



Since 1928

The Standard

Monthly Newsletter of APPALACHIAN Hardwood Manufacturers, Inc.

Demand the Appalachian Standard

June 2004



Grove Park Inn Upgrades Aid Summer Meeting

HIGH POINT, NC - The relaxing Grove Park Inn resort will be the setting from the 2004 Summer Family Conference of Appalachian Hardwood Manufacturers, Inc.

The meeting is set for July 18-20 at the mountain resort in Asheville, NC. AHMI last visited the Grove Park Inn in 1999 and since then the hotel has built a spa, renovated the Club Floor, redesigned the golf course and made numerous improvements across the resort.

"The Grove Park was an excellent facility and now they have made it even better," said AHMI President Mark Barford. "Our members will be able to enjoy a luxurious facility and informative business sessions."

The centerpiece of the renovations is the spa which offers massages, facials, body wraps and warm stone treatments. The spa is regularly sold out so meeting attendees are encouraged to make reservations early.

The Grove Park Inn offers fine dining at three choice restaurants: Horizons, a four-diamond facility offering classic cuisine; Chops, steaks with an outstanding view; and The Blue Ridge Dining Room with classic American fare and outstanding views.

The Grove Park recently opened its Donald Ross championship par-70 golf course. Emphasizing accuracy over power, the course is quickly earning a reputation as a shot-maker's paradise.

AHMI has prepared an informative business session for the Monday meeting. The president of the nation's top hardwood millwork producer will discuss the benefits of the top grades for wood consumers. Ferche Millwork Co. President Gerald Grider will speak and joins a representative from BushCheney '04 as the keynote speakers for the conference.

2004
AHMI
Summer
Family Conference



Ferche is headquartered in Rice, MN, and produces more than 5,500 items from hardwoods. Founded in 1958, Ferche Millwork has been a member of AHMI since 1993.

"We are excited that Mr. Grider has agreed to offer remarks from the hardwood millwork and moulding industry," said AHMI President Mark Barford. "This area has seen dramatic growth in the past decade with the boom in home construction."

Ferche Millwork uses a majority of Appalachian hardwood species in its production. The company specifies the top grades to maximize yield.

The conference begins with welcoming social sponsored by Volvo Construction Equipment North America. The equipment maker has offices and manufacturing facilities near Asheville.

The Monday morning business session will include Grider and a representative from the Bush-Cheney'04 campaign. A representative was scheduled to attend the 2004 Annual Meeting of AHMI but cancelled because of weather.

Hardwood Federation Lobbyist Grace Terpstra of Terpstra & Associates, Washington, DC, will discuss key legislative issues for 2004. AHMI is a member of the Federation.

Monday afternoon will offer golf, tennis and shoot-
(see Meeting on page 2)

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APPALACHIAN Future Meetings

- 2004 Summer Meeting**
July 18-20 - The Grove Park Inn, Asheville, NC
- 2004 Inter-Industry Meeting**
Oct. 20 - The Village Inn, Clemmons, NC
- 2005 Annual Meeting**
Feb. 24-27 - The Sanctuary, Kiawah Island, SC

Mark my words.....

By **Mark A. Barford, CAE, CF**
President

I was speaking recently to a group of loggers and lumbermen in the Northeast, and a question came up regarding what I thought the future of logging was going to be in light of all of the recent demands being put on them. Those demands include increased training, certification of performance, restricted access to timberlands, and specific rules and regulations on how and when they operate. Not to mention their concern about attracting younger workers into the field, and of course making a profit.

My response to them was pretty simple... yes they will remain in business as long as they still have permission to do so. That permission is in the form of two different "licenses" to operate that our whole industry has to continue to receive.

The first is from the general public. I am proud that the AHMI founders realized that and promoted sound forestry education to school children as far back as the mid 1930s. We still today send out hundreds of books and wood samples to schools and school groups, as well as civic clubs.

The message that a well managed forest is naturally sustainable is well received by the public. People must keep hearing it in order to have the public's permission to stay in business...not to mention influence the 7 million private landowners that grow the raw material we need to stay in business.

