Appalachian Hardwood Sustainable & Legal

Monthly newsletter of Appalachian Hardwood Manufacturers, Inc.

May 2018







Lumber Trade Tariffs, CLT Top Summer Agenda

Hardwood lumber and log export trade will be a key presentation at the 2018 Appalachian Hardwood Manufacturers, Inc. **Summer Conference on July 29-31** at The Homestead, Hot Springs, VA.

"What Tariffs / Bans Mean To Trade" will be presented by US Department of Commerce's Senior International Trade Specialist Brian Eric Ledgerwood. With recent tariffs imposed by President Trump and threats of retailiation from other countries, the session will be very important to AHMI members.

The other business presentations are also timely:

- CLT Brings Hope To Low Grade Markets LignaTerra USA and Argent Timberland's Michael Shearer will discuss the company's plans to build a Cross Laminated Timber plant in Maine. The company considered sites in WV and PA and there are discussions for the Appalachian region
- **Hardwood Markets in 2018** HMR's David Caldwell will detail the hardwood lumber market conditions in the first six months of 2018. He will share their data on domestic and international markets
- The Lacey Act Amendment & 10 Years of Success The Lacey Coalition's Grace Terpstra will show three videos of hardwood industry leaders (including AHMI members) marking the 10th anniversary of the Lacey Act Amendment to include forest products and the protection it provides the hardwood industry

There will be golf and sporting clays tournaments and time for networking with members and guests during the meeting and receptions.

The resort celebrates its 252nd year in 2018



U.S.
Commerce
official will
discuss
trade
tariffs and
hardwood
lumber
and logs at
the 2018
Summer
Conference

as AHMI marks 90 years. There will be a special AHMI anniversary celebration during the meeting with invitations to past presidents/chairmen.

There are breakout sessions planned for Tuesday morning on:

- TradeTec's "Maintenance Man" ROI
- Log Grading Rules Committee Meeting
- Certified Appalachian Hardwood

Please select one of the sessions when registering.

The Omni Homestead Resort touts itself as America's first resort. It has more than 2,000 acres of scenic Virginia landscape and provides timeless comforts and an exciting array of activities.

Please make your room reservations today by visiting appalachianhardwood.org/meetings/ OR call (800) 838-1766 for best room selections. AHMI members will be on the Modified American Plan which includes breakfast and dinner.

Please register with AHMI today at appalachianhardwood.org/meetings/

The way I see it...

By Tom Inman, AHMI President

...a recent announcement by a regulatory agency in China has every U.S. log exporter scrambling to determine how to deal with it.

The commodity inspection service that oversees log imports in China apparently changed how it will enforce the fumigation requirements. The Chinese regulations state all imported logs must be fumigated to specific standards depending on the country of origin and species.

As log exports have increased in recent years, the number of U.S. fumigation facilities have not kept pace. Chinese import companies have been assisting U.S. exporters by having logs fumigated in Hong Kong and a few ports in China. This allowed more logs to be treated and at a lower cost.

The April 27 ruling has changed that and freight forwarders and U.S. exporters have been told that logs that were not fumigated in the U.S. will be rejected or quarantined in China.

I have contacted U.S. Department of Commerce officials and they are seeking a final determination from Chinese agencies. Stay tuned.

...a conversation two weeks ago with a trade delegation from India provided very interesting dialogue. The group of furniture manufacturers and timber importers were touring sawmills and yards in North and South Carolina.

They came to High Point for the Furniture Market and I spent three hours with them. They are seeking white oak, poplar, walnut, and red oak and information was sent to AHMI Exporters.

Several of them went to India Wood in March and met U.S. companies. They want to buy our products but said U.S. salespeople do not return emails or phone calls.

I was puzzled by that because every seller I know is looking for the next sale. Later in the conversation, they complained about how cheap the majority consumers in India are. They want lower prices for everything.

Hmm. Now, I better understand why phone calls and emails may not be returned.



AHMI welcomes the following new member:

Distributor

UFP International, LLC Russell Kelly 5200 Hwy 138 Union City, GA 30291 786-834-0552 russell.kelly@ufpi.com www.ufpi.com

AHMI's Tom Inman meets with **buyers** from India during



recent trade mission to the U.S. The group was seeking white oak, red oak, poplar and walnut for plants and distribution in India

2018 Resource Guide Available

The 2018 Appalachian Hardwood Resource Guide is out to thousands of hardwood lumber consumers and emailed to more than 15,000 international buyers.

If you need copies for your staff, please contact AHMI. The electronic version is available online at www.appalachianhardwood.org and follow the link for Resource Guide. There are separate listings for each AHMI membership division as well as the entire Guide.

The data is also available on our mobile APP.



The 2018 AHMI Resource Guide promotes Certified Appalachian and is available in print or electronic versions. Go online to appalachianhardwood.org or contact the office for copies.

