



**Certified Legal  
& Sustainable**

# May 2021

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

## Worker Training, Logging Capacity Lead Summer Conf. Agenda

Business presentations on key Appalachian sawmill, yard and secondary manufacturing issues are planned for the 2021 Summer Conference on Aug. 1-4 at The Greenbrier.

The schedule has been expanded to begin on Sunday and end on Wednesday. There are business sessions on Monday and Tuesday mornings and the agenda includes:

**1) Hardwood  
Logging Capacity -**

The director of the WV Logging Council will discuss capacity issues and solutions.

**AHMI Summer  
Conference  
Aug. 1-4, 2021  
The Greenbrier**

**2) Appalachian Hardwood Training Institute** - AHMI is partnering with community colleges to offer hardwood mill training certificates.

**3) Real American Hardwood Promotion** - an update from the team developing a domestic promotion program for hardwoods.

**4) Solid Wood Processing** - Stiles Machinery's Chuck Carter will discuss the latest solid hardwood processing equipment for secondary manufacturers.

**5) 2021 Economic Recovery** - A leading economist from UBS Financial will discuss the U.S. economy in 2021 as the country rebounds from COVID-19.

**6) Hardwood Federation Mid-Year Report** - Dana Cole will update members with news from the federal government and key issues for the Federation.

There are three breakout sessions for Tues-  
(See **Summer Conference on Page 3**)

## Vietnam Tops China In Furn. Exports To U.S.

*Reprinted from Furniture Today*

Vietnam has overtaken China as the largest exporter of finished furniture goods to the U.S. market.

According to *Furniture Today* research, Vietnam shipped \$7.4 billion in furniture to the U.S. in calendar year 2020, up 31% from \$5.7 billion in 2019. China shipped \$7.33 billion to the U.S. in the same 12-month period - down 25% from \$9.7 billion China shipped in 2019.

Vietnam began emerging in wood bedroom in response to Chinese manufacturers being hit with antidumping duties in mid-2000s. An even more dramatic shift occurred since 2018 when the U.S. government imposed tariffs as high as 25% on most Chinese furniture.

In the second half of 2018, China's shipments fell 1% to \$13.6 billion. Vietnam's shipments meanwhile grew by 9% to \$4.2 billion from \$3.9 billion in 2017.

A more dramatic shift occurred in 2019, when China shipments fell 28% to \$9.7 billion. Vietnam's shipments meanwhile rose 35% to around \$5.7 billion.

Miscellaneous wood furniture was the largest category out of Vietnam with \$1.9 billion in shipments, up 43% from the year before. The next largest categories from Vietnam were wood bedroom furniture; wood frame upholstered chairs; and wood beds, which rose 11% to \$778.9 million.

Malaysia jumped two spots on the list of the top 10 exporting countries, moving ahead of Canada and Mexico for the number three slot.

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

By Tom Inman, AHMI President

...AHMI helps members sell lumber with three programs to meet customers' needs.

We are telling these stories in two videos of member testimonials on the success of the **Certified Appalachian Legal & Sustainable (CALS)** and the **Appalachian Hardwood Verified Sustainable (AHVS)** and **Verified Legal (AHVL)**. Their companies have sold lumber using both programs.

AHVS began in 2007 and utilizes U.S. Forest Service data to verify sustainability of AHMI's 344 counties. The Forest Inventory Analysis is updated every seven years to determine the region's growth-to-removal ratio. It has improved to more than 2.5 cubic meters of hardwood growing for each cubic meter of harvest and mortality.

Hardwood lumber consumers can understand the simple approach and thousands of certificates have been distributed by AHMI members.

AHVL began in 2012 to promote the legality of the products. Participants must adhere to standards developed by the AHMI Board, select the counties of origin for the timber and receive signed Procurement Forms from vendors/owners.

CALS started in 2018 and participants complete an application of adherence, select the counties of origin, and provide Procurement Forms from suppliers. All of the materials are audited by a third-party company for compliance to the standards.

The new videos were completed by Ascension 336, a communication company at High Point University. AHMI members discuss their success and continued enrollment in the programs to encourage other companies to join.

The videos are posted on YouTube and linked from [www.appalachianhardwood.org](http://www.appalachianhardwood.org). For more information or to enroll in these, please contact the AHMI office today. Marketing your products and services to customers is our mission.