The second license is from the government and the legislatures that make the laws. New legislation and regulations seem only to make our operations more restricted and controlled by our elected leaders and the bureaucrats that carry out their wishes.

We might complain, but the facts are that we need to deal with our legislatures to be sure the laws they do pass make sense and are workable. Our recent work in helping bring together the industry politically through the Hardwood Federation illustrates the industry's understanding of the importance of this work.

Yes, the forest industry will have a profitable hardwood business in the coming years, but those left will be earning that permission everyday by quality operations that society approves of. Keep that in mind the next time you inspect one of your logging jobs!



Mark A. Barford

2004 Summer Family Conference Meeting Agenda

Sunday, July 18

4 - 6 pm Registration - Sammons Reg. Desk

6:30 - 7:30 pm Volvo Welcoming Social -
Vanderbilt Terrace

Dinner on your own

Monday, July 19

8:30-11 am General Session - Heritage Ballroom

Welcome - Ed Ramsey

Invitation to Kiawah - video presentation

Bush Cheney '04 - TBA

Federal Legislative Issues - Grace Terpstra,

Hardwood Federation

Ferche Millwork Specification of Appala-

chian FAS Lumber - Gerald Grider

12:30 pm AHMI Summer Golf Tournament (shot-
gun start, medal play) - Grove Park Inn Course

1:30 pm Sporting Clays Tournament - Applewood
Sporting Clays, Edneyville, NC

2 pm Tennis Tournament - Grove Park Inn Courts

6:30 pm Chairman's Reception - Vanderbilt
Terrace

Dinner on your own

Tuesday, July 20

8:00 -10:00 am Board Breakfast - Laurel Room

(optional) 10:30 a.m. Volvo Construction Equip-
ment Demonstration Site Tour - Shuttle vans will
pickup at Grove Park Inn Main entrance

Meeting from page 1

-ing tournaments. A reception is set for Monday evening and AHMI Trustees will meet Tuesday morning.

Volvo Construction Equipment invites AHMI members to tour its demonstration site and view the Volvo line of equipment for sawmills, distribution yards and forestry operations. The site is minutes away from the Grove Park Inn and Volvo will shuttle attendees to the facility for a tour and lunch. Please check the appropriate line on the registration form.

AHMI members and guests are encouraged to make your room reservations immediately by calling the Grove Park Inn at 800-438-5800 or mailing the enclosed reservation form. The room rate is \$199 and the **AHMI room block cut-off is June 17.**

Registration forms are printed on pages 5 and 6 of this newsletter. Please complete and mail to AHMI at your earliest convenience. For more information, contact the AHMI office at 336-885-8315.

Furniture Anti-Dumping Petition Explained

By Mark Barford, CAE, AHMI President

We have heard much misinformation regarding the Furniture Anti-Dumping Petition which the furniture industry filed in October 2003. The purpose of the petition is to add duties on wooden bedroom furniture imported from China.

If successful, the duty will be the difference between the current export price, and the "normal value." The normal value is based on what it would cost to make the furniture in a country of similar economic development, such as Indonesia or India.

Anti-dumping is covered under the World Trade Organization's anti-dumping agreement, and since 1995, China has had over 1,200 complaints against it... with a duty being put in place 15% of the time.

Individual Chinese companies can request an exemption if they can show they are not dumping even if the petition is successful. The amount of the tariff is not determined, but some say it may end up as low as 10%, and probably not more than 20%.

The action is spearheaded by John Bassett of Vaughn-Basset Furniture, Galax, VA, and La-Z-boy, Bassett and Stanley are involved. A group of retailers and Furniture Brands, the largest US furniture manufacturer have come out against the action. A few Chinese manufacturers have initiated legal action to prevent the implementation of duties.

The deadline for a decision from the Department of Commerce is approaching. The Bush Administration has made it clear that in general it is against countervailing duties.

What does it all mean? The overall effect on demand for Appalachian hardwoods is probably minimal, with a small disruption in current channels for lumber. Those channels have gone through catastrophic changes in the past few years (furniture now consumes less than 15% of total hardwood lumber vs. 30% just a few years ago), and another shift would likely have a minor impact.

