

July/August
2002
NEWS

APPALACHIAN

The Height of Beauty

Newsletter of APPALACHIAN Hardwood Manufacturers, Inc.,
serving the lumber industry since 1928

This is the combined
newsletter for July &
August 2002

What's Inside

- **Five companies join AHMI - page 2**
- **Furniture is focus for Inter-Industry meeting - page 3**
- **Va. Tech offers sales course - page 3**
- **AFMA boosts furniture forecast - page 4**
- **Forestry Division Plans Tour - page 5**
- **Revisions to Endangered Species Act pass committee - page 5**
- **Inter-Industry meeting registration form - page 6**

APPALACHIAN

Future Meetings

2002 Inter-Industry Meeting

Oct. 24 - Tanglewood,
Winston-Salem, NC

2003 Annual Meeting

Feb. 27-March 2 - The
Hilton Sandestin, Destin, FL

2003 Summer Meeting

July 20-22 - The
Greenbrier, White Sulphur
Springs, WV

Attendees Discuss Top Issues

HOT SPRINGS, VA - A major strategy session on top issues in the hardwood lumber industry was a success during the 2002 Summer Family Conference of Appalachian Hardwood Manufacturers, Inc.,

More than 180 people attended the annual session held this year at The Homestead, Hot Springs, VA. The highlight of the meeting was a facilitated discussion on top issues in the hardwood lumber industry.

Participants gathered in groups of eight to discuss issues like environmental regulations, workforce, financing, labor availability and timber resources, said Mark Barford, AHMI executive vice president. The program was designed to gather input and develop plans for the future.

"I was very pleased with the input we received from members in all aspects of the hardwood lumber industry," he said. "These leaders of the industry recognize their needs and came up with several solutions that will address these problems."

Two facilitators from Interax Inc., South Bend, IN, assisted participants in working through the session. The company gathered all of the input and will compile a report to present to the AHMI Board of Trustees in early fall.

"These people are professionals and have done this hundreds of times with various industries," Barford said. "They will apply their knowledge to the hardwood industry and help us design a strategy for the future."

The conference included an AHMI Board of Trustees meeting where trustees reviewed the budget and association activities for the year and made plans for the second half of 2002. Staff unveiled a new promotion designed to show wood consumers how Appalachian sets the standard for hardwood lumber.

Participants also enjoyed two evening receptions, and golf, tennis and shooting events. The receptions were well attended with meeting attendees spending time with existing and potential customers.

"We were extremely pleased with our attendance and the results of our meeting," Barford said.

The next AHMI meeting is the Inter-Industry Meeting on Oct. 24 at Tanglewood, Winston-Salem, NC. More information is available from the AHMI office at 336-885-8315.

See photos and tournament winners lists on page 2.



Contact AHMI:

P.O. Box 427, High Point, NC 27261
phone: 336-885-8315 fax: 336-886-8865
e mail: ahmi@northstate.net
website: www.appalachianwood.org



Steve Hamer writes issues for his group at the AHMI Conference. Participants came up with problems and solutions for the industry.

Tournament Winners At Summer Meeting

The golf tournament winners were:

Men

Low gross - First: Tim Church, Bryant Church Hardwoods, Wilkesboro, NC; Second: Steve Jeffers, E-K Wood Products, Barbourville, KY

Low net - First: Mike Passerell, Augusta Lumber Co., North Garden, VA; Second: Dennis Teague, Kincaid Furniture, Hudson, NC; Third: Brian Turlington, SII Dry Kilns, Lexington, NC

Longest drive winner was Jack Swanner, T&S Hardwoods, Sylva, NC, and Closest-to-the-pin was Brian Dirks, ISK Biocides, Cranberry Township, PA

Women

Low Gross - First: Marijo Wood, Neff Lumber Mills, Broadway, VA; Second: Pat Weaver, Weaver Inc., Lebanon, PA

Low Net - First: Susan Smith, T&S Hardwoods, Milledgeville, GA; Second: Bert Barrett, Hardwood Publishing, Charlotte, NC; Third: Kim Cummings, Cummings Lumber, Troy, PA

Longest drive winner was Susan Smith, T&S Hardwoods, Milledgeville, GA; and Closest-to-the-pin was Bert Barrett, Hardwood Publishing, Charlotte, NC

The tennis tournament winners were:

Men - Winner: Ed Herron, Granite Hardwoods, Granite Falls, NC; Second: Kent Carr, Augusta Lumber Co., Staunton, VA

Women - Winner: Iris Carr, Augusta Lumber Co., Staunton, VA;

The sporting clay shooting winner was Joe Newlon, Western Pocahontas Properties, Huntington, WV.



