

# Appalachian Hardwood *Sustainable & Legal*

Monthly newsletter of  
Appalachian Hardwood Manufacturers, Inc.

October-November 2018



1928 - 2018

## AHMI Members Revisit High Point Market

Appalachian Hardwood Manufacturers' members returned to the High Point Furniture Market to call on new and existing customers.

It has been six years since AHMI held its Fall Meeting at the world's largest furniture exhibition. More than 1,200 manufacturers from 200 countries and upwards of 50,000 people participate in the twice annual show.

AHMI scheduled meetings and tours for members during the "Supplier Day" and concentrated on domestic manufacturers. Staff provided members with a list of more than 300 international exhibitors for meetings and the group participated in the 2018 International Society of Furniture Designers Pinnacle Awards reception.

The participants toured the SpectreWood Furniture, Country View Furniture, Vaughan-Bassett Furniture, Bernhardt and Gat Creek Furniture showrooms as a group. The manufacturers produce solid hardwood bedroom, dining and entertainment centers from Appalachian Cherry, Maple and Oak as well as American Walnut.

The report from exhibitors was continued emphasis on solid wood as consumers want it.

*(See Furniture Market on page 3)*



Gat Caperton spoke to AHMI group

## Appalachian Species Win Furniture Design Awards

Furniture designs made of Appalachian Hardwoods won international acclaim recently at the High Point Furniture Market.

The International Society of Furniture Designers held their 23rd Annual Pinnacle Awards Competition and drew interest from designers across the country in 18 categories. Three Appalachian Hardwood Manufacturers, Inc. member companies and Appalachian species were recognized with top awards.

The winners included:

- The Sunbury Bed by designer Michael Showalter for Gat Creek made of Appalachian Cherry. The Sunbury Bed is made from local and sustainably harvested solid Appalachian hardwood.
- The Local Harvest Casual Dining by designer Catina Roscoe for Borkholder Furniture made of Red Oak won the Casual Dining category. Roscoe, who spoke at the 2018 AHMI Annual Meeting, said Local Harvest is built in solid Red Oak and appeals to consumers' growing preference for organic, natural and handcrafted products.



Local Harvest Is Red Oak

*(See Designs on page 2)*

## The way I see it...

By Tom Inman, AHMI President

...AHMI Export members who have maintained business in China are working diligently AGAIN to make deadlines to ship before proposed changes in the tariff on hardwood lumber and logs.

It's the second time in three months that the threat of an increase in a tariff has salespeople trying to determine pricing of lumber. In July, Chinese officials announce retaliatory tariffs against US products after tariffs were placed on Chinese goods. The initial proposals were 25% but these were reduced to 5% and 10% when they took effect Sept. 24.

Now the Chinese government is threatening to increase the tariff on hardwood logs and lumber to 25% as soon as Jan. 1, 2019. Exporters are scrambling to get shipments out in early November so they will be on the ground in China before the deadline.

Freight forwarders are creatively making it happen, according to AHMI members TMX and Laufer Group. It is challenging.

AND more AHMI Producers and Distributors are looking for new customers in the U.S. and other countries. There are new inquiries coming to AHMI from furniture and flooring manufacturers, the pallet industry continues to expand, road and crane mats are increasing and there are new plants opening in Vietnam, Indonesia and India.

The U.S. hardwood industry has benefited from the tremendous growth in China over the past 10 years. The market there like our Red Oak and other species and the manufacturers understand our consistent product.

The politics of 2018, however, have hurt the markets. It has caused every company to reconsider business plans and marketing strategies.

While difficult in the short term, these reconsiderations can have positive effects in the long term. Companies should review their strategies and revise with new market conditions.

*"Change is the law of life and those who look only to the past or present are certain to miss the future."*  
—President John F. Kennedy

## Designs from page 1

- The first Maker / Designer Award winner was Escape Velocity by Owain Harris. The category was sponsored by AHMI and the piece was built from walnut solids and eucalyptus veneers.

- The Hague Dining Table by Thor Tober for Century Furniture won the Formal Dining award. It is made of White Oak solids and veneers.

- The Dominic Metal Canopy Bed by Bernhardt Casegoods Design Team for Bernhardt won the bedroom award.

- The Linea Collection by Otto & Moore Design and Bernhardt Design Team for Bernhardt won the Major Collection category.

"We see an ever-expanding awareness of the impact of product design on the marketplace," said John Conrad, ISFD executive director. "We are also pleased to see intense competition in our newest category, Maker/Designer sponsored by AHMI, created to recognize the builders/makers who create one-of-a-kind pieces for sale in galleries and stores, as well as client-specific products."

