



Since 1928

The Standard

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Demand the Appalachian Standard

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Promotion Partnerships Highlight Convention

Participants in the 2006 Appalachian Hardwood Manufacturers, Inc. Annual Convention learned that AHMI partnerships are producing results and more opportunities are available in the near future.

More than 160 people attended the annual convention at The Naples Grande Resort, Naples, FL. Attendees were greeted with a newly remodeled property and warm Florida sunshine.

"The weather was just terrific for south Florida and that always contributes greatly to the meeting," said AHMI President Mark Barford. "We had outstanding speakers who told our members about exciting opportunities we have to partner together to promote Appalachian hardwoods into new markets."

The emphasis on partnerships included discussion of the industry efforts on Green Building, Oak Promotion and a proposal to work with the staircase industry.

The convention also marked a change in leadership for the association's board. Ed Ramsey of Taylor-Ramsey Corp. completed his term as chairman of the board and passed the gavel to John Crites of Allegheny Wood Products.

"I just want to thank Gary White for handing me an association that was in very good shape and let each of you know that we have done great things over the past two years," Ramsey said at the chairman's banquet Saturday night. "I believe I am handing the association over to John in great shape and look forward to his time as chairman."

Ramsey was presented with a plaque and Appalachian Oak valet. Crites told the audience he looked forward to working with each of them.

The business sessions were held each morning and began Friday with opening remarks from Michael



John Crites (left) hands plaque to Ed Ramsey thanking him for service to board

Jackson, president of Visador/Coffman Stairs Corp. He explained the company has recently placed new emphasis on domestic manufacturing.

"We have seen a lot of our competition moving to outsourcing but we have maintained our domestic manufacturing through operational excellence," he said. "We have found that in many instances we can be just as good or better than (foreign manufacturers). That is good news for our company and employees."

Jackson said future trends for the staircase industry forecast dramatic changes in distribution. Stairs and parts that used to go to a supply house or distributor are now sold directly to builders and delivered to the job site.

"I have never seen more jockeying in the distribution channels as everyone tries to figure out what is going on," Jackson said. "We believe Coffman Stairs is positioned to take advantage of this."

Coffman Stairs recently aligned with "Better Homes & Garden" to endorse a line of stair products. The magazine is recognized by consumers both

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APPALACHIAN Future Meetings

2006 Summer Family Conference July 23-25

The Homestead, Hot Springs, VA

2007 Annual Meeting - Feb. 22-25

Long Boat Key Resort, Long Boat Key, FL

Mark my words.....

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

There was big news this week in Lexington, North Carolina – a furniture plant that was closed late last year was reopened. That was followed by bigger news – the plant was opened by one of our friends in the sawmill business, Jimmy Kepley of Kepley-Frank Lumber Company.

A sawmiller in the furniture business... and a great story of how it happened.

In recent years, Lexington Home Brands has been following the lead of other furniture companies and closing their domestic plants in favor of “outsourcing” production overseas, primarily China. One of their famous designers, Bob Timberlake declined permission for his line to be produced overseas.

Bob is from Lexington and a staunch supporter of the local workforce. Jimmy Kepley had bought one of the defunct furniture plants with intents to use the yard and dry kilns for his lumber operation nearby.

A partnership was formed when these two men got together. The new factory is called Linwood Furniture, Inc. located off Old Linwood Rd. in Lexington. Linwood Furniture begins with 27 employees with plans to expand to 200 in the coming months. Lexington Home Brands will continue to market and sell the Timberlake line of furniture, and is supportive of the venture.

For both Jimmy Kepley and Bob Timberlake it is a dream come true. Jimmy states, “We are competing in global economy...we’re here and we want to participate.” Bob Timberlake says, “There are already workers coming back...Maybe the shift that’s going offshore has been diverted a bit.”

Over the years, sawmillers have had to become more nimble and diversify their business to meet the needs of the changing economy. We wish the Kepley-Frank owners nothing but good luck in this venture that keeps jobs in our country.

One long-time furniture man told me recently that the shift to China will be like a pendulum and one day shift back. I hope he is right, and maybe this is the start. Hat’s off to Jimmy Kepley and Bob Timberlake for trying.



Mark A. Barford



MEMBERSHIP

HIGH POINT - Appalachian Hardwood Manufacturers, Inc. welcomes the following new member to the association:

Distributor

Jimmy Lee

Tides & Times Group USA Inc.

4403 Garden Club St.

High Point, NC 27265

2006-08 AHMI Officers & Board of Trustees

Chairman John Crites, Allegheny Wood Products, Inc.