MEMBERSHIP

HIGH POINT, NC - AHMI welcomes the following new members to the association:

Producer

Galen Weaber
Weaber, Inc.
1231 Mt. Wilson Rd.
Lebanon, PA 17042

Distributors

Tim Church
Bryant Church Hardwood Co.
P.O. Box 995
Wilkesboro, NC 28697

Ray Pembleton
R.W. Davis & Son Lumber Co.
P.O. Box 430
Blackstone, VA 23824

Consumer

Rick Yohn
Plain'n Fancy Kitchens
P.O. Box 519
Schaefferstown, PA 17088

Supplier

Doug Tinsley
Hi-Tech Comact
400 Aviation Plaza
Hot Springs, AR 71901



The AHMI Board of Trustees reviewed the budget, the "Demand the Appalachian Standard" promotion plan, and discussed proposed changes to the bylaws during their meeting at The Homestead.

Furniture Is Focus For Inter-Industry

WINSTON-SALEM, NC - A report from the furniture industry will be the focus of the 2002 Inter-Industry Meeting of Appalachian Hardwood Manufacturers, Inc.

The meeting will be Oct. 24 at Tanglewood in Clemmons, NC, just west of Winston-Salem. A reception begins at 6:30 p.m. and dinner at 7:30 p.m.

Attendees are invited for golf on the championship course beginning at 11 a.m. The golf fee of \$45 is payable to AHMI with registration.

A sporting clays and wooble trap tournament will be held at Friendship Sporting Clays in East Bend beginning at 1 p.m. The shooting fee of \$50 is payable to AHMI with registration.

A block of rooms have been reserved at The Village Inn Golf and Conference Center in Clemmons for Oct. 23 and 24. AHMI has secured a rate of \$58 per night and reservations may be made by calling The Village Inn at (800) 554-6416. The room cutoff date is Sept. 24.

The meeting registration fee is \$85. A form is included on page 6 of this newsletter.

Va. Tech Offers Short Course On Sales

BLACKSBURG, VA - A short course on Selling Forest Products will be offered Sept. 18 and 19 at Virginia Tech.

Sponsored by the Center for Forest Products Marketing and Management, the course will teach the basics of personal selling, methods of identifying new customers, and receive a personal selling profile.

The course is designed to improve the efficiency and effectiveness of sales personnel. It is intended for new sales and marketing personnel and those wishing to improve their selling skills in the forest products industry.

The two-day course will be held in the Donaldson Brown Hotel and Conference Center at Virginia Tech. Instructors are Bob Smith and Robert Bush from the Department of Wood Science and Forest Products.

For registration materials or additional information, contact Bob Smith, CFPMM, Department of Wood Science, Virginia Tech, 1650 Ramble Road - Mail Code 0503, Blacksburg, VA 24061 or telephone 540-231-5876 or e mail rsmith4@vt.edu.

AHMI Newsletter Is Online Or By E mail

HIGH POINT, NC - Appalachian Hardwood Manufacturers, Inc. is making its monthly newsletter available online and by e mail.

The electronic version has been online since January informing website visitors of the activities of AHMI. The newsletter is an Adobe PDF file that is easy to view and print.

As postage rates continue to climb, AHMI is asking members to consider receiving their monthly newsletter electronically. An e mail can be sent to you with the newsletter attached for viewing using Adobe Reader. (*The software to view the file is available free at www.adobe.com. A link to this address will be included in the e mail.*)

Members who choose to receive the electronic version will not receive a copy in the mail. If you would like to receive your newsletter electronically, please send an e mail to ahmitom@northstate.net or call the AHMI office at 336-885-8315. This service will begin in September.

Back issues of AHMI newsletters can be found at www.appalachianwood.org.

Send Company Info For Website

AHMI encourages member companies to send information about your company for the association's website.

All member companies are invited to submit up to 200 words of promotional copy about your company. When a potential customer visits the AHMI website, they can click on your company name and read the copy you provide.