AHMI Chairman Lowery Anderson presented the Maker / Designer Award and remarked that it was pleasing to see the number of winning pieces in solid hardwood. More than a dozen AHMI members attended the awards ceremony.

The High Point Market attendance was down slightly as exhibitors and manufacturers battled Hurricane Michael on the opening days. High Point Market is the largest furnishings industry trade show in the world, bringing more than 75,000 people to High Point, NC, every six months.



**The Sunbury Bed by Gat Creek Furniture is Cherry**

## Furniture Market from page 1

Gat Caperton of Gat Creek said the response from retailers to the sustainability message is strong. His company makes product under their own name and private labels for retailers. The cherry, maple and ash products were well-received.

Vaughan-Bassett Furniture recently began a licensing program with Ben and Erin Napier of the HGTV's "Home Town." The bedroom and dining room collections are designed by the duo and made of Appalachian Hard and Soft Maple.

"As fans already know, Ben designs and builds his own furniture in his woodshop and Erin is an acclaimed designer. Together, they have already restored and transformed dozens of homes in Laurel and we cannot wait for Ben and Erin to bring their design ideas and expertise to Vaughan-Bassett," Wyatt Bassett said.

Ben Napier said they are excited to work with VB. "Our designs will be lovingly made with American craftsmanship, American quality and by the largest manufacturer of wooden residential furniture in the United States," he said.

VB maintains its Appalachian Hardwood Collections in Cherry, Maple and Oak.

A third stop was SpectreWood of State College, PA, and attendees viewed solid cherry and walnut bedroom, entertainment and office furnishings. Eric Freiberg explained the products and noted that market acceptance was good.

AHMI members then participated in individual meetings with manufacturers from the U.S.,

**Soft Maple is focus of Home Town Collection at Vaughan-Bassett**



Mexico, China, Italy and Canada.

AHMI also presented a program titled "Appalachian Hardwoods In Sustainable Design" for furniture designers and manufacturers. The session detailed the hardwood species from the Appalachian region and their application for furniture.

The Certified Appalachian Hardwood Legal and Sustainable program was explained and members of the Sustainable Furnishings Council were recognized. Certified Appalachian meets the requirements of SFC's Wood Scorecard program.

The High Point Market is the largest furnishings industry trade show in the world, bringing more than 75,000 people to High Point, NC, every six months. The next market is scheduled for April 6-10, 2019.

## Tariffs, Demand Are Talk Of NHLA Convention

The toll that Chinese tariffs have taken on the hardwood lumber industry was the center of most conversations at the National Hardwood Lumber Association Convention in Toronto recently.

While the percentages for tariffs on lumber and logs are both lower than what was threatened, it has forced declines in sales and values, many people report. During the American Hardwood Export Council session, staff gave updates on changes in demand in China and the potential in

new markets in other countries.

NHLA elected new officers for 2018-19 and are: Darwin Murray of McClain Forest Products in West Plains, MO, president; and Jeff Wirkkala of Hardwood Industries, Inc. in Sherwood, OR, vice president.

There was a great crowd at the convention and the mood was mixed. There is concern about lumber availability in the fourth quarter and demand for products.

# Senate Hearing Favors Mass Timbers' Future

By Dana Lee Cole

*Hardwood Federation Executive Director*

On Oct. 23, the Environmental and Energy Study Institute (EESI) held a briefing on the Hill titled "Wood: The Building Material of the Future?" EESI was founded in 1984 by a bipartisan group of lawmakers to inform the debate on energy and environmental policy at the federal level. Your Hardwood Federation team attended the packed committee hearing.

Sen. Angus King (ME) kicked off the briefing via video conference in which he extolled the virtues of cross laminated timber and other innovative wood products as being a promising market driver for timber in states like Maine that are heavily forested. He is a Timber Innovation Act cosponsor and co-chairs the Working Forests Caucus in the Senate with Sen. Jim Risch (ID).

Melissa Jenkins, who is the mass timber portfolio team leader at the U.S. Forest Service, said the Forest Service is excited about the market-creating potential of mass timber as a way to address the nation's overstocked forests. She noted that CLT production is expanding in the U.S. with new facilities coming on line from Montana to Maine.

Craig Rawlings from the Forest Business Network was next and he highlighted a number of project examples, including the hardwood CLT display in Columbus, IN. Rawlings noted that the movement toward mass timber is the most exciting development in his 40-year career. The simple

fact that smaller diameter trees can be used to make panels creates benefits for forest health and for management for low grade timber.

