

Markets, Economy Top Agenda For '21 AM

Appalachian Hardwood Manufacturers, Inc. invites you to the **2021 Annual Meeting** on **Feb. 24-28** at The Ponte Vedra Inn and Club in Ponte Vedra, FL.

The meeting agenda includes presentations:

- **Economic Forecast for 2021** from a top domestic economist with UBS;
- **National Politics in 2021** from the Hardwood Federation's Dana Lee Cole;
- **Manufacturing Equipment Upgrades** from Stiles / Homag from Addison Fox;
- **Real American Hardwood Coalition** update from the Executive Team;
- **Secondary Manufacturing Report** *invited*;
- Producers and Distributors Divisions Meetings** on Saturday.

The Annual Golf and Fishing Tournaments are Friday. There will be a Saturday Golf event or you can join the group for Saturday on the Beach.

AHMI and the Ponte Vedra Inn will take every recommended precaution for Covid-19. The meeting space will have seating that is socially distanced and participants will be asked to wear

2021 AHMI Annual Meeting Feb. 24-28 @ Ponte Vedra Inn

masks in all public settings.

These are the same requirements that were in place for the Fall Conference and it was successfully held. The north Florida location was the first choice of members for this Meeting. Many liked the venue from past meetings and a location that is an easy drive.

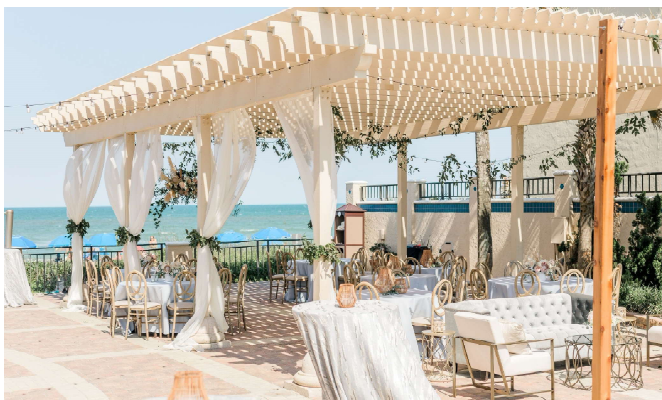
The Ponte Vedra Inn is located on the beach, has completed extensive room renovations and golf course redesign. The Inn has set the standard for elegant and refined resort, golf, tennis, spa and recreation experiences—all with touches of gracious Southern hospitality.

Ample time is planned for networking with members and guests at receptions, events and dinners throughout the Annual Meeting. Hotel reservations are open now by calling (888) 839-9145. The block includes room nights before and after Meeting dates.

You can register online at www.appalachianhardwood.org/meetings or use page 6 of this newsletter.

The Ponte Vedra Inn & Club are on a stunning stretch of beach on Florida's northeast coast just minutes away from Jacksonville, FL. For over 90 years, PVIC has set the standard for elegant and refined resort, golf, tennis, spa and recreation experiences—all with touches of gracious Southern hospitality.

The AHMI block of accommodations are **all deluxe oceanfront**. Each building is just steps away from the beach, close to dining and minutes away from the sessions and golf.



Receptions are planned outside each evening

The way I see it...

By Tom Inman, AHMI President

...the New Year is off to a decent start for Appalachian Hardwood Producers and Distributors. Many report that orders for White Oak and green Red Oak were increasing in the final weeks of December and that has continued.

Other species that are in demand include Hard Maple and Soft Maple as well as some grades and thicknesses of Poplar. Low inventories over the late summer and fall have not been replaced because of steady demand for lumber.

Even in the lower grades, demand for pallet material and frame stock is good. Mills and yards are busy trying to make, buy, dry and move goods to meet the rise in demand.

Those are all good signs for the New Year. The hardwood industry needs several weeks that turn into months of rising demand and improving domestic and export markets.

Log inventories have increased slightly but it's a battle with the weather in the early weeks of winter. It is always interesting how one sawmill has plenty of logs and you travel 50 miles away and the next is very low.

It appears that logging contractors are easing back into the business after scaling back in mid-2020. Landowners and consulting foresters are pushing for timber price increases and a few sales have seen an increase as mills needed the logs.

The first quarter forecast is good based on where markets are in the first week. The remainder of the year is filled with uncertainty as political change is coming and with it impacts on financial and manufacturing markets.

Will it be positive? Negative? Stable?