"You are able to highlight why these potential customers should do business with your company," said AHMI Director of Communications Tom Inman. "We have about 20 percent of our member companies participating and this is available to everyone. And it is FREE!"

Visit the AHMI website at www.appalachianwood.org to see the participating companies. Please submit this copy to ahmitom@northstate.net or fax to 336-886-8865. If you have questions, contact Inman at (336) 885-8315.



CONSUMERS

Furniture Forecast Improves For 2002

HIGH POINT, N.C. – Wholesale furniture shipments are expected to increase 4.1 percent overall this year, with upholstery showing stronger gains than wood furniture, according to a newly revised forecast from the American Furniture Manufacturers Association.

Industry shipments of residential furniture are projected to total \$23.907 billion in 2002, up 4.1 percent from \$22.963 billion last year, according to AFMA's forecast. The increase for upholstery is projected at 6.3 percent, with total shipments of \$10.472 billion. Wood furniture shipments are projected to increase 2.7 percent to \$11.156 billion.

The recovery is expected to strengthen in 2003, with an increase of 5.9% overall to \$25.319 billion in shipments, the forecast shows.

"We are still confident that furniture sales will continue to rebound this year following a disappointing year in 2001," said Joseph P. Logan, AFMA's vice president of financial services. "But sales in the first half of 2002 indicate that upholstery is recovering more quickly than wood furniture. The consumer remains cautious with big-ticket purchases."

The strength of upholstery sales can be attributed to a number of factors, Logan said. Because upholstery is more of a fashion item and also generally wears out more quickly, consumers tend to replace it more frequently.

According to the new AFMA forecast, consumer furniture demand is expected to be at the \$66.387 billion level this year, up 3.5 percent from \$64.119 billion in 2001. An increase of 1.8 percent to \$67.563 billion is projected for next year.

Wood furniture sales are expected to strengthen in 2003, rising 6.3 percent to \$11.861 billion. The forecast shows upholstery shipments increasing 5.6 percent to \$11.063 billion.

The AFMA forecast is based on the current outlook for the U.S. economy that is prepared by the Research Seminar in Quantitative Economics at the University of Michigan.

Barford, AHEC Promote To Hotel Designers

CANCUN - Appalachian Hardwood Manufacturers, Inc. Executive Vice President Mark Barford attended the ExpoHotel 2002 in Cancun, Mexico in June, in conjunction with the American Hardwood Export Council (AHEC).

The show invited hundreds of designers and decorators of major hotels chains from around the world who specify decorative and functional wood throughout their properties. Exhibitors included a diverse group of suppliers to hotels, including furniture manufacturers, decorative woodwork and flooring companies.

"Mexico is a very important market for American hardwoods and we were able to show these designers the beauty of our species," Barford said. "The show was very well-attended and I believe we were successful in getting our message to them."

AHMI is an associate member of AHEC and Barford travels annually to shows around the world to educate foreign customers. To learn more about AHEC, please contact Barford at the AHMI office at 336-885-8315 or e mail to ahmi@northstate.net.

IWF Set Aug. 22-25

ATLANTA, GA - A great place to learn what the world has to offer the wood products industry is at the International Woodworking Fair, Aug. 22-25 in Atlanta.

Officials report the show will offer ways to operate your business smarter, more efficiently and with less waste. Participants will see live demonstrations of new technology, machinery and supplies that can help manufacture better products, increase profits and stay ahead of the competition.

Appalachian Hardwood Manufacturers, Inc. will again display at the show. "This has been an excellent show for us to make contact with wood consumers," said Mark Barford, AHMI executive vice president.

Members are encouraged to spend time in the AHMI booth meeting potential customers and distributing literature about Appalachian hardwoods. A copy of the IWF registration form is available from AHMI at 336-885-8315.



FORESTRY

Forestry Division Plans Watershed Tour

MORGANTOWN, WV - The Forestry Division of Appalachian Hardwood Manufacturers, Inc. will study U.S. Forest Service research into timber management and watershed issues.

The annual Forestry Division woods tour is set for Oct. 15 at the Fernow Experimental Forest, Parsons, WV. Forestry Division Chairman Trenor Hypes of MeadWestvaco Corp., said the station is one of the nation's oldest watershed research facilities.

"They have been actively studying different cut levels on several watersheds on their property," he said. "They can show active and controlled management and its impact over a long period of time."

The tour is timely following flooding earlier this year in West Virginia and southwest Virginia. Some blamed logging for the volume of floods.

