Appalachian Hardwood News

October 2023

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

White Oak, Maple & Cherry At Furn. Market

Furniture manufacturers in mid- and upperprice categories had a successful High Point Market recently as furniture retailers and designers attended and placed orders.

These makers use solid wood and sliced veneers in their higher quality pieces. The retailers asked for new designs and species to attract consumers to their stores for fall and winter.

At Market are (from left) Greg Stascavage, Missouri Walnut; Jeb Bassett, Bassett; and Steve



Arnold, Missouri Walnut, looking at BenchMade

Yes...Cherry In Bedroom And Dining At High Point Showrooms

One of those items was a renewed interest in cherry solids. Almost 10 companies had dining room, bedroom and occasional tables in cherry.

The finish was medium to darker brown and the style varied from contemporary to casual. "It's not your grandma's cherry table and the buyers liked it," said Guy Holbrook, Century director of sales and marketing.

The species has maintained a lower role for many manufacturers for the past 10 years. While the trend is not huge, there were new pieces scattered throughout High Point.

White Oak was the dominant Appalachian species at market. New pieces in bedroom and dinig were found in the majority of showrooms.

(See Furniture on page 2)

GreenBuild Hears Poplar CLT Is Coming!

Appalachian Hardwood Manufacturers, Inc. partnered with Stiles Machinery to promote Poplar Cross Laminated Timber during a presentation at GreenBuild IWBC 2023 in Washington DC.

Roland Hernandez of Stiles spoke about Appalachian Poplar during the session "Will There Be Enough Wood to Meet Future Demand?" He shared AHMI's survey results on Poplar availability for mass timber and the status of an application to approve Poplar for CLT.

The presentation included reports on the tremendous increase in wood building across the U.S. The volume of announced projects and permit applications have also risen.

In attendance at the session was Jeremy Adams, president of TimberKraft, who has announced plans to build a CLT production facility in Waynesboro, VA. The plant has received federal, state and private funding and equipment will

At
GreenBuild
2024
are
(from
left)
NWH's
Todd
Walker;
Stiles



Roland Hernendez; TimberKraft's Jeremy Adams; and AHMI's Tom Inman

be on site in 2024.

Poplar ranks third in volume in standing inventory in the Appalachian Hardwood region after Red Oak and White Oak. For more information, please contact the AHMI office.

The way I see it...

By Tom Inman, AHMI President

....my 68th High Point Furniture Market had positive news for the hardwood industry.

I have highlighted species and business in the report on page 1 of this newsletter. I can add here a trend that I noticed and many showrooms this year - more hardwood grain is showing through the finish.

That is a great thing for Appalachian Hardwood manufacturers because one of our key attributes is the beauty of the wood. Whether it is White Oak, Hard Maple, Cherry or Walnut, the warmth of these hardwoods is showcased in the grain.

You could see it everywhere at the Fall 2023 Market. Century had bold colors and stains with accents that highlighted the rich texture of White Oak. Vaughan-Bassett had light and medium browns and one gray that showcased the Maple and Oak.

Hooker had a natural and a washed finish that made its Oak really stand out.

Bassett Furniture offered dozens of choices in finish and colors - one with a "no sheen" that made its tables natural Cherry tables stood out.

Is white and gray painted gone in 2023? No but in decline. Buyers want to see the wood and increasingly want to know where it is harvested. American flags and Made in the USA marketing materials were on display where applicable.

Overall, the market business report is fair. The crowds of 34 years ago when I attended my first market and 20 years ago when its High Point footprint expanded are memories.

The attendee in 2023 represents online retailers, large and small brick & mortar stores and thousands of designers and interior decorators. These influencers are steering consumers on their furniture purchasers.

The hardwood industry is in the consumer influence market now through the Real American Hardwood campaign (see page 6). AND our hardwoods told the story in High Point this year through their grain, individuality and beauty.

Furniture from page 1-----

October marked a return to dining room for Vaughan-Bassett Furniture. The company has made dining previously but decided in 2023 to utilize a former plant for making tables and buffets and assembling and fininshing chairs.