Some would say the good news is that the American manufacturing is finally fighting back! Supporters say a short term duty would allow the domestic industry to become competitive.

The final decision may have a significant long term effect regarding our future relationship with China and other countries around the world. Can we hold back the Asian tiger? With 60% of bedroom sales sourced from China, I think we can say safely we are already "sleeping with the tiger."

Advanced Sales Training Course Set

The Center for Forest Products Marketing at Virginia Tech will offer an advanced sales training course Sept. 23-24 at the Brown Donaldson Conference Center on the campus.

The course will identify those factors that separate good sales people from great salespeople and how participants can develop great techniques. It will also evaluate the communication process, teach how to ask the right questions and know how to respond to them, and discuss and demonstrate good negotiation skills in the forest products industry.

It is important for the sales person to recognize those factors outside his/her control that may have an impact on sales. This session will focus on the important trends that are affecting the wood products industry and how the salesperson can gather this information on a regular basis.

Fee for the short course is \$395 (\$325 for employees of companies that are members of the Center for Forest Products Marketing and Management).

For a brochure contact Bob Smith at rsmith4@vt.edu or Joanne at ctrfpmmj@vt.edu or visit our website at www.cfpmm@vt.edu. You may also register on-line at www.conted.vt.edu/astfpi/

IWF '04 Booth Sales Rise; Optimism Up

ATLANTA, GA - Interest in the 2004 International Woodworking Machinery & Furniture Supply Fair in Atlanta continues strong, reflecting optimism in the industry, show officials report.

IWF 2004 is set for Aug. 26-29 in Atlanta and brings together the most advanced technology available to the marketplace. More than 1,000 exhibitors from North America, Asia, Europe, South America and the Middle East have already committed.

Appalachian Hardwood Manufacturers, Inc., will again exhibit at IWF in booth space A426. AHMI members are encouraged to visit the booth during the show.

"This is a great show for AHMI because we see thousands of wood consumers and tell them about Appalachian," said Mark Barford, AHMI president.

For more information or to receive registration materials, contact the AHMI office at (336) 885-8315.



Candidate Ed Broyhill (left) receives a Hardwood Federation donation from Wendell Cramer, W.M. Cramer Lumber, Hickory, NC. Federation leaders will speak at the AHMI Summer Meeting

Enviros Lose Court Battle

ROANOKE, VA - The U.S. Forest Service will move forward with plans to cut trees on 618 acres of the Jefferson National Forest after a judge in May dismissed a lawsuit by environmental groups seeking to halt the timber harvest.

Senior U.S. District Judge Glen M. Williams disagreed with claims by environmental groups that the Forest Service prepared an inadequate environmental analysis and failed to properly examine the economic impact of the Bark Camp timber sale.

The judge said the Forest Service's estimate on how much creek sediment would build up because of timbering was a "harmless" miscalculation.

Forest Service Attacks Borer

COLUMBUS, OH — Government officials are considering cutting down ash trees in a miles-wide swath across three states in an attempt to contain the infestation of a tree-killing beetle.

The goal is to create a natural barrier against the emerald ash borer that could extend in a semicircle south from Michigan into Ohio and Indiana, according to state and federal officials.

The pesticide-resistant beetle has wiped out millions of ash trees in southeast Michigan and has been found in all three states. The barrier would be three to six miles wide because it's believed the ash borer does not travel farther than half a mile. A native of Asia, the ash borer was discovered in the United States two years ago in Michigan. Officials believe it traveled to this country in wood packing crates.

Oak Fungus Could Imperil Appalachian Mountain Forests

From the Associated Press

The aggressive and virulent fungus that causes sudden oak death is under close watch in the Appalachian Region.

The disease showed up in the United States in coastal California and Oregon in 1995. The fungus attacks oaks through their bark, causing girdling of the trunks, bleeding cankers, crown dieback and eventually death of the tree. There is no known cure.

Until now, it had been confined to the West Coast, where it has devastated hundreds of thousands of northern California's coastal live oaks, as well as black oaks and tan oaks.