High Point Funiture Market Has Maple Flair

Wood bedroom and dining room furniture at the High Point Market for April 2018 continued the trend of "everything."

As the design community expands so does the species of wood and construction of pieces in a variety of shapes, sizes and looks. There were no leading trends for the April 2018 market because manufacturers were showing an array of products.

One species that seemed to be in most showrooms was Maple. Both soft maple and hard maple species were found frequently with natural finishes, paints in muted grey and brown or white.

Style leaders reported that designers continued to seek natural looks and consumers were responding with purchases. The "natural look" is defined as lighter stains and paints that show the beauty and character of the wood.

The smooth texture of closed grain maple lends itself to a natural look. There were pieces with a clear or very light finish that sold very well, according to market exhibitors.

Other manufacturers had a gray cast or whitewashed finishes with what many called a "coastal" look. These straight design lines with simple hardware were casual, while contemporary.

Durham Furniture of Durham, Canada, unveiled a new bedroom collection, *Prominence*. The collection was presented in two distinctive finishes that accentuated the interest of the solid maple wood grain.

Designers at Borkholder Furniture arranged existing lines into new groups because of the response from buyers in the past year. The solid wood manufacturer from Indiana received very positive response to pieces introduced in recent markets in maple and oak.

Vaughan-Bassett Furniture expanded its American Maple Collection by offering farmhouse and cottage styling with a traditional look. The company promotes its mortise and tenon construction, maple wood on wood glides, snag-free smooth interior drawers, and a 8-step professional finish.

The company developed what it called a "rus-

Vaughan-Bassett Furniture's American Maple bedroom was popular at the High Point Market



tic sandstone" finish on the maple and cherry pieces that gave a very unique look to the groups. Retailers like the different approach to known species.

Skovby Furniture introduced a dining table that was equipped with a unique extension system. The table was made of walnut, oak and wenge with lacquer and oil finishes.

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 High Point Market is Oct. 13-17,2018.



Solid cherry bedroom suite was hit for Gat Creek Furniture at the High Point Market in April

Federation Plans Capital Fly-In Sept. 11-13

By Dana Lee Cole

Hardwood Federation Executive Director

For students of politics, 2018 is turning out to be a fascinating year. And if you are one of the many members of the hardwood community that would like to grow your involvement with the Hardwood Federation's advocacy efforts, the time is now!

The Hardwood Federation's (HF) **2018 Fall Fly-In** will be held Sept. 11-13. It's our biggest, most anticipated and important event of the year as members of the hardwood industry gather in Washington D.C. to walk...and sometimes run...the halls and tunnels of Congressional office buildings to meet with Representatives, Senators and staffs from their - and other important - states.

The goal is to provide personal and professional perspectives on the most important issues affecting the industry; how our businesses are being impacted by those issues....and what Congress can do about it. When members hear from **you**, their constituents, employers in their district, and community leaders, our message takes on a special significance and impact.

On the Agenda in September

This year we will be highlighting the future of the Hardwood industry by issuing special invitations to the next generation of leaders in your companies. These emerging leaders will have special meetings and events in D.C. All are welcome to participate in the following:

Welcome Reception (Sept. 11): Throughout the day, participants gather to meet and network with colleagues, old and new.

Breakfast Briefing (Sept. 12): HF will provide information on navigating the Congressional office buildings, a detailed briefing on issues to be covered during meetings on the Hill, plus what to expect during your meetings.

Capitol Hill Visits (Sept. 12): To demonstrate the depth and variety of our industry, small groups of participants will meet with elected representatives, via prearranged meetings coordinated by HF staff.

HF Political Action Committee (HFPAC) Events (Sept. 12 & 13): Additional opportunities to speak directly with and acknowledge the support of the members - the evening of Sept. 12 will include a reception with Republican members of Congress, a dinner on Capitol Hill, and a tour of D.C. iconic monuments. The next morning, a breakfast reception with Democrats will end the Fly-In.

Join us in Washington

The bottom line is that we need every voice possible to keep our issues on the front burner. And with AHMI members spread throughout the eastern U.S., this is your opportunity to directly share your experience, insight and ideas with those who write the laws and legislation impacting your businesses and employees. Join us in Washington. We will make every effort to sufficiently prepare and brief you.

All of the Fly-In details – registration, hotel, meeting agenda – are available at www.hardwoodfederation.com. Please contact me, dana.cole@hardwoodfederation.com, should you need further information.



FUTURE MEETINGS

The **2018 AHMI Fall Meeting** will be in conjunction with the High Point Furniture Market on Oct. 15-16 in High Point, NC. Members are invited to take advantage of individual meetings with furniture manufacturers and then attend a luncheon with furniture designers on Oct. 16.

The **2019 AHMI Annual Meeting** will be Feb. 20-24 at the W Hotel in Fort Lauderdale, FL. The W Hotel recently completed a \$55 million renovation and blends beachside calm with insider cool. Located just steps from the Fort Lauderdale beach and near the best of the city.

