

Fall Tours Sell Out; Reception Only Available

CHARLOTTE, NC - The Appalachian Hardwood Manufacturers, Inc. and National Wooden Pallet and Container Association Fall 2015 Tours and Meeting have sold out with 420 people on the tours and another 30 registered for the receptions only. There is still reception participation space available.

The meeting is scheduled for Oct. 20-22 at the Crown Plaza Charlotte Executive Park. The hotel has sold out of rooms and overflow is at the Hilton Charlotte Executive Park is located next door. Rooms are available at the Hilton.

The Reception/Exhibit Only Registration gives participants access to the receptions and exhibit hall space on Tuesday and Wednesday evenings. It is an excellent way to network with attendees. All of the tour seats have been sold out so no more waiting list space is available.

The tours will include hardwood and softwood sawmills and new and recycled pallet manufacturing facilities over two days. Sites include:

Edwards Wood Products, Marshville, NC Jordan Lumber Co., Troy, NC

Pallet One, Mocksville, NC

Pallet Resources of NC, Lexington, NC

AHMI & NWPCA Fall Tours
Oct. 20-22

Crowne Plaza Charlotte Executive Park

Online meeting registration is open at www.palletcentral.com and click on events. The meeting is titled "Fall Plant Tours." When registering, AHMI members should scroll to the middle of the registration form and click the button for AHMI members. It does not require that you sign in or have a password.

To reserve a hotel room at the overflow Hilton Charlotte Executive Park, please call 704-602-4061 and mention the group code NWPCA.

There are more than 300 pallet lumber buyers from across the U.S. that have registered for this meeting.

"This will be one of the biggest meetings and tours that we have held and it is exciting to bring together our lumber producers and distributors with a key customer group," said Tom Inman, AHMI president. "Pallets have always made up a large portion of our markets and this has declined slightly in recent years as new markets have emerged. We want to build that back and assure our friends in the pallet industry that Appalachian hardwoods will be available to them well into the future."

There are sponsorship and advertising opportunities for AHMI member companies to connect with pallet makers. Please contact the AHMI office for the best selection and assure your involvement. More information is available at www.appalachianwood.org/meetings.htm and register at www.palletcentral.com.

The NWPCA is the largest international organization of wood packaging professionals in the world, with more than 625 company members in 28 countries who manufacture, repair and distribute pallets and wood packaging in unit-load solutions, or who supply products and services to the industry. Its mission is to provide an environment for members to succeed while promoting the wood pallet and wood packaging industry.



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Manufacturers, Inc., P.O. Box 427, High Point, NC 27261
T. 336-885-8315 | F. 336-886-8865
info@appalachianwood.org | www.appalachianwood.org



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The way I see it...

By Tom Inman, AHMI President

...the High Point Furniture Market has evolved into a dozen different markets happening at the same time in 12 million square feet of showrooms.

Historically the market has been where U.S. manufacturers of bedroom, dining room, wall units and occasionals displayed their new products twice a year. Their other goods that were still popular and in production remained on the showroom floor for retailers to view and buy.

Thousands of retail store owners and buyers walked the halls to see the furniture and buy inventory for their stores for the next six months. Some of this still occurs - product on display and retail buyers looking and shopping.

BUT the High Point Market has gone through major changes in the past 10 years. Many traditional U.S. manufacturers are now marketing companies for wood furniture made for them in Chinese and Vietnamese factories. Other exhibitors are simply sales organizations for exporters.

Add to that the hundreds of accessories exhibitors at Market and it is truly a maze. There are rugs, lamps, outdoor, paintings as well as furniture. Trying to find buyers of Appalachian Hardwoods at Market and build business into the future is a challenge.

That's what makes our work interesting. I have found the hundreds of U.S. and international manufacturers that are still making quality hardwood furniture. These companies are still interested in sourcing higher grades of lumber.

The next High Point Market begins on Saturday, Oct. 17 and runs through Oct. 22. I can help you develop a game plan to find and talk with wood furniture makers and share information about your products.

The effort will pay off because there are furniture companies seeking sources of hardwoods whether their plant is in Ohio or Shanghai. A visit from me and you begins that relationship that can grow into new business.

