

## Agenda Draws Crowd To Summer Conf.

*Greenbrier Sold Out; AHMI Room Block Open At Other Hotels*

New markets for hardwood and wood residuals are drawing a great crowd to the Appalachian Hardwood Manufacturers, Inc. 2023 Summer Conference at The Greenbrier in White Sulphur Springs, WV, on July 22-25.

There are four business presentations on **Monday** for sawmills and secondary manufacturing plants:

1) **Wood Chip Demand in Appalachia** - WestRock's Procurement Director John Hancock will discuss paper production declines and forecasts for wood pulp.

2) **Poplar CLT Plant Proposed** - TimberKraft President Jeremy Adams will discuss plans for production facility in region to make panels from Appalachian Poplar.

3) **Homag Buys CLT Equipment Manufacturer** - Homag recently purchased equipment maker Kallesoe to offer presses and other CLT equipment.

4) **BioChar Maker Expands In Virginia** - SWVA BioChar General Manager Jeff Wade will discuss new plants in Virginia turning wood fiber into carbon filter material.

There are three breakout sessions for **Tuesday** to gain more value (*concurrent*):

a. **Progress on Poplar in Building Codes** - learn the latest on process to approve Poplar as a structural material in CLT.

b. **Real American Hardwood on Magnolia Network** - Consumer promotion of Real American Hardwood begins on Magnolia Network and streaming services.

c. **Appalachian Hardwood Training Institute** - Reports from community colleges on hardwood sawmill and yard specific training certificate programs.

Networking opportunities abound each day and at evening receptions. All lunch and dinner meals are on your own to allow for meetings.



There will be golf, sporting clay and croquet tournaments on Monday afternoon. If you would like to participate with specific people, please notify the AHMI office.

Please make your dining reservations immediately by calling (855) 453-4858.

The Greenbrier is a National Historic Landmark and world-class resort that has been welcoming guests from around the world since 1778. America's Resort has long been a favorite destination of business leaders and AHMI members.

Please learn about room reservations at area hotels by calling the AHMI office at (336) 885-8315. Meeting attendees staying in other hotels will park at the train station and ride the shuttle to the Main Entrance.

AHMI has secured cards so you have access to all of the Greenbrier's amenities.

Remember there are business presentations on Monday and Tuesday so make plans accordingly. You can learn the order of events on the Agenda on page 5. It is subject to last-minute changes so please review materials upon arrival.

Sponsorship opportunities are still available. Please contact the AHMI office today.

Please register with AHMI today either online or using the registration form on page 7. The cost will increase on July 7 for late registrations. We look forward to seeing you in July.

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

By Tom Inman, AHMI President

... the majority of AHMI members are reporting VERY CHALLENGING TIMES! The cost of operating whether it's a sawmill, distribution yard or secondary manufacturer are high.

The key drivers are:

- wage increases the past two years to keep people at work;
- new equipment and parts demand has driven up the price of materials;
- fuel and other energy cost are up;
- insurance providers with large payouts in other sectors have raised rates;
- timber prices are higher in some areas with tracts off the market.

A higher cost of doing business at a time when markets are flat or in decline slashes the profit margin into negative territory. The steady sales and profits of 2021 and into 2022 have been erased for many companies.

They have been replaced this year with moving product to maintain cash flow. A few companies are building inventory in anticipation of sales in the third and fourth quarters.

That is the cyclical gamble of the lumber industry. Many have been very successful in predicting the future and reducing inventory to wait on lower prices while others build stocks forecasting a shortage in the future and price increases.

Looking ahead in 2023 is difficult because the industry has not experienced times exactly like these. Business owners are doing their best.

...Many will be discussing business and more at the 2023 Summer Conference. Our program has items of interest for every AHMI division and new people are planning to attend.

There are no more rooms available at The Greenbrier but we have a block of rooms at a nearby hotel and others can be found in Lewisburg. Please call the office for these details to make room reservations as soon as possible and register with AHMI after.



## MEMBERSHIP

AHMI is pleased to announce the following new member:

### Supplier

DeltaERC

Grant Deviney

PO Box 122

Rutherfordton, NC 28139

Phone: 828-382-7755

Fax: [grant@deltaerc.com](mailto:grant@deltaerc.com)

Website: [deltaerc.com](http://deltaerc.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.

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).

## Supreme Court Limits WOTUS

On May 25, the U.S. Supreme Court issued a ruling in a case that curtailed the scope of the Administration's "Waters of the United States" (WOTUS) rule issued in late 2022.

