

## Summer Conf. Offers 6 Business, 3 Breakouts

### *Sunday-Wednesday format change gives most value*

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

A second day has been added to provide more programs with business sessions on Monday and Tuesday mornings and breakouts on Tuesday afternoon. 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. The president of Dabney S Lancaster Community College in Clifton Forge, VA will present.

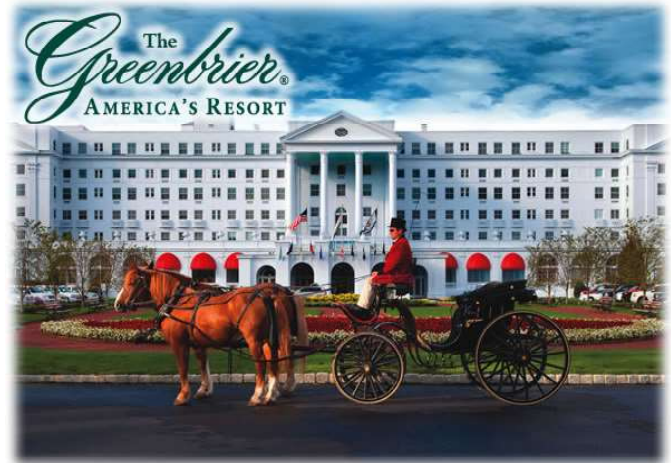
3) **Real American Hardwood Promotion** - an update from the team developing a domestic promotion program for hardwoods.

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 Tuesday afternoon (concurrent):



a. **Structural Grades for Hardwoods** - learn about NELMA structural grades for hardwoods to prepare for Poplar use in CLT. Virginia Tech researchers will have the results of panel construction at SmartLam.

b. **Log Grading Guidelines** - learn about Log Grading Guidelines that were developed by AHMI and the WV Hardwood Center. There will be a demonstration on site.

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.

There will be golf and sporting clays tournaments each afternoon and receptions each evening. The receptions are sponsored by:

Sunday - Stringer Industries

Monday - PLM Insurance

Tuesday - UBS Financial

The resort has health and safety plans in place to deal with COVID-19 and will follow all  
**(See Conference on Page 3)**

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

By Tom Inman, AHMI President

...Appalachian Hardwood promotion is in full swing for the spring of 2021. I have participated in several events in recent weeks marketing AHMI members, products and services to consumers and businesses.

The hardwood industry continues to enjoy strong demand for products. At the recent Expo Richmond, loggers, sawmillers, distribution yard managers and finished goods manufacturers all said they are selling everything they can make.

They would make more if they had more people! Labor is keeping production in check at many sawmills and yards.

Demand for lumber makes promotion of hardwood resources easier. Buyers are looking for hardwood and tolerating the prices that trend up with the demand.

They want the Appalachian Hardwood Resource Guide to have the latest information on companies, contacts and the species produced.

Many sellers are reporting low inventories in their warehouses - one even said they sold lumber that had been in inventory so long they were not certain of the cost they had in it.

I have heard from Producers who say log inventories and production capacities are increasing. I believe there is more lumber in process each week but interestingly the pricing guides are marked with "+" signs for the past two issues.

What is the forecast for markets?

That is a question a few people ask when discussing the current business climate. Most agree that the late spring and summer will be more of the same. The fall should remain strong as inventories build for winter.

If you can move it. Trucking has become the issue of the day - the week - the month. One member said the freight rates have doubled in recent weeks if you can even schedule a truck.

If shipping improves, how much lumber will be made and delivered this year?



## Membership

AHMI welcomes the following new members:

### Consumer

Oak Chips Inc.

Todd Nathan

9329 State Rt 220

Waverly, OH 45690

740-947-4159

[todd@oakchipsinc.com](mailto:todd@oakchipsinc.com)

[www.oakchipsinc.com](http://www.oakchipsinc.com)

### Supplier

Messersmith Industrial Boiler Systems

Jeremy Mortl

2612 F Road

Bark River, MI 49807

906-466-9010

[jmortl@burnchips.com](mailto:jmortl@burnchips.com)

[www.burnchips.com](http://www.burnchips.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 ready to send these materials to prospective members that you do business with. Remember the suppliers who sell you goods and services can also benefit from membership in AHMI. 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.

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

## Conference from page 1

local, state and federal guidelines. AHMI will have masks available for attendees who choose.

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.

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

The Monday evening reception will provide heavy hors d'ourves sponsored by PLM Insurance and can easily serve as your 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).

## Appalachian Hardwood Manufacturers, Inc. 2021 Summer Conference

Aug. 1-4 - The Greenbrier

### Sunday, Aug. 1

**2:30 pm** - Board of Trustees Meeting

**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) **Hardwood Logging Capacity in 2021**

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

3) **Appalachian Hardwood Training Initiative**

**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) **Real American Hardwood Promotion**

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**

b. **Log Grading Guidelines**

c. **AHMI 401k MEP Program**

**6-7 pm** - Tuesday Reception

*Dinner on your own*

### Wednesday, Aug. 4

*Departure*

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## Kendall College Awards AHMI Scholarship In Design

The 2021-22 recipients of the Grand Rapids Furniture Designers Endowed Scholarship sponsored by AHMI at Kendall College of Art and Design of Ferris State University (KCAD) is Kathleen Morrison.

She is currently enrolled in the Furniture Design program at Kendall College and hopes to pursue a career in design. "I am so very appreciative of this scholarship and other support that the Appalachian Hardwood Manufacturers and other

partners of the industry are providing to Kendall's design students like myself," Morrison said.