Photo from AHMI Verified Sustainable video



## Membership

AHMI welcomes the following new member:

### Forestry

Kentucky River Properties LLC

Chris C. Osborne, CF

P.O. Box 269

Hazard, KY 41702

(606) 439-4518

<http://www.krpkky.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](http://www.appalachianhardwood.org/members). The application can be submitted online and information is updated weekly.

## Summer Conference from page 1

day afternoon to gain more value (*concurrent*):

a. **Structural Grades for Hardwoods** - learn about NELMA structural grades for hardwoods to prepare for Poplar use in CLT.

b. **Log Grading Guidelines** - learn about Log Grading Guidelines developed by AHMI and the WV Hardwood Center

c. **AHMI 401k MEP Program** - Learn from UBS Financial reps about AHMI's program that provides retirement planning at a tremendous savings for member companies.

Visit **[www.appalachianhardwood.org](http://www.appalachianhardwood.org)** and click on "Meetings" for information and to register online. or call The Greenbrier at (855) 453-4858 and ask for the Appalachian Hardwood block. Please **reserve your room by July 1**. All AHMI rooms are in the Main Building.

The resort has health and safety plans in place to deal with COVID-19 and will follow all local, state and federal guidelines. AHMI will have masks available for attendees.

Please make activity and dining reservations when booking your room. There are five dining venues open daily and these fill up quickly for dinner.

The Greenbrier has more than 55 indoor and outdoor activities available for guests of all ages and interests. Outdoor adventures include: aerial course, alpine climbing tower, falconry, fishing, geocaching, scavenger hunt, gun club, horseback riding, kayaking, paintball, pickleball, pool, segway tour and standup paddleboard.

Indoor adventures include: arcade, bowling, bunker tour, cooking classes, escape room, fitness class, glass blowing, museum, indoor pool, and tennis.

Please make reservations for these activities when reserving your room.

For more information, please call the AHMI office at (336) 885-8315 or email [info@appalachianhardwood.org](mailto:info@appalachianhardwood.org).

**2021 May - Solid Appalachian Hardwood - 3**

## **Appalachian Hardwood Manufacturers, Inc. 2021 Summer Conference Aug. 1-4 - The Greenbrier**

### **Sunday, Aug. 1**

**3-5 pm** - Registration open in Lower Lobby

**6-7 pm** - Welcome Reception

*Dinner on your own*

### **Monday, Aug. 2**

**8:30 am** - General Session

1) **Logging Capacity in 2021** - WV Logging Council

2) **Real American Hardwood Promotion** update

3) **Solid Wood Processing** - Stiles Machinery

**12:15 pm** - Golf Tournament

**12:15 pm** - Sporting Clays Tournament

**6-7 pm** - Monday Reception

*Dinner on your own*

### **Tuesday, Aug. 3**

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

1) **Appalachian Hardwood Training Initiative**

2) **Hardwood Federation Mid-Year Report**

3) **2021 Economy** - UBS economist

**12:15 pm** - Golf Tournament

### **2 pm - Breakout sessions**

a. **Structural Grades for Hardwoods** - learn about NELMA structural grades for hardwoods to prepare for Poplar use in CLT.

b. **Log Grading Guidelines** - learn about Log Grading Guidelines developed by AHMI and the WV Hardwood Center

c. **AHMI 401k MEP Program** - UBS Financial reps will be available to explain/enroll members in retirement program.

**6-7 pm** - Tuesday Reception

*Dinner on your own*

### **Wednesday, Aug. 4**

**9 am** - AHMI Board of Trustees Meeting

Departure

# Infrastructure Rolls Into Washington DC

*By Dana Lee Cole, HF Executive Director*

As March merged into April, the Biden Administration unveiled a \$2.25 trillion infrastructure package titled the American Jobs Plan, a broadly focused proposal to infuse funds into our nation's transportation pathways—namely highways, bridges, ports and mass transit as well as other elements of the nation's economy. The proposal was coupled with a measure titled the Made in America Tax Plan that seeks to raise over \$2 trillion in the next 15 years to help pay for investments envisioned under the American Jobs Plan.

While specific legislation is yet to be introduced, a 25-page summary document is available which describes at a high level all of the proposals that the Administration would like to see included in comprehensive infrastructure legislation to be considered by Congress in the coming months.

