



Appalachian Hardwood *Sustainable & Legal*

Monthly newsletter of Appalachian Hardwood Manufacturers, Inc.

AHMI Summer Conference Still Set At Greenbrier

The Greenbrier is scheduled to reopen on July 10 following historic flooding in the region that killed 23 people, injured dozens and destroyed more than 1,200 homes.

The 2016 AHMI Summer Conference is currently set for July 23-26. Greenbrier officials report there was little damage to buildings but they have closed two of the three golf courses. The facility closed June 24 and is set to open July 10. It closed with the cancellation of the PGA Tour event and allowed flood victims to stay at the resort while they recovered and also allowed Greenbrier employees time to repair/recover their properties.

The only change for AHMI to date is the golf tournament on Monday will be a shotgun start on the Greenbrier Course which was not damaged.

If you are attempting to contact the hotel, you may not receive immediate attention so please be patient. The staff is working and returning calls as quickly as possible. If anything changes, we will contact members immediately by email.

AHMI has a great crowd registered and a terrific business program for the conference. An added program for this year is a meeting with the top forestry universities in the Appalachian region to discuss
(See Meeting on page 3)

Ports WILL Weigh Containers To Meet SOLAS

US ports are now offering container weighing services following the US Coast Guard announcement that the equipment is acceptable.

The International Convention for the Safety of Life at Sea (SOLAS) regulations went into effect on July 1 that all containers had to declare an accurate weight. There had been confusion over how the weight could be determined and the recent Coast Guard clarification encourages shippers, carriers, and terminal operators to work out business practices to meet the new weighing requirements.

The guidelines stipulate that for the purposes of determining a container's 'verified gross mass'

(VGM), any equipment being used now to comply with federal or state laws will be acceptable for meeting the rules under the International Maritime Organization's (IMO's) SOLAS convention, which went into effect on July 1.

The guidelines allow six East and Gulf coast ports and 19 ocean carriers to develop a common strategy for using existing weighing processes that satisfy federal regulations to meet the new international rule.

Carriers, terminal operators, and shippers had waited months for the USCG to clarify its enforcement stance on the new box weight requirement.

(See WEIGHT on page 2)

July 2016

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The way I see it...

By Tom Inman, AHMI President

...new export container weight requirements that went into effect July 1 and have been an issue for many AHMI members now have a simple solution that should have been worked out months ago.

Most east coast ports have agreed to weigh containers to determine the "verified gross mass" after the U.S. Coast Guard issued guidelines in late June. The equipment at the ports is adequate to determine the weight with reasonable accuracy, the Coast Guard states.

This means ports can provide the weight to help exporters comply with the SOLAS requirements. Some ports are providing this service for free while others will charge \$25 per container.

Companies that have purchased new scales or upgraded existing equipment have been very proactive preparing for this change. Their documentation will be accurate when the container arrives at the port and there will be no delay.

Those that did nothing to prepare now have an easier way to get this information but that may come with a delay. The volume of containers that will need to be weighed for shippers and the time completing the documentation is unknown.

The good news is there is an alternative. It is just a shame that it took a late ruling by the Coast Guard and then reaction from the ports just days before it took effect to make the scales available.

An *American Shipper* survey of shippers and forwarders on June 30 revealed that nearly 90 percent believe some cargo will be delayed by the VGM rule that went into effect globally on July 1. Respondents also said their biggest concern is the "lack of uniformity in VGM enforcement, compliance processes and fees."

Several third-party logistics providers have taken the time and resources to prepare for the new requirements. While the providers are not responsible for filing the data, they have decided to offer this as a service, managing the transportation, weighing, documents and reducing related hassles for their clients.

All for a fee...

Weight from page 1 —————

The Georgia Ports Authority (GPA), which operates container terminals at Savannah, said it will be weighing shippers' containers at no cost to help exporters comply with the rule.

The South Carolina Ports Authority (SCPA), which operates terminals at Charleston that compete fiercely with Savannah, said that USCG's guidelines reinforce a scheme that has been used at the port for years. Charleston will charge a \$25 service fee to provide to the shipper an 'estimated gross weight', which will then be the shipper's responsibility to formally verify, per IMO requirements.

The Port of Virginia revised its position and will continue to accept containers via gate and rail and provide certified weights to line operators for use in order that they may comply with SOLAS VGM requirements, an official said.

Architect Plans Apartments Built With CLT In Asheville

ASHEVILLE – An Asheville architect has announced plans for the continent's largest structure made from cross laminated timber, or CLT.

