



APPALACHIAN

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

Demand the Appalachian Standard

April 2003

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APPALACHIAN Future Meetings

2003 Summer Meeting

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

2003 Inter-Industry Meeting

Oct. 2
The Grandover Resort, Greensboro, NC

2004 Annual Meeting

Feb. 26-29
Sawgrass Marriott Resort, Ponte Vedra, FL

Attendance Is 'Quality, Not Quantity' At Spring International Furniture Market

HIGH POINT - While attendance was down an average of 15 percent at most furniture showrooms, the buyers who came to the Spring 2003 International Home Furnishings Market did their job. They bought furniture.

The majority of furniture manufacturers surveyed at market said sales exceeded expectations for this market. With war raging in Iraq and a sluggish retail economy, manufacturers had lowered expectations before market began on April 3.

"The forecasts for this market were not very good, but the reports after have been very favorable," said Mark A. Barford, CAE, president of Appalachian Hardwood Manufacturers, Inc. (AHMI). "Many manufacturers did not know what to expect, and they discovered that while the quantity of buyers was down, the quality people still came and bought furniture for their stores for the summer and fall."

AHMI is based in High Point, NC, and represents 200 lumber producers, distributors and consumers in the 12-state Appalachian Mountain region promoting their products around the world. Each spring furniture market, AHMI surveys its furniture company members on their use of hardwoods in new and existing lines and sales results at market.

Bernhardt Furniture Inc. offered new looks in two collections at market pro-



Bernhardt's Tommy Rhoney (left) and AHMI's Tom Inman discuss market at Bernhardt showroom

duced in cherry veneers, mahogany and a combination of wood and upholstery. The Lenoir, NC-based company offered dozens of pieces in English styling with medium and dark tone finishes.

"We really had a good market with our domestic introduction," said Tommy Rhoney, lumber buyer. "We have had great traffic through the showroom and again people like what we are offering."

Consumers have liked Thomasville Industries' *Collector's Cherry* group for 30 years. For 2003, the group was updated and restyled with a slightly distressed look.

(See Market on page 3)

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Mark my words.....

By Mark A. Barford, CAE, CF
President

April is Furniture Market month in High Point so things get pretty exciting around here. The market sometimes begins, as it did this year, with a group of furniture industry leaders getting together to talk about what is good and bad about the industry, and predict where it is heading. These views are not always correct or agreed on by everybody, they are interesting.



Mark A. Barford

Pat Norton, La-Z-Boy, talks about the fact that despite our best efforts, furniture manufacturers still have not connected with the consumer. The consumer stays confused, and every "last chance" sale is followed by another the following weekend. And furniture, unlike almost every other consumer product, has no specifications listed to compare.

Frequent Inter-industry speaker Jerry Epperson remains optimistic, reporting that sales and profits have started to increase due to efficiencies in domestic production.

Lynn Chipperfield, the CAO of Furniture Brand International, believes the answer is in furniture branding. His point is that overseas producers can copy the furniture, but not copy the name. With all of the economic indicators being positive right now, the only thing holding sales back is consumer confidence.

Paul Toms, CEO of Hooker Furniture is facing the overseas by developing new products quickly that will take some time for the Chinese to copy. The new products are made in smaller quantities with more options that consumers are buying.

The final speaker was John Bassett of Vaughn Bassett Furniture, who is proud to say that less than 5 percent of what they sell is from China. He talked about attitude, leadership and communication that have helped them increase production by 25 percent with no additional employees.

With the big crowd in town, and all the beautiful wooden furniture, you can't help but be excited about the future of furniture before the market begins. With 15 percent of our hardwood lumber still going to furniture, we all are pulling for their success!



MEMBERSHIP

HIGH POINT - Appalachian Hardwood Manufacturers, Inc. is sad to report the following deaths of members of the hardwood industry:

Lawrence Cook

FRANKLIN, NC - Lawrence Cook, 58, died Sunday, March 9, 2003, in a local hospital. A native of Macon County, he was retired from Cook Brothers Lumber Co., where he served as president for 35 years.

He is survived by his wife, Deloris Holland Cook; two children, Gregg Lawrence Cook of Franklin and Pamela Jean Owens of Franklin; six brothers, Lloyd, James, Elmer, Leonard, Randal and Danny Cook, all of Franklin; two sisters, Cathy Williams and Martha Owens, both of Franklin; five grandchildren, Meghan Elizabeth Cook, Jared Clyde Cook, Nathaniel Lawrence Cook, Kellie Levay Owens and Natalie Jean Owens; and several nieces and nephews.

The family requests that memorials may be made to Pine Grove Baptist Church Building Fund, 902 Highlands Road, Franklin, NC 28734.

Robert Coleman Sr.

UNIONVILLE, VA. - Robert S. Coleman Sr., 92, of Unionville died Sunday, April 6, 2003, as the result of a motor vehicle accident on State Route 522 in Orange County.