Architect Susan Jones emphasized that architects are increasingly interested in mass timber is its lower carbon footprint. A mid-rise project is 15-20 percent less carbon intensive than a traditionally-built steel or concrete structure. In addition to its carbon sequestering benefits, the aesthetic that these buildings create is superior.

Jones said the priority for architects is for the commercial building codes to accept CLT and other mass timber products and that process is occurring now. In fact, the International Codes Council is considering changes this Fall to its codes to accommodate mass timber.

Finally, Jeff Morrow concluded the session with a perspective from the construction manager standpoint. Morrow's firm, LendLease, favors mass timber for sites where soil conditions are poor and labor costs are high. CLT is versatile and lighter than traditional commercial construction materials and generally easier to work with at the construction site.

The bottom line is that this briefing was helpful in our continuing education efforts with Capitol Hill staff about the attributes and benefits of this promising new wood product application that has the potential to help virtually all aspects of the forest products value chain.

## Building Code Changes Get Positive Comments

The Mass Timber Code Coalition (MTCC) reports a positive reception for mass timber during the Public Comment Hearings portion of this year's International Code Council Annual Conference in Richmond. All of the proposals from the Ad Hoc Committee on Tall Wood Buildings were approved by large margins at the hearings.

These changes go to the online government consensus vote for final approval. Talk of mass timber's safety, cost and energy efficiency,

sustainability, and wide applicability have had a profound impact.

The ICC recognized that with taller mass timber structures being approved more often, it was time to ensure that the IBC was providing building code officials with the tools they need to carefully evaluate proposed mass timber buildings. The ICC process is based on the best available science and a careful, deliberative process.

# Register Now For Hardwood Leadership Retreat

AHMI, HMA and NHLA will host the 2019 Hardwood Leadership Development Retreat for professional leadership training Jan. 28-30 in Greensboro, NC.

The symposium is designed to help individuals maximize their potential and instill the values and behaviors that create a strong culture of leadership.

The BB&T Leadership Institute combines expert psychological insight with the lessons learned throughout the 145 years of BB&T's history. It was selected because of its unique qualifications to develop people to become dynamic leaders, increase employee retention and improve the bottom line for companies.

The program addresses the complexities of leadership and will:

- \* Focus and develop leadership for the new and seasoned employees.

- \* Offer forums and networking opportunities

to help companies stay relevant.

Explain how to Grow Your Company Through Your People and Lead Change with Purpose

The costs are

**Registration fee:** \$450 per person

**Housing:** 2 nights @ \$275 per person

Participants are encouraged to stay at the Institute's world-class facility. Rooms are available on a first-come, first-serve basis.

**Transportation:** Piedmont Triad International Airport (GSO) in Greensboro, NC, and taxi or Uber just 5-10 minutes to hotel/conference center.

Please register online at:

<https://www.hmamembers.org/hardwood-leadership-development-retreat-registration/>

This is open to all AHMI, HMA and NHLA members and companies are encouraged to send employees who are new to management positions. For more information, please contact the AHMI office at 336-885-8315.

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## Fly-In 2018 Is Successful

The annual Hardwood Federation Fly-In to Washington DC was Sept. 11-13 and 83 industry leaders covered the Hill in small groups and made more than 120 visits.

There were also meetings with U.S. Department of Agriculture Secretary Sonny Perdue, senior staff and advisors at the Department of Commerce, and the Chief Economist to Vice President Mike Pence. It was a busy and productive day for participants.

A chief concern was the ongoing U.S. trade dispute with China and the resulting tariffs on both Chinese imports and U.S. exports. Trade is having a devastating impact on hardwood sawmills and HF asked that the Trump Administration return to the negotiating table as soon as possible.

Reauthorization of the Farm Bill was our second priority issue, particularly important was our support of full funding for the Market Access Program (MAP) and Foreign Market Development (FMD) program.

## AHMI Trade Show / Meeting Activities

Appalachian Hardwood Manufacturers, Inc. will attend / display at the following meetings and other events to promote solid hardwood and AHMI member companies:

Nov. 6-7: **Stiles Machinery Manufacturing Days**, High Point, NC

Nov. 13: **Appalachian Lumbermen's Club Meeting**, Johnson City, TN

Jan. 28-30, 2019: **Hardwood Leadership Development Retreat**, Greensboro, NC

Feb. 4-6, 2019: **IHLA Convention**, Indianapolis, IN

Feb. 20-24, 2019: **AHMI Annual Meeting**, Fort Lauderdale, FL

For more information or to participate in these events, please contact the AHMI office. If you have suggestions for other promotion opportunities, please contact AHMI.

