



# Appalachian Hardwood *Sustainable & Legal*

Monthly newsletter of Appalachian Hardwood Manufacturers, Inc.

## SFI Certification, CLT Highlight Meeting

Appalachian Hardwood Manufacturers, Inc. cordially invites you to attend the 2017 Annual Meeting on March 1-5 at The Diplomat Resort and Spa in Hollywood, FL. We have an exciting program at a newly renovated resort on the Atlantic that will be memorable.

The business sessions are:

**Cross Laminated Timbers In Building** - Crawford Murphy, architect and developer, Asheville, NC, will discuss plans for a 7-story timber structure in North Carolina AND for a CLT manufacturing plant in the central Appalachian region. Research shows that Appalachian Poplar has excellent properties for timber construction.

**Trump & Trade: Impacts On The Hardwood Industry** - Dana Lee Cole, Executive Director of the Hardwood Federation, will discuss the new administration and international trade issues. She will detail the new Congress and plans for the Federation in 2017.

**SFI Attention On Solid Wood** - Jason Metnick, Senior VP of Consumer Affairs, Sustainable Forestry Initiative, will explain SFI's acceptance in LEED building and plans to promote solid wood. SFI is encouraging AHMI to develop a group certification for members.

**AHMI Research Project Update** - Tom Inman will discuss the latest on the Appalachian Hardwood research with the region's top universities and the US Forest Service.

**AHMI Annual Meeting & Member Anniversaries** - Chairman Mike Hoover of Neff Lumber Mills 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 sector.



**AHMI Annual Meeting**  
**March 1-5, 2017**  
**The Diplomat, Hollywood, FL**

The Meeting offers time for networking with members and guests at receptions, sporting events and dinners. Please see the agenda for specifics and brochures on all of (See **Meeting** on page 3)

January 2017

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2 - January 2017 - Appalachian Sustainable

## *The way I see it...*

By Tom Inman, AHMI President

...2016 was another great year for Appalachian Hardwood Manufacturers, Inc. by our measurements. Promotion reached thousands of new customers and consumers, three great meetings with strong attendance, membership was stable and the budget was above targets for revenues and expenses.

I want to thank the AHMI Board of Trustees for their work in overseeing our efforts and wise counsel on several fronts. We have begun key initiatives that will be completed in 2017 to help our members expand their businesses.

These include:

1) Appalachian Hardwood Research - This effort will bring together university researchers, the US Forest Service and AHMI on at least one project this year. We have discussed three (long grade markets, sawmill processing improvements, and work force development) and are reviewing current work in these areas. We want to make best use of our energy and resources on studies that will have the best return. More information will be presented at the AHMI Annual Meeting

2) SFI Group Certification - A survey of members is underway to determine interest in a Sustainable Forestry Initiative group certificate that will be held by AHMI for members to become certified. This effort follows the US Green Building Council amending LEED Building Standards to award points to SFI wood. This has the potential to open new markets in buildings to hardwoods.

3) Cross Laminated Timber - Tall timber structures are the rage across Europe and the U.S. as architects design more commercial and residential buildings with wood. AHMI helped secure the Appalachian Poplar (tulipwood) for an AHEC project in the UK in 2016 that was widely viewed. The new wood products are a great outlet for low grade solid hardwoods and one presentation at the AHMI Annual Meeting will explain.

As you can tell, work begun last year will pay dividends this year. Promotion is an ongoing process and keep in mind that we have been at it since 1928!

## AHMI Membership Dues & Resource Guide Deadlines

HIGH POINT - Appalachian Hardwood Manufacturers, Inc. mailed its 2017 Membership Dues and Appalachian Hardwood Verified Sustainable Resource Guide information recently. The deadlines for both are Jan. 31.

The dues are paid annually for members of the Distributor, Export, Consumer, Forestry and Supplier Divisions. The Producer members pay monthly based on lumber production. (Export membership is for Producer and Distributor companies in addition to their primary dues.)

The Resource Guide is distributed to thousands of lumber buyers around the world. It lists all AHMI members, facility locations, contacts, equipment, and species. There is also an opportunity to advertise and promote specific details about your company. It is emailed to 12,000 international buyers and is promoted on the AHMI website.

