



Appalachian Hardwood Sustainable & Legal

Monthly newsletter of Appalachian Hardwood Manufacturers, Inc.

Solid Furniture, Research Top Conference

Appalachian Hardwood Manufacturers, Inc. members and guests participated in an exciting Summer Conference at The Greenbrier with speakers on key industry topics.

A great crowd attended the business sessions, networking opportunities, receptions and a meeting with university leaders to discuss hardwood industry research during the three-day event in July. A report on the conference is included throughout this newsletter and more information is available on each topic as well as the presentations. Please contact the AHMI office.

Solid Hardwood Furniture

The business program was kicked off by Gat Caperton, CEO of Gat Creek Furniture in Berkeley Springs, WV. The company manufactures solid hardwood bedroom and dining room furniture, antique reproductions, and other residential pieces.

With more than 100 craftsmen at the manufacturing plant in the central Appalachian region, Caperton said Gat Creek has become a leader in quality furnishings. Each piece of Gat Creek is signed and dated by the people who build it.

“From the best wood, Appalachian, comes the best furniture,” Caperton said. “We work exclusively with domestic hardwoods harvested from the Appalachian forests by suppliers who meet state and national standards for land and timber management. That is very important to us and to our customers.”

He said the Appalachian region has the best forest management and resource story in the world because it is truly sustainable. “Raw materials are the most important part of sustainability but we also look at the energy we use, transportation, the people and being an employer of choice, our waste

(See Furniture on page 3)

Hardwood Research

AHMI members participated in a meeting with representatives of six of the leading forestry universities in the Appalachian region. The AHMI Board of Trustees and Producer Division members initiated the session to learn about current research and plan for projects that could benefit AHMI members.

Professors and administrators from Clemson University, NC State University, Penn State University, University of Tennessee; Virginia Tech, and West Virginia University discussed ongoing research. Several speakers shared the process for submission and selection of projects for research.

The representatives talked about each of their schools and programs. These range from hardwood utilization to cross laminated timber research to new markets for products.

Three representatives of the US Forest Service also attended and offered to assist AHMI and the schools in developing and completing research on key hardwood issues. A research proposal will be developed and sent to the schools with a request to apply for funding.

AHMI members will be asked to assist with funding for the approved projects.

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The way I see it...

By Tom Inman, AHMI President

...the AHMI Summer Conference was a terrific success with a great crowd of members and guests participating at The Greenbrier in July.

Our business program was strong and there are reports throughout this newsletter about the presentations. Networking time each day brought old friends, new friends and customers together to discuss both professional and personal lives.

One item that may have gone unnoticed by many was the participation of forest products industry association leaders. New NHLA Executive Director Lorna Christie attended and shared her thoughts about her first 45 days and met with industry leaders.

We also had the executive directors of the **American Hardwood Export Council**, the **Wood Component Manufacturers Association**, **Hardwood Manufacturers Association**, **Kitchen Cabinet Manufacturers Association** and the **Hardwood Federation** participating. These industry partners are working together to promote, educate and lead groups that make and use hardwoods.

While each industry association has its own mission, we do come together to work on common projects. The interest for many of these leaders was the AHMI Hardwood Research Initiative we have begun with the eight leading forestry universities in the region. Six of the schools sent representatives to help us understand their current work and hear our thoughts about future projects.

A highlight was attendance by three **U.S. Forest Service** officials from the Northeastern Research Station and the Forest Products Lab. They explained how the Forest Service is ready to work with AHMI and these universities on joint projects.

AHMI has a history of these collaborations with its Appalachian Hardwood Forest Research Alliance that completed seven research projects over the past 12 years. We have also worked with many researchers at the Southern Forest Service Station and the Wood Education Research Center in Princeton, WV.

The AHMI Research Committee and Board of Trustees are developing new proposals and they will be announced in coming days. Each of the schools will be asked to submit projects based on these ideas and the Board will award work this fall for completion in 2017.

AHMI members have been asked to fund this initiative and several have already responded with donations and pledges in the thousands of dollars. When the projects are approved, AHMI will go back to members to increase participation in funding work to develop new markets, improve productivity for sawmills and distribution yards, and attract skilled workers to this industry.

