



Appalachian Hardwood *Sustainable & Legal*

Monthly newsletter of Appalachian Hardwood Manufacturers, Inc.

Speaker: Timber Will Build The 21st Century

HOLLYWOOD, FL – Cross-laminated timber will be the building material of the 21st century, said a keynote speaker at the 2017 Annual Meeting of Appalachian Hardwood Manufacturers Inc.

A great crowd of members and guests met at The Diplomat Resort in Hollywood, FL, to hear excellent presentations on key industry issues. The following is a recap of each of the speakers.

Cross-Laminated Timber

Crawford Murphy believes that Cross-Laminated Timber (CLT) is the building material of the future. He is the founder of CLT-USA and has planned a seven-story structure in Asheville, NC, and a manufacturing plant in southwest Virginia.

CLT is built from solid wood boards that are layered with adhesives to produce wall structures. The boards can be of lower appearance grades and when glued together are lighter in weight, easy to assemble and have stronger properties than competing materials.

CLT structures have been built in Europe for the past decade and have been introduced in the U.S. in the past five years. The material can be used in a variety of shapes and dimension and is suited for residential and commercial applications.

As with any new product, Murphy said, there are obstacles to overcome. For CLT, it is acceptance into building codes, understanding of the potential uses, and attacks from concrete as steel industries that are threatened by its use.



CLT panels erected at commercial site

“The environmentalists are not concerned about CLT so that is not an obstacle for us now,” he said. “We are bringing people around to CLT because of the life span, the economy and the many applications. Everything looks good well into the future.”

Poplar is one of several species that can be used along with southern yellow pine, fir and spruce. Poplar has a higher strength to weight ratio than many of the softwoods.

Murphy said there has been extensive testing in the U.S. and around the world for strength, fire rating, moisture, termites and more. He said preliminary data proves buildings can be constructed up to 42 stories and more research is underway.

“When we started with CLT there were no building code standards so we developed it in North

(See CLT on page 3)

March 2017

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The way I see it...

By Tom Inman, AHMI President

...the mood for Appalachian Hardwood Manufacturers Inc. members and guests at the 2017 Annual Meeting was very positive for production and sales in 2017.

In conversations with Producers, Distributors, Consumers and Suppliers, all were upbeat about the first two months of the year and forecasts for the remainder. Producers report that log and lumber inventories are stable or even slightly above average for many. Lumber is moving at a reasonable pace with the exception of a few grades.

The common concern for all was DUST and CHIPS. Every sawmill is reporting issues with sales of dust, chips and other byproducts to existing paper, chip mill and pellet operations because all of them report to be oversupplied.

Many buyers of these materials are placing companies on quota and tremendously limiting supply. The price for these products reflects that.

The issue was one of the topics at the AHMI Producers Meeting and a question was asked if anyone had found new markets. There were no answers - yet. There were a couple of ideas discussed later in the day and I am researching these markets to learn what materials they require and if Appalachian dust and chips will work.

Distributors were positive about the new year and a few commented on green lumber supplies. As more companies have built dry kilns, more pressure is on green lumber producers.

The Consumers members in attendance represented flooring and moulding markets and both reported stable business for the year.

There was a lot of talk about international trade and the impact it can have on every market if there are substantial changes this year. Hardwood Federation Executive Director Dana Lee Cole reminded the attendees to remain in contact with their federal legislators to promote free and fair trade and make certain that new regulations, tariffs or Border Adjustment Taxes are not developed that end up hurting the hardwood industry.

AHMI is monitoring this and will send out any details as they develop. Please forward any news to info@appalachianwood.org.



25 Years

AHMI Vice Chairman Lowery Anderson (left) presents Robert Coleman of Robert S. Coleman Lumber a plaque recognizing the company's 25-year membership.

Other companies recognized were:
Conestoga Wood Specialties, Ethan Allen Inc.,
and Sisler Lumber Co.



AHMI welcomes the following new members:

Suppliers

Laufer Group International
Michael D'Angelo
20 Vesey St., Ste 601
New York, NY 10007

Engle-Hambright & Davies, Inc.
Jeff Stenta
266 Treasure Lake
DuBois, PA 15801

Stringer Industries
Taylor Stringer
PO Box 450
Tylertown, MS 39667

We encourage you to contact these companies to learn of the products and services they provide to the industry.

New members are the lifeblood of the association and if you know of potential members, please contact AHMI at (336) 885-8315. We have materials to send and will schedule a visit.

SFI Hopes LEED Acceptance Boosts Program

Jason Metnick, Senior Vice President of Customer Affairs for the Sustainable Forestry Initiative, offered the strategic vision of the certification program in 2017. He said there are new market opportunities for SFI certified wood with the US Green Building Council's LEED program.

Builders and architects can now receive credit in the LEED standard for SFI certified wood, a battle that SFI has waged for more than 15 years. USGBC began a pilot program to allow an Alternative Compliance Path so projects can achieve an existing green building credit using SFI certified wood.



The ACP takes a stance against illegal wood and reinforces the value of certified forests, responsible sourcing and chain of custody for forest products. It also give architects and builders much greater access to renewable forest products.