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# Attract & Retain Workers in '19 Economy

Appalachian Hardwood Manufacturers cordially invites you to attend the **2019 Annual Meeting** on February 20-24 at The W Hotel in Fort Lauderdale, FL. The business sessions will provide timely information on Workforce Solutions for Labor In Appalachia, the U.S. Economic Forecasts for 2019, Developing Company Succession Strategies and the AHMI Member Pension Plan.

The W Hotel is a contemporary oceanfront venue and recently completed a \$50 million renovation. The beachside resort offers guestrooms with ocean views, Living Room Terrace four floors above the ocean and rooftop views from two pools. The W has dining on-site at an award-winning steakhouse, creative Mexican fare, freshly rolled sushi and savory poolside bites.

The AHMI business presentations are:

**Workforce Solutions In Appalachia** - The Southwest Virginia Alliance for Manufacturing has programs that "work" attracting and retaining employees in the Appalachian Region.

**The U.S. Economy In 2019** - A renowned economist has been invited to share a recap of 2018 and forecast for 2019.

**Business Succession Planning** - TJT Consulting has new business strategies available for transitioning to the next generation or key employees or new owners.

**Appalachian Hardwood Pension Plan** - UBS Financial experts will explain the AHMI MEP plan that saves thousands in expenses and helps employees grow their retirement.

**AHMI Annual Meeting & Member Anniversaries** - Chairman Lowery Anderson will present the State of the Association and recognize anniversaries.

**Producers and Distributors Divisions Meeting** - Separate sessions for these two AHMI members groups to discuss issues of importance to their sectors.



UBS



**2019 AHMI Annual Meeting**  
Feb. 20-24 @ The W Hotel, Fort Lauderdale, FL



The **Annual Golf Tournament** is Friday at Jacaranda Golf Club in Plantation, FL. The **Annual Fishing Tournament** is Friday on the Atlantic with sportfishing from chartered boats.

**New this year!** A trip to **TopGolf Miami Gardens** for fun and competition on Saturday. Or you can join the group on **Saturday on the Beach** from 1-4 pm.

There will be ample time for networking with members and guests at receptions, events and dinners throughout the Annual Meeting.

Please make your reservations early at our website. You may call the W Hotel at (561) 414-8200 and ask for the Appalachian Hardwood block.

Make your airline reservations today for the best choices to Fort Lauderdale or Miami airports.

Car service is available for AHMI Members from FG services for up to 6 people in a SUV for \$75. Make your reservation at (561) 998-8121 or [info@fgcarservices.com](mailto:info@fgcarservices.com). Uber and taxi services available.

For more information, call AHMI at (361) 885-8315 or [info@appalachianhardwood.org](mailto:info@appalachianhardwood.org). We look forward to seeing you in Florida in February!

# 2019 AHMI Annual Meeting Agenda & Activities

## Wednesday, Feb. 20

6 p.m. **Early Bird Reception** at W's Living Room Veranda

## Thursday, Feb. 21

*Informal golf and fishing available. Call AHMI*

2 p.m. **Board of Trustees Meeting**

4 p.m. **Registration Opens**

6 p.m. **Welcome Reception** at WET East

## Friday, Feb. 22

8:30 a.m. **General Session** in Studios 2-5  
Business Presentations

10 a.m. **Ladies Shopping** on Las Olas Boulevard

11:30 a.m. **Golf Tournament** at Jacaranda Golf Club

12 p.m. **Ocean Fishing Tournament**

6 p.m. **Reception** at W Terrace

## Saturday, Feb. 23

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

8 a.m. **Distributors Meeting**

9:15 a.m. **General Session** in Studios 2-5  
Business Presentations, Chairman's Report,  
Annual Meeting & Member Anniversaries

11:30 a.m. **TopGolf Event** in Miami Gardens

1 p.m. **Beach Fun**

6 p.m. **Reception** at WET West

## Sunday, Feb. 24

8 a.m. **Fellowship of Christian Lumbermen**

Enjoy Florida and have a safe trip home



*"Love everything about this hotel. Right on the beach. Very nice lobby, rooms were outstanding and so was the service. You're right in the middle of everything! Lots of places to eat and drink. Hope you have as much fun as we did!" - TripAdvisor Review*

## **Dining...**

### **STEAK 954**

James Beard Award Winner Stephen Starr offers a unique interpretation of a classic steakhouse at beachside Steak 954, serving dry-aged meats, delectable sides and innovative cocktails. Snap a photo of the glowing 15-foot jellyfish aquarium. Reservations required. Open for dinner. Dress code: Smart Casual.