Please plan to attend the 2021 AHMI Annual Meeting in Ponte Vedra, FL, where you will receive updates on national politics, domestic markets, the Real American Hardwood Promotion and more. Please register using the form on page 6 or online at www.appalachianhardwood.org.

We will follow all health department rules and look forward to seeing you there.



Membership

AHMI welcomes the following new member:

Consumer

Walnut Creek Lumber Co. LTD

Alvin Hershberger

10433 Pleasant Hill Rd

Dundee, OH 44624

Phone: 330-852-4559

Fax: 330-852-2561

Email: alvin@walnutcreeklumber.com

New members are vital to the work of AHMI. If you know of companies that should join, please share that information with the AHMI office. We have a packet of materials that explain the promotion work, retirement plan, health insurance and meeting opportunities through membership.

We are beginning the process of renewals for 2021 and have an exciting program of work planned. It is hoped that we can return to trade shows and other meetings to connect with buyers in person.

AHMI is developing video presentations to link with buyers virtually to educate them on the Appalachian Hardwood resource and the member companies that produce it.

Please contact the AHMI office for details or if you know of companies that should join.

AHMI Dues For 2021

Appalachian Hardwood Manufacturers, Inc. mailed its 2021 Membership Dues recently and are payable by 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.)

If you have questions about these, please contact the AHMI office at (336) 885-8315.

Ponte Vedra Inn COVID-19 Action Plan

Ponte Vedra Inn & Club welcomes guests to its sparkling shores and the resort staff makes the facilities safe with rooms thoroughly sanitized using CDC-approved, hospital-grade products. There is a comprehensive cleaning and inspection.

In accordance with CDC guidelines, PVIC strongly encourage guests to wear face coverings in common areas. To keep contact minimal and health and safety top-of-mind, daily guest room services (including turndown) is suspended. The team supplies fresh linens daily if requested.



All AHMI Rooms are Deluxe Oceanfront

Annual Meeting Sponsorship

The 2021 Annual Meeting of Appalachian Hardwood Manufacturers, Inc. will be February 24-28 at The Ponte Vedra Inn and Club in Ponte Vedra, FL. There are Meeting Sponsorship available to enhance the session and encourage companies.

Sponsors receive:

- 1) Recognition during the Annual Meeting;
- 2) Signage for each sponsored event;
- 3) Recognition in the meeting program;
- 4) Table for literature at registration or in the Meeting Room.

Please contact the AHMI office today about the remaining sponsorship opportunities.

2021 ANNUAL MEETING AGENDA

WEDNESDAY, FEB. 24

6 pm - Early Bird Reception – Oceanfront Courtyard

THURSDAY, FEB. 25

Morning activities on your own

2 pm - AHMI Board of Trustees Meeting – Tarpon Room

4 pm - Registration – Convention Center

6 pm - Welcome Reception – West Terrace

FRIDAY, FEB. 26

8:30 am - General Session – Ballroom1
Business Presentations

12 pm - Golf Tournament – Lagoon Course

12 pm - Fishing Tournament – Atlantic

6 pm - Reception – Surf Club Patio
Island Green Hole In One Contest

SATURDAY, FEB. 27

8 am - Producers Meeting – *Producers only* – Tarpon Room

8 am - Distributors Meeting – (*open to all*) Ballroom 1

9:15 am - General Session – Ballroom 1
Business Presentations, Annual Meeting

12 pm - Golf Tournament – Ocean Course

2-4 pm - Fun on the Beach

6 pm - Reception – Ballroom Terrace

SUNDAY, FEB. 28

8 am - Fellowship of Christian Lumbermen – Tarpon Room

AHMI Mourns Passing Of Dana Fitzpatrick

We are very sad to report the passing of Dana Fitzpatrick, former president and CEO of Fitzpatrick & Weller in Ellicottville, NY. Below is his obituary.

Ellicottville, NY - Dana G. Fitzpatrick, 90, of Ellicottville, passed away Friday, December 18, 2020 at Olean General Hospital. He graduated from Ellicottville Central School in 1948 where he was Senior Class President and quarterback of the undefeated 1948 ECS football team. He went on to earn his Bachelor's Degree in Economics from the University of Notre Dame and graduated in 1952. Following college, Mr. Fitzpatrick was commissioned as an Officer in the Navy from 1952-1954. On December 28, 1955, he married the former Bernice Siebart, who survives.

He served as President, CEO, and Chairman of the Board of Fitzpatrick & Weller, Inc. capping a 66-year career by leading the company to celebrate its 125th year in 2020. Mr. Fitzpatrick was a former director of the National Hardwood Lumber Association, Hardwood Manufacturers Association, and the American Forest and Paper Association. He served as Chairman of the American Hardwood Export Council and the National Forest Products Association. He was a long-time member of AHMI.

