



Appalachian Sustainable

May 2013

Monthly newsletter of Appalachian Hardwood Manufacturers, Inc. P.O. Box 427 High Point, NC 27261

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Future Meetings

2013 Summer Conference - July 27-30

The Greenbrier, White Sulphur Springs, WV

2013 Fall Meeting - Oct. 21-23

The Nemaquin, Farmington, PA in conjunction with Penn-York Club

2014 Annual Meeting - Feb. 26-March 2

Boca Beach Club, Boca Raton, FL

Biomass, Appraisals On Agenda

AHMI Summer Conference is July 27-30 in WV

The impact of woody biomass is growing in the Appalachian Hardwood forest almost as fast as the trees and it will be one of the topics of discussion at the 2013 Appalachian Hardwood Manufacturers, Inc. Summer Family Conference.

The meeting is set for July 27-30 at the Greenbrier in White Sulphur Springs, WV as AHMI returns to a member favorite. The 2013 meeting will be three weeks after the PGA Tournament.

The business program should be of interest to every member and includes:

- The Present and Future of Woody Biomass by Dr. Tim Rials, director of the Center for Renewable Energy at the University of Tennessee Institute of Agriculture. Biomass-based energy has become a focus of industry and policy makers with an emphasis on products derived from wood, both short-rotation crops and traditional forest resources. Wood is the most important source of renewable energy in the United States and a primary source of fuel for the world. Rials will discuss developments in 2013 in the eastern U.S.

- Property/Casualty Insurance for Hardwood Companies by a panel of insurance professionals. Renewals for most companies have increased in 2013 and the panel will explain these changes and ways to reduce exposure.

- Business Appraisals Meet Financial Needs by Dan Becker with Industrial Appraisal Co. in Pittsburgh, PA. As financial institutions and insurance companies change their requirements on hardwood companies, updated appraisals are crucial. Becker will offer advice on accurate business appraisals for sawmills, distribution yards and secondary manufacturers.

- *Invited* - West Virginia Senator Joe Manchin has been invited to report on legislative affairs in Washington, DC. The Senator continues to advocate for the forest products industry and scores high on Hardwood Federation issues.

The meeting will include networking time before and after the business sessions, receptions each evening and the Summer Golf and Sporting Clays tournaments. Golfers will have an opportunity to play on the PGA's Greenbrier Classic Course which is scheduled July 4-7.

The Greenbrier is an exceptional property and continues to expand its dining,

(See Meeting on page 3)



The Greenbrier
AMERICA'S RESORT

The way I see it...

By Tom Inman, AHMI President

international lumber buyers are responding to our email blast of the 2013 Appalachian Hardwood Verified Sustainable and Legal Resource Guide.

AHMI has developed a list of more than 10,000 lumber buyers in Asia, Indonesia, Europe, and the Middle East and sent an electronic Resource Guide in April. We invited them to contact member companies directly with inquiries about Appalachian Hardwoods.

This group will get quarterly updates about Appalachian species and details about AHMI members. If you have not joined the Export Division, I encourage you to join before the next blast in early July. The small investment of \$200 in Export Dues will get your name in front of more than 10,000 international lumber buyers!

...there was a lot of attention paid to a North Carolina company in 2011 and 2012 as it opened a furniture manufacturing plant. It was thought that this was a major step in reshoring furniture.

While this company and another hardwood furniture company have closed, there are still companies reshoring. Pasha Upholstery LLC reopened a textile plant in south High Point to manufacture chairs and couches for residential and commercial applications.

The company also imports chairs and tables from China. Owner Sam Kural believes the mix of products allows him to compete and meet deadlines from customers.

The designs are modern with sleek styling and unusual fabrics. More important is that the frames are solid Appalachian Poplar.

NAHB: Housing Starts Rise Despite Costs

Single-family and multifamily housing starts in 2013 are expected to post double-digit gains over 2012, driven by rising home prices, but costs and broken supply chains continue to hold back even stronger growth as the housing recovery evolves, according to economists at NAHB's Spring 2013 Construction Forecast Conference.