If the fungus gains a foothold in the Appalachian Mountains, especially in areas where conditions are cool and damp enough for it to thrive, it could change the nature of Eastern forests like nothing since the fungal blight that all but wiped out the then-dominant American chestnut tree in the first half of the last century.

"I think this is a very serious threat," said Kurt Gottschalk, project leader at the U.S. Forest Service's research laboratory in Morgantown, W.Va. "The Eastern forests have been fairly resilient, even though we have lost species with the invasion of the chestnut blight, the butternut canker and Dutch elm disease. We're fortunate to have a lot of tree species, but they've been getting picked off one by one."

That reduced diversity makes the Eastern forests more likely to be damaged by exotic pathogens such as sudden oak death, Gottschalk said. Not all Eastern oak species are susceptible, but those that face the highest mortality include the region's most common oak species, the northern red oak, the black oak and the northern pin oak.

The fungus favors cool, moist climes, making the central and southern ranges of the Appalachian Mountains, including those in Pennsylvania, prime territory for its spread.

Foresters from Pennsylvania, West Virginia, Virginia, Tennessee and Kentucky, are working with the U.S. Forest Service to set up study plots in forested areas and adjacent to some large nursery operations to monitor forest health and test for sudden oak death.

APPALACHIAN

Hardwood Manufacturers, Inc.



Summer Family Conference The Grove Park Inn, Asheville, NC July 18-20, 2004

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 to: AHMI, P.O. Box 427, High Point, NC 27261.

**To reserve your room at The Grove Park Inn, call 1-800-438-5800.
The cut-off date for AHMI's room block is June 17, 2004.**

REGISTRATION FEE:

AHMI MEMBER - \$225 per person
MEMBER SPOUSE - \$125

GUEST - \$325 per person
GUEST'S SPOUSE - \$225

CHILDREN UNDER 16 FREE!

*Full registration fee will be refunded on cancellations received by June 30, 2004.
Cancellations received after that time will be subject to 50% forfeiture.*

PLEASE REGISTER THE FOLLOWING FOR AHMI'S SUMMER FAMILY CONFERENCE

Name: _____ Badge Name: _____ FEE: \$ _____

Name: _____ Badge Name: _____ FEE: \$ _____

Name: _____ Badge Name: _____ FEE: \$ _____

Name: _____ Badge Name: _____ FEE: \$ _____

Company: _____

Address: _____

City/State/Zip: _____

Signed

Date

(more on reverse)

Sporting Events & Other Activities

APPALACHIAN

Hardwood Manufacturers, Inc.
Summer Family Conference
The Grove Park Inn, July 18-20, 2004

PLEASE REGISTER FOR GOLF (*Grove Park Inn Monday at 12:30 pm Medal Play*)

Name: _____ Hdcp _____ FEE: \$170

Name: _____ Hdcp _____ FEE: \$170

Name: _____ Hdcp _____ FEE: \$170

Name: _____ Hdcp _____ FEE: \$170

PLEASE REGISTER FOR TENNIS (*Monday afternoon*)

Name: _____ FEE: \$25

Name: _____ FEE: \$25

PLEASE REGISTER FOR SPORTING CLAYS

(*Applewood Sporting Clays, Edneyville, NC, Monday at 1:30 p.m.*)

(**One round of 100 targets - Bring your own gun and minimum of 5 boxes of shells**)

Name: _____ FEE: \$35

Name: _____ FEE: \$35

TOTAL \$ _____

Check # _____ Received _____

Volvo Construction Equipment Demonstration Site Tour

On Tuesday, July 20, Volvo Construction Equipment has invited AHMI members and guests to participate in a tour of its demonstration site in north Asheville. The tour includes all of Volvo's equipment available to sawmills, distribution yards and logging operations. Participants can talk with manufacturing personnel and operate equipment on the demonstration site. Please check below if you will participate in the tour and lunch.

Yes, I will plan to join Volvo for the demonstration tour and lunch.

No, please send me more information about Volvo Construction Equipment.



(more on previous)