The new rule rescinded a more flexible standard issued by the Trump Administration and expanded federal jurisdiction over water bodies, triggering permitting requirements on landowners. The high court's unanimous decision in May is the latest development in a regulatory and legal tug-of-war that has spanned three Administrations.

That said, the court's decision parallels recent actions taken by Congress. Bills have been introduced and other measures are forthcoming to address the scope of federal authority and definition of bodies of water.

## Delta ERC Joins AHMI; Provides Tax Credit Help

DeltaERC recently joined AHMI's Supplier Division and provides assistance with Employee Retention Tax Credit (ERTC), which is one of many relief provisions included in the CARES Act.

ERTC encourages small businesses to keep employees on staff instead of furloughing or laying them off. The credit is equal to 50% of qualified wages paid to an employee between March 12, 2020, and Jan. 1, 2021, including health plan expenses. The maximum amount of qualified wages that can be claimed is \$10,000.

The ERTC is fully refundable, and it is applied to the portion of payroll taxes paid by the employer. The IRS has developed a plan to allow eligible businesses to receive an advance payment on their credit. This is meant to alleviate liquidity concerns held by many businesses claiming the ERTC.

Delta ERC represents a top specialty ERTC service firm, Jorns & Associates. It has engaged over 15,000 business for \$7 billion in credits recovered.

DeltaERC has worked with many businesses in the lumber industry helping recover \$10 million.

Agency owner Grant Deviney explains that companies who kept 5-500 people working through the pandemic are eligible for the program. It is not a matter of IF you qualify but for how much you will be refunded, he said.

"We were advised by our accountant that we would not qualify and are so thankful we did not take his advice," one lumber company owner said. "We engaged Jorns & Associates, and they easily qualified us for 7+ figure refund. Do not make the mistake of missing out on these funds."

For a risk-free evaluation contact the agency owner, Grant Deviney 828.382.7755 ext 1.



## Video Promotes White Oak

The nonprofit organization DendriFund has produced a video to educate people on the benefits of growing white oak.

The founders of DendriFund are the Brown family and Brown-Forman, an American-owned companies in the spirits and wine business and the only company to makes its own barrels.

The video inspires people to take action to improve the natural, social, and economic environment for future generations. The distilling process relies on white oak and the video explains that and promotes the White Oak Initiative.

View it at <https://vimeo.com/302932520/4d0b0b1a58>.

## Certified Appalachian Helps Sell Lumber

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

It also verifies by county of origin the lumber that is being shipped in all transactions. Program participants have learned Certified Appalachian provides value to their customers.

As geographic location of timber resources becomes more important for domestic and export customers, Certified Appalachian pinpoints the harvest area in the region.

These details are simple to secure from landowners and loggers in this program. The standards were approved by the AHMI Board of Trustees in 2018 and application is simple with most companies approved in seven days.

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

# See You In Washington DC At The Fly-In

By Dana Lee Cole, Executive Director  
*Hardwood Federation*

Join us in Washington, D.C., June 13–15, for Fly-In 2023! Meet your federally elected officials. Share your challenges and needs with them! Network with your peers! Fly-In details are available at [HardwoodFederation.com](http://HardwoodFederation.com).

## House Delivers Supply Chain Package

On May 23, House transportation panel members approved several measures to strengthen the nation's supply chain. According to Chairman Sam Graves (R-MO), the package will remove "regulatory barriers, improve supply chain efficiency, and promote smarter infrastructure investment."

The industry-supported SHIP IT Act (H.R. 471) and also H.R. 1836, the Ocean Shipping Reform Implementation Act of 2023, are included in the package. However, two noticeable omissions are the Drive Safe Integrity Act (H.R. 3408) and Strengthening Supply Chains through Truck Driver Incentives Act (H.R. 2450). As the Federation continues to monitor House floor activity this summer, stay tuned for a possible "call to action" to make your voice heard regarding legislation that will help the sector.

## Senate Votes to Rescind Bat Rule

On May 11, the Senate narrowly approved two measures that would overturn new ESA regulations on the Northern Long-Eared Bat (NLEB) under the Congressional Review Act. The first measure overturned the repeal of the Trump Administration's definition of what qualifies as a protected habitat. The second measure rescinded the November 2022 reclassification of the NLEB as "endangered," rather than "threatened."

Although the House may take similar action on the NLEB, President Biden has already promised to veto the legislation that would reverse his Administration's ESA policies.