Kendall College is merging its Industrial Design, Furniture Design, and Metals and Jewelry Design programs under Product Design. Officials say this provides a learning environment that embraces the aesthetic, conceptual, and process overlap of these disciplines.

AHMI has sponsored a furniture design scholarship since 2001.

# The Biden Agenda - Goals, Costs & Challenges

*By Dana Lee Cole, HF Executive Director*

The Biden Administration is moving quickly and aggressively to deliver on key promises made during the Presidential election campaign. The Administration has introduced two major policy initiatives totaling \$4 trillion in spending and taxes this spring—one to address our country's aging infrastructure and the second to shore up the financial footing of lower and middle class families.

The sequencing is telling with the infrastructure-focused American Jobs Plan weeks ahead of the American Family Plan. White House staff has noted that the President has long wanted to pursue an infrastructure package.

Specific details of the American Jobs Plan are scarce. The 25-page high-level summary document that was released on the day the proposal was unveiled is all that exists. The proposal lays out hundreds of billions of dollars for roads, bridges and ports.

How to pay for all of this new spending has drawn the most attention. The tax titles in these proposals are generally short on specifics but paint a clearer picture of who will be impacted than the spending components of these measures.

Media coverage has focused on the jump in the corporate tax rate to 28 percent from 21 percent. There are provisions to curb off shoring—most notably the doubling of the global minimum tax (known as GILTI or Global Low Tax Intangible Income) from 10.5 to 21 percent.

Additional tax increases are outlined in the American Family Plan, most prominently the proposed capital gains increase to 39.6% from 20% for those earning \$1 million or more.

What has not been widely reported on are the many **potential** revenue raisers not in either proposal that will almost certainly surface. One area the Hardwood Federation is keenly focused is a potential increase in taxes S Corporations and other pass through entities currently pay.

Beginning in 2018 after enactment of the TCJA, a new tax deduction for owners of pass-through businesses took effect. Pass-through owners who

qualify are able to deduct up to 20 percent of their net business income from their income taxes, reducing their tax rate by 20 percent. This deduction is set to run through 2025.

Given that pass-through businesses employ a majority of private sector workers (58 percent), pay a significant share of all business taxes (51 percent) and that large S-Corporations (over 100 employees) pay 20 percent of all business taxes, it seems reasonable to conclude that Congress will turn to pass throughs to raise revenue.

Another proposal is eliminating the preferential tax treatment on standing timber (which is assessed at the capital gains rate) recognizing the long term investment and risk that landowners incur to produce trees for 50 to 80 years.

"Pay fors" have surfaced in Congress that would eliminate capital gains preferential tax treatment for revenue derived from harvesting timber and instead assess gains as ordinary income at the top tax rate. More than doubling the tax rate on timber proceeds would be devastating for forest landowners—from small private landowners trying to put a kid through college with a timber sale or large industrial forest landowners.

The downstream effects on companies in the hardwood sector that rely on forest fiber are consequential. Although the timber tax "pay for" has not been discussed for a few years, we have found that tax proposals have a way of coming back.

These proposals and others impacting our sector may surface in the coming weeks. The Hardwood Federation team is fanning out virtually to offices on both sides of the Capitol to gather intelligence and discuss the impact that increased taxes will have on jobs in rural areas. A study recently conducted for the National Association of Manufacturers concluded that one million jobs would be lost in the manufacturing sector alone following with first two years after enactment of revenue raisers that are being discussed.

HF will keep you apprised of what we hear and may be calling upon you to help engage Congress as threats and opportunities—materialize.



## East's Largest Mass Timber Building In VA

The tallest mass timber building in the East Coast will open in December in Charlottesville, VA.

The Apex Plaza is the first large-scale mass timber project in Virginia and one of only a few in the U.S. The 187,000-square-foot building features six floors of cross-laminated timber construction and will have retail, office and living spaces.

"Mass timber construction is the most sustainable way that you can build an office building of this size," said Mark Goodwin, president and CEO of Apex Clean Energy. The building will have additional sustainability features like cradle-to-cradle design, a green roof and on-site solar energy generation.

Apex officials estimate that using sustainably harvested timber decreases the carbon footprint of the building by an estimated 3,000 metric tons.

Apex Clean Energy is a Charlottesville-based firm that has helped to develop solar and wind energy in Oklahoma, Texas, Illinois and Michigan.

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## PFPA Timber 2021 Is June 4-5

The 2021 Forest Products Equipment and Technology Expo is set June 4 and 5 in Pennsylvania Furnace, PA near State College and sponsored by the Pennsylvania Forest Products Association.

The event is held at the Penn State University Russell E. Larson Agricultural Research Center. The Expo is the state's premier event for sales and networking in the forest products industry.

There will be new equipment, exciting demonstrations and workforce assistance on Friday and Saturday from 11 a.m. to 1 p.m. Companies and associations will promote career opportunities in the industry and NHLA will be providing information on lumber grading. The state will promote the PAForestCareers.com website.

For the latest information, check the 2021 Timber Show Website at <https://agsci.psu.edu/timber>

## AHMI Event Calendar

Appalachian Hardwood Manufacturers, Inc. plans to attend the following events to promote AHMI member companies and products. Members are welcome to participate in the AHMI exhibit and we can assist with registration if required. Please check with the AHMI office before you make final plans:

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

June 7-8: **RTA Symposium**, 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. 15-17: **NWPCA Annual Conference**, Orlando, FL

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 AHMI at [info@appalachianhardwood.org](mailto:info@appalachianhardwood.org) and provide details.

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://instagram.com/appalachianhdwd)

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## 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 pages. For details, please email [info@appalachianhardwood.org](mailto:info@appalachianhardwood.org).

6 - 2021 June - 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.