Coleman, born in Orange, was the widower of Dorothy H. Coleman. Survivors include a daughter, Charlotte June Faulconer of Clifton Park, N.Y.; a son, Robert S. Coleman Jr., and his wife, Sandy, both of Unionville; a brother, James F. Coleman Sr. of Unionville; a sister, Mildred Bartholow of Wheaton, Md.; his grandchildren, Robert E. Faulconer of Rhoadesville, Michael Bradley Faulconer of San Francisco, Allison L. Faulconer of Scranton, Pa., Barbara Koontz of Culpeper, Lori S. Coleman of Culpeper, Melissa Coleman of Madison and Jamie Coleman of Unionville; and four great-grandchildren.

In lieu of flowers, the family requests that contributions be made to the Oakwood Cemetery Fund, c/o Allen Duncan, 23217 Village Road, Unionville, Va. 22567.

Market from page 1

"We retained the essence of the collection and brought it up to date and dressed it up to make it more livable and adaptable for today's homes and decor tastes," said Guy Walters, Thomasville vice president of design and merchandising. With pieces for every room, the collection is built from solid cherry, cherry veneers and mixed hardwoods and sales continued to be strong.

Other introductions from Thomasville included more contemporary styles in a combination of domestic and imported hardwoods. "This market reflects our commitment to broaden Thomasville's customer base with more contemporary and transitional styles," said Thomasville's President Chris Pfaff.

"We were very happy with market, not knowing what might happen as we went in," said Bob Lemons, senior vice president of sales at Kincaid Furniture Co., Hudson, NC. "We had lower than normal attendance but we opened a little early and we sold furniture."

Kincaid was among dozens of manufacturers who introduced a new product line and added individual pieces to existing collections. The main introduction, *English Country Oak*, is a 28-piece collection of bedroom, dining room and occasional tables in #2 common oak. The distressed look allows Kincaid to increase lumber yield, a benefit of Appalachian hardwoods, and keep down price.

"We had a great response to this group and orders were so strong that we will probably have it in our line now for 10 years," Lemons said.

Kincaid also joined manufacturers in importing a new dining room group at this market that was well-received.

"Our report from market is good," Lemons said. "Our orders were strong and we go into the spring and summer very confident."

Known for its solid oak furniture made in America, Keller received strong business for its existing lines and new groups. One introduction, the *1895 Collection*, included more than 40 pieces in solid oak with multiple finishes.

Keller also unveiled three eight-piece, solid-wood bedrooms groups that retail at less than \$2,000 and 30-day guaranteed delivery. The groups, and Keller's commitment to solid oak were strong sellers, officials reported.

Hooker Furniture Co. expanded its presence in bedroom furnishings with four introductions in maple

solids and cherry veneers. The four include more than 100 pieces in traditional and Shaker styles.

Traffic at the Hooker showroom was also above expectations, officials said. "We have been busy and the buyers are very upbeat about our products," said one Hooker representative.

Century Furniture introduced its *Century Campaign*, a domestic line of bedroom, dining room and occasional pieces at an import price point. The oak furniture was well-received along with a rustic collection of cased goods and occasional tables on a larger scale built in alder and mixed hardwoods.

Stanley Furniture Company unveiled two major groups at market, *Provincia* and *Urban Comfort*. The first is inspired by French and Old World styles and produced in maple solids and veneers. The second is more contemporary styling and produced in cherry solids and veneers.

The Stanley showroom was busy, a marketing representative reported, with a steady stream of buyers placing orders on opening day and through the weekend.

Broyhill Furniture offered the third phase of the company's Charlestowne Square, a collection of antique reproductions for bedroom, dining, occasional tables and home office. The group includes more than 100 pieces made from solid maple and cherry veneers in three finishes.

The continued increase in imports to the furniture industry was evident at market. Fifty-one percent of cased goods bought in the U.S. in 2002 were imported and the majority of furniture manufacturers have groups or components that are produced internationally and the trend is expected to continue.

"The furniture industry is looking for the best product for the best price from customers who can deliver and provide service," Barford said. "That really has never changed and as suppliers to the industry, we have to remain focused on delivering the best lumber, Appalachian hardwoods, to the manufacturer whether it is in the United States or around the world."

"The news from this furniture market is good for Appalachian species of hardwood," Barford said. "We continue to see cherry, oak and maple in most manufacturers showrooms and the American consumer still demands that."