Growth in the housing sector is rising at a much faster pace than the overall economy during this



AHMI welcomes the following new members:

Distributor

Meridien Hardwoods of PA Inc.
Brandon Ferman
PO Box 227
Pittsfield, PA 16340

American Eagle Forest Products
Craig Cox
P.O. Box 1366
New Bern, NC 28563

Consumer

Pasha Upholstery, LLC
Sam Kural
240 Berkley Street
High Point, NC 27260

Supplier

Industrial Appraisal Co.
Dan Becker
603 Stanwix St., Suite 1500
Pittsburgh, PA 15222

New members are the lifeblood of the association and if you know of companies that should join, please contact the AHMI office at (336) 885-8315 or info@appalachianwood.org. We have a packet of materials that is specific to the membership category and includes details on Appalachian Hardwood promotions, Verified Sustainable, Verified Legal, and the 2013 and 2014 meeting schedule.

phase of the recovery. The residential fixed investment component of GDP was up 17.5 percent in the fourth quarter of 2012 whereas total economic output only registered a 0.4 percent gain.

However, builders are feeling pinched by rising costs. Prices of gypsum, softwood lumber and concrete are all above 90 percent of their housing boom peak, which is causing home construction costs to rise faster than appraised values.

Meeting from page 1

entertainment and accommodations following a major renovation in 2009-10. The hotel has improved its five-star spa, offers 14 restaurants, cafes, bars and lounges including the famous Main Dining Room, Prime 44 West steakhouse and In-Fusion sushi bar.

The Casino Club at The Greenbrier offers what has been described as "Monte Carlo meets Gone with the Wind," combining high-roller thrills and high-class style to create an unforgettable gaming experience. The new 103,000-square-foot venue is filled with world-class gaming, live entertainment, international cuisine and boutique shopping in an elegant setting.

Other recreational opportunities include golf, sporting clays, tennis, fishing, hiking, mountain biking, and horseback riding.

The declassified Bunker at The Greenbrier is a must-see experience that takes you behind the scenes and walks you through a fascinating period in the resort's history. Carved deep into the mountainside beneath our West Virginia Wing is an emergency Cold War fallout shelter.

Once a top secret U.S. government relocation facility for Congress, The Bunker is now open to anyone interested in reliving a legendary piece of The Greenbrier history.

AHMI is assisting with Bunker Tour ticket reservations. Please note the day and time on your registration form and return as soon as possible to assure availability.

AHMI was able to negotiate the same rates as our last meeting in 2010. There are accommodations from single guest rooms to houses available in our package.

Please make your room reservations early to assure the best selections. The AHMI room block is open until June 27, 2013.

Reservations are available by visiting www.greenbrier.com and click on reservations. Be certain to include the group code **130727APPALA** for the AHMI room block.

A registration form is included with this newsletter. Please complete and return to the AHMI office at your earliest convenience or complete online at appalachianwood.org/meetings.htm.

AHMI Activities in 2013

Appalachian Hardwood Manufacturers, Inc. will attend / display at the following meeting, trade shows and other events to promote AHMI members and products in 2013:

May 13-16: Interzum Cologne, Cologne, Germany

May 16-19: ALC, Myrtle Beach, SC

June 10-12: NeoCon Business Furniture World Fair, Chicago, IL

June 18-20: AHEC Asia, Harbin, China

July 27-30: AHMI Summer Conference, White Sulphur Springs, WV

Aug. 19: Penn-York Lumbermen's Club, Findley Lake, NY

Sept. 20-21: Kentucky Wood Expo, Lexington, KY

Oct. 2-5: NHLA Convention, Fort Worth, TX

Oct. 19-24: High Point Furniture Market, High Point, NC

Oct. 20: American Society of Furniture Designers, High Point, NC

Oct. 21-23: AHMI Inter-Industry Meeting and Tours, PA

Oct. 29-31: Hardwood Federation Fly-In, Washington, DC

Nov. 13-15: NC Wood Exports Conference, Raleigh, NC

Nov. 20-22: GreenBuild, Philadelphia, PA

For more information, please contact the AHMI office at (336) 885-8315.