Chairman-Elect Rick Armstrong, Homer Gregory & Co.

Vice Chairman-Finance Jimmy Powell, Canton Hardwoods Inc.

Immediate Past Chairman Ed Ramsey, Taylor-Ramsey Corp.

Trustees

Bill Campoll, Coastal Lumber Co.

Kent Carr, Augusta Lumber Co.

Roy Cummings, Cummings Lumber Co.

John Foley, Pine Mountain Lumber Co.

Chris Ghiloni, American Woodmark Inc.

John Graybeal, McCloud Lumber Co.

Steve Hamer, Jim C. Hamer Co.

Mike Hoover, Neff Lumber Mills

Steve Houseknecht, Wagner Lumber Co.

Chris Keziah, Oak Ridge Hardwoods, Inc.

Doug Toothman, Western Pocahontas Properties, Inc.

Jerry Vaughn, Emmet Vaughn Lumber Co.

Mark Vollinger, W.M. Cramer Lumber Co.

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in the U.S. and around the world.

"We believe this will be a great partnership for Coffman and our research shows it makes a difference," he said.

Jackson offered to align with AHMI to promote products made from Appalachian Hardwoods. AHMI staff will work with Coffman Stairs marketing staff to develop a plan.

Kelly McCloskey, formerly of the Wood Promotion Network, spoke on behalf of the Green Building Initiative. He is known to AHMI for his successes with the development of WPN, and its efforts to educate consumers about wood in building.

McCloskey's efforts are now also spent on the Green Building Initiative (GBI), which is the industry's response to the new environmentally developed building code LEED (Leadership in Energy and Environmental Design). LEED standards are being adopted by governments.

McCloskey reported that wood and wood products do not receive high values in LEED. He said the initiative is working to change that through education of building officials.

The Saturday program began with the Association's annual meeting. Chairman Ed Ramsey reported on the program of work for 2005 and accomplishments. Vice Chairman of Finance Rick Armstrong gave the financial report and President Mark Barford reported on new members.

The group recognized the board members who are retiring. These are: Rob Kessel, John Patterson, Mike Parton, Fred Blackmon, Dennis Teague and Bob Radspinner. New members elected to the board for 2006-08 are: Bill Campoll, Coastal Lumber Co.; Kent Carr, Augusta Lumber Co.; Roy Cummings, Cummings Lumber Co.; John Foley, Pine Mountain Lumber; and Jerry Vaughn, Emmet Vaughn Lumber.

There was no other business to come before the membership.

Attendees heard an update on the AHMI Oak Promotion and The New Oak Partnership, a coalition of industry and landowners who are promoting Oak to designers and architects. AHMI is serving as the administrator of the partnership.

AHMI Director of Communications Tom Inman reported the promotions began in early 2005 with sample panels and a presentation developed to target manufacturers. More than 15 companies have received individual visits details the benefits of Oak.

Inman has completed two focus groups that asked the audience about the use of Oak in the home.



Ed Ramsey (center) thanks John Patterson (left) and Fred Blackmon for service to the board of trustees.

The results were Oak had high demand for flooring, moderate use in cabinets and limited use in other areas of the home. Several respondents said they liked the newer looks for Maple and Cherry.

Inman said AHMI has incorporated the information into its presentation to manufacturers.

The association also reported on its first consumer focus groups which were commissioned in January through the research firm Impact Consulting. Three sessions were held in Atlanta and consultants Lee Brown and Bob George reported the groups were divided by age and economic status.

The surveys found that clear finishes on Oak and the combinations of Oak and Maple and Oak and Cherry were the top choices. Participants said they liked the high quality of the grain, the natural look and the warmth.

While these finishes received the highest ranking, it was not without negatives, Brown said. The negative responses included a standard look and a country feel.

The survey also asked reasons for choosing Oak. Almost 80 percent of the respondents said their first choice was for flooring and Oak is rich, more durable and it is distinctive of natural, real wood.

AHMI will use the results of the survey in its Oak Promotion campaign to manufacturers and consumers. The results have also been shared with The New Oak Partnership.

"We were able to confirm several things that we believe but learned other things that we had not really considered before," said AHMI President Mark Barford. "We hope to do additional research with consumers to learn of what influences their choices in hardwoods."

The report is available from the AHMI office at (336) 885-8315.



Bob Smith addresses Distributor's Division Smith Details Freight Issues For Distributors

NAPLES, FL - Virginia Tech Center for Forest Products Marketing Director Dr. Robert Smith discussed the growing concern over freight with Appalachian Hardwood Manufacturers, Inc. Distributor's Division.