EPA: No Added Action Needed On Forest Roads

EPA announced recently that no additional regulations are needed to address storm water discharges from forest roads under the Clean Water Act (CWA) at this time. The action provides final certainty for businesses that make use of forest roads eliminating concerns about added regulations.

In the decision, EPA noted that state, federal, regional, tribal government, and private sector programs already exist nationwide to address water quality problems caused by discharges from forest roads. Many of these programs have been improved and updated in recent years.

Program implementation rates are generally high and have been shown to be effective in protecting water quality when properly implemented. These programs employ a variety of approaches that are tailored to address regional and local differences.

EPA has concluded that efforts to help strengthen existing programs would be more effective in further addressing forest road discharges than superimposing an additional federal regulatory layer over them.

SII Honors Paula Turlington

SII Dry Kilns recognized the retirement of Paula Turlington during the AHMI Summer Conference. She was honored by her brother, Dan Mathews, president of the company, and two dozen family members in attendance.

Congratulations to Paula and we wish her the best in retirement.



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and the life cycle of our products," Caperton said.

A growing area of concern for consumers is healthy homes, he said. Consumers want to know where the products come from and if the materials will help them to maintain a healthy home environment.

"People respond very quickly to what is going on in their home," he said. "They are concerned about the off-gassing from products they buy and we all know of the stories of the chemicals in a lot of manufactured wood substitutes. Consumers are responding to our products and messages about solid hardwood from the Appalachian region."

He said Gat Creek manufactures beautiful furniture that has a useful life cycle in excess of 50 years. Because solid hardwood allows for better joinery & reparability, their products typically outlast those constructed with engineered wood material.

"Our furniture is reusable, you can fix it if you need to and it releases no toxins at its end of life," he said.

Gat Creek is the first recipient of the West Virginia Environmental Leadership Award for minimizing waste, liquid and air emissions from its facility. They have also been recognized as a Top Environmental Steward by the WV Department of Environmental Protection.

The U.S. Department of Commerce recognized Gat Creek in 2014 for its export growth into Canada, Asia and Europe and 28 countries. More information is available from the company website at www.gatcreek.com.

AHMI Summer Tournaments

The Summer conference golf winners were:

Low gross: 1st-Ryan Harman; 2nd-Lowery Anderson; 3rd-Jay Reese

Low net: 1st-Richard Sturgill; 2nd-John Crites; 3rd-John Foley

Longest drive: Davis Inman; Closest to the pin: Richard Sturgill.

Prizes were sponsored by Corley Manufacturing; Lunch provided by U*C Coatings; and refreshments by SII Dry Kilns.

The Summer Conference Sporting Clays winners were: 1st place Stephen Hamer; 2nd place Tony Honeycutt; 3rd place Steve Houseknecht.

The tournament was sponsored by Farm Credit of the Virginias.

Join AHMI On Twitter, Facebook Accounts

Appalachian Hardwood Manufacturers, Inc. invites you to follow us on Facebook and Twitter to keep up with the latest news and information about AHMI members and the association.

Our Facebook page is **Appalachian Hardwood** at <https://www.facebook.com/Appalachian-Hardwood-115082515210245/>

Our Twitter account is **Appalachian Hardwood** at <https://twitter.com/AppalachianHdwd>

Please follow us today and share our accounts with others in the hardwood industry to get our Solid Appalachian Hardwood message out.



**AUGUST 24 - 27
2016**

ATLANTA, GA - The International Woodworking Fair 2016 will be one of the top woodworking trade shows in the world for the furniture manufacturing, architectural woodwork, custom and general woodworking industries.

The show is Aug. 24-27 from 8:30 am to 5 pm at the Georgia World Congress Center at 285 Andrew Young International Blvd. in Atlanta, GA. **AHMI** will again exhibit in **booth 1118** and encourages members to work in the space or meet potential customers there. AHMI will distribute 2016 Resource Guides, promotional brochures, wood samples and has scheduled appointments with international buyers.