If you need help with travel, accommodations or just more information about Market, please contact me immediately. Badges can be obtained on site.

Future Meetings

The following is the list of future meetings of Appalachian Hardwood Manufacturers, Inc. that have been contracted. More information will be mailed to members and guests.

Please mark your calendar today and make plans to attend the following:

2015 Fall Meeting & Tours - Oct. 20-22 in conjunction with the National Wooden Pallet & Container Association, Charlotte, NC

2016 Annual Meeting - Feb. 25-Feb. 28 Naples Beach Club, Naples, FL

2016 Summer Conference - July 24-28 The Greenbrier, White Sulphur Springs, WV

New EPA Ozone Levels Will Hurt Business

The Environmental Protection Agency on Oct. 1 tightened the federal ozone standard that will adversely effect every business.

The agency's updated ozone regulations lower the standard from 75 parts per billion (ppb) to 70 parts per billion. In its rulemaking the process, the agency had considered a standard as low as 65 ppb before agreeing to 70.

Reducing the amount of ozone — produced by power generation, manufacturing facilities, automobiles and other sources — in the air will improve the quality of Americans' health, the EPA states. Administrator Gina McCarthy said the EPA's "job is to set science-backed standards that protect the health of the American people."

Business groups, including the Hardwood Federation, had pushed the administration to keep the standard at its current 75 ppb level. It is predicted the new regulations will be the most expensive in U.S. history, taking as much as \$3.4 trillion out of the economy over the next two decades as companies try to meet the new restrictions. The fight now moves to Congress for legislative relieve from the standard.

AWP Reopens, Dedicates Smoot Sawmill

SMOOT, WV — Allegheny Wood Products recently celebrated the reopening of the Smoot sawmill that was purchased in 2014. The mill was damaged by fire in December 2013 under former owners.

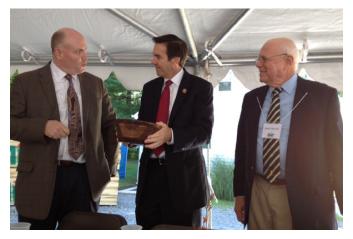
About 150 people attended the dedication. AWP President John Crites II said they were pleased to rebuild the facility for their employees and the community.

The mill was one of three purchased from New River Hardwoods. The \$3 million reconstruction included a new head rig, edger, redesign and expansion of the log yard.

A tour was held displayed the technology that will dramatically increased production. AWP will provide logs from southern West Virginia to this mill as well as sister operations in Princeton, Beckley and Cowan.

Crites said having multiple operations in the area allows AWP to make the best use of the resource.

The 28 employees returned to the Smoot sawmill last month after nearly a year of traveling to another AWP sawmill in Beckley.



AWP President John Crites II gives Cong. Evan Jenkins a wooden bowl at dedication as John Crites Sr. looks on

U.S. Rep. Evan Jenkins spoke at the dedication and congratulated AWP and the Crites family for their hard work and commitment to West Virginia. Local leaders also participated in thanking AWP for rebuilding the mill.

AWP has eight sawmills and two concentration yard facilities in West Virginia and Pennsylvania. The company employs more than 700.

NC Expands Ash Quarantine To Entire State

NC Agriculture Commissioner Steve Troxler signed an emergency order on Sept. 10 expanding the quarantine for emerald ash borer to include all of North Carolina, following the discovery of borers in several more counties.

"We have surveyed the state to see if we could find evidence of this highly destructive pest in previously undetected counties," Troxler said. "Our staff have now turned up evidence of emerald ash borers in the central, eastern and western parts of the state, including areas near the borders with Virginia, Tennessee and South Carolina."

The quarantine allows for the in-state movement of hardwood firewood and plants and plant parts of the ash tree, including living, dead, cut or fallen, green lumber, stumps, roots, branches and composted and uncomposted chips. However, movement of these items outside the state into non-quarantined areas would be prohibited. Fire-

wood that has been treated, certified and labeled in accordance with federal regulations can be moved outside the quarantine area.

North Carolina becomes the 15th state with a statewide quarantine. The beetle was first detected in the United States in Michigan in 2002. It is responsible for the death or decline of tens of millions of ash trees across the country.