The remarks came during the division's annual meeting at the 2006 Annual Convention. Smith detailed current issues in the industry including fuel costs, available trucks and drivers, rail considerations and exporting.

Smith said all industry should be involved at the high school level encouraging young people to consider transportation careers. He said teens are not educated about the need for drivers and other workers in the freight industry. Current trends show declines in available drivers and it is only expected to continue.

Smith said Virginia Tech is having discussions with the railroad industry to explain the need for rail service for forest products.

The Distributor's Division elected a new chairman for 2006-08. Jerry Vaughn of Emmet Vaughn Lumber, Knoxville, TN, succeeds Fred Blackmon.

Hardwood Federation Inks Forms

NAPLES, FL - The Hardwood Federation received permission from dozens of Appalachian Hardwood Manufacturers, Inc. members to contact them directly for contributions to political activity.

Federation Executive Director Betsy Ward attended the 2006 AHMI Annual Convention and distributed the forms during the annual meeting. AHMI Chairman Ed Ramsey gave a brief report on the Federation's work for 2006 and encouraged AHMI members to participate.

For more information or to sign up for Political Action Committee contact, please visit www.hardwoodfederation.com.

AHMI Thanks 2006 Convention Sponsors

Appalachian Hardwood Manufacturers, Inc. thanks the following companies are sponsors:

Lumbermen's Underwriting Alliance for Friday reception.

Pennsylvania Lumbermen's Insurance for Friday business speaker.

ISK Biocides for Sporting Clays Tournament.

Aurora Timberlands Wholesale Hardwoods and **Corley Manufacturing Inc.** for Golf Tournament prizes.

SII Dry Kilns for Golf Tournament drinks.

U*C Coatings for Tennis Tournament.

Sponsors assist AHMI with offsetting the cost of meeting attendance. AHMI members are encouraged to thank these sponsors and consider their contribution when making business decisions.

Annual Convention Tournament Winners

Appalachian Hardwood Manufacturers, Inc. congratulates the following tournament winners:

Golf

Men's Low Gross: 1st - Tim Church; 2nd - Richard Sturgill; 3rd - John Foley

Men's Low Net: 1st - John Winkler; 2nd - Jack Swanner; 3rd - Jay Reese

Men's Closest to the Pin: Wil Nance

Men's Long Drive: Richard Sturgill

Ladies Low Gross - 1st - Marijo Wood; 2nd - Kathy Armstrong

Ladies Long Drive: Marijo Wood

Tennis

Men: 1st - Ed Herron; 2nd - Kent Carr

Ladies: 1st - Charlotte Meyer; 2nd - Kristi Gorney

Sporting Clays

1st - Tim Borntraeger

2nd - John Patterson

3rd - Dean Alanko



AHMI Producers meeting during convention

Producers Talks Issues

NAPLES, FL - For the fourth year in a row, Appalachian Hardwood Manufacturers, Inc. Producers met in a closed door session to talk about issues of particular significance to the sawmilling industry.

Over 30 owners and top managers attended the session which centered around several coalitions that AHMI is involved in, with particular emphasis on the Hardwood Federation. The Federation is a collection of 25 industry associations and bringing all of those various positions from the various groups together can be a difficult task. AHMI leadership wanted to be sure members were in full agreement.

"AHMI Producers reiterated support for open and strong markets domestically and internationally, and encouraged the Federation to stay focused on those issues," said Mark Barford, AHMI president. "The group agreed that the list of Federation positions and actions are not only vital to the industry, but need to be supported individually and by the association."

White House Proposes National Forest Sales

WASHINGTON - The Bush administration said recently it wants to sell thousands of acres of federal forest land to aid rural schools.

The Forest Service is considering selling 300,000 acres of land in North Carolina and 33 other states, although the final amount will run about 175,000 acres, said Mark Rey, Agriculture Department undersecretary. The agency hopes to raise \$800 million over five years with the sale.

"The parcels ... are isolated, expensive to manage and no longer meeting national Forest Service needs," he said. "We'll revise the list one more time before transmitting it to Congress."

In North Carolina, the Forest Service proposed selling 9,828 acres. That breaks down to 3,835 acres in the Nantahala National Forest; 2,780 acres in the Pisgah National Forest; 2,317 in the Uwharrie National Forest; and 895 acres in the Croatan National

AHMI Board Sets '06 Program of Work

The Appalachian Hardwood Manufacturers, Inc. Board of Trustees met during the 2006 Annual Convention to set the course of work for the staff to accomplish in the coming year.