## HF Endorses "Main Street Tax Certainty Act"

The Hardwood Federation is joining dozens of other business groups in a letter endorsing "The Main Street Tax Certainty Act of 2023," legis-



lation to make permanent the 20% deduction for small and family-owned businesses. The letter cites recovery from the COVID-19 pandemic, inflation, labor shortages, and supply chain disruptions as ongoing challenges that warrant keeping the deduction in place. (The tax reform law of 2017, which established this important tax break, is scheduled to sunset at the end of 2025.)

## Other Hardwood Federation Activity in May

HF and its partners in the Wood Products Coalition turned to House and Senate appropriations staff to promote a USDA study that will quantify the amount of carbon stored in wood products, emphasizing that:

- The Forest Products Laboratory, which specializes in researching wood products and their applications, is well suited to break down the amount of carbon stored annually in finished goods.

- Increases in the amount of carbon stored in wood products could then be measured, and their ability to mitigate a changing climate quantified, thereby assuring that industry would be rewarded, rather than penalized, in climate programs.

The Federation joined the Decorative Hardwoods Association and Composite Panels Association in comments to EPA's Request for Information related to low-carbon construction materials, urging federal regulators to:

- Consider sustainable forest management, and recognize the low carbon footprint of finished wood products, especially when compared to other materials such as glass and concrete.



## 2023 Summer Conference Agenda

The Greenbrier, White Sulphur Springs, WV

### Saturday, July 22

Relax on your own

**6 pm** Early Bird reception on North Parlor

### Sunday, July 23

**2-4 pm** - AHMI Board of Trustees Meeting

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

**6 -7 pm** - Welcome Reception sponsored by Stringer Industries

*Dinner on your own*

### Monday, July 24

**8:30 am** - General Session

- 1) Wood Chip Demand in Appalachia
- 2) Poplar CLT Plant in Virginia
- 3) Homag Buys Maker of CLT Equipment
- 4) BioChar Converts Fiber To Carbon Filter Stock

**12:50 pm** - Golf Tournament

**12:30 pm** - Sporting Clays Tournament

**2 pm** - Croquet Tournament

**6-7 pm** - Monday Reception sponsored by Stiles Machinery

*Dinner on your own*

### Tuesday, July 25

**8:30 am** - Breakout Sessions (*concurrent*)

- 1) Progress on Building Codes for Poplar In CLT
- 2) Appalachian Hardwood Training Institute
- 3) Real American Hardwood Consumer Promotion begins on Magnolia Network

Departure - *Have a safe trip home.*

Please learn about new rooming options available at area hotels by contacting the AHMI office at (336) 885-8315.



## 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 13-15: **Hardwood Federation Fly-in**, Washington, DC

July 19-20: **Furniture Manufacturing Expo**, Hickory, NC

July 23-25: **AHMI Summer Conference**, The Greenbrier, White Sulphur Springs, WV

Aug. 21: **Penn York Lumbermen's Club**, Titusville, PA

Sept. 12-13: **PFFPA**, State College, PA

Sept. 12: **ALC**, Asheville, NC

Sept. 15-17: **Virginia Forest Products Association**, The Homestead, Hot Springs, VA

Sept. 25-27: **GreenBuild**, Washington, DC

Sept. 27-28: **White Oak Initiative**, Washington, DC

Oct. 4-6: **NHLA Convention**, Louisville, KY

Oct. 14-18: **High Point Furniture Market**, High Point, NC

Oct. 19-20: **NC Export Conference**, Greensboro, NC

Nov. 14: **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.

## 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 meeting presentations.

We encourage members to link these from your website or social media pages. For details, please email [info@appalachianhardwood.org](mailto:info@appalachianhardwood.org). The 2023 Appalachian Hardwood Resource Guide and a searchable database are there.

# Real American Hardwood Works To Regain Share

If this chart from the Hardwood Market Report doesn't scare you, it should. It was presented at several industry trade shows earlier this year and shows the steep decline in consumption of U.S. hardwood lumber for the past 25 years, a decrease of more than two-thirds.

Our industry knows this is due in large part to competition from wood look-alike products that have gained market share by misleading consumers about the perceived benefits of non-wood products. The Real American Hardwood Coalition is working to combat this issue by implementing a marketing campaign to educate consumers about the uses, benefits, and sustainability of Real American Hardwood® species.