Crawford Murphy's firm, MDS10 Architects, plans to build a six-story apartment complex for homeless veterans made from CLT. The company also wants to produce CLT and hopes to become North America's largest manufacturer.

"CLT is the most sustainable and advanced wood technology in the world today," Murphy told the Asheville City Council on June 28, according to the Asheville Citizens Times. The Council approved his six-story, 88-unit complex.

CLT has been used for decades in Europe and a few projects in the U.S. The timbers are made from solid wood boards that are crosslaid and glued together. The pieces are shipped to construction sites and can be assembled by just a few workers, even in the case of large buildings.

CLT is strong enough for high-rises and it's lighter and more flexible than standard materials. Murphy said the Veterans Village will be the tallest CLT building in North America when it's finished in 2017 at a cost of \$7 million.

Meeting from page 1

current and future research projects.

Professors and administrators will meet with the AHMI board to plan for future projects on hardwood topics. The session is open to all AHMI members on Tuesday, July 26 at 9:30 a.m.

The main business session is planned for Monday, July 25 at 8:30 a.m. and includes four presentations on industry topics. These include:

Gat Creek Success With Solid Appalachian - Gat Creek Furniture is known for its sustainable hardwood furnishings from the heart of the Appalachian region. Owner Gat Caperton will share their business strategy and the results of a survey that confirms consumers want sustainable, solid wood.

PLT Curriculum Meets Education Standards - School systems are restricting outside programs that do not meet curriculum requirements. Project Learning Tree has adapted and become "science" for many schoolchildren. West Virginia PLT Director Linda Carnell will explain the overwhelming success in WV and ways to duplicate in your state.

Planning For Succession, Acquisitions or Sales - AHMI Supplier members Southmark Consulting and TJT Consulting will discuss "Your Estate: Common Problems, Uncommon Solutions" and "Exit Planning Strategies for the Closely Held Business."

Please visit www.appalachianwood.org and click on "Meetings" for information and to register online. A form is on page 6 of this newsletter.

If you would like to attend and have not made room reservations, AHMI is holding two rooms. Please contact our office at (336) 885-8315 to request one of those rooms. Please remember the group room rate is available for three days before and after the meeting.

The conference begins with an informal reception for early arrivals on July 23 at 6 p.m. Meeting registration is Sunday from 5-6 p.m. and the Welcoming Reception is at 6 p.m.

The business session is Monday at 8:30 a.m. followed by golf and sporting clays tournaments. Tuesday begins with an AHMI Board breakfast meeting followed by the University Program at 9:30 a.m. that is open to all AHMI members.

2016 AHMI Summer Meeting Agenda

Saturday, July 23

6 pm - Early Arrival Reception on Prime 44 Terrace

Dinner on your own

Sunday, July 24

4-6 pm - Registration opens in Check-in Lobby

6-7 pm - Reception on Chesapeake Terrace

Dinner on your own

Monday, July 25

8:30 am - General Session in Taft Room

- 1) Furniture Success with Solid Hardwoods
- 2) PLT Curriculum Provides Science In Schools
- 3) Planning for Succession, Acquisitions & Sales

9 a.m. - Ladies Breakfast in the Main Dining Room

1 p.m. - Golf Tourney at Greenbrier Course

1 p.m. Sporting Clays Tourney at Gun Club

6-7:30 pm - Reception in Crystal Ballroom

Dinner on your own

Tuesday, July 26

8 a.m. AHMI Board of Trustees breakfast in Taft

9:30 a.m. Meeting with University Leaders in Taft Room

Have a safe trip home

Please complete your AHMI Meeting Registration at www.appalachianwood.org/meetings.htm

Meeting Registration Online at
www.appalachianwood.org/meetings.htm



**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 set for 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.

This is an excellent opportunity to connect with secondary manufacturers who attend to learn about suppliers and new equipment.

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
Parton Lumber Co.	4742
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:

July 24-28: **AHMI Summer Conference**, The Greenbrier, White Sulphur Springs, WV

Aug. 24-28: **International Woodworking Fair**, Atlanta, GA

Sept. 13: **Appalachian Lumbermen's Club**, Concord, NC

Sept. 20-22: **Hardwood Federation Fall Fly-In**, Washington, DC

Sept. 26: **Penn York Lumbermen's Club**, 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

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 your industry events. These include Verified Sustainable and Verified Legal certificates, signs, labels, publications and more that can be designed to incorporate your company information. Please contact info@appalachianwood.org to learn more.