Please return your materials by Jan. 31 to be included in all of the AHMI promotions for 2017. If you have questions about these, please contact the AHMI office at (336) 885-8315 or email to [info@appalachianwood.org](mailto:info@appalachianwood.org).

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## Trade Commission Upholds Plywood Issue

WASHINGTON, D.C. - The United States International Trade Commission says there is a "reasonable indication that a U.S. industry is materially injured by reason of imports of hardwood plywood from China that are allegedly subsidized and sold in the U.S. at less than fair value."

Noting all six of its commissioners voted in favor, the U.S. Department of Commerce will continue to conduct its antidumping and countervailing duty investigations on imports of hardwood plywood. A judgment on whether countervailing duties should be levied to discourage the imports is due Feb. 13, 2017, and its preliminary antidumping duty determination due on April 27, 2017.

## Meeting from page 1

the unique opportunities at the Diplomat Resort. We have planned fun at Gulfstream Park for horse racing, exclusive shops and casino fun **OR** time at the beach!

Please make your reservations early at [www.appalachianwood.org](http://www.appalachianwood.org) and click on Meetings or call the Diplomat at (954) 602-6000 and ask for the Appalachian Hardwood block. Make your airline reservations today for the best choices to Fort Lauderdale or Miami airports. Car service / taxi from the airports may be best for ground transportation because you will not need a car during the meeting.

For more information, call AHMI at (336) 885-8315 or [info@appalachianwood.org](mailto:info@appalachianwood.org). We look forward to seeing you in Hollywood, FL, in March!

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## AHMI Surveys Members About SFI Group Certificate

Appalachian Hardwood Manufacturers, Inc. is asking its Producer and Distributor members for input on a partnership with the Sustainable Forestry Initiative. The US Green Building Council earlier this year began accepting SFI certified wood in its LEED Building program and SFI has offered AHMI a chance to provide members with certification.

The AHMI / SFI Group Certificate would help members better understand the program and then become certified at a discounted rate. The AHMI Board wants to learn of the membership interest through a 5-minute survey about this proposal.

Please visit

<https://surveyplanet.com/58595a98b2809412ffc52637>

to begin the anonymous survey and provide us with your thoughts. The results will be posted soon.

Thank you in advance and if you have questions, please contact the AHMI office immediately. The results will be presented at the AHMI Annual Meeting.

## January 2017 - Appalachian Sustainable - 3 2017 Annual Meeting Agenda

### Wednesday, March 1

**6 p.m. Early Bird Reception at North Palm Court**

### Thursday, March 2

*Informal golf and fishing available. Call AHMI*

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

**5 p.m. Registration Opens**

**6 p.m. Welcome Reception at South Palm Court**

### Friday, March 3

**7:30 a.m. Fellowship of Christian Lumbermen**

**8:30 a.m. General Session**

Business Presentations

**9:30 a.m. Ladies Breakfast**

**12 p.m. Fishing Tournament**

**12 p.m. Golf Tournament at Diplomat Golf Club**

**6 p.m. Reception at Landings**

### Saturday, March 4

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

**8 a.m. Distributors Meeting**

**9 a.m. General Session**

Annual Meeting & Member Anniversaries

Chairman's Report, Business Presentations

**12 p.m. Golf at Diplomat Golf Club**

**12:30 p.m. Shuttle to Gulfstream Park**  
returns at 5 p.m.

**12:30 p.m. Beach Fun at the Diplomat**

**6 p.m. Reception at South Palm Court**

### Sunday, March 5

No formal business

Enjoy Florida and have a safe trip home

Register online at

[www.appalachianwood.org/meetings.htm](http://www.appalachianwood.org/meetings.htm)

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## Join Us On Twitter, Facebook

Appalachian Hardwood Manufacturers, Inc. invites you to follow us on Facebook and Twitter.

Our Facebook page is **Appalachian Hardwood** at <https://www.facebook.com/Appalachian-Hardwood-115082515210245/>

Our Twitter account is **Appalachian Hardwood** at <https://twitter.com/AppalachianHdwd>

## 4 - January 2017 - Appalachian Sustainable Pellet Production Worldwide Soars

Growing demand for bioenergy, driven by renewable energy targets and policies in Europe, is driving an explosion in wood pellet production.