On the infrastructure front, Biden's plan targets \$621 billion to repairing roads and bridges across the country. Out of this amount, \$115 billion is dedicated to modernizing bridges, highways and roads in critical need of repair.

The proposal also specifies that funds be used to improve 20,000 miles of highways and to fix the most economically significant large bridges in need of reconstruction. In addition 10,000 smaller bridges would be targeted for repair, including those that provide critical connections to rural and tribal communities. The measure would also spend \$17 billion on improving inland waterways, coastal ports, land ports of entry and ferries.

The American Jobs Plan also includes provisions to assist the manufacturing sector including one that dedicates \$52 billion to support existing capital access programs, particularly those that fund rural manufacturing and clean energy.

Another \$50 billion is set aside to create a new Department of Commerce office dedicated to domestic industrial capacity. The measure also authorizes a financing program to bolster debt and equity investments in the manufacturing sector,

specifically to increase supply chain resiliency.

To promote building projects and jobs in the construction sector, the plan authorizes \$20 billion in new federal tax credits to spur the construction and rehabilitation of 500,000 homes for low- and middle-income homebuyers

In the workforce space, the American Jobs Plan dedicates \$48 billion to bolster American workforce development infrastructure and worker protection. This includes registered apprenticeships and pre-apprenticeships, creating one to two million new registered apprenticeships slots, and strengthening the pipeline for more women and people of color to access these opportunities through successful pre-apprenticeship programs such as the Women in Apprenticeships in Non-Traditional Occupations.

The piece that has been getting the most attention since last week's roll out is in the tax area. A number of revenue raisers are included in the measure that affect the business community.

You will recall that the corporate tax rate was lowered in the Tax Cuts and Jobs Act (TCJA) to 21 percent. Biden's plan would raise that rate to 28 percent. The proposal is silent on treatment of S-corporations estate taxes and other pass through entities that are popular in our sector. TCJA also lowered the effective tax rates for businesses in this category and we expect that a tax increase on businesses utilizing these tax structures will be on the table as negotiations commence.

Other tax provisions include those that would:

§ Amend the global intangible low-taxed income (GILTI) regime to increase the global minimum tax to 21 percent on a country-by-country basis, while also eliminating the rule allowing exemption on the first 10 percent of foreign investments.

§ Seek a global agreement on minimum taxation, while denying deductions for payments made to a corporation based in a country that does not adopt the agreement.

(See **Federation on Page 5**)



## Federation - from page 4

**§ Prevent U.S. corporations from inverting or claiming tax havens.** Under current law, U.S. corporations can acquire or merge with a foreign company to minimize U.S. taxes by claiming to be a foreign company, even though their places of management and operations are within the U.S.

**§ Impose a minimum tax on large corporations' book income.** Proposes a 15 percent minimum tax on the income corporations use to report their profits to investors (book income). The TCJA repealed the alternative minimum tax for corporations. Democrats intend to target companies that reported large net profits while paying little or no federal income tax.

**§ Eliminate tax preferences for fossil fuels, such as the existing tax deduction for costs associated with domestic oil and gas drilling.**

**§ Increase funding for the Internal Revenue Service** to increase tax collection enforcement, namely through audits of corporations.

The legislative process of assembling this package in Congress will be a priority during the spring months. The action will be focused in the near term in the House, where committees of jurisdiction over portions of this plan will begin drafting legislation to achieve the goals of the measure. Speaker Pelosi has announced that she would like a floor vote on the bill by the July 4 holiday.

The reception among Republican Members of Congress, and some moderate Democrats, to these two measures has been cool. The revenue raisers on the business community have attracted opposition from lawmakers, as well as businesses and trade associations representing various industrial sectors across the economy.

A private sector, multi-industry coalition has already been formed and funded with \$50 million to wage a media campaign against the tax increases in the proposal.

The Hardwood Federation will be monitor closely and will engage in the process as appropriate to protect the interests of hardwood forest product manufacturers and our supply chain.

## Trillion Trees Act Reintroduced

On Monday, House Natural Resources Committee Ranking Member Rep. Bruce Westerman (R-AR-04) reintroduced his Trillion Trees Act, a central plank of the Republican platform on greenhouse gas mitigation. Policies in the bill fall into three distinct buckets—forest regeneration, forest management, and wood products utilization.