"The consumer knows that natural wood brings warmth to his or her home and that's a feeling they want," he said. "



PROMOTION

15 Members Assist AHMI Survey Wood

HIGH POINT - Appalachian Hardwood Manufacturers, Inc. thanks the following individuals and companies for assisting with the 2003 Furniture Market Wood Survey:

John Beard, Beard Hardwoods, Greensboro, NC
Blandford Bolte, Hardwood Review, Charlotte, NC
Jimmy Clay, Parton Lumber Co., Rutherfordton, NC
Brett Eller, Taylor-Ramsey Corp., Bristol, TN
Fred Hardin, Gilkey Lumber Co., Rutherfordton, NC
Helen Irvine, Randolph Lee Williams Lumber, Goshen, VA

Andy Johnson, Hardwood Review, Charlotte, NC
Tony Love, Gilco Lumber, Inc., S. Charleston, WV
Alfred Mayo, Parton Lumber Co., Rutherfordton, NC
Cliff McKittrick, McKittrick Lumber Co., Camden, SC
Mike Passerell, Augusta Lumber Co., N. Garden, VA
Mark Pierce, Cranberry Hardwoods Inc., Beckley, WV
Derick Shuler, Beard Hardwoods, Greensboro, NC
Chuck Teseneer, T & S Hardwoods, Inc., Milledgeville, GA

Todd Webb, Jim C. Hamer Co., Kenova, WV
The furniture market survey has tracked wood trends since 1934. AHMI took over responsibility in 2002 and uses the data for a furniture market news analysis prepared by AHMI staff.

Barford To Lead Seminar For AHEC Latin America

WASHINGTON - Appalachian Hardwood Manufacturers, Inc. President Mark Barford will lead a seminar on the American hardwood lumber grades at the first American Hardwood Export Council (AHEC) Latin America Convention, May 15-16, in Guadalajara, Mexico.

The meeting is targeted not only to the Mexican market, but to all prospective American hardwood users throughout Latin America. Also included at the convention will be a panel discussions on worldwide hardwood consumption, developments in furniture manufacturing, and hardwood trends in Latin America.

"Guadalajara is a perfect location for this first Latin

AHEC Updates 2003 Budget, Programs

WASHINGTON - The American Hardwood Export Council (AHEC) Board of Directors met in Washington, DC on March 31. The purpose of the meeting was to update members on status of the association, and review promotion plans for the remainder of the year.

AHEC staff began by reviewing membership and finances for the association. The good news is that membership has remained the same at 128 members. The breakdown is 104 direct membership companies, 10 export associations (including Appalachian Hardwood Manufacturers, Inc.), nine associate members, and five sponsor members.

The bad news is that AHEC had to utilize \$52,000 out of reserves to balance its budget. Staff announced several changes to the 2003 plan to get AHEC closer to break even.

"Like all associations, and the industry in general, AHEC has had to re-evaluate some of their activities to be sure they are delivering maximum benefit to the hardwood industry," remarked AHMI President Mark Barford. "The total budget for AHEC, including allocations from the U.S. government, is in excess of \$4 million, making them the largest promoter of American hardwoods around the world."

AHMI will continue to participate with AHEC, as Barford currently is on its board and executive committee. AHEC's annual meeting will be in September at the NHLA meeting in Atlanta.



EXPORTS

America convention, as it is the center of furniture manufacturing and distribution in Mexico," Barford noted. "An understanding of how the U.S. lumber grading system works is crucial for them to purchase the various grades and species we have to offer."

All members of the American hardwood industry are welcome to participate. Members of AHEC receive a complimentary registration.

For more information, contact AHEC at www.ahec.org

Cerulean Warbler Population Reviewed for ESA Listing

WASHINGTON - The Cerulean Warbler is a songbird that inhabits eastern hardwood forests, and is being reviewed to determine whether it may gain protected status under the Endangered Species Act.

Current studies have found 10,000 birds on roughly 3,000 sites in their range from Pennsylvania through West Virginia. Scientists believe there are a lot more, and are requesting access to private lands to verify it.

The purpose of the private land study would be 1) to increase the numbers of known birds and nests, and 2) to show that active forest management is not a deterrent to the bird, and may enhance the numbers.

"During our roundtable discussions last year, the effects of the Endangered Species Act was members' number one concern in maintaining access to private forests," reported AHMI President Mark Barford. "We feel that this activity will help to head off interest in listing this bird, as well as demonstrate the industry's cooperation in protecting wildlife."

To participate in the study or for more information, contact Barford at 336-885-8315 or by email at ahmimark@northstate.net.

Forest Certification Group Reports 2002 Gains

Forest certification gained strength in the North American forest sector over the past year, according to a new report released by Certification Watch.

The 65-page report provides a comprehensive overview of the state of forest certification, certified forest products procurement and related initiatives in North America. The report shows that in the U.S., the Sustainable Forestry Initiative (SFI) certification program proved to be highly active in 2002, and the first use and subsequent promotion of the SFI on-product label.

The development of Forest Stewardship Council (FSC) regional standards in the US continued, while two standards were approved by FSC-International for two major timber producing regions.

The SFI program recorded certified acreage in North America reaching 70.7 million acres. FSC certified areas covered a total of 12 million acres in North America by the end of 2002.