This program still requires users to verify the legality of forest products used in LEED buildings, and awards credit for the use of wood and paper products certified to the SFI, ATFS, CSA, and PEFC standards.

Metnick said SFI is centered on three main pillars: supply chain assurances; conservation value; and community engagement. The program focuses on environmental, economic and social concerns and is governed by a board of directors divided equally in these categories.

He said more than 280 million acres of forests in the U.S. and Canada are certified to:



Jason Metnick explains SFI to AHMI members

- SFI 2015-2019 Forest Management Standard is used by owners or managers of forest land to promote sustainable forest management.
- SFI 2015-2019 Fiber Sourcing Standard sets mandatory requirements for all primary mills and manufacturers for the responsible procurement of fiber from the forest, whether the forest is certified or not.
- SFI 2015-2019 Chain of Custody Standard tracks certified forest fiber, uncertified forest fiber that is non-controversial and recycled fiber through the different stages of production.

Metnick said SFI continues to gain market understanding and a recent survey found 35 percent of consumers recognize the logo. He said a majority of program participant report stable markets in 2017.

Appalachian Hardwood Manufacturers Inc. is considering a group certificate for members to participate in the SFI program. More details will be available in coming weeks.

CLT from page 1

Carolina and it has been shared around the country," he said. "Now International Building Codes have been introduced and we expect to see full details about CLT in the next update."

Murphy has plans for a manufacturing plant in southwest Virginia that has the potential to use more than 40 million board feet of poplar annually. He hopes to begin construction later this year.

4 - March 2017 - Appalachian Sustainable AHMI Sponsors Furniture Manufacturers Expo In June

Appalachian Hardwood Manufactures, Inc. will assist with the inaugural Home Furnishings Manufacturing Solutions Expo set for June 7-8, 2017, at the Georgia World Congress Center in Atlanta.

HFMSE will be the only trade show of its kind in the U.S. serving the \$150 billion home furnishings industry. The Expo will provide attendees with innovative and timely solutions for their home furnishings business including manufacturing equipment and innovative machinery, warehousing, technology, financial and logistics services.

The recently launched HFMSE website, www.HFMSE.com, is the number one resource for exhibitors and attendees to find information about the expo. The website provides show details, attendees, schedules and exhibitor information pertaining to all parts of the expo.

In addition to a large number of exhibitors, there will also be demonstrations throughout the day that will allow attendees to see equipment in action.

AHMI will have a booth at the Expo and encourages members to exhibit or join us in the booth. Tom Inman will present two seminars on Appalachian Hardwood Sustainability and Appalachian Hardwoods in Design.

For more information, please contact the AHMI office.

AHMI Annual Meeting Tournament winners

The AHMI Annual Golf Tournament was held during the meeting and all prizes were donated to the Hardwood Forest Foundation. Winners were:

Low gross: 1st – Webb Heintzelman; 2nd – Steve Arnold

Low net: 1st – Jeff Stenta; 2nd – Parker Boles
Closest to the Pin - Jay Reese; Longest Drive - Dan Mathews.

The Saturday round low gross was Steve Arnold and Low Net was Marijo Wood.

The Fishing Tournament was cancelled because of high winds.

AHMI Promotion & Trade Show Activities

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

March 14: **Appalachian Lumbermen's Club**, Greensboro, NC

March 22-24: **HMA National Conference**, Charleston, SC

April 11-14: **NWFA Flooring Expo**, Phoenix, AZ

April 21-22: **Loggers Plus Expo**, Bloomsburg, PA

April 22-26: **High Point Furniture Market**, High Point, NC

May 4-7: **Appalachian Lumbermen's Club**, Myrtle Beach, SC

June 7-9: **Home Furnishings Manufacturers Expo**, Atlanta, GA

June 9-10: **PFFPA Timber Show**, Rock Springs, PA

June 22-24: **AHEC China Convention**, Qingdao, China

July 22-25: **AHMI Summer Conference**, Biltmore Inn, Asheville, NC

Sept. 12-14: **AHMI & Hardwood Federation Fly-In**, Washington, DC

Sept. 19-21: **WPMA Annual Meeting & Tours**, Providence, RI

Sept. 27-29: **SFI Annual Conference**, Ottawa, Canada

Oct. 14-18: **High Point Furniture Market**, High Point, NC

Oct. 25-27: **NHLA Convention**, Nashville, TN

Kiln Courses Set In PA

Two kiln courses are planned for the spring in Clearfield, PA, and designed to provide a solid foundation for operators. They are:

Kiln Assistant on March 27-28

Kiln Measurements on March 29-30

For more information, contact Evan Stover at 814-935-3870

Federation Board Sets Priorities For 2017

By Dana Lee Cole, HF Executive Director

For the first time in recent memory blizzard conditions somewhere in the U.S. did not stop participants from attending the Hardwood Federation's Board of Directors and Hardwood Federation PAC Board of Directors annual winter meetings in Washington D.C. on Feb. 15-16.

