

March 2021

Monthly newsletter of Appalachian Hardwood Manufacturers, Inc. info@appalachianhardwood.org

Poplar Cross-Laminated Timber Project Update

The grading and production phase of a project to introduce Poplar Cross-Laminated Timber (CLT) to the construction industry will begin later this month.

A grader from the Northeastern Lumber Manufacturers Association will grade and stamp the 42,000 board feet of Poplar lumber that has been donated by Appalachian Hardwood Manufacturers, Inc. members. It will be ripped and surfaced at Blue Ridge Lumber in Virginia, graded, and shipped to SmartLam in Dothan, AL, for production and testing in April.

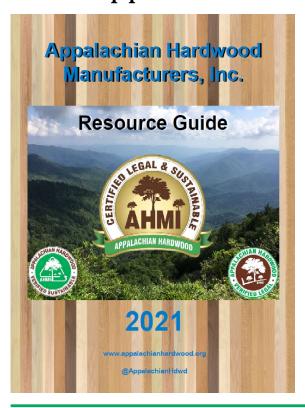
First announced in late 2019, the project is funded by the US Forest Service and administered by Virginia Tech researchers. SmartLam will build



as many panels as possible, detail the manufacturing process and performance test the products to International Building Code requirements.

The project will study how Poplar can be produced to meet structural grades and determine the feasibility to manufacture and compete in the marketplace. Preliminary results indicate Poplar has the strength needed and the resource has ample availability in lower grades for this product.

2021 Appalachian Resource Guide Is On Website



Appalachian Hardwood Manufacturers, Inc. recently posted the electronic version of its **2021 Appalachian Hardwood Legal & Sustainable Resource Guide** and printed versions will be available soon.

The Guide helps thousands of hardwood lumber buyers make wise decisions for their materials and suppliers. Because of strong participation, the Guide was expanded for 2021.

The electronic version is available at www.appalachianhardwood.org/resource-guide

The printed version will be mailed to furniture and cabinet makers, millwork and flooring producers, architects and designers in the US this month. The electronic version is emailed twice annually to more than <u>12,000</u> <u>buyers</u> in Asia, Indonesia, Europe, and Mexico.

The book promotes AHMI members to individuals and businesses around the world. It highlights contact information for all active members and details the specific characteristics of Appalachian Hardwood Lumber that wood consumers should demand!

The way I see it...

By Tom Inman, AHMI President

...hardwood lumber sales have had two good months to start 2021. Conversations with sawmill owners, concentration yard managers and secondary manufacturers of hardwood products say they are able to sell the majority of lumber products coming from the log.

Grade lumber is moving to millwork, flooring, cabinet and furniture plants in and around the Appalachian region. Most species and grades are selling at stable or increased pricing.

Industrial materials are similar with mills reporting that pallet stock is oversold, railroad ties are moving and there have been new inquiries for crane mats.

We are headed into residential much season so demand is increasing and there are new markets for wood chips and sawdust.

"We are selling just about everything we are making," said one sawmill owner. "If we had more logs, we would be in even better shape."

Log supply continues to throttle production in most mills. The logging industry has not returned to full force following the Covid shutdowns in 2020 and many landowners reduced the volume of timber sales.

Most sawmills are operating at 70-80 percent capacity because of low log inventories. Two owners reported that competition for the few timber sales in the region is fierce.

Other sawmills are held back because of a lack of workers - one sawmill owner said he has not received a job application in 14 months. Crews are being moved around the mill daily to manage the tasks of production.

The word is getting out, however, that lumber sales are strong and timber prices may be rising. There will be more sales this spring, according to two timberland owners who understand the markets.

Leading economic forecasts for coming weeks remain very positive as manufacturing and consumers recover from the Covid shutdowns.



AHMI welcomes the following new member:

Distributor

GF Hardwoods
Quentin Moss
9880 Clay County Hwy
Moss, TN 38575
Tel: 931-258-3944
quentin@gfhardwoods.com
www.gfhardwoods.com

Supplier

Vecoplan, LLC
Molly Frogge
5708 Uwharrie Road
Archdale, NC 27263
Tel: 336-861-2858
mfrogge@vecoplanlk.com
www.vecoplan.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.

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.

We are ready to send these materials to prospective members that you do business with. Please contact the AHMI office for details or if you know of companies that should join.