The company added pieces to its popular Artisan & Post lines and LMco lines with deign and TV personalities Ben & Erin Napier. They attended market and talked about the use of solid hardwood in their bedroom designs.

Bassett Furniture had great success with two groups in oak and maple. It expanded the BenchMade Collections and retailers placed orders, said Jeb Bassett, vice president.



Erin & Ben Napier of LMco trave (seated) pose with Doug and Wyatt 2022
Bassett of Vaughan-Bassett early
Furniture at High Point Market

The company has expanded its purchase of dimension parts and chairs and completes assembly and finished in Virginia.

"It was said this market that people traveled in 2022 and early 2023 and spent dis-

posable income there," one company rep said. "Now they want to be comfortable at home and want new furnishings."

Officials with Baker, Simply Amish and others who use build quality bedroom and dining room learned from their retail buyers that consumers are looking more closely at species, build and origin. Kevin Kaufman, president of Simply Amish, said a new solid walnut table with eight chairs that can be expanded to 10 was popular.

The report from low-mid and lower priced categories was not as robust as budgets for furniture purchases have shrunk. These consumers are spending more income on necessities.

Grant Funds Increases To \$50M For 2024

Appalachian Hardwood Manufacturers, Inc. and Innovative Funding Partners recently completed a grant writing webinar for training and assistance in applying for US Department of Agriculture's Wood Innovations Grants.

USDA announced TODAY (Oct. 18) it will invest \$50 million in 2024 to expand innovative uses of wood as construction materials, energy sources, and in manufacturing and processing input for wood products.

More than \$43 million was made available in 2023 and a dozen AHMI member companies were recipients. The money was through the Bipartisan Infrastructure Law and the Inflation Reduction Act and went to 123 projects nationwide.

Since 2015, the Wood Innovations and Community Wood Grant programs have provided more than \$93 million to 381 recipients to support wood products and wood energy projects.

The open funding opportunity comes through the Forest Service's three key grant programs to support the forest products economy:

- 1) Wood Innovations Grant
- 2) Community Wood Grant
- 3) Wood Products Infrastructure Assistance.

The agency is seeking proposals that support innovative uses of wood in the construction of low carbon buildings, as a renewable energy source, and in manufacturing and processing products. These programs also provide direct support to expand and retrofit wood energy systems and wood products manufacturing facilities nationwide.

"A strong forest products economy contributes to healthier forests, vibrant communities and jobs in rural areas," said Agriculture Secretary Tom Vilsack. "Thanks to President Biden's Investing in America agenda, we are investing in rural economies by growing markets for forest products

AHMI's Webinar Available For Viewing Online

Tips for success:

- Begin as soon as possible
- Be sure you understand the Notice of Funding Opportunity
- Consider: how many priority areas does your project meet
- Develop a timeline of deliverables and an application checklist

through sustainable forest management while reducing wildfire risk, fighting climate change, and accelerating economic development."

AHMI members are eligible for discounts to use Innovative Funding Partners as a contractor for individual assistance. The company will provide full service in writing and submitting the application or provide a review of the application a company completes before it is submitted.

Details are available from Louise Mathias at louise.mathias@innovativefundingpartners.com.

The Oct. 11 webinar is available to view online for a small fee. It details the entire process, provides tips for success, frequently asked questions and more.

There are also PDFs available to assist in locating applications and USFS assistance. For more information, contact the AHMI office.

Wood Innovations

To stimulate, expand and support U.S. wood products and wood energy markets. National focus areas include mass timber, renewable wood energy, and technological development that supports hazardous fuel reduction and sustainable forest management.

Community Wood

Support local economies by funding turn-key, ready-to-implement projects that either expand the number of thermally-led wood energy systems or increase the ability of wood manufacturing facilities to adopt new technologies to create innovative products.