"It should be interesting to look at their research into this issue," Hypes said.

The one day program will begin that morning. Registration forms will be mailed to Forestry Division members and more information is available at the AHMI office at 336-885-8315. The tour is open to all AHMI members.

AF&PA Joins Council On International Issues

WASHINGTON, DC - Trade associations in 39 countries representing 75 percent of the world's paper and 50 percent of the world's wood production recently announced the first-ever global association, the International Council of Forest and Paper Associations (ICFPA), to work together on issues affecting forest and paper producers around the world.

The ICFPA is committed to the principles of sustainable development and to working with other groups to ensure that environmental, social and economic benefits of natural resources are available to current and future generations. W. Henson Moore, President and CEO of the American Forest & Paper Association (AF&PA), will serve as ICFPA president.

The main goal of the ICFPA is to serve as a forum for joint action in areas ranging from communications to data collection.

Endangered Species Sound Science Act Gets Committee OK

WASHINGTON - The Endangered Species Sound Science Act - HR 4840 - was approved by the House Resources Committee recently by a vote of 22 to 18.

This bill requires sound, honest scientific data along with public disclosure in order to propose listing an endangered species. Proposed improvements to the ESA listing process include: a preference for field tested and peer reviewed data; historical context such as population trends, ranges, and fluctuations; data from all sources; independent scientific review; and public access to the listing process.

Private property rights advocates say the bill is an improvement because a species will have to actually be endangered to be listed, and it will be nearly impossible to use falsified data.

Recreational and commercial access to public lands is helped tremendously. Environmentalists who want to shut down federal lands will have to use real, field tested, peer-reviewed scientific data.

The representatives from the Appalachian region who voted in favor of HR 4840 are: Rep. John Duncan, (R-TN); Rep. Wayne Gilchrest, (R-MD); Rep. John Peterson, (R-PA);

Democrat Nick Rahall (D-WV) led the charge against the resolution. He was the only representative from the Appalachian region voting against it.

Forest Service blames suits

WASHINGTON - An internal U.S. Forest Service report finds nearly half of the Forest Service's attempts to cut the underbrush that fuels catastrophic wildfires were delayed by environmental appeals.

The report states that of the 326 thinning projects nationwide for 2001 and the first half of 2002, 155, or 48 percent, were appealed. The findings refute a report cited repeatedly by environmentalists that says they appealed only 1 percent of thinning projects.

The chairman of the House Forest subcommittee, said environmental groups' repeated challenges to logging and thinning projects have left the forests clogged with underbrush that fuels fires. Environmentalists say they oppose thinning far from cities, which they claim is logging in disguise.

REGISTRATION FORM

APPALACHIAN

Hardwood Manufacturers, Inc.

Inter-Industry Meeting - Oct. 24, 2002

Tanglewood, Winston-Salem, NC

To accurately plan the functions and ensure all members and guests are included on the Registration List, please complete this form and return it with your check to: **AHMI, P.O. Box 427, High Point, NC 27261.**



AHMI has reserved a block of rooms at The Village Inn, Clemmons, NC, for \$58 per night. Call (800) 554-6416 to reserve a room before Sept. 24.

MEETING REGISTRATION FEE \$85 per person

The AHMI meeting registration fee will be refunded on cancellations before Sept. 24. Cancellations after that time will be subject to 50% forfeiture.

PLEASE REGISTER THE FOLLOWING FOR AHMI'S MEETING

NAME: _____ **BADGE NAME:** _____ **FEE: \$85**

NAME: _____ **BADGE NAME:** _____ **FEE: \$85**

Company: _____

Address: _____

City _____ **St.** _____ **Zip** _____

PLEASE REGISTER THE FOLLOWING FOR GOLF

Tanglewood Championship Course 11 a.m. Shotgun Start, \$45 per person

GOLF: _____ **HANDICAP** _____ **FEE: \$45**

GOLF: _____ **HANDICAP** _____ **FEE: \$45**

PLEASE REGISTER BELOW FOR SPORTING CLAYS & WOBBLE TRAP

Friendship Sporting Clays, East Bend, NC, 1 p.m. Start, \$50 per person

SHOOTING: _____ **FEE: \$50**

SHOOTING: _____ **FEE: \$50**

TOTAL: _____

Check for \$ _____ encl. Date: _____ By: _____