Lowery Anderson of Roy Anderson Lumber was elected to the Hardwood Federation Boards as the representative of the Appalachian Hardwood Manufacturers Inc. (AHMI) replacing Mike Hoover of Neff Lumber. Mike was a tremendous advocate for the hardwood lumber industry and the AHMI during his time on the Board and we will miss his participation. Lowery will do an outstanding job and we look forward to working with him!

The primary focus of the winter meeting is to set the direction and priorities of the Federation. Using the guidance of 2016 advocacy activity, the anticipated Administration agenda, and the responses to the annual Hardwood Federation Priority Policy Survey, the Hardwood Federation and Hardwood Federation PAC Boards discussed and set a course of action for 2017.

In the ever changing world of politics and policy can shift some of this course, but to have marching orders at the start of every year greatly helps the Hardwood Federation staff provide the best possible assistance to the hardwood industry. In 2017 the top issues reported by the survey fell in line with our expected chief priorities, which were: Federal Forest Management, Regulatory Reform, Tax Reform, Trade, and Biomass.

These are not new topics for the Federation, but the high level of importance placed on them by those who responded to the survey is a clear mandate for us. Congress will continue to hear from us why it is important that the right decisions are made when considering reform measures in these areas. And why the wrong decisions can devastate our industry.

Our efforts on Capitol Hill will not be limited to these five issues because green building programs, the Lacey Act, the Endangered Species



Act and export market issues, amongst others, will all continue to command some of our attention. 2017 will no doubt be a busy year!

The Board of Directors held a lengthy discussion about how the Hardwood Federation can best position itself on the issue of trade, particularly within the context of the new Administration. On the campaign trail and early in the 2017 various policy positions were floated regarding U.S. agreements and practices with our trading partners, including the NAFTA countries of Mexico and Canada, China, and Europe.

As an industry that benefits greatly from export markets and one that also suffers from unfair competition from hardwood imports, there was a lot to discuss. The Board started with the premise that the Hardwood Federation advocates for fair, legal and free trade.

Although we are still fine tuning our specific, final policy guidelines, it is safe to say that the Hardwood Federation will be working with the Administration and with Congress to communicate both sides of this matter and to advise them that trade is an extremely complicated issue that cannot be adequately addressed with "one size fits all" national policy.

No doubt this will be a difficult issue for the Hardwood industry...and for many other industry sectors...to deal with. But it is one that is critical to our industry and we are prepared to work strategically with hardwood companies and our supporters in Congress to realize a satisfactory outcome.

If you have any thoughts or comments on issues affecting your business, please do not hesitate to contact us at hardwood.federation@hardwoodfederation.com.

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Truth About Trees Plans Traveling Exhibit

Hardwood Forest Foundation Executive Director Crystal Oldham spoke at the 2017 AHMI Annual Meeting about a plan to build a children's museum exhibit that will travel around the country.

The proposal is the next phase of the *Truth About Trees* program that educates all ages about the benefits of forest management and hardwood lumber use. The interactive exhibit would introduce young people to the forest and its many benefits and then explain the tremendous volume of products that come from trees.

The 3,000-square-foot exhibit would literally walk them from forest through finished goods.

HFF has partnered with Omaha Children's Museum to build the exhibit. OCM Director Jeff



Barnhart said Union Pacific Railroad has agreed to be the title sponsor and construction could begin later this year.

For more information and ways to participate, please visit www.hardwoodforest.org.



FCL Meets At AHMI

The Fellowship of Christian Lumbermen held a meeting at the 2017 AHMI Annual Meeting in Hollywood, FL. The group heard a challenging devotion from Pastor Jose Santiago from the Hollywood Community Church about missions work in Africa. A missionary from that congregation was killed by terrorists in 2016.

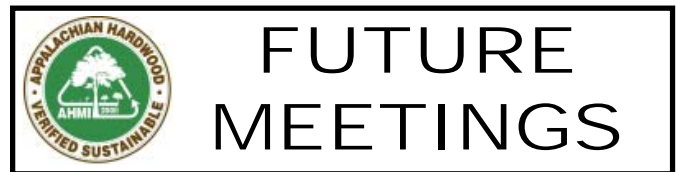
For more information on FCL, please visit www.christianlumbermen.wordpress.com/

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Appalachian Hardwood Manufacturers, Inc. invites you to follow us on Facebook and Twitter.

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>



The next meeting of AHMI will be the **2017 Summer Conference** on July 22-25 at the Inn at Biltmore Estate in Asheville, NC. We are completing the program and details will be announced soon.

There will be discounted rates for passes to the Biltmore House and other attractions. Please mark you calendars for this meeting and time in western North Carolina.

For more information, contact AHMI at (336) 885-8315 or info@appalachianwood.org.

The **2017 Fall Meeting** will be in conjunction with the Hardwood Federation Fly-In on Sept. 12-14 in Washington, DC at the Marriott Marquis. There will be meetings planned with members of Congress and staff to explain industry positions.

The 2018 Annual Meeting will be Jan. 17-21 at the JW Marriott in Marco Island, FL. Please note the date change to late January.

The Marriott has had extensive renovations and additions and this promises to be an excellent venue and terrific meeting.

Reservations will be available soon for each of these events.