After hearing reports and ideas about several new promotion projects that staff has been developing and involved with, the Board approved a \$400,000+ budget to carry out its programs in 2006.

"The board was particularly pleased that we were able to report the addition of 10 new members since the 2005 Annual Convention," said AHMI President Mark Barford, "and were therefore able to again forgo a dues increase while fully funding the program of work."

Initiatives for 2006 include Oak Promotion, Appalachian Hardwood Promotion, education and forestry programs, and membership.

Because of the 2006 great weather and good attendance, the Board also agreed to keep the annual meeting in Southern Florida at least the next two years, going to the Long Boat Key Club in Sarasota, FL, in February, 2007, and returning to the Naples area in 2008.

Details about the meeting and board minutes are available upon request to the AHMI office.

Forest. Land parcels range in size from less than an acre to 561 acres.

In Virginia, 5,717 acres — or three-tenths of 1 percent — of the 1.8 million acres in the George Washington and Jefferson National Forests could be sold under the proposal.

Most of that land is in far Southwest Virginia, a collection of remote, steep tracts that have little natural, historical, cultural or timber harvesting value, the U.S. Forest Service says.

Need More Information?
It is always available online at
www.appalachianwood.org

Smallwood '06 Offers Biomass Discussion

Smallwood 2006 will provide current up-to-date information on woody biomass and small tree utilization and will foster peer-to-peer learning. Enormous quantities of biomass are being generated from thinning operations, land clearing, and hurricane disasters. These issues drive the need to create solutions for using low-value and waste wood.

The conference will be held May 16-18 at the Sheraton Richmond West, Richmond, VA, and is cosponsored by Virginia Tech. Presenters include an international slate of speakers, researchers, material and equipment suppliers, manufacturers, and end-users.

The conference will also include tours in the Richmond area of mill sites, biomass energy facilities, and small forest products businesses, a state-of-the-art small log sawmill, and related businesses.

The regular attendee fee is \$250 USD per person and includes conference materials, all sessions, two continental breakfasts, two luncheons, four coffee/refreshment breaks, one reception, and admission to Expo Richmond 2006.

The student fee is \$125 USD per person. Register by May 1, 2006 and save \$75 USD.

To register for the conference, please telephone 608-231-1361, ext. 208. The conference registration desk on site will be located at the Sheraton Richmond West.

The event will precede the 30th Annual East Coast Sawmill and Logging Expo at the Richmond Raceway Complex. For more information, contact Mike Washko at 804-737-5625 or visit www.exporichmond.com.

Bush Budget Pushes Healthy Forest Initiative

WASHINGTON - The U.S. Forest Service will receive \$4.9 billion for the sustainable management of America's 155 national forests and 20 grasslands, as part of the President's fiscal year 2007 budget.

The President's budget calls for restoring America's Forest and Rangeland Health by allocating \$610 million in the 2007 budget to continue implementation of the Healthy Forests Initiative to reduce hazardous fuels and restore forest health. The budget proposal, more than a \$12 million increase over 2006, takes an integrated approach to reducing hazardous fuels and restoring forest and rangeland health. Along with more than \$301 million provided



Mark Barford (from left) visits with Bill Renzulli and Brian Vickerman of Rex Lumber at booth

AHMI Talks Appalachian

GREENSBORO - Appalachian Hardwood Manufacturers, Inc. staff spread the message about Appalachian hardwoods at the recent Carolinas Expo in Greensboro.

AHMI has attended the show for the past eight years and "worked" the floor by visiting with exhibitors and attendees. The event is a showcase for lumber, equipment and products to the woodworking industry in the Carolinas.

"We found the number of exhibitors was down for 2006 and attendance appeared to be off slightly," said AHMI President Mark Barford. "We did visit with AHMI members, prospective members and companies who are purchasing hardwoods and reminded them about Appalachian."

AHMI members participating were Frank Chervan, Northland Corp., Rex Lumber Co. and .

to the Department of the Interior, the 2007 budget provides a total of nearly \$913 million to implement the Healthy Forests Restoration Act.

The Forest Service and DOI last year treated hazardous fuels on more than 2.9 million acres of land, and reduced hazardous fuels on an additional 1.4 million acres through other land management actions. Federal agencies plan to treat 2.9 million more acres in 2006, and accomplish hazardous fuels reduction on an additional 1.6 million acres through landscape restoration activities.

An additional 4.6 million acres are planned for 2007.