In addition to his loving wife of 65 years, Dana is survived by two sons: Daniel (Nancy) Fitzpatrick of Ellicottville, and Gregory (Ann Marie) Fitzpatrick of Ellicottville; three daughters: Marcia (Jim Zaepfel) Fitzpatrick of Williamsville, Kerry (Michael) Allison of Mansfield, MA, and Dr. Sheila Fitzpatrick of Vail, CO. Also surviving is a sister, Kathleen Widger of Great Valley, and ten grandchildren, and two great-grandchildren.

Private family services will be held with a Celebration of Life to be announced at a later date.

Memorials may be made to the Ellicottville Memorial Library or the Lounsburry Adaptive Ski Program, C/O Holiday Valley Resort, PO Box 370, Ellicottville, NY 14731.

AHMI Event Calendar

Appalachian Hardwood Manufacturers, Inc. is monitoring events and meetings to determine the best locations to promote AHMI member companies and products.

Below are the plans for the next several months. Please check with the AHMI office before you make final plans to make certain the event is still planned.

Feb. 24-28: **AHMI Annual Meeting**, Ponte Vedra Inn, Ponte Vedra, FL

March 9: **ALC Meeting**, Pinehurst, NC

March 24-26: **HMA National Conference**, Austin, TX

March 30-31: **Ohio Hardwood Furniture Show**, Millersburg, OH

April 17-21: **High Point Furniture Market**, High Point, NC

April 19-21: **IHLA Convention**, Indianapolis, IN

April 28-30: **NWFA Expo**, Baltimore, MD

April 30-May 2: **ALC Beach Meeting**, Myrtle Beach, SC

May 21-23: **Expo Richmond**, Richmond, VA

June 5-9: **High Point Furniture Market**, High Point, NC

Aug. 1-3: **AHMI Summer Conference**, The Greenbrier, White Sulphur Springs, WV

Sept. 22-24: **NHLA Convention**, West Palm Beach, FL

Oct. 13-15: **WoodPro Expo**, Lancaster, PA

Oct. 16-21: **High Point Furniture Market**, High Point, NC

If you know of events that we should consider, contact Tom Inman at tom@appalachianhardwood.org and provide details. AHMI members are invited to join Inman at the events listed above.

Follow AHMI on social media updates on members, hardwood promotion and more.

[/twitter.com/AppalachianHdwd](https://twitter.com/AppalachianHdwd)

[/instagram/appalachianhdwd](https://www.instagram.com/appalachianhdwd)

2020 Ends... But Leaves A Departing Gift!

By Dana Lee Cole, HF Executive Director

Happy New Year to the AHMI! The Hardwood Federation team is looking forward to working with you in 2021 to support your membership and the entire hardwood sector on federal policy that most impacts our businesses.

The year 2020 was definitely a challenge for many in the industry and certainly left its mark...on seemingly everyone. Many in the U.S. hardwood industry have had to readjust long time strategies and business models to adapt to the constantly changing domestic and international economic, and public health, landscapes.

Despite the rocky road faced by a significant percentage of hardwood companies, many in the industry are digging in and remain optimistic for a brighter 2021. I join them in their optimism and harken back to the Pandemic of 1918 which was followed shortly thereafter by the Roaring 20s. Hopefully we can turn the corner and unlock the full economic potential of our great nation.

In Washington D.C., 2020 ended with a last-minute dash to the finish line starting with Presidential election in November (which is still not quite yet over) and ending with Congress managing, after much anticipation, to come together and release a Fiscal Year 2021 omnibus appropriations package and Covid-19 relief bill. The package was signed by the President in the last days of the year. The details of the 5,593-page bill will take time to become clear as impacted departments and agencies review the legislation's many sections and develop implementation plans and procedures. There are a number of provisions in the bill of interest to our sector summarized below.

1) **Paycheck Protection Program**— language was added to the deal that overrides a damaging Internal Revenue Service notice that was published in November making forgivable Paycheck Protection Program (PPP) loans taxable as income. Provisions in the deal not only clarify that forgiven PPP loans are not taxable as income, but language also makes clear that deductions are allowed for expenses paid with proceeds of a forgiven PPP loan, effective as of the date of enactment of the CARES Act and applicable to PPP loans.

2) Full funding for our export promotion programs (MAP and FMD) at their authorized levels.

