

## **July 2021**

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

# Summer Conf. Attracts Great Crowd To WV Greenbrier Sells Out; Overflow Set At Nearby Hotel

The 2021 AHMI Summer Conference is attracting a terrific crowd and an overflow block is filling up after The Greenbrier announced a sellout.

With no rooms remaining at the Greenbrier for Aug. 1-4, AHMI has an overflow at the Fairfield Inn in Lewisburg, WV, just minutes away. Attendees can park at the Greenbrier and be shuttled to the front door for Conference access.

Business presentations on key Appalachian sawmill, yard and secondary manufacturing issues are planned for an expanded Conference. 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.
- 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.
- 6) Hardwood Federation Mid-Year Report Dana Cole will update members with news from the federal government and key issues.

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



Sessions Will Be In The Bunker

There are three breakout sessions for <u>Tuesday afternoon</u> (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 networking receptions sponsored by:

Sunday - Stringer Industries

Monday - PLM Insurance Tuesday - UBS Financial

(See Conference on Page 3)

### Sales Continue To Rise For Furniture Makers

HIGH POINT — Furniture manufacturers from the United States and Canada are having a VERY good business year and the Spring High Point Furniture Market just added to their success.

Most domestic manufacturers are reporting record sales in 2021 as consumers have spent disposable income upgrading their living. COVID restrictions have kept people home and they want new furniture.

These manufacturers have reaped the benefit of COVID lockdowns interrupting supply chains for many import companies. Products from China and Vietnam are delayed 16-24 weeks and consumers do not want to wait so they seek out retailers who have inventory.

These retailers and designers came to High Point, NC, from June 5-9 to see product, check availability and buy. Most exhibitors who opened their doors were successful.

Virginia-based Vaughan-Bassett Furniture has increased sales more than 30% in the past year as they focus on bedroom groups made from solid Appalachian hardwoods and engineered veneer over solids. Their suppliers have kept pace with their demand for lumber.

"We certainly have an advantage over the import companies because we can deliver in days if our trucking partners do their part," said VB President Doug Bassett. "We have retailers coming to us now who need product and that has been great."

VB had \$62 million in sales in 2019 and is on pace to top \$99 million in 2021. They shifted 70 workers from a particleboard plant into the furniture factory and have hired another 35 people to meet demand.

"Like everyone else we could be doing more if we had more workers but we are really good right now," Bassett said. The company has reduced the number of groups from 19 to 11 and is focused on profitable manufacturing.

Hard Maple was the top species for VB in 2021 but an introduction at the market was Dovetail, a



Vaughan-Bassett Furniture introduced Dovetail in Appalachian White Oak

bedroom collection in rustic Appalachian White Oak with three finishes. The groups feature 6" X 6" blocks in the footboard and use of character marked lumber.

Hard Maple and Soft Maple were the leading species at Country View Furniture based in Millersburg, OH. One of the few Amish companies that exhibit in High Point, the company has found success with both traditional and contemporary designs.

Two bedroom groups were unveiled in hard maple and consumers had a choice from six drawer front designs and three stain colors. The pieces were well-received, said a marketing representative, as well as new dining room groups in Hard Maple and Elm.

Simply Amish President Kevin Kauffman agreed that retailers and designers are busy finding furniture that is available. The Illinois company was working overtime to meet the demand and did not have introductions this market because they did not need it.

"The live edge dining continues to be popular and people want the solid wood furniture in maple, oak and cherry," he said.

The next High Point Market is scheduled for October 16-20.

### **Conference** from page 1

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 who choose.

AHMI members and guests will have a special treat this year - the business sessions will be held in **The Bunker**. Built during the Cold War, it was designed to provide a secret location to protect Congress in the event of a nuclear attack.

The Greenbrier will allow AHMI's Business Sessions to be held in the Governor's Hall where the U.S. House and Senate would have joint sessions. Supplier members are able to set up booths in the Bunker Exhibit Hall.

Visit www.appalachianhardwood.org and click on "Meetings" for information and to register online. If you have a room at The Greenbrier, please complete your dining reservations as soon as possible.

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

An overflow room block has been established at the **Fairfield Inn and Suites in Lewisburg, WV,** just a few miles away. The telephone number is **(304) 645-7999;** ask for the Appalachian Hardwood block Aug. 1-4 with rates starting at \$139.

You will park at the Greenbrier self-parking lot and ride the shuttle to the Main Entrance.

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

### 2021 July - Solid Appalachian Hardwood - 3

### 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

10:30 am - Optional tour of the West Virginia Great Barrel Co. near White Sulphur Springs

Departure

### Tour Available At WV Great Barrel Co. Cooperage Plant

AHMI members and guests attending the 2021 Summer Conference have been invited to tour the West Virginia Great Barrel Co. cooperage near White Sulphur Springs, WV.

The company was formed in 2017 to create good jobs in The Greenbrier Valley and manufacture top quality bourbon and whiskey barrels in one of the most advanced cooperage facilities. Its focus has been on minimizing variation in the bar-

rel-making process using tight-grained Appalachian White Oak that is selectively and sustainably harvested by local loggers and then quarter-sawn and air dried at its stave mill in Monroe County, WV, said Phil Cornett, president.