Bipartisan Lawmakers Offer Forestry Jobs Act

By Dana Lee Cole, Executive Director Hardwood Federation

In recent years, the hardwood industry has identified workforce development to address chronic staffing shortages as a key hindrance to economic growth, with nearly 60% of respondents to a December 2022 survey ranking the issue as a high priority.

In early September, Reps. Lori Chavez-DeRemer (R-OR) and Marie Gluesenkamp Perez (D-WA), both members of the Agriculture Committee, introduced the bipartisan <u>Jobs in the Woods Act</u> (H.R. 5344). This important legislation will create a grant program that promotes jobs in the understaffed timber industry and U.S. Forest Service.

Specifically, the bill seeks to:

- Establish education programs for states, nonprofits, and colleges through grants of \$500,000-\$2,000,000.
- · Create programs in rural and low-income areas to spur economic development, pushing significant investments into rural and underserved communities.
- Establish a broad applicant pool of trained candidates to bridge the workforce gap in the timber industry. This will lead to the creation of high-quality jobs that will promote forest management and address the industry's supply chain challenges.
- · And leverage existing resources by partnering with established programs that have a demonstrated track record of preparing students to embark on forest industry careers.

The Hardwood Federation has joined nearly 60 forestry and forest product associations to sign on in support of the bill. Industry notes that "targeted workforce education and training programs have been effective recruitment tools in computer programming, utility vegetation management, and automotive industries" and could therefore address the needs of the forest sector.

To bolster rural economies, the bill's supporters state that "regional forest industry training hubs would allow participants to stay in or near

their communities, which reduces the cost to participate" and allows program managers "to meet regional needs through ties to local forest product employers."

Fortunately for industry, House champions of the bill have been vocal about their support for promoting jobs in the forest sector. Rep. Chavez-Deremer (R-OR) has stated that she has "heard repeatedly from constituents in forestry-related industries that a lack of workers is negatively affecting their operations." The congresswoman goes on to remark that the bipartisan bill "will help expand education opportunities in an effort to grow our workforce." The congresswoman's colleague and bill cosponsor, Rep. Marie Gluesenkamp Perez (D-WA), has stated that "the only way we'll keep the woods working for future generations is if we provide the next generation a pathway to pursue careers in forestry." She goes on to state that this "bipartisan bill will make that possible and connect people to careers in this critical field that is essential to southwest Washington."

The bipartisan list of cosponsors includes Reps. Ann Kuster (D-NH), John Rutherford (R-FL) and Andrea Salinas (D-OR). The bill has been referred to the House Education and Workforce Committee, where a path forward is not known at this time.

Industry expects that a companion bill will be introduced in the Senate in the near future. That said, the bill's champions are working to insert provisions of H.R. 5344 into the upcoming reauthorization of the farm bill. However, this remains an uphill battle in 2023 as Congress operates under a stopgap funding measure and continues to debate its top legislative priority, Fiscal Year (FY) 2024 funding bills, none of which have been passed into law since the fiscal year began on October 1.

The Hardwood Federation Team will continue to monitor this and other relevant legislative actions.

Bill Seeks 'Effective' Forest Management

US Senators Joe Manchin (WV) and John Barrasso (WY) introduced the Promoting Effective Forest Management Act of 2023 in September to call for the development and implementation of (1) forest thinning programs for national forest lands, (2) regional forest carbon accounting, (3) wildlife habitat improvements, (4) land and forest management plans, (5) workforce modifications, and others.

Roughly 63 million of the 193 million acres of the National Forest System is at either high or very high risk of catastrophic wildfires predominantly because they are overstocked, and they are in need of forest restoration treatments to reduce their risk and restore their health.

In particular, mechanical thinning treatments are needed in many forests to reduce mortality or to make way for safe and effective prescribed fire treatments. While the Forest Service has repeatedly acknowledged that a "paradigm shift" is needed in how they manage our National Forests, meaningful progress has been slow in returning our National Forests to a healthy and manageable state.