According to new data published by the Food and Agriculture Organization of the United Nations (FAO), global production of pellets soared to 28 million tons in 2015. This represents an 8% increase from the previous year's level of 26 million tons and a 47% increase from the 19 million tons produced in 2012.

The bioenergy demand has resulted in a ten-fold increase in production in the last decade, FAO reports. The Baltic States (Estonia, Latvia, and Lithuania), exported 3 million tons of pellets in 2015 and overtook Germany and Canada and together emerged as the second largest producer and exporter of pellets after the US.

The global markets of pellets were dominated by Europe and North America, with the US and Canada accounting for over one-third of global pellet production. The UK, Denmark, and Italy accounted for some 80% of global pellet imports, with UK alone taking in 52% of the total. Global production of all major wood products grew for the sixth consecutive year in 2015.

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## Conestoga Completes Plant Expansion

EAST EARL, PA – Conestoga Wood Specialties recently completed a 47,000-square-foot addition to its East Earl facility to consolidate and expand its finishing operation and streamline capabilities. The cabinet components manufacturer cited consistent market growth and a rising demand for painted kitchens.

"Demand for paint continues to rise market wide," said Conestoga CEO Anthony Hahn. "We have the best track record for quality and on-time delivery in the industry, and we intend to keep it that way."

For the past five years its painted finish volume has averaged more than 20% year over year growth. The expansion took six months.

## AHMI Promotion & Trade Show Activities

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

- Jan. 10: **Appalachian Lumbermen's Club**, Hickory, NC
- Jan. 17-19: **Surfaces Show**, Las Vegas, NV
- Feb. 7-9: **IHLA Convention**, Indianapolis, IN
- Feb. 15-17: **Hardwood Federation**, Washington, DC
- March 2-5: **AHMI Annual Meeting**, The Diplomat, Hollywood, FL
- March 8-10: **NWPCA Annual Conference**, Tucson, AZ
- March 14: **Appalachian Lumbermen's Club**, Greensboro, NC
- March 22-24: **HMA National Conference**, Charleston, SC
- March 28-31: **Interzum Guangzhou**, Guangzhou, China
- April 11-14: **NWFA Flooring Expo**, Phoenix, AZ
- April 21-22: **Loggers Plus Expo**, Bloomsburg, PA
- April 22-26: **High Point Furniture Market**, High Point, NC
- May 4-7: **Appalachian Lumbermen's Club**, Myrtle Beach, SC
- June 7-9: **Furniture Expo**, Atlanta, GA
- June 9-10: **PFFPA Timber Show**, Rock Springs, PA
- June 22-24: **AHEC China Convention**, Qingdao, China
- July 22-25: **AHMI Summer Conference**, Biltmore Inn, Asheville, NC
- Sept. 12-14: **AHMI & Hardwood Federation Fly-In**, Washington, DC
- Sept. 19-21: **WPMA Annual Meeting & Tours**, Providence, RI
- Sept. 27-29: **SFI Annual Conference**, Ottawa, Canada
- Oct. 14-18: **High Point Furniture Market**, High Point, NC
- Oct. 25-27: **NHLA Convention**, Nashville, TN

# Federal Legislative Work In A Lame Session

**By Dana Lee Cole, HF Executive Director**

At the last minute, the House and Senate managed to come together to pass a continuing resolution budget to fund the government until the end of April and close out the 114th Congress.

To say that this Lame Duck session was “lame” would be an understatement, but with so much uncertainty surrounding the transition into the President-Elect Donald Trump Administration, and his choices for numerous top posts still to be determined, it was hard to see anything beyond a government funding extension from Capitol Hill.

What this means is that in the first few months of 2017, the 115th Congress should see an actual flurry of activity. It’s going to be interesting!

**Tax Reform** - From the outset of his presidency, the economic and business friendly tactics of Mr. Trump will be closely watched and scrutinized. It’s expected that some sort of tax reform will be a major, early undertaking. Whether this means a comprehensive tax overhaul remains to be seen. But the President-Elect has been quite vocal on the elimination of the Estate Tax, aka the “Death Tax,” which would save American families billions of dollars a year.