3) Relief for loggers and log truck haulers—language in the package authorizes the U.S. Department of Agriculture to support timber harvesting and hauling busi-

nesses. A total of \$13 billion is authorized for this provision, which also includes biofuels producers. Of this amount, loggers and log haulers could receive up to \$200 million in Covid relief. The language is as follows:

That from the amounts provided in this section, the Secretary of Agriculture may use not more than \$200,000,000 to provide relief to timber harvesting and timber hauling businesses that have, as a result of the COVID-19 pandemic, experienced a loss of not less than 10 percent in gross revenue during the period beginning on January 1, 2020, and ending on December 1, 2020, as compared to the gross revenue of that timber harvesting or hauling business during the same period in 2019.

4) Reauthorization of Hardwood Federation-supported provision directing federal departments and agencies to recognize the carbon neutrality of forest-based biomass energy in any environmental or energy policy.

5) Tax Credit for Biomass Heating Systems—wood and pellet heating units, whether they are stoves purchased to heat space or larger, whole home heating systems will now qualify for a generous renewable energy investment tax credit. Beginning in 2021, consumers buying high efficiency wood or pellet stoves, or larger residential biomass heating systems, will be able to claim a 26 percent tax credit that is based on the fully installed cost of the unit. This provision is part of the BTU Act, which has been one of our talking points during Capitol Hill fly-in days for the last several years. Enactment of this tax incentive should help with sawmill residuals issues as consumers take advantage of this lucrative credit and more wood pellet heating systems are installed in homes across the country.

6) \$2.3 billion for the Carl D. Perkins Career and Technical Education Act which supports creation and maintenance of workforce development programs on which hardwood manufacturers and virtually all manufacturing facilities rely.

The overall package combines the roughly \$1.4 trillion Fiscal Year 2021 omnibus appropriations bill with \$900 billion in pandemic relief, totaling \$2.3 trillion in spending.

HARDWOOD FEDERATION



APPALACHIAN

Hardwood Manufacturers, Inc.



2021 Annual Meeting | Feb. 24-28 | Ponte Vedra Inn, Ponte Vedra, FL

To reserve your room, call (888) 839-9145 and ask for Appalachian block.

All Deluxe Oceanside are \$300 and must be reserved by Feb. 3, 2021. Rate is honored before & after!

Online Hotel / Meeting registration at www.appalachianhardwood.org/meetings

To plan functions and be included 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 fee (before Feb. 1, 2021)

AHMI MEMBER - \$425 per person

GUEST - \$475 per person

MEMBER SPOUSE - \$275

GUEST SPOUSE - \$300

CHILDREN AGE 12 - ADULT - \$225, UNDER 12 - \$100

Add \$75 to any registration fee after Feb. 1, 2021

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, 2021. Cancellations received after that time will be subject to 50% forfeiture.

Please complete all areas below

Name: _____ FEE: \$ _____
Name: _____ FEE: \$ _____
Company: _____
Address: _____
City/State/Zip: _____

Optional Events I/We will attend

*(included in
registration fee)*

___ Early Bird
reception
Wed. at 6 pm

___ Saturday
on the Beach
from 2-4 pm

Annual Golf Events

Friday at 12 noon at Ponte Vedra Inn Lagoon Course
(includes shuttle, lunch, range balls. Rental clubs & shoes ordered at the Club)

Name: _____ FEE: \$175

Saturday at 12 noon at Ponte Vedra Ocean Course
(includes shuttle, lunch, range balls. Rental clubs & shoes ordered at the Club)

Name: _____ FEE: \$265

Fishing Tournament

Friday at 11:30 depart for sportfishing in the Atlantic Ocean
(4-hour fishing trip, includes boxed lunch, shuttle, tackle, bait, license)
\$185 for each space on multiple chartered boats

Name: _____ FEE: \$185

Name: _____ FEE: \$185

Check # _____ **TOTAL** \$ _____
Credit Card # _____ Exp. _____ Sec. Code _____ Bill Zip _____

Register online at www.appalachianhardwood.org/meetings

Appalachian Hardwood, PO Box 427, High Point, NC 27261 336.885.8315 info@appalachianhardwood.org

HardwoodPromotion - Get Real With Effort!

Provided by the Real American Hardwood Coalition

Real American Hardwood is a material that has meaning. That has history. That is uniquely beautiful, warm and one of a kind; as though touched by nature's fingerprint. It's the most beautiful building product out there, the one that other imitation products strive to be. It pulls everything together just by being itself. It's simple in its ingredients and it's strong and durable at its core. It's a powerful display of the wonder of nature. Hardwood is pure – grown with purpose and naturally renewing. Hardwood is authentic, without even having to try. It's just built that way, naturally.