A lot has been accomplished already:

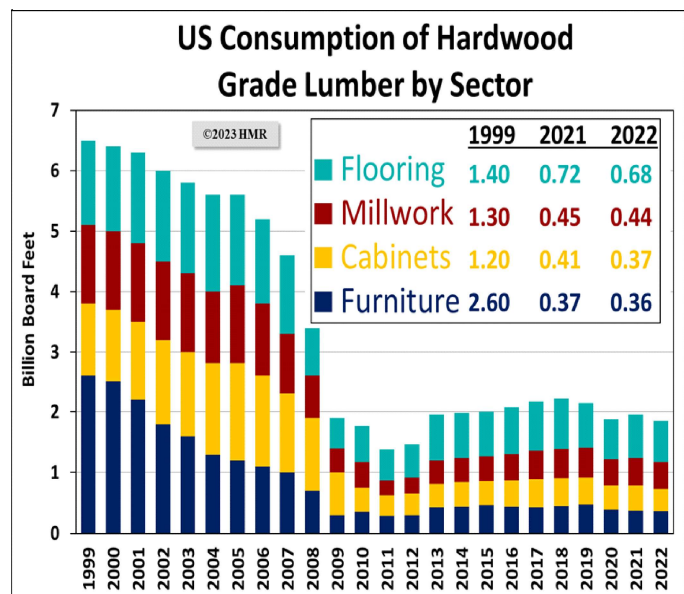
- Nation-wide research was conducted to understand consumer perceptions of real wood products.
- Key marketing messages were identified to effectively reach consumers.



- A Real American Hardwood logo was developed and trademarked.

- Brand messaging and campaign strategy were established.

- An industry-focused website was launched (realamericanhardwood.org).
- Press releases/articles were distributed to trade and consumer audiences.
- Social media accounts were launched (Facebook, Instagram, Twitter, YouTube).
- An industry-focused video was created (youtube.com/watch?v=k17rrRC6bGk&t=10s).
- A consumer-facing website was launched (realamericanhardwood.com).
- A campaign database was established.
- The industry website was rebranded and merged with the consumer website.
- A television advertising contract was signed with Magnolia Network.



Television advertising is an industry first, and the Magnolia Network provides a unique opportunity to reach an extremely targeted audience of 92.8 million home renovation viewers/purchasers to learn why real wood products should be part of their home build and renovation projects. The ads will launch this summer.

But consumers aren't our only target audience. Phase 2 of the RAHC campaign will include architects and designers. These initiatives will include CEUs, design competitions, trade shows, show home sponsorships, editorial content, and more.

For months, many industry participants have taken a "wait and see" approach to joining the efforts of the Coalition. Many have wanted to see the Coalition's plan, and progress, before helping to fund the initiative. The plan is now in place, well underway, and needs your financial support.

For those who have helped fund our efforts to date, we thank you. For those who haven't, we ask what are you waiting for?

Help the RAHC reverse that trend on the HMR chart, and increase consumer awareness, market stability, and industry sales of Real American Hardwood® products.

Donate today at <https://realamericanhardwood.org/contribution-form/>.

# 2023 AHMI Summer Conference

## July 22-25 The Greenbrier



### Registration

To accurately plan functions and make sure all participants are included on the Registration List, please complete this form and return it with your check or credit card information by **July 7, 2023**. Mail to: AHMI, P.O. Box 427, High Point, NC 27261. Online: [www.appalachianhardwood.org/meetings](http://www.appalachianhardwood.org/meetings)

### MEETING REGISTRATION FEES

AHMI MEMBER \$375 per person

GUEST - \$475 per person

AHMI MEMBER SPOUSE \$250

GUEST SPOUSE - \$350

ADULT CHILDREN 18+ \$225

CHILDREN 10-17 \$100

DAY SESSION - \$175 Monday

CHILDREN UNDER 10 - free

\$75 Tuesday

*Full registration refunded on cancellations before July 7, 2023. After that date 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 (12:50 pm The Meadows Course incl. box lunch)

Name: \_\_\_\_\_ FEE: \$275

Name: \_\_\_\_\_ FEE: \$275

### SPORTING CLAYS TOURNAMENT (12:30 pm Monday)

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

Name: \_\_\_\_\_ FEE: \$275

Name: \_\_\_\_\_ FEE: \$275

### AHMI CROQUET TOURNAMENT (Monday at 2 pm at Croquet Court)

Name: \_\_\_\_\_ FEE: \$35

Name: \_\_\_\_\_ FEE: \$35

**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 learn about remaining room options by calling the AHMI office at (336) 885-8315.