### **EI VEZ**

Savor authentic Mexican flavors and creative cuisine at this wildly popular Beach restaurant. Open for breakfast, lunch and dinner. Dress code: Casual

### **SUSHI BAR**

Bite into fresh sushi and sip creative sake cocktails at the Living Room Sushi Bar. Tasty appetizers and bold rolls offer a modern take on sushi fare.

Dozens of restaurants/bars in walking distance.

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## **Activities...**

Enjoy the **Atlantic Ocean beach** with lounge chairs set for you included in your daily service!

Keep your glow going after a day on Fort Lauderdale Beach with a visit to the **Bliss® Spa**. Pamper yourself 17 floors above the resort with ocean and intracoastal views and indulge in: Body scrub; Body wrap; Couple's Massage; Eye Treatments; Facials; Lip Treatments; Manicures/pedicures; Massages; Steam room; and Waxing. Hours: Wed-Sun: 9 AM - 6 PM and Appointment is Required. Phone: 954-414-8232.

**Golf Tournament** at Jacaranda Golf Club on one of the best courses in South Florida. It earned a Four-Star rating in Golf Digest and hosts many PGA, USGA, and FSGA Championship events.

**TopGolf Miami Gardens** on Saturday is a premier venue in Miami Gardens with point-scoring golf games for all skill levels, upscale bar food and drinks, music and more!

Take the **WaterTaxi** to stops along Fort Lauderdale with a pickup two blocks from the hotel.

**Register online at [www.appalachianhardwood.org/meetings](http://www.appalachianhardwood.org/meetings)**

Appalachian Hardwood, PO Box 427, High Point, NC 27261 336.885.8315 [info@appalachianhardwood.org](mailto:info@appalachianhardwood.org)

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# APPALACHIAN Hardwood Manufacturers, Inc. 2019 Annual Meeting on Feb. 20-24 The W Hotel, Fort Lauderdale, FL

To reserve your room, call the W Hotel at (954)414-8200 for Appalachian block  
The block cutoff is Jan. 19 and rooms start at \$349. Rate is honored before & after!

Online Hotel / Meeting registration available at [www.appalachianhardwood.org/meetings](http://www.appalachianhardwood.org/meetings)

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

### Registration before Feb. 10, 2019:

AHMI MEMBER - \$435 per person

GUEST - \$535 per person

MEMBER SPOUSE - \$315

GUEST SPOUSE - \$415

CHILDREN AGE 10 & older - \$200, UNDER 10 - FREE

*Add \$75 to any registration fee after Feb. 10, 2019*

Registration fee includes all evening receptions, business sessions and speakers, afternoon at the beach, and entertainment.

Full registration fee refunded on cancellations received by Feb. 1, 2019. Cancellations received after that time will be subject to 50% forfeiture.

### REGISTER for AHMI'S 2019 ANNUAL MEETING

Name: \_\_\_\_\_

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

Name: \_\_\_\_\_

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

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

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

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



### Optional Events I / We will attend

*(included in registration fee)*

Early Bird reception  
Wed, Feb. 20

Ladies Shopping  
Excursion to Las Olas  
on Friday, Feb. 22 10  
am-3 pm

Beach Fun &  
Drinks, Saturday, Feb.  
23 1-4:30 pm

**Annual Golf Tournament** Friday at 11:45 a.m. at Jacaranda Golf Club  
*(includes shuttle, lunch, range balls. Rental clubs are available)*

Name: \_\_\_\_\_ FEE: \$175

Name: \_\_\_\_\_ FEE: \$175

**Fishing Tournament** Friday at 12 p.m. sportfishing in Atlantic  
*(4-hour fishing trip, includes boxed lunch, tackle, bait, license)*  
\$150 for each of six slots on multiple chartered boats

Name: \_\_\_\_\_ FEE: \$150

Name: \_\_\_\_\_ FEE: \$150

**TopGolf Miami** Saturday 11:45-4:30 p.m.  
*(includes shuttle, two-hour segment, food & beverage)*

Number of spaces reserved \_\_\_\_\_ @ \$95 each FEE: \$ \_\_\_\_\_

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

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

Credit Card # \_\_\_\_\_ Exp. \_\_\_\_\_ Sec. Code \_\_\_\_\_ Billing Zip \_\_\_\_\_