

The Standard Monthly Newsletter of APPALACHIAN Hardwood Manufacturers, Inc.



Since 1928

April 2008

AHMI Goes Green At Furniture Market

HIGH POINT, NC - Appalachian Hardwood Manufacturers, Inc. took the sustainable message to attendees of the International Home Furnishings Market.

The association returned to furniture market as an exhibitor in April to promote the Appalachian Hardwood Manufacturers, Inc. Verified Sustainable program in the Eco-Pavilion. AHMI joined the Sustainable Furniture Council, Sustainable by Design, Rainforest Alliance and the Sustainable Forestry Initiative in the "green" section of market.

"The area received wide promotion around the furniture market and there were seminars on green design and purchasing throughout the week," said AHMI President Tom Inman. He shared the platform with SFI and Rainforest Alliance who was representing the Forest Stewardship Council in discussing sources for certified lumber.

"I make it clear to people that AHMI's program is not forest or product chain of custody certification," he said. "I help customers understand that our Appalachian forests are sustainable and we show them the data and our definition."

The AHMI exhibit was viewed by thousands of marketgoers and dozens picked up brochures and press releases about Verified Sustainable and the 2008 Appalachian Hardwood Resource Guide.

"The most important part of this exhibit was putting our membership directory into the hands of furniture manufacturers seeking sources of lumber," Inman said. "We timed the release of our guide to coincide with market."

AHMI recently upgraded its trade show booth to focus specifically on Verified Sustainable. The logo is displayed prominently and there are graphics de-

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AHMI Booth At Furniture Market's Eco-Pavilion

tailing the region, the AHMI definition of sustainability, samples of the certificates and the growth to removal ratio for the region and each state.

The response was very positive to the message and furniture manufacturers continue to accept the campaign.

Attendance at furniture market was fair according to most report and observations. Manufacturers said interest was keen while order writing was slow.

"Fuel prices, the mortgage crisis and a general slowdown all combined to make this a below average furniture market according to many," Inman said. "Most said their expectations were that and market achieved it."

(See Market on page 2)

APPALACHIAN Future Meetings

2008 Summer Family Conference July 27-29 The Grove Park Inn, Asheville, NC 2008 Inter-Industry Meeting - Oct. 28-29 Central Pennsylvania

2009 Annual Meeting - Feb. 25 - March 1 Ponte Vedra Inn & Club, Ponte Vedra, FL

Cranberry Hardwoods Purchases Indiana Hardwoods

BECKLEY, WV - Cranberry Hardwoods, Inc. announced on April 7 that its affiliate, Cranberry IH Lumber, LLC, has acquired a majority of the operating assets of Chandler, IN, based Indiana Hardwoods, Inc. These assets include sawmills and lumber drying operations in Chandler, IN, Cloverport, KY, Lafayette, TN and Gordonsville, TN.

The company also announced that Barry L. Cook has been elected President of Cranberry Hardwoods and will be based in Beckley, WV. Prior to joining Cranberry, Cook served as President of Indiana Hardwoods following several years of increasing responsibility throughout the hardwood industry.

"We are very excited with the synergies of this business opportunity. It offers geographic and product diversity and better positions the company to serve its existing worldwide customer base through these two well respected brands," said J. Michael Jarrell, CEO of Cranberry Hardwoods.

Cranberry's combined operations now span throughout the Appalachian and mid-west timber regions with annual production capacity exceeding 100 million board feet.

Market from page 1 —

Stanley Furniture Co. introduced one adult bedroom line and one youth furniture line at the April market, according to Bradley Stovall, lumber buyer. Both were well-received and the overall report from the Stanley showroom was promising.

Alex Bernhardt, chief executive officer of Bernhardt Furniture, visited in the AHMI booth during market. He said retailers who shopped the Bernhardt showroom were interested in new merchandise to boost sales and agreed that it is a challenging time in the furniture industry because of economic pressure around the world.

Kincaid Furniture officials said traffic in their showroom was above average. They agreed that retailers were seeking products to get consumers into stores and buying product to stimulate the economy.

"Overall, the crowd, the mood and the business was fair and we will see what it holds for the spring and summer," Inman said.