Membership information is available on the web at www.appalachianhardwood.org/members. The application can be sibmitted online and information is updated weekly.



HF Policy Priorities & Biden Administration

By Dana Lee Cole, HF Executive Director

President Joe Biden was sworn into office on Jan. 20, 2021 at 12:00 noon, as is customary when a new President begins his term. Federal government leadership is set for the next two years with Democrats in control of the White House and both Chambers of Congress (although by thin margins.)

Obviously, it is early, and policies will be more developed over the coming months, but there are some indications of the types of challenges and opportunities Washington, D.C. will present to the hardwood industry in the near future.

The number one priority for the President and his team is clearly addressing the human and economic impacts of COVID-19. The good news is multiple vaccines have been developed and are being distributed, with more on the horizon. Implementing policies and strategies that increase the rate of innoculation for the entire U.S. population is top of the list.

Coming in a close second is providing economic support to individuals and businesses that continue to struggle as significant portions of the economy remain shuttered.

Longer term, the Administration has made clear that they will make climate change a center-piece of their agenda, incorporating climate considerations across government agencies. This is a challenge and an opportunity for the entire wood products industry, including hardwoods, to present ourselves as part of the solution to climate change concerns. We have the positives of sustainable management and harvesting, carbon neutral energy fuels, and carbon sequestration.

There are indications that the new Administration is open to wood energy, wood product innovation and green building. We will be looking for opportunities to work closely with our forest products allies to further educate decision makers in the coming months.

The Hardwood Federation Boards of Directors, including AHMI Board Member John Foley, has tasked the Federation staff with identifying

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strategies to maximize our impact on the Hill and within the Administration. A Task Force has been named that will help develop these efforts to develop clear and concise messaging on the benefits of the hardwood industry to both the economy and the environment, outreach and discussions with key lawmakers, proactively providing input to regulatory and legislative proposals related to carbon control, and providing industry members with the opportunity to engage.

The Hardwood Federation team will track developments on all fronts that have impacts on our businesses. We will keep our long-time policy positions that support the hardwood industry, maintain and increasing access to timber on federal (and private) lands, tax and regulatory policies that support, not harm, business operations, and fair trade agreements that open to global markets to our products.

These policy positions were confirmed by the hardwood industry in January and presented to the Hardwood Federation and Hardwood Federation PAC Boards of Directors on Feb. 3rd.

The Hardwood Federation Boards are committed to maintaining a vigorous presence on Capitol Hill, even if it is on computer screens. We will look for ways to work with the new Administration and Congressional leaders but will not hesitate to challenge proposals that we believe will be harmful to the industry.

The Hardwood Federation is very grateful for the tremendous support and engagement of the AHMI in Federation activities at all levels. We very much look forward to working with your staff and entire membership to promote a legislative agenda that recognizes the beauty and environmental benefits of our hardwood products.



The Real American Hardwood Coalition is a voluntary, industry-wide domestic promotion initiative for American hardwoods led by national, regional and state hardwood association executives, including AHMI.

The goal is to increase sales and improve industry stability by raising awareness to the benefits of Real American Hardwood. It is defined as "solid and veneered hardwood products from resources that are grown in the United States. Real American Hardwood maintains the integrity of the natural wood and is not a replication or non-wood product; its natural appearance (grain) has not been altered prior to finishing."

With industry support, the RAHC will execute a comprehensive marketing campaign to drive enduring consumer demand for Real American Hardwood products. It will start with a \$500,000 campaign in print, web, and in-store promotion.

Work that is already underway includes:

- Social Media: Instagram, Pinterest
- Website: RealAmericanHardwood.com
- In-Store Signage

There has been more than \$250,000 contributed annually the past two years by industry trade associations. Financial support for the Real American Hardwood campaign is voluntary, and we encourage all members of the industry to participate at the level where they are most comfortable.

Suggested annual contributions for industry range from \$600–6,000. For complete details, visit www.realamericanhardwood.org or email to info@realamericanhardwood.org.

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.

March 9: **ALC Meeting**, Pinehurst, NC March 24-26: **HMA National Conference**,

Austin, TX

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

April 6-9: **Kentucky Forest Industries Association Annual Meeting**, Lexington, KY

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

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

Nov. 9: ALC, Johnson City, TN

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

Follow AHMI on social media with updates on members, hardwood promotion and more. Please connect at:

/twitter.com/AppalachianHdwd/instagram/appalachianhdwd