The Plant Industry Division and the N.C. Forest Service are working with the U.S. Department of Agriculture's Animal and Plant Health Inspection Service. Contact the USDA state plant health director for more information on federal quarantine regulations at 919-855-7600.

Home and landowners are encouraged to report any symptomatic activity in ash trees to the NCDA&CS Plant Industry Division hotline at 1-800-206-9333 or by contacting their local N.C. Forest Service county ranger.



Ethan Allen Expands NC Plant, Builds Facility In Mexico

DANBURY, CT - Ethan Allen Interiors Inc. announced plans to build a 300,000-square-foot manufacturing facility in Mexico to expand its upholstery operations. The residential furniture giant also said it will continue to invest in its North Carolina plants.

Ethan Allen said the new \$15 million facility will be located adjacent to its existing 260,000-square-foot plant in Guanajuato, Mexico. The company expects to break ground within the next 45 days and begin production at the facility in the next 18 to 24 months.

"We are pleased to continue to develop a strong manufacturing capacity to grow and service our business," said Farooq Kathwari, chairman and CEO. "Our goal is to maintain strong upholstery manufacturing in North America, which we believe is a long-term competitive advantage that will allow us to advance our objectives of maintaining short order times and improving capacity to ship custom items more quickly. We are pleased to continue to strengthen our vertically integrated structure from concept of idea, to engineering, to manufacturing, to retail and logistics."

Kathwari said the furniture manufacturer continues to invest in its two Maiden, NC upholstery plants, which total 600,000 square feet. "In the past two years we have invested \$5 million in adding technology and other improvements to these facilities," he said. "Our 1,500 interior design associates and 300 design centers provide a strong competitive base to grow and service our business."

Ethan Allen owns and operates eight production facilities, including five manufacturing plants and one sawmill in the United States plus one plant each in Mexico and Honduras. The company says approximately 70 percent of its products are made in its North American plants.

AHMI Promotion & Trade Show Activities

Appalachian Hardwood Manufacturers, Inc. will attend / display at the following meetings and other events to promote member companies:

Oct. 7-9: NHLA Convention, Nashville, TN

Oct. 17-22: **High Point Furniture Market**, High Point, NC

Oct. 19: American Society of Furniture Designers, High Point, NC

Oct. 20-22: **Fall Meeting & Tours with the NWPCA**, Charlotte, NC

Nov. 3: **AHMI Forestry Division Meeting**, WERC Center, Princeton, WV

Nov. 10: **Appalachian Lumbermen's Club**, Asheville. NC

Nov. 30: **NC State University Forestry Class**, Raleigh, NC

Dec. 3-4: **AHEC Mexico Convention**, Puerta Vallarta, Mexico

Jan. 12: **Appalachian Lumbermen's Club**, Hickory, NC

Feb. 2-4: **IHLA Convention**, Indianapolis, IN Feb. 25-28: **AHMI Annual Meeting**, Naples, FL

Inman Details Markets At P-Y

STATE COLLEGE, PA - AHMI President Tom Inman offered an update on key domestic and export markets for Appalachian Hardwoods at the September meeting of the Penn-York Lumbermen's Club.

The meeting was sponsored by Walker Lumber Co. and more than 80 Penn-York members and guests attended. Inman discussed improvements for cabinet and moulding markets as housing starts have increased and continued growth in exports for 2015.

While lumber prices have declined for the year, production remains stable and lumber shipments on pace with 2014.

Inman said White Oak lumber and stave logs continue to be in demand but Poplar, Hard Maple, Hickory and green lumber have stabilized or down slightly. Red Oak and Walnut sales have declined for the year.

Fly In Brings Hardwood Message To Congress

By Dana Lee Cole HF Executive Director

On September 10th hardwood industry leaders once again took to Capitol Hill in small groups arranged by state or region to visit as many congressional offices as possible...and to make a difference for the Hardwood Federation Fly In!

Nearly 50 Hardwood Federation representatives pounded the halls of Congress to attend over 100 - yes, a second consecutive year with over 100 - meetings with Members of Congress and staff. This included more than 40 meetings on the Senate side of the Hill, meaning that in less than 7 hours the hardwood industry spoke with almost half of the entire Senate about our most important industry issues.