MEMBERSHIP

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

Distributors

Cronland Lumber Co. Kyle Cronland PO Box 574 Lincolnton, NC 28093

Crown Hardwood Co., Inc. Peter Schlobach 1270 Baltimore Pike West Grove, PA 19390

Edwards Wood Products Terry Williamson PO Box 219 Marshville NC 28103

Red Rock Enterprises, LLC Philip Frantz 9659 Friendsville Rd. Friendsville, MD 21531

Consumer

Appalachian Flooring Ltd. Leonard Crowley 450 De Rochefort Cowansville (Quebec) Canada J2K 3S7

Hamer Pellet Fuel Todd Forney PO Box 418 Kenova, WV 25530

If you know of a company that should be a member of AHMI, please contact Tom Inman at (336) 885-8315 or email tom@appalachianwood.org.

AHMI Distributes Resource Guide

AHMI recently mailed its 2008 Appalachian Hardwood Resource Guide to more than 6,500 lumber buyers across the United States.

Copies were also mailed to AHMI members. If you need additional copies, please contact the AHMI office.

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Appalachian Hardwood Manufacturers, Inc. President Tom Inman shared the Verified Sustainable message at two state forest products association meetings.

The Kentucky Forest Industries Association meeting was held April 3-4 in Covington, KY, and attracted a good crowd. Inman told attendees about the AHMI Verified Sustainable program and how it can assist in marketing green products to customers.



"We want landowners, sawmillers, distributors and wood users to understand that the Appalachian Hardwood Forest can provide them with a resource that is growing more trees than are being harvested," Inman said. "We have made this program extremely simple and if they specify from the AHMI territory, they are assured that the resource is vast and replenishing itself each year."

The message is resonating with audiences around the region and the world.

"People can get this and share it with their customers," he said. "We are hearing more and more instances where AHMI members have distributed either certificates or letters to their customers and potential customers and these customers are accepting our program and purchasing the lumber."

Inman also spoke at the Ohio Forestry Association meeting in March. He served on a panel with companies who are involved with certification programs for forests and products.

"I want people to understand that AHMI is certifying the company is a member of AHMI and that the wood they are receiving is from the Appalachian region which is sustainable by our definition and based on data from the U.S. Department of Agriculture," he said. "We put it all out there for people to see, read and then they make their own decision if it meets their needs."

More than 80 AHMI companies have enrolled in the program and received certificates, letters and stickers. Others are signing up each week.

To receive the Verified Sustainable order form and begin promoting your company, please contact the AHMI office at (336) 885-8315. Materials can be delivered to your company within a week.

AHMI, SFI Ready Certification Program Pilot

Appalachian Hardwood Manufacturers, Inc. and the Sustainable Forestry Initiative are set to offer forest and product certification to members.

AHMI and SFI staff formerly signed a pilot program at the 2008 AHMI Annual Meeting. SFI has developed a group licensing discount for AHMI members and will assist AHMI in developing a system to demonstrate legality, implement verification, develop a framework for discussions with auditors and research pre-packaged implementation programs.

"For AHMI members whose customers are demanding certified products, we believe this pilot program will enable them to enroll in a certification program that is less expensive, easier to enroll in and is credible," said Tom Inman, AHMI president. "Every company will have the opportunity to make their own decision about enrollment."

Rick Cantrell, SFI vice president, said the SFI board has been working diligently to gain acceptance with consumers.

"We want to be recognized as the most credible certification system in the marketplace," he said. "We



make sure that all of our claims are backed up with credible data."

SFI has begun a widespread marketing campaign that is showing results. "We have seen a tremendous increase in interest over the past two years with a 750 percent increase in chain of custody participants," Cantrell said.

SFI is also gaining ground in the forest with more than 8.5 million acres added into the program in 2007.

AHMI will has detailed enrollment materials available to members. Enrollment fees are based on the type of business, land base and other factors.

For more information or to enroll, please contact Inman at the AHMI office at (336) 885-8315 or email to tom@appalachianwood.org.

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The 2008 AHMI Summer Family Conference is scheduled for July 26-29 at the Grove Park Inn in Asheville, NC, and will offer an informative conference on carbon credits and updates on insurance needs in the hardwood industry.