The American hardwood industry has a powerful story to tell. From the beauty, desirability and lifetime value of the products to the history of the industry, the small family business focus, the sustainability of our raw material, and the environmental and health benefits of using hardwood.

The Time is Now

To secure our industry's future, we must unite toward a common goal. The Real American Hardwood Coalition was launched in 2019 as an industry association-led effort to meet the imperative goals of increasing markets and sales of Real American Hardwood, celebrating the sustainability of hardwood goods, generating new products and improving overall industry stability. The campaign focuses on driving consumer demand, knowing that as consumers increasingly select Real American Hardwood products our entire industry supply chain will benefit.

What Consumers Want

From extensive consumer research we have learned much about what consumers, including homeowners, renovators, builders, designers, and architects, want when they select building products. Appearance, durability and value are



the most important factors to potential hardwood consumers. Sustainability and natural are additional important factors that tip the decision toward hardwoods at the final stage of the process. Unfortunately, consumers don't always know the benefits of choosing hardwood. The great news is hardwood ticks all these boxes and consumers are open to learning.

Our research also showed that there are three keys to winning consumers over to hardwood. Our promotion campaign must connect with consumers early the decision-making, when they are thinking and dreaming about the possibilities. Our products' look and feel must connect with their emotions and carry through to the final moment when they make their selection. Hardwood must be everywhere – in stores, online, in print, on social media, on television – to keep our products front and center from the idea stage to final payment.

How We Make the Sale

With industry association and company support, the RAHC will execute a comprehensive marketing campaign to drive consumers to choose Real American Hardwood products. We will start by launching a \$500,000 campaign that includes:

Paid Social Media: When consumers start gathering ideas and inspiration, we'll show them how Real American Hardwood products can meet their needs regardless of their style and budget using Instagram, Facebook, and other

(See RAHP on Page 8)

RAHP from page 7 -----

social media outreach. In time, we'll be able to send them directly from social channels to industry member sites or retailers to buy.

Paid Search: When consumers search the internet for remodeling ideas, furniture and building materials, we'll make sure Real American Hardwood information sites and products appear at the top of the search list and consumers can quickly reach our industry member websites.

Media Relations: Consumers use both online and print media to gather ideas, inspiration, and information for their projects. We'll place stories that help them see how Real American Hardwoods meets their décor, their lifestyle and budget.

RealAmericanHardwood.com: We'll create a digital hub that acts as a destination for paid search and social campaigns to provide consumers more ways to consider Real American Hardwood including selection and care. This site will also include a section for industry partners to access campaign assets such as logos, advertisements and promotional concepts.

In-Store Promotion: Long before they purchase, consumers use retailers (large and small) for information gathering. We'll make available signage for in-store use to help consumers find Real American Hardwood products and compare their benefits versus competitors.

Obviously, with greater funding, we can expand the program's impact. We intend to build on success in the first year, growing interest, excitement, engagement and yes, funding. With additional funding in the \$750,000-\$1.2 M range we can grow our effort by expanding social and search, adding content to RealAmericanHardwood.com, creating in-store displays, and developing partnerships with social media influencers.

Together We All Grow

The RAHC is made up of more than 25 national, regional and state associations represent-

For more information, please contact or visit
hardwoodpromotion@gmail.com
realamericanhardwood.com

ing all hardwood producing states – together, we're a strong, unbeatable team! The Real American Hardwood campaign maximizes impact when every member of the industry participates – from lumber mills, to manufacturers, to associations. We will need everyone to be a part of the effort!

Use the Real American Hardwood Logo.

- Include the RAH logo on advertising, packaging, point of sale materials and even invoices and business cards to support your brand.
- Build connection to the campaign online – link your company website and social media platforms to RealAmericanHardwood.com and follow the campaign's social channels
- Use Real American Hardwood content to strengthen your company's website and social media

Support Funding Efforts

The RAHC is seeking the financial support for the national campaign from regional and national industry trade groups and associations, hardwood and hardwood plywood producers, distributors, manufacturers, and suppliers. Support for the Real American Hardwood promotion campaign is voluntary, and we encourage all members of the industry to participate at any level they are able. Suggested annual contributions range from \$600-6,000.

You can learn more about the RAHC at RealAmericanHardwood.com or contact us at hardwoodpromotion@gmail.com. We are excited about the future and are excited to have you join us!