Verified Sustainable

AHMI members are reminded that 2013 Appalachian Hardwood Verified Sustainable materials are available from the AHMI office.

These include certificates, letters from AHMI and from the U.S. Forest Service explaining the program and decals for use on packaging or invoices.

These materials can be delivered to your company within a few days of placing your order. Please contact the AHMI office at (336) 885-8315.



Furniture Retailers "Buy" In High Point

HIGH POINT, NC – Furniture retailers returned to the Spring 2013 High Point Furniture Market with a plan to buy new product for their stores to entice consumers.

The plan turned into a reality for furnishings manufacturers who reported increased attendance and more importantly interest in placing orders for new product. From high-end design pieces to lower introductory tables, all items received attention during the six-day show in April.

"We were very pleased with this market and that is what I have heard from most exhibitors," said Steve Kincaid, president of Kincaid Furniture. "Buyers seemed upbeat and they believe the economy will continue to move forward and consumers will spend on their homes."

Kincaid Furniture introduced the Vintage Cherry collection with pieces for every room in the home. The design has softer edges and more distressing in what the company calls truly transitional.

Kincaid expanded its Homecoming collection with new pieces in walnut, maple and pine. The group has been very well received by consumers with the variety of stains.

The transitional theme was apparent in many showrooms as rounded edges, softer tones of brown and gray and simple distressing highlighted many introductions. Retailers and interior designers surveyed said they like the casual elegance of many pieces.

Century Furniture continues its relationship with designer Bob Timberlake and for spring introduced the Vintner's Club collection. Again the look is softer with rustic edges and shapes to offer comfortable appeal.

Century also offered painted wood chests from Timberlake with flowers, bees and other nature scenes painted on the drawer fronts. Officials said the response at Century this market was positive as retailers look for mid- and upper-priced product for consumers seeking something new.

The casual look with an emphasis on reclaimed materials was introduced at Vaughan-Bassett Furniture Company. Its Hanover bedroom collection has circular saw marks on many of the headboards and chest sides targeting customers

**NHLA's
Mark
Barford,
Kincaid
Chairman
Steve
Kincaid
and
AHMI's
Tom
Inman at
Market**



who want the look of reclaimed materials.

"This has been very popular this market and the retailers really like it," said Doug Bassett, president. "We continue to offer solid hardwood and pine at a price point that people want and a delivery that is on time. People are responding to that."

Vaughan-Bassett Furniture continued its Appalachian Hardwood line with new designs in cherry and oak. The suites have sold extremely well in the past five years.

Bernhardt Furniture softened its bedroom look with a new Spanish-themed group called Vestige. The upholstered headboard with carved walnut posts was well-received and a slightly smaller scale than previous markets.

Broyhill Furniture had a new group at market called Estes Park made from oak solids and veneers that was popular with buyers. The medium board finish highlighted the grain of oak and casual styling was apparent.

Universal Furniture saw great response on unusual pieces in the bedroom and dining categories in its new Paula Dean Home collection, River House. Designer collections did well at market like the new Celerie Kemble line at Henredon and new pieces in the Candice Olson line at Highland House.

The High Point Furniture Market attracts more than 70,000 manufacturers, retail buyers and designers twice a year from around the world to downtown High Point, NC. The next market is Oct. 19-23.

For more information, contact Tom Inman at tom@appalachianwood.org.

Verified Legal Update Gives Audit Assistance

Appalachian Hardwood Manufacturers, Inc. has improved the guidance documents for audits of the Appalachian Hardwood Verified Legal (AHVL).

The initiative was unveiled at the 2013 AHMI Annual Meeting to provide a process to verify that members are legal entities in the United States, adhere to the rule of law and provide timber and lumber products that are legally sourced. The program is audited by a third party and a new document helps auditors to better understand the requirements.

AHVL materials were mailed to Producer and Distributor members in early April and the updated audit guidance was issued last week.

This marketing initiative follows the successful Appalachian Hardwood Verified Sustainable which marks its seventh year in 2013 with more than three-fourths of AHMI members participating.