AHMI staff is finalizing the details with companies that oversee carbon credits for forest landowners. The program offers payment to landowners for the carbon sequestered in trees and the discussion will focus on its impact on the hardwood industry.

Officials for Lumbermen's Underwriting Alliance will discuss trends in insurance and how it relates to the Appalachian hardwood industry.

AHMI staff will update attendees on the Appala-

chian Hardwood Verified Sustainable program and forest and product certification workshops from the spring.

The Grove Park Inn is an AHMI-member favorite with panoramic views of the Blue Ridge Mountains, outstanding dining, and The Grove Park Inn Spa which offers all treatments ranging from massage, facials, and pedicures to their signature Heaven Series. The Spa has both the private women's and men's lounges and the women's sun terrace will open just days before the AHMI meeting.

More details and registration materials are coming soon but please put the dates on your calendar today.

Certification Workshops Offer Answers

Appalachian Hardwood Manufacturers, Inc. has completed one regional Certification and Labeling Short Course and the second is full and set for April 17.

The workshops are designed specifically for AHMI members to learn about their options for forest and product certification and labeling. The first course was March 20 in Knoxville, TN, and had 24 participants.

"While certification has been around for 15 years, it is really coming to the forefront in 2008 with all of the emphasis on the environment," said Tom Inman, AHMI president. "The workshop explains all three systems and helps attendees make their own decision."

The professional facilitators outline the unique characteristics of each standard, how member companies could achieve conformance with the standards, which labeling and claims could be made, and what the costs of implementation and auditing would be. There is consideration of the Sustainable Forestry Initiative, the Forest Stewardship Council and the American Tree Farm Systems.



Workshop attendees receive a manual with the presentation, standards and assistance in making decisions about certification



The course is designed for mill managers, land managers and procurement personnel and provides copies of the most recent standards and a presentation with notes that each participant can take away from the course.

The next session is April 17 at the West Virginia University Westvaco Natural Resources Center near Morgantown, WV. The registration is full and has closed.

AHMI is considering additional workshops this summer throughout the region. The location and number will be based on interest.

If you would like to attend a future workshop, please contact Inman at the AHMI office at (336) 885-8315.



Club Distributes Funds

The Appalachian Lumbermen's Club recently awarded grants to the Hardwood Federation, Appalachian Hardwood Manufacturers, Inc., and The New Oak Partnership. Pictured from left are Mark Vollinger of W.M. Cramer Lumber Co. receiving a check from David Kay, incoming ALC president; and Kim Vollinger, ALC treasurer, presenting checks to Tom Inman, AHMI president and NOP project administrator.



Plant Tour

Students from the Georgia Tech Industrial Design program recently attended the High Point Market and toured the AHMI-member Linwood Furniture facility in Lexington, NC. The plant produces solid wood furniture for its own line and the Lexington Home Furnishings' Bob Timberlake Collection. The students were able to see furniture production from green hardwood lumber to finished goods in the Linwood showroom. The facility includes green lumber receiving and storage, dry kilns, rough mill, furniture production and warehouses.

The way I see it...

By Tom Inman, AHMI President

...Mark and Michelle Barford need our thoughts and prayers over the next several weeks and months. Mark is the former executive of AHMI and the current executive of the National Hardwood Lumber Association.

His wife, Michelle, was recently diagnosed with cancer around her stomach and lower intestine and the adhesions have seized her stomach to the point that it is not functioning. Please keep them in your thoughts as they seek continued treatment for her illness.

...the debate is mounting over log exports. Recent reports indicate that log exports increased from \$600 million in 2006 to more than \$800 million in 2007. The trend continues as Chinese and other wood products companies around the world use modern technology to produce lumber and veneer from North American logs. Thhose products are competing with our lumber and veneer on the open market.

Calls have come in to the AHMI office for movement on a log export ban. Others have called to say the association should not get involved and let the free market system work it out.

Everyone has an opinion and each side makes a compelling case. The hardwood lumber industry will face this sooner than later with the outcome paramount to our future.

...hardwood lumber production is down for the first quarter of 2008. Most sawmills have either purposely allowed log inventories to drop or have been forced down by rain and wet conditions.