The meetings on Capitol Hill covered these three priority issues for the Federation:

- Federal Forestry Reform H.R. 2647 the "Resilient Federal Forests Act of 2015" has passed the House and has been referred to the Senate Agriculture Committee where work continues to address badly needed reform to federal land management, while also considering concerns regarding forest fire funding.;
- Northern Long Eared Bat HF appreciates that the US Fish and Wildlife Service has determined the NLEB threatened and not endangered, but there are still major concerns regarding portions of the interim 4(d) rule including the 1/4 mile "no harvest radius" around known roost trees. The emphasis needs to be on a cure for the White Nose Syndrome and not on forest management; and
- **Biomass Carbon Neutrality** the forest products industry needs certainty on how carbon emissions from biomass will be handled in the President's new Clean Power Plan. Biomass carbon neutrality is the heart of the industry's sustainability message and one that must be considered as EPA implements its new standards.

As always we held social events and fundraisers for Republicans and Democrats - a record 31 Republican Members attended our Wednesday evening reception, and 13 Democrats joined us for breakfast the next day. These



AHMI's Tom Inman, Sen. Joe Manchin WV, and Mohawk Industries Harry Bogner meet in DC

numbers proved that HF and the HFPAC continue to have significant clout and provided us with another outstanding opportunity to reconnect with friends on the Hill and establish new relationships.

Hardwood Federation Fly-In participants were also fortunate to hear from Sen. Amy Klobuchar (D-MN) during the Board Meetings held on Tuesday September 9th and House Natural Resources Committee Chairman Rob Bishop (R-UT, 1) at dinner on Wednesday night.

Senator Klobuchar proved well versed on many HF issues including forestry - noting that her grandfather had been a logger - and Endangered Species, including the Northern Long Eared Bat and the Grey Wolf. Rep. Bishop was no different as he provided a memorable overview of what his committee is doing on Federal Forestry Issues and how this is impactful as well as some humorous commentary on life in DC and several other policy issues.

Once again our group this year was a great mix of knowledgeable Fly-In veterans and eager new faces. We hope everyone enjoyed their time on the Hill, learned something new, and came away with a new appreciation of how their engagement can make a difference on public policies made in Washington. I encourage everyone reading this to join us for next year's Fly-In so we can visit even more elected officials and set new records. We hope you can join us!

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Forestry Division, AHFRA Plan Meeting In Nov.

The Appalachian Hardwood Manufacturers, Inc.'s Forestry Division and the Appalachian Hardwood Forest Research Alliance will have a joint meeting on Nov. 3 at the Wood Education Resource Center in Princeton, WV.

There will be two presentations will discuss research on stand levels and forescasting:

- 1) Dr. John Brooks of West Virginia University will share his AHFRA funded research on Linking Tree and Stand Level Models in Appalachian. The two-year project is an extension of previous work completed by Brooks and his research team.
- 2) Dr. Steve Prisley of the Center for Natural Resources Assessment and Decision Support of Virginia Tech's College of Natural Resources and Environment will discuss his research on forest

inventory projections and computer models for future wood supply planning.

The program will begin at 1:30 p.m and conclude at 5:30 p.m. A catered dinner will follow at the WERC center.

Participants will receive Continuing Forestry Education credits from the Society of American Foresters and certificates will be available at the meeting upon completion.

Meeting registration fee is \$55 and includes materials and dinner. Registration will open soon at www.appalachianwood.org/meetings.htm.

This meeting is open to all AHMI members and guests. For more information, please contact AHMI at (336) 885-8315 or e mail to tom@appalachianwood.org.

Appalachian Hardwood Manufacturers, Inc. Forestry Division Appalachian Hardwood Forest Research Alliance 2015 Meeting Tuesday, Nov. 3 at the WERC in Princeton, WV from 1:30 to 5:30 p.m. Dinner at 6 p.m. at A Taste of Memphis, Princeton, WV MEETING FEE: \$55 per person (incl. materials, breaks, dinner)

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PLEASE RESPOND BY OCT. 26.

You may also send payment by check with registration to: AHMI, PO Box 427, High Point, NC 27261



Four (4) Continuing Forestry Education Credit Hours available from Society of American Foresters