For more information on either program, please contact the AHMI office at (336) 885-8315 or email info@appalachianwood.org.

Commerce Dept. Sets Chinese Plywood Duties

The U.S. Commerce Department recently set preliminary anti-dumping duties ranging up to 63.96 percent on millions of dollars worth of plywood from China that it said were being sold at unfairly low prices.

The Coalition for Fair Trade of Hardwood Plywood, which represents producers in North Carolina, New York and Oregon, has accused Chinese manufacturers and exporters of dumping hardwood and decorative plywood in the United States at prices 298 percent to 322 percent below fair market value. The U.S. Commerce Department set a preliminary duty of 22.14 percent on plywood made or exported by 101 Chinese companies and a preliminary rate of 63.96 percent on all other Chinese producers and exporters, except for the two it said were only undercutting prices by less than 2 percent.

A final decision on both type of duties is expected in July. The U.S. imported \$748 million of the hardwood plywood from China in 2012.



AHMI has new membership plaques highlighting the Verified Sustainable and Legal programs. These are shipping to members in May.

A special thanks to Rick Jordan and Associated Hardwoods in Granite Falls, NC, for supplying the hard maple blanks for our plaques.

Federation Offers ROI

By Dana Lee Cole, Executive Director

When I ask people to get involved in the Hardwood Federation (HF) - either personally or through their company or association, or all three - I'm often asked, "Why should I join? What's in it for me? What's the ROI?" Here's the answers:

- Active HF members have access to valuable information about government policies, regulations, rules, and laws often well before the general public and even the media.
- HF has a hard-fought, positive reputation on Capitol Hill and HF members enjoy critical access to their Members of Congress and other leaders through the Fly-in and PAC-sponsored events.
- HF provides members with networking opportunities that often result in business success, and a sense of 'community' amongst leaders.
- HF has excellent relationships with influential Members of Congress, key Congressional staff, and Administration officials.

Send dana.cole@hardwoodfederation.com an email for more for information about the Hardwood Federation, becoming an HF-PAC supporter, or any hardwood industry issue.

2013 AHMI Summer Family Conference

The Greenbrier, White Sulphur Springs, WV, on July 27-30

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 or complete the credit card information below by July 12, 2013 to AHMI, P.O. Box 427, High Point, NC 27261.

MEETING REGISTRATION FEES:

AHMI MEMBER - \$265 per person	GUEST - \$365 per person
MEMBER SPOUSE - \$135	GUEST SPOUSE - \$235
CHILDREN 12 & older - \$50	CHILDREN UNDER 12 FREE!

Full registration will be refunded on cancellations received by July 12, 2013. Cancellations received after that time will be subject to 50% forfeiture.

PLEASE REGISTER THE FOLLOWING FOR AHMI'S SUMMER CONFERENCE

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

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

Company: _____

Address: _____

City/State/Zip: _____

AHMI GOLF TOURNAMENT (Monday at 12:30 p.m. Greenbrier Course)

Name: _____ Hdcp _____ FEE: \$195

Name: _____ Hdcp _____ FEE: \$195

SPORTING CLAYS TOURNAMENT (Monday at 1 p.m. The Greenbrier Gun Club)

One round of 100 - Includes gun, targets and ammunition

Name: _____ FEE: \$195

Name: _____ FEE: \$195

THE BUNKER TOUR Adults \$30; Children 10-17 \$15; children under 10 are not permitted.

Please make your selection below. Tickets will be available before you arrive.

Sunday, July 28 @ 1:30 p.m. _____ @ 3:30 p.m. _____ Adults _____ Children _____

Monday, July 29 @ 1:30 p.m. _____ @ 3:30 p.m. _____ Adults _____ Children _____

FEES: _____

Check enclosed _____

Credit Card: VISA / MasterCard # _____

Expiration date _____

Name on card: _____

Billing zip code _____

Total _____

You may also register online at www.appalachianwood.org/meetings.htm

Room reservations should be made online at www.greenbrier.com and use code 13027APPAL