The tour is set for **Wednesday, Aug. 4 at 10:30 am and WVGBC** is located at 546 Mountain Home Road, Caldwell, WV, about three miles west of The Greenbrier. No reservation is needed.

### Maritime Shipping Cause Major Problems

By Dana Lee Cole, HF Executive Director

U.S. agriculture exporters, including hardwood logs and lumber, are experiencing severe shipping backlogs at domestic ports. HF members are reporting severe delays at ports and rising costs due to demurrage and detention.

Industry investigations show it appears cargo is being rolled for an average of two to three weeks. There are loaded containers at facilities waiting to be shipped and members are having difficulty getting bookings up to two months out.

What's more, incidences of so called "blank sailings," where steamship vessels simply do not show up for a booked appointment to accept cargo, are increasing. This presents administrative challenges as customers scramble to rebook, AND the next vessel typically has no availability.

The on-going crisis is not new, but is the result of high demand, barriers to container access and consolidation of the cargo carrier sector. U.S. exporters must now rely on less than a dozen foreign carriers to deliver our agricultural and forest products overseas...and with little oversight.

Exporters are often unable to get carriers to accept their cargo and are forced to leave goods at the terminal as they wait for available space. They are then faced with fines for detention (maintaining possession of a container longer than allowed) and demurrage (leaving a container on a marine terminal longer than allowed).

The Hardwood Federation has been participating in information gathering, signing on to letters, and in virtual meetings with the Federal Maritime Commission (FMC), the independent federal agency responsible for ensuring a competitive and reliable ocean transportation supply system that supports the U.S. economy and protects the public from unfair and deceptive practice. To date, over 150 Members of Congress have expressed concern in letters to the FMC.

The Agriculture Transportation Coalition (AgTC), a coalition of 370+ national agricultural and forest products organizations (including the Hardwood Federation) and exporting companies,

has shared the severity of the situation with the FMC as well as the Secretaries of Agriculture and Transportation.

AgTC also proposed legislative and regulatory solutions to address specific problems:

**Opening Ports**: Ocean carriers have noted the relatively limited hours of operation of U.S. marine terminals. The Coalition has called upon key stakeholders, the International Longshore and Workers Union, terminal operators and port authorities, to enter into discussions to achieve additional gate hours at West Coast ports.

**Enforcement of FMC's Detention and Demurrage Rule:** Cargo carriers routinely ignore FMC guidance regarding reasonable imposition of demurrage and detention penalties. Fines can run between \$175 to \$750 per container per day, cumulating in exorbitant sums, sometimes greater than the original freight charges.

The burden falls on the shipper to submit penalty waiver requests to the carrier in question, even though required information (location of the vessel, vessel schedule and notices, cargo cut times, terminal hours, etc.), is the carrier's own operations information. AgTC has proposed an amendment to the Shipping Act of 1984 that would simplify and streamline the waiver request process while, at the same time, confirm that all fines issued are FMC compliant.

Maintain Carriage of U.S. Exporters: Carriers are too frequently declining to carry U.S. exports in order to expedite the return of empty containers back to Asia. This imbalance has created a situation where U.S. agriculture and forest products are stranded at U.S. ports, causing significant export sale losses.

AgTC has proposed amending The Ocean Shipping Reform Act of 1998 to prohibit unreasonable decline of export cargo with fines resulting if carriers refuse to carry cargo without cause.

The Hardwood Federation will continue to monitor this issue and report any progress. We will also continue to actively engage with the AgTC to advocate for positive change.

AHMI welcomes the following new members:

### **Supplier**

M.I.C.I. (Ligna Machinery, Inc.) 2779 S. Church St, Ste 203 Burlington NC 27215 Contact: Butch Wilson

Phone: 336-269-2284 Fax: 336-740-9098

Email: <u>bw47@triad.rr.com</u>

Website: www.lignamachinery.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. 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.

### **AHMI Event Calendar**

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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:

July 7-9: **NWFA Flooring Expo**, Orlando, FL July 15-17: **WV Forestry Association**, Canaan Valley, WV

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

Sept. 14: ALC, Greensboro, NC

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 and provide details.

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

/instagram/appalachianhdwd

### Certified Appalachian Helps Sell Lumber

AHMI members seeking certification for products to meet customer needs should consider Certified Appalachian Legal & Sustainable. The program provides a third-party audit of resources and processing.

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

### **AHMI Videos Online**

AHMI has increased the number of promotion videos we have posted on our website and YouTube. Visit 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.

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### 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 15, 2021 and mail to: AHMI, P.O. Box 427, High Point, NC 27261.

#### MEETING REGISTRATION FEES

AHMI MEMBER \$350 per person AHMI MEMBER SPOUSE \$250 ADULT CHILDREN 18+ \$200 CHILDREN 12-17 \$100 GUEST - \$450 per person GUEST SPOUSE - \$350

DAY SESSION - \$175 each

CHILDREN UNDER 11 - free Please register by July 15, 2021.

PLEASE REGISTER TH.	E FULLOWING FUR AHMI'S S	UMMER CONFERENCE
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Address:		
City/State/Zip:		
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Credit Card:		
Expiration date		Billing ZIP code
Name on and:		2

### Register online at www.appalachianhardwood.org/meetings.

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