The Promoting Effective Management Act directs the Forest Service and the Bureau of Land Management (BLM) to utilize existing tools and resources to dramatically increase wildfire mitigation projects on National Forests and public lands, and to be transparent with the public about progress made. The bill would:

- Increase their acreage targets two to four times--consistent with the Administration's wildfire strategy;
- Manage Old-Growth and Mature Forests: By legislating that any attempts to redefine scientific terms must be based in science and in law.
- Report Forest Carbon Data: By requiring the Forest Service to report if the National Forests are absorbing more carbon than emitting.
- Prevent Further Declines in the Logging Workforce: By improving the quality and availability of logging workforce training and apprenticeship programs.

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:

Nov. 14: **ALC**, The Carnegie, Johnson City, TN **2024**

Jan. 9: **ALC**, Embassy Suites, Greensboro, NC Feb. 5-7: **IHLA**, Marriott Downtown, Indianapolis, IN

Feb. 21-25: **AHMI Annual Meeting**, Hammock Beach Resort, Palm Coast, FL

March 12: **ALC**, Hotel Roanoke, Roanoke, VA April 2-4: **KFIA**, Lexington, KY

April 11-13: **Expo Richmond**, Richmond, VA

May 2-5: **ALC Beach Meeting**, North Myrtle Beach, SC

June 25-27: **Pellet Fuel Institute** Annual Meeting, Charleston, WV

July 20-23: **AHMI Summer Conference**, Asheville, NC

Aug. 6-9: IWF, Atlanta, GA

Oct. 2-4: NHLA Convention, St. Louis, MO

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

EXIM Bank Offers Answers For Exporters

To help hardwood industry leaders in successfully navigate your exporting journey, the EXIM Bank has asked their experts what they hear most often from small business exporters.

The Frequently Asked Questions have been listed on a new web landing page. It is a compilation of responses where you can learn about the ins-and-outs of export financing and get your exporting questions answered.

Please visit www.exim.gov/resources for details.

Hardwood Companies Embrace Consumer Push

Contributions Rise To Fund Advertisements Through 2023

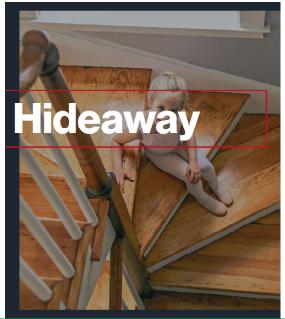
Build Your World™.

Thats the name of the first-ever national advertising campaign promoting Real American Hardwood® products. The campaign launched about a month ago by the Real American Hardwood Coalition on the Magnolia Network, the lifestyle channel owned by household names Chip and Joanna Gaines and entertainment conglomerate Warner Bros., to promote Real American Hardwood® flooring, cabinetry, furniture, millwork, and more.

Don't know who Chip and Joanna Gaines are? Chances are the women in your life do. The Gaines are the stars behind the extremely popular HGTV series *Fixer Upper* that ran for five seasons and reached 16 million viewers each week.

They left HGTV in 2018, at the height of the shows fame, to focus on their family and other business ventures, but launched the Magnolia Network in 2022, bringing with them their legions of fans from across the globe.

Television advertising is a first for the hardwood industry, and the Magnolia Network provides a unique opportunity to reach an extremely targeted audience of home renovation viewers and purchasers. The ads are appearing on a variety of media platforms:







- · Magnolia Network, HGTV, and Hulu.
- HGTV & Magnolia Network TVEverywhere apps.
 - Discovery+ streaming service.
 - · Connected TVs and devices.
- · Instagram, Facebook, YouTube, and Google Search.

In just our first month, the ads already are reaching millions of consumers:

- · 12 million impressions
- 99.4% video completion rate (industry average = 50%)
- 82,000 website landing page views (from 50/day to 3,000/day)
 - 2¢ cost per view (industry average = 88¢)

These results show that we are successfully reaching our intended audience of highly motivated home buying and renovating consumers. We thank those financial contributors that have helped us get this far, and ask those that have not to help us maintain our momentum by contributing today.

Donate at https://realamericanhardwood.org/