AHMI members who are exhibiting at IWF are:

Atlanta Hardwood Corp.	4500
Associated Hardwoods Inc.	8029
Columbia Forest Products	4529
Cummings Lumber Co.	4442
Gutchess Lumber Co.	1571
Middle Tennessee Lumber Co.	4318
Northwest Hardwoods	4535
Parton Lumber Co.	4742
PLM / ILM Insurance Co.	4520
Prime Lumber Co.	4575
Robinson Lumber Co.	4127
Ron Jones Hardwood Sales	4352
SII Dry Kilns	4447
Somerset Wood Products	4620
Stiles Machinery Inc.	5035/5053
Thompson Forest Products	4653
U*C Coatings	2071
USNR	4747
Walnut Creek Planing, Ltd.	3847
Yoder Lumber Co.	4353

AHMI Promotion & Trade Show Activities

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

- Aug. 24-28: **International Woodworking Fair**, Atlanta, GA
- Aug. 30-31: **Aspire Appalachian - ARC**, Johnson City, TN
- Sept. 13: **Appalachian Lumbermen's Club**, Concord, NC
- Sept. 20-22: **Hardwood Federation Fly-In**, Washington, DC
- Sept. 26: **Penn York Lumbermen's Club**, State College, PA
- Sept. 27: **PFFPA Annual Meeting**, State College, PA
- Oct. 5-7: **NHLA Convention**, Washington, DC
- Oct. 10-11: **KCMA Conference and Tours**, Greensboro, NC
- Oct. 19-21: **AHEC European Convention**, Copenhagen, Denmark
- Oct. 22-26: **High Point Furniture Market**, High Point, NC
- Oct. 24: **ASFD Annual Meeting**, High Point, NC
- Oct. 25: **Sustainable Furnishings Council Anniversary**, High Point, NC
- Nov. 2-3: **Hardwood Lumber Outlook**, Princeton, WV
- Nov. 15: **Appalachian Hardwood Manufacturers, Inc. and Appalachian Lumbermen's Club Meeting & Tours**, Johnson City, TN

For more information about these events, please contact Tom Inman. AHMI has materials available for members to use at industry events. These include Verified Sustainable and Verified Legal certificates, signs, labels, publications and more that can be designed to incorporate your company information.

Federation, NHLA Leaders Offer Updates

Hardwood Federation Executive Director Dana Cole and new National Hardwood Lumber Association Executive Director Lorna Christie gave reports on their work at the 2016 AHMI Summer Conference.

Cole offered updates on key federal government issues. She said the Federation continues its work on forest management and biomass legislation and is monitoring the Northern Long-Eared Bat designation.

The US Forest Service is spending more money on battling fires and less on timber management and harvesting, Cole said. The Federation is working with legislators to develop forest management bills to fund fire suppression independent of US Forest Service budgets.

New measures have been introduced in energy bills to designate biomass as carbon neutral, she said. This language will add to the importance of sustainability of forest products.

Cole also talked about tall building legislation that is being written to promote wood structures. Cross laminated timber products are increasing in popularity and new building codes/rules are proposed to promote wood use.

Cole said that Presidential politics are dominating Washington and that all House seats are in contention this election. The majority of House races are expected to remain in the party

currently holding the seat but three Democratic races are now toss ups and 17 Republican seats are viewed as toss up.

In the Senate, 34 seats are in contention with 24 held by Republicans and 10 by Democrats. Seven of those races are considered toss ups.

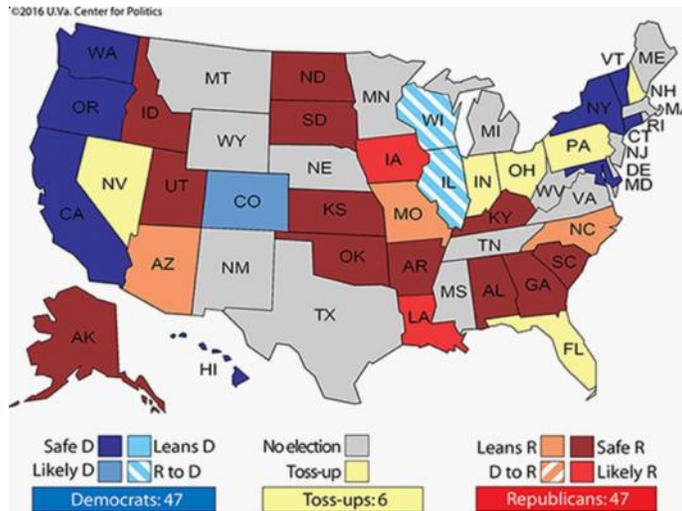
Cole offered no predictions in any races and maintained that the Federation is a non-partisan group that works with both parties on issues for the hardwood industry.