Biomass Carbon Neutrality Debate Heats Up

By Dana Lee Cole

Hardwood Federation Executive Director

In late June, there was an important development not only for the hardwood forest products industry, but for all manufacturing that uses forest biomass for energy or a feedstock.

The U.S. Senate Appropriations Committee approved a 2017 spending bill for EPA that binds the Agency to recognize the carbon neutrality of forest-based biomass fuels and energy. Sen. Jeff Merkley (D-OR) and Sen. Susan Collins (R-ME) worked tirelessly with the forest products industry to craft the bipartisan language that is included in the final Senate bill. We very much appreciate their support and the support of those who voted for final passage.

As we are all painfully aware, EPA has been dragging its feet on how to treat biomass combustion in the context of various clean air regulatory programs. The Hardwood Federation, along with advocates representing forest landowners and pulp and paper mills, have been working hard making the case that any carbon released as a result of combusting forest-based biomass should not be regulated as it does not represent a net new carbon contribution to the atmosphere.

Unlike coal and other fossil fuels, biomass energy harvested from sustainably grown forests represents a balanced carbon cycle. Trees grow and while they do so they are continually siphoning carbon from the air.

When a timber stand is managed and biomass generated from a timber harvest is used for energy, the carbon that has been sequestered in that material is released. However, what differentiates biomass from coal and natural gas is that our forests continue to absorb carbon as they mature.

As long as our forest stocks are stable or increasing, the carbon cycle as it relates to forests in balance. And officially endorsing this scientific fact is the essence of the provision that made its way into the appropriations measure that moved last week.

So what's next? Appropriations Committee passage of this provision in the Senate is a posi-

HARDWOOD FEDERATION

tive first step. In addition, the U.S. House Appropriations Committee also approved a bill containing favorable biomass language, although not as strong as the Senate language.

If the full Senate and House pass their respective bills, a Conference Committee will be named to reconcile the differences and produce final Appropriations language. But the appropriations process this year is complicated—particularly in an election year and especially with appropriations measures dealing with the EPA.

Keep in mind too that the congressional schedule is abbreviated this year due to the national party nominating conventions in mid-July followed by the August recess. The bottom line is that enacting this provision through the appropriations process will likely come down to a year end negotiation as part of a comprehensive spending package.

The other wrinkle in this space is that we have a provision in Senate-passed energy bill that also directs EPA to recognize biomass carbon neutrality. While it is not as forceful and legally binding as the Senate Appropriations Committee-approved language, it is still good policy. A conference committee has not yet been convened to reconcile the Senate's version of the energy bill with the House's, but if that process is initiated we will have another opportunity to move the ball on this critical issue.

We still have a great deal of work to do before we can declare victory on biomass, but these are very important steps in the process. In preparation for any year end deal, this issue will be a centerpiece of our pitch during the Hardwood Federation Fly-In this September.

The Hardwood Federation and our member associations have been strong, consistent advocates for carbon neutrality over the last several years. We will continue to work with Congress and engage our members until we reach our final goal.

2016 AHMI Summer Conference Registration

The Greenbrier, White Sulphur Springs, WV July 23-26, 2016

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 15, 2016 and mail to AHMI, P.O. Box 427, High Point, NC 27261.

MEETING REGISTRATION FEES:

AHMI MEMBER - \$295 per person GUEST - \$395 per person
MEMBER SPOUSE - \$225 GUEST SPOUSE - \$325
CHILDREN 10 & older - \$95 CHILDREN UNDER 10 FREE!

Full registration will be refunded on cancellations by July 8, 2016. 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: \$ _____
Name: _____ Badge Name: _____ FEE: \$ _____
Name: _____ Badge Name: _____ FEE: \$ _____

Company: _____

Address: _____

City/State/Zip: _____

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

Name: _____ FEE: \$220
Name: _____ FEE: \$220

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

One round of 100 - Includes gun, targets and ammunition

Name: _____ FEE: \$190
Name: _____ FEE: \$190

SPOUSE BREAKFAST (Monday at 9 a.m. Main Dining Room)

Speaker on Greenbrier History - buffet breakfast charged to your room

Name: _____ FEE: room charge

UNIVERSITY RESEARCH LUNCHEON (Tuesday at 12 p.m.)

Name: _____ FEE: \$35

Check enclosed ____
Credit Card: _____
Expiration date _____ Sec. Code _____
Name on card: _____
Billing zip code _____

Total _____

You may also register online at www.appalachianwood.org/meetings.htm. Please make your room reservations with AHMI by calling (336) 885-8315.