over maintenance and repair of truck chassis.

The resulting contract offer calls for a cost increase of roughly 5% each year over the life of the five-year contract. For its part, ILWU said it is trying to keep dock employers at the negotiating table to finish an agreement that is "extremely close."

# APPALACHIAN Hardwood Manufacturers, Inc.



## 2015 Annual Meeting on Feb. 25 - March 1 Hyatt Coconut Point, Bonita Springs, FL



To reserve your room, call the Hyatt Coconut Point at (239) 444-1234 and use the group code AHardwood. The block cutoff is Jan. 25. Rooms begin at \$274.00 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. 6, 2015:

**AHMI MEMBER - \$350** per person      **GUEST - \$450** per person  
**MEMBER SPOUSE - \$230**      **GUEST SPOUSE - \$330**  
**CHILDREN AGE 10 & older - \$150; UNDER 10 - FREE**  
**Add \$50 to any registration fee after Feb. 7, 2015**

Registration fee includes all business sessions and speakers, four evening receptions and entertainment.

*Full registration fee refunded on cancellations received by Feb. 6, 2015. Cancellations received after that time will be subject to 50% forfeiture.*

### REGISTER for AHMI'S 2015 ANNUAL MEETING

Name: \_\_\_\_\_ FEE: \$ \_\_\_\_\_

Name: \_\_\_\_\_ FEE: \$ \_\_\_\_\_

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

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

City/State/Zip: \_\_\_\_\_

#### Events I / We will attend

- Early Bird reception Wed., Feb. 25
- Ladies Breakfast Fri., Feb. 27
- Saturday Afternoon at **Big Hickory Island**

#### We want info on:

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

### ANNUAL GOLF TOURNAMENTS 12:30 pm Shotgun Start each day

Name: \_\_\_\_\_ FEE: \$ \_\_\_\_\_

- Please check:  Friday at Raptor Bay Course **\$195**  
 Saturday at Raptor Bay Course **\$195**

Name: \_\_\_\_\_ FEE: \$ \_\_\_\_\_

- Please check:  Friday at Raptor Bay Course **\$195**  
 Saturday at Raptor Bay Course **\$195**

### FISHING TOURNAMENT Friday at 12:30 p.m. (Departs from boat dock for 4-hour trip, includes tackle, bait, license) **PLEASE CHOOSE:**

\$195 each for one of four slots on chartered skiff or  
\$85 each for one of 10 slots on Raptor Runner

Name: \_\_\_\_\_ FEE: \$ \_\_\_\_\_

Name: \_\_\_\_\_ FEE: \$ \_\_\_\_\_

Check # \_\_\_\_\_

Visa or

MasterCard \_\_\_\_\_ Exp. \_\_\_\_\_ Sec. Code \_\_\_\_\_

**TOTAL** \$ \_\_\_\_\_