FORESTRY

Forestry Division Meeting Set June 3

FLATWOODS, WV - Trenor Hypes, chairman of the Forestry Division of Appalachian Hardwood Manufacturers, Inc., has set June 3 for the next meeting of the division.

The session will be held in Flatwoods, WV, and will include a social and dinner. The program for the evening will include two main topics: satellite timber cruising and will be presented by AHMI member company Falcon Informatics and the release of the newest forest survey information for West Virginia.

Also on the agenda are updates on several items that will have an effect on forest management in the Appalachians.

"The program will be both timely and interesting," noted AHMI President Mark Barford, "and like all of our forestry events, open to all members of the association." Registration forms and further information will be coming out in the next few weeks.

Forest Service Unveils Southern Management Plans

WASHINGTON - A plan for managing national forests in five Southern states from the U.S. Forest Service strikes a delicate balance between maintenance of the forests and recreational opportunities demanded by the public.

The plan spans 3.2 million acres and covers the Chattahoochee-Oconee National Forests in Georgia, the Cherokee National Forest in Tennessee, the Jefferson National Forest in Virginia, the Sumter National Forest in South Carolina, and the Bankhead, Talladega, Tuskegee and Concecuh national forests in Alabama.

By announcing the land management blueprint, which will be shaped to fit the individual forests, the Forest Service has opened a 90-day public comment period on the recommended plan and six potential alternatives. However, it eliminated from consideration two other plans — including one supported by some environmental groups.

**Appalachian
Lumbermen's
Club
President
Cline Gardner
presents
AHMI's Tom
Inman with
check for the
Community
Involvement
Program**



Club, Rex Lumber Support AHMI

HIGH POINT - The Appalachian Lumbermen's Club and Rex Lumber Co. recently provided grants to Appalachian Hardwood Manufacturers, Inc.'s Community Involvement Program (CIP).

The club donated \$1,500 and Rex Lumber Co., Englishtown, N.J., contributed \$3,000. The funds will be used to present educational programs throughout the Appalachian region to school and civic groups.

Begun in 1995, CIP has assisted more than 80 companies with training and a program to educate the public. The program provides a manual and hands-on training to teach schoolchildren and adults about forest management and the forest products industry.

"We are extremely grateful to these organizations for their continued support of our work," said Mark Barford, AHMI president. "Both of these groups have assisted us in the past to take our positive message to people who truly do not understand what we do."

CIP is open to AHMI and ALC members and administered by AHMI Director of Communications Tom Inman. To learn more or to schedule a visit, contact Inman at the AHMI office at 336-885-8315 or by e-mail at ahmitom@northstate.net.

Haywood Tables Wood Products Program

WAYNESVILLE, NC - The Haywood Community College Board of Trustees recently voted to de-activate the wood products program.

By a unanimous vote, the trustees placed the sawyer, lumber specialist and saw filing programs on the "inactive" list. The only program that will be retained in the "active" state is the lumber grading program.

Proclamation Honors Tony Mollish

At the 2003 Annual Meeting of Appalachian Hardwood Manufacturers, Inc., a special proclamation was read to honor Tony Mollish of MeadWestvaco.

Mollish has been an active member of AHMI for years and contributed to its Forestry Division, including service as chairman.

The proclamation honoring Mollish is:

WHEREAS; Mr. Tony Mollish has been a loyal member of the AHMI Forestry Committee for many years, and

WHEREAS; Mr. Mollish has unselfishly served this committee as Chairman for a major portion of this time, and

WHEREAS; His wise council and leadership has made the made the Forestry Committee as well as the AHMI association a better organization, and

WHEREAS; Mr. Mollish has reached an age in his very productive life at which his talents should be applied toward even greater causes such as the improvement of his golf swing, making a total effort to see that his lovely wife, Carol, has a happy and satisfied life;

WE THEREFORE, as members of the AHMI association pause to honor Mr. Mollish for all his accomplishments, wise council and warm friendship to us and wish him and Carol the best as they enter the retirement phase of life.

WITNESS, this said proclamation of honor and praise made this Twenty- Eighth Day of February, in the year of Two Thousand and Three after the death of Christ.

Lean Manufacturing Workshop Set At VA Tech,

BLACKSBURG, VA - The Center for Forest Products Marketing and Management at Virginia Tech will conduct its first Wood Industry Management Series Workshop in Lean Manufacturing May 5-6 at the Donaldson Brown Hotel & Conference Center, Blacksburg, VA.

This workshop will help managers in wood products businesses identify target opportunity areas in their company for lean manufacturing, give a step-by-step guide for the implementation of "lean systems" and, show how these steps will lead to reduced manufacturing costs and increased competitiveness.

To register by April 21, 2003, contact Bob Smith at (540) 231-9759 or email rsmith4@vt.edu.