The demand for product seems to have stabilized with recent production. A few items are harder to find and orders are scattered for new dimensions and color sorts. One sawmill owner said with a laugh that they are moving their lumber because they cut production and cut the price! He later added that it was true.

Economists continue to move past the second, third and fourth quarters of this year and talk about recovery in 2009. In the meantime, hardwood lumber producers and distributors are in survival mode with many looking at every area for savings.

AHMI is working harder than ever to promote the benefits of Appalachian with every wood consumer we can find. As author Napolean Hill once wrote, "Don't wait. The time will never be just right."

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BLACKSBURG, VA. - The Department of Wood Science and Forest Products at Virginia Tech has initiated a partnership with kindergarten through 12th grade schools, the Southern Virginia Higher Education Center, and Danville Community College to create seamless educational pathways in the areas of wood science, advanced wood manufacturing, and wood design.

Department Head Paul Winistorfer said the program is designed to create the future wood products workforce at all levels - from the skilled workers needed in advanced manufacturing to the research scientist working on cellulose nanocomposites and new materials - by creating education that lead to the program at Virginia Tech.

"There has never been an initiative like this in the United States that focuses on wood and renewable materials utilization by starting with programs that address the human resource potential at all levels of our educational systems," he said. "The wood and

Shade-Dri, U*C Coatings Join Efforts

U*C Coatings Corporation, Buffalo, NY, is pleased to announce its alliance with Cornelia Textiles, Cornelia, GA, to promote the expanded sales of Cornelia Textiles' product Shade-DriTM, the patented mesh fabric which protects valuable lumber and logs during yard storage. Shade-DriTM allows good air flow for drying while preventing stain, checking, and other damage from the sun, wind, dirt, and rain. U•C Coatings is the manufacturer of ANCHORSEAL®, the wax emulsion end sealer that prevents end checking, and LogSavers and FlitchSavers, the special plastic staples for logs that restrict existing end checks.

"Shade-Dri[™] is another tool to prevent damage during wood storage and help our customers maintain the value of their wood products," says UCC president Tom Johel. "During the current economic times, this is especially important so that the producers get the best possible price for their products. Shade-Dri[™] fits perfectly in our area of expertise and service."

For additional information, contact Tom Johel, President, U*C Coatings Corp., at 1-716-833-9366 or tom@uccoatings.com. forest products industries are a \$27 billion economic contributor to the commonwealth. But, our state, industry, and even consumers face huge global challenges in advanced manufacturing, design, innovation, entrepreneurship, and overall competitiveness. We are a net importer of wood and fiber and now finished products."

Public schools in the initiative include Halifax County High School, Danville Public Schools, and Pittsylvania County High School. The Southern Virginia Higher Education Center in South Boston, Danville Community College, and Virginia Tech round out the partnering educational institutions.

Central to the initiative was the establishment of the first two WoodLINKS USA sites in Virginia at South Boston and Danville. WoodLINKS is a grass roots industry-education partnership that brings innovative programming, curriculum guidelines, teacher in-service training, and significant in-kind industry support for official program sites.

Energy Savings In NC

For more than a decade, the energy experts from NC State University have provided practical, innovative, and cost-effective energy solutions to industrial, institutional, retail, governmental, and commercial organizations throughout the state. Their recommendations save North Carolina over \$40 million in energy costs every year.

These energy experts can help make your organization more energy efficient, too. There are six energy-saving workshops scheduled in North Carolina:

• Energy Savings in HVAC Systems April 17, 2008 Wilmington, North Carolina info

• Energy Savings in Cost Effective Lighting April 22, 2008 Salisbury, North Carolina info

• Energy Savings in Lighting and HVAC April 25, 2008 Wilmington, North Carolina info

• Energy Savings in Lighting and HVAC May 23, 2008 Asheville, North Carolina info

• Energy Savings in HVAC Controls June 4, 2008 Raleigh, North Carolina info •

• Energy Savings in DDC Controls June 5, 2008 Raleigh, North Carolina info

Discover how you can reduce your energy costs and improve your bottom line with an energy cost reduction survey. Contact ContinuingEducation.ncsu.edu or call (919) 515-2261.