On the regeneration front, the bill attempts to address the domestic tree seedlings shortage by creating a national strategy to increase nursery capacity and a \$1 billion loan program for nurseries. It would also create a new Trillion Trees Challenge Fund to leverage private investments in non-federal reforestation activities.

On the management side, the proposal streamlines environmental reviews for forest management projects and permanently reauthorizes popular programs like the Good Neighbor Authority, which allows the Forest Service to enter into agreements with state forestry agencies to do the critical management work to keep our forests healthy and productive.

Finally, in the utilization area, the bill includes a sustainable building tax credit designed to promote wood building materials. Specifically, Trillion Trees incentivizes sustainable residential and commercial buildings by creating a new, transferable tax credit. The scoring system in the legislation is heavily weighted toward favoring wood construction.

The bill was introduced with mostly Republican cosponsors, although a handful of Democrats have signed on to the measure, making it bipartisan. FRA has and will continue to advocate for this legislation as a meaningful way to promote forest health and carbon sequestration through increased forest products demand.



## Railway Tie Assoc. Invites Mills To Meeting

The Railway Tie Association is inviting sawmills to participate in its RTA Solutions Symposium on June 6-8 in Florence, SC and AHMI members can register at the RTA member rate.

The conference has been developed with two learning tracks:

Track 1 for sawmills and small businesses with speakers on business leadership, employment recruitment and retention.

Track 2 for railroads and tie producers will focus on industry specific issues.

The keynote speaker is Damon West, a college professor, nationally known speaker, and best-selling author of "The Coffee Bean: A Simple Lesson to Create Positive Change." His life changed in prison when he realized that like a coffee bean changes with heat and pressure, he could change the environment around him.

He now lives a life of recovery and service sharing his story of redemption, grit and determination.

The symposium is an excellent way for AHMI members to connect with tie buyers and the railway industry. There will be an opening day golf tournament.

Registration is open and will be available for the reduced rate of \$399 until May 15. Please use the discount code "Sawmill" on the registration page.

More information is available at <https://www.rta.org/solutions-symposium>

The Staybridge Suites Florence is the area's newest extended stay hotel opens at Interstates 95 and 20. It is conveniently located and easily accessible for guests to visit the hospitality district which has dozens of restaurants nearby.

The Railway Tie Association was organized in 1919. Its mission is to provide the forum and direction for continual improvement in the life-cycle of the engineered wood crosstie system. This includes promotion of the economical and environmentally sound use of wood crossties.



### RTA Spring Meeting - June 6-9, 2021

Staybridge Suites, Florence, SC

Track 1 Audience – Sawmills and Small Business Owners/Managers

Track 2 Audience – Railroads, Producers of Ties, Environmental, Recycling, Research

#### **June 6**

10-3:30PM Golf Tourn. at The Traces Golf Club

5-6:30 PM Welcome Reception

7 PM Dine Around

#### **June 7**

8-9 AM Breakfast with Sponsors

9-10:15 AM Session - Keynote Damon West

10:15 -10:45 AM Break

10:45 – 12 PM Sessions: TRACK 1 – Overcoming Adversity with Damon West OR TRACK 2 – Identifying the Scope of the Problem – Facilitated Roundtable on issues with used ties. (Goodin)

12 -1 PM Lunch

1-2:15 PM Sessions: TRACK 1 – Real American Hardwood Update (Dana Cole & Tom Inman) OR TRACK 2 – Mini-Sessions: California Disposal, Environmental, and NHSM Update – (Butch Bernhardt) or BioChar Technologies – (Chuck Ludwig)

2:15 PM – 2:45 PM Break

2:45 PM – 4:00 PM Sessions: TRACK 1 – Health, Safety, and Environmental Forum (EHS Support Services) OR TRACK 2 – Mississippi State University AWPRP Tie Life Study Update (Drs. Gabrielly Bobadilha and Dercilio (Joe) Lopes)

6-8:00 PM Reception with Sponsors/Exhibitors

#### **June 8**

8-9 AM Breakfast with Sponsors

9-10:15 AM Keynote: Inside Chic-fil-A's Corporate Culture – (MariBeth McNeil)

10:15 AM– 10:45 AM Break

10:45 AM– 12:00 PM Sessions TRACK 1 – Attracting, Hiring, and Retaining Next Gen Employees (McNeil) OR TRACK 2 – Ties, Trees, Carbon, and the Future (Dr. Jeff Lloyd)