Please mark your calendar for both events.



AHMI participated in Stiles Machinery's
Manufacturing Solutions Seminars recently and
met with hundreds of solid wood manufacturers.
Tom Inman presented details on Certified
Appalachian and the hardwood resource

Engineered Wood Up At Flooring Show

Appalachian Hardwood Manufacturers, Inc. participated in the 2018 National Wood Flooring Association Expo recently and promoted the Certified Appalachian program for solid hardwoods.

Attendance at the event increased this year as demand for products improves. Wood flooring manufacturers reported sales were up for the year especially for engineered flooring products.

In the past five years, engineered floors have taken more than 50 percent of the wood flooring market. The main introductions in 2018 included new solid wood products with gray and white washed finishes. The engineered products had thinner veneer layers and even some with printed paper and vinyl over medium density fiberboard bases that were marketed as wood.

AHMI distributed hundreds of 2018 Appalachian Hardwood Resource Guides and unveiled the new Certified Appalachian Hardwood booth (see image to right). Flooring distributors and manufacturers were interested in the program which assures consumers that the lumber resource was sustainably and legally harvested from the Appalachian region.

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:

May 18-19: Expo Richmond, Richmond, VA

May 24-25: **North Carolina Ag Export Conference**, Greensboro, NC

June 21-22: **AHEC Asia Convention**, Xi'An Shaanxi, China

July 29-31: **AHMI Summer Conference**, The Homestead, Hot Springs, VA

Aug. 22-25: **International Woodworking Fair**, Atlanta, GA

Sept. 11: **Appalachian Lumbermen's Club**, Concord, NC

Sept. 11-13: **Hardwood Federation Fly In**, Washington, DC

Sept. 24: **Penn York Club Meeting,** State College,

Sept. 25: **Pennsylvania Forest Products Association Meeting**, State College, PA

Oct. 2-4: NHLA Convention, Toronto, Canada

Oct. 13-17: **High Point Furniture Market**, High Point, NC

Oct. 15-16: **AHMI Fall Meeting at the Furniture Market**, High Point, NC

Oct. 15: ASFD Pinnacle Awards, High Point, NC

Oct. 18-19: Wood Pro Expo, Lancaster, PA

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

For more information or to participate in these events, please contact the AHMI office.

AHMI booth design for 2018 has Certified Appalachian Hardwoods focus



AHMI Summer Conference

The Homestead, Hot Springs, VA July 29-31, 2018

Registration

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 by July 16, 2018 and mail to AHMI, P.O. Box 427, High Point, NC 27261.

PLEASE REGISTER THE FOLLOWING FOR AHMI'S SUMMER CONFERENCE



MEETING REGISTRATION FEES

AHMI MEMBER - \$350 per person AHMI MEMBER SPOUSE - \$250 CHILDREN 10 & older - \$195 CHILDREN UNDER 10 - free GUEST - \$450 per person GUEST SPOUSE - \$350 MONDAY SESSION ONLY - \$175

Full registration will be refunded on cancellations received by July 16, 2018. Cancellations received after that time subject to 50% forfeiture.

Name:		Badge Name:	FEE: \$
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Check enclosed			
Credit Card:			
Expiration dateName on card:	Security Code		
Billing zip code			

You may also register online at www.appalachianhardwood.org.

Please make your room reservations today by visiting https://www.omnihotels.com/hotels/homestead-virginia/meetings/appalachian-hardwood-manufacturers-inc OR Call reservations at (800) 838-1766 and you must book by June 29, 2018.

Certified Appalachian Builds Sourcing Base

The first Appalachian Hardwood Manufacturers, Inc. members have successfully completed the requirements of Certified Appalachian Hardwood and received certificates and other materials.

The Certified Appalachian program was developed in 2017 to provide a third-party audit to standards approved by the AHMI Trustees in January. Member companies are able to certify the legality and sustainability of their logs, lumber and hardwood products.

The program is the next phase of the successful Appalachian Hardwood Verified Sustainable and Legal campaigns that began in 2007. These verify member companies are adhering to voluntary standards adopted by the AHMI Board.

The Verified programs are still in place for members that have customers needing that level of green marketing.

The Certified Appalachian requires that logs and lumber:

- 1) originate in the AHMI region (344 counties in 12 states)
- 2) are sustainably managed and harvested based on USFS Forest Inventory Analysis
- 3) are legally purchased with new procurement forms for landowners/loggers/suppliers to sign and return
- 4) AHMI members must be a legal entity and adhere to the laws of their state and country.

AHMI members will be Certified Appalachian for Sustainable and/or Legal and audited every two years. AHMI has contracted with a North Carolina firm, Auditech & Associates, to perform the audits.

The association is marketing the program to furniture, cabinet, and flooring companies as well as designers and architects. The ability to search for Certified members is listed on the revised website.

Details and enrollment forms have been mailed to AHMI members. Please contact the AHMI office.