National Hardwood Lumber Association Executive Director Lorna Christie was introduced to AHMI members. She told of her family and background in association work and then her plans at NHLA. “One of the first things I have done is read the NHLA history and it is astounding

what this industry has done – you have longevity and something special,” she said. “One of the things I am doing is learning, assessing where both the opportunities and challenges are, and then you can identify solutions moving forward.”

Christie said globalization and emerging markets offer opportunities and threats and hardwood companies have to be aware of both. Other issues are the availability of workers for the industry and the impact social activism will have on forest products.

One of the questions she is asking NHLA members is “what is the new normal?”



HF Fly-In Set For Sept. 20-22 In Washington DC

Join the Hardwood Federation in the annual fly-in to Washington, D.C. Meet with your members of Congress to discuss the important federal issues that impact you and your business! Network with your Hardwood industry peers from around the country! Make a difference that counts!

Register Online at www.hardwoodfederation.org. Once you have completed registration you will be able to link directly to the Hardwood Federation Host Hotel, the Hyatt Regency Washington, located on Capitol Hill, to make reservations.



PLT Offers 'Real' Science To WV Schoolchildren

A national program that educates schoolchildren and teachers about forest management and wood products, Project Learning Tree has become "science" for many schoolchildren. West Virginia PLT Coordinator Linda Carnell explained the overwhelming success in the state to attendees at the AHMI Summer Conference.

PLT celebrates its 40th anniversary this year as a program of the American Forest Foundation. It opened in West Virginia in 1979 as a joint effort of the WV Division of Forestry and the WV Forestry Association.

The mission of PLT is to increase student understanding of the environment, stimulate critical and creative thinking, develop the ability to make informed decisions about the environment and take responsible action.

The curriculum includes modules for pre-kindergarten through the 8th grade as well as high school levels. Carnell said most states have aligned PLT materials to their academic standards.

She said successes of PLT in WV include:

- Training an average of 25,000 educators a year;
- Teachers report using curriculum at least once a month;
- 60% of workshop participants are referred to PLT by another educator.

Carnell said PLT has trained more than 800 educators in West Virginia in the past three years. The program holds six camps and has partnerships with the Summit Bechtel Boy Scout Reserve and Ohio Island National Wildlife Refuge.

Speakers: Plan Now For Succession, Acquisitions

AHMI Supplier members Southmark Consulting and TJT Consulting, who both specialize in financial planning for family-owned companies, presented details about estate and exit planning strategies at the 2016 Summer Conference.

Rob Case of TJT Consulting began with information on estate planning and warned that too often owners do not have an idea of their worth or the changes that may have occurred as the business has grown. He said a will is essential and plans must be updated regularly as things change.

"Many times these are conversations that people just don't want to have because it is challenging," Case said. "It is better to have assistance to handle the emotional side – not just the financial side of things."

He offered specifics on estate taxes and the variety of trusts and other tools to lower the tax burden on surviving family members. He encouraged the use of gifting and other financial management tools.

Case said it is time to revisit plans when life issues like, marriage, divorce, children, or beneficiaries change.

Alex Shumate of Southmark Consulting offered information on other phases of planning like an exit strategy for owners who want to pass on their business to family members. Having a plan gives owners and their family's peace of mind by choosing successors and deciding how to get money out of the business.

He said most businesses do not transfer beyond the second generation because of family conflicts and a lack of planning. There are a host of planning options that will save the owner and his/her family substantially in taxes.

"You must create an exit strategy plan that benefits everyone and is in place before it is needed," Shumate said. One area that is often overlooked is gifting and there are specific rules that make it very beneficial. More information is available from the AHMI office.