12 PM – 1:30 PM Networking Lunch and Closing Session

## 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.

May 21-22: **Expo Richmond**, Richmond, VA

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

June 7-8: **RTA Regional Meeting**, Florence, SC

July 7-9: **NWFA Flooring Expo**, Orlando, FL

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

Sept. 14: **ALC**, TBD

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. 1-3: **RTA Annual Meeting**, St. Louis, MO

Nov. 9: **ALC**, Johnson City, TN

If you know of events that we should consider, contact the AHMI office at [info@appalachianhardwood.org](mailto: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](https://twitter.com/AppalachianHdwd)

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

## AHMI Videos Online

AHMI has increased the number of promotion videos we have posted on our website and YouTube. Visit [www.appalachianhardwood.org](http://www.appalachianhardwood.org) for links to these and presentations from previous meetings.

We encourage members to link these from your website or social media.



### Talking Appalachian

AHMI members (from left) Steve Merrick of Somerset Wood Products, Rick Armstrong of Homer Gregory & Co., and Buck Shiels of Charles F. Shiels & Co. man the AHMI booth at the Kentucky Forest Industries Association recently

## Expo Richmond Set May 21-22

East Coast Sawmill and Logging Equipment Exposition (EXPO RICHMOND) has become one of America's leading trade shows for the forest products industry. **AHMI will be in booth 48.**

The exposition will offer the year's largest collection of sawmilling, kiln drying, harvesting, biomass, trucking, pallet manufacturing/recycling, optimization/scanning, material handling, firewood production and related equipment, supplies and services.

Attendees can compare their current equipment to the latest state-of-the-art, most technologically advanced equipment on the market. The extensive amount of equipment displayed, along with active product and machinery demonstrations both indoors and outdoors, provide the unique "hands-on" aspect of the Richmond show.

The Show is held at the Richmond Raceway Complex at 600 E. Laburnum Avenue, Richmond, VA 23222. Visit the website [exporichmond.com](http://exporichmond.com) for details and to register.

8 - 2021 May - Solid Appalachian Hardwood

# 2021 AHMI Summer Conference

## Aug. 1-4 The Greenbrier



### 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 10, 2021 and mail to: AHMI, P.O. Box 427, High Point, NC 27261.

### MEETING REGISTRATION FEES

AHMI MEMBER \$350 per person

GUEST - \$450 per person

AHMI MEMBER SPOUSE \$250

GUEST SPOUSE - \$350

ADULT CHILDREN 18+ \$200

CHILDREN 12-17 \$100

DAY SESSION - \$175 each

CHILDREN UNDER 11 - free

*Full registration will be refunded on cancellations received by July 10, 2021. Cancellations received after that time subject to 50% forfeiture.*

### PLEASE REGISTER THE FOLLOWING FOR AHMI'S SUMMER CONFERENCE

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

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

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

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

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

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

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

### AHMI MONDAY GOLF TOURNEY (12:30 p.m. The Meadows Course, box lunch)

*18 holes green fees and cart; club rental available extra fee*

Name: \_\_\_\_\_ FEE: \$265

Name: \_\_\_\_\_ FEE: \$265

### SPORTING CLAYS TOURNEY (Monday 12:30 p.m. Sporting Club)

*One round of 100 - Includes gun, ammo and targets, box lunch*

Name: \_\_\_\_\_ FEE: \$265

Name: \_\_\_\_\_ FEE: \$265

### AHMI TUESDAY GOLF (12:15 p.m., The Greenbrier Course, box lunch)

*18 holes (9 twice) greens fee and cart; club rental available extra fee*

Name: \_\_\_\_\_ FEE: \$195

Name: \_\_\_\_\_ FEE: \$195

**Total** \_\_\_\_\_

Check enclosed \_\_\_\_\_

Credit Card: \_\_\_\_\_

Expiration date \_\_\_\_\_ Security Code \_\_\_\_\_ Billing ZIP code \_\_\_\_\_

Name on card: \_\_\_\_\_

Register online at [www.appalachianhardwood.org/meetings](http://www.appalachianhardwood.org/meetings). Please make your room reservations there or directly with The Greenbrier at (855) 453-4858 . Book your room by July 1, 2021.