Leadership Conference for Local Wood Products

Tom Inman, Director
Appalachian Hardwoods Manufacturers Association
High Point, North Carolina

Thursday, August 2, 2012

The work upon which this publication is based was funded in whole or in part through a grant awarded by the Wood Education and Resource Center, Northeastern Area State and Private Forestry, U.S. Forest Service.
Appalachian
Hardwood Manufacturers, Inc.

Mission

To promote the distinct advantages of hardwoods produced in the Appalachian region of the United States, and to develop programs and services to help insure an adequate supply of wood resource for the purpose of helping members meet the needs of the public in general.
Appalachian Hardwood Manufacturers, Inc.

Founded in 1928
Headquartered in High Point, NC

202 member companies in five divisions:

- **Producers** – lumber manufacturers
- **Distributors** – concentration yards & wholesalers
- **Consumers** – Secondary Manufacturers
- **Suppliers** – Sell to the industry
- **Forestry** – Corporate/consulting foresters

* Export – Producers & Distributors
Appalachian Hardwood Territory as defined by Appalachian Hardwood Manufacturers, Inc.
AHMI Definition of Verified Sustainable