House and Senate leadership are also on board with this agenda, with House Ways & Means Committee Chairman Kevin Brady signaling that his team will have a bill ready to go when the 115th Congressional session kicks off January 3rd. One of the key concepts being discussed in comprehensive tax reform is “border adjustability,” which would reduce taxes exponentially on businesses that export product.

Proponents argue that such an approach would encourage domestic manufacturing, as taxes on imports would increase, essentially shifting U.S. tax policy from a production-based assessment to one based on consumption. Hardwood Federation (HF) is awaiting specifics, but will obviously be close to this effort, as debate begins.

**Obamacare** - Senate Majority Leader Mitch McConnell (R-KY) has publicly stated that an “Obamacare repeal resolution will be the first item

up in the New Year.” This will not be an easy or a short fight, as there will be immense opposition from House and Senate Democrats trying to dig in and hold steady, not to mention the sheer volume of work and tact it will take! HF has not - and does not intend to - get involved in this issue. But it will be a major point of note for many months in 2017.

**Infrastructure** - The battles over the Water Resources Development Act (WRDA) - the water infrastructure bill that cleared the Senate at the end of the lame duck session - may foreshadow the struggles lawmakers are likely to face if they try to pass the kind of infrastructure legislation President-Elect Trump has promised. Senate Environment and Public Works Committee Chairman Jim Inhofe (R-OK), and ranking member Barbara Boxer (D-CA) were willing to work together on the issue of infrastructure. But now, Sen. John Barrasso (R-WY) will be the new chairman of the committee, and he is less enthusiastic about transportation and infrastructure issues. (*Not to mention how such a bill would be funded.*)

**Trade** - During the campaigns and debates, trade was a big topic of discussion, and there is no reason to think this won’t be one of the major pillars on which President-Elect Trump stakes his presidency. With debate over China, Mexico, TPP (Trans-Pacific Partnership) and NAFTA (North American Free Trade Agreement) - just the tip of the iceberg - trade decisions will be an early barometer for the 100-day plan for the Trump administration.

**Supreme Court Appointments** - In February 2016, the death of Supreme Court Justice Antonin Scalia left a glaring hole in the makeup of the nation’s top court and started a bitter battle to see if President Obama would be able to get his nominee appointed, or if the process would be slowed enough to carry over to the next administration. As we prepare this update, no one has yet been chosen to fill the spot. The final selection will be a monumental one, and a decision that will have far reaching implications.

# APPALACHIAN Hardwood Manufacturers, Inc.



## 2017 Annual Meeting on March 1-5 The Diplomat Resort & Spa, Hollywood, FL

To reserve your room, call the Diplomat Resort at (954) 602-6000

The block cutoff is Jan. 31 and rooms start at \$290. Rate is honored 2 days before & after!

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

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. 15, 2017:

**AHMI MEMBER - \$395** per person

**GUEST - \$495** per person

**MEMBER SPOUSE - \$270**

**GUEST SPOUSE - \$370**

**CHILDREN AGE 10 & older - \$195, UNDER 10 - FREE**

*Add \$75 to any registration fee after Feb. 15, 2017*

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. 15, 2017. Cancellations received after that time will be subject to 50% forfeiture.*

### REGISTER for AHMI'S 2017 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., March 1

Ladies Breakfast Friday, March 3

Beach Fun & Drinks, Saturday, March 4

#### **Golf Tournaments** 12:30 p.m., includes Friday lunch & shuttle, range balls

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

Please check:  Friday at \$170  Saturday at \$150

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

Please check:  Friday at \$170  Saturday at \$150

#### **Fishing Tournament** Friday at 12 p.m. (Shuttle departs from hotel for 4-hour fishing trip, includes boxed lunch, tackle, bait, license, gratuity) \$160 for each of six slots on multiple chartered boats

Name: \_\_\_\_\_ FEE: \$160

Name: \_\_\_\_\_ FEE: \$160

#### **Gulfstream Park Shuttle** Saturday 12-5:30 p.m. (Shuttle departs on the hour from hotel to horse races, casinos, & shopping. Returns on the half hour)

Number of bus seats reserved \_\_\_\_\_ @ \$25 each FEE: \_\_\_\_\_

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

Credit Card

Number \_\_\_\_\_ Exp. \_\_\_\_\_ Code \_\_\_\_\_ Billing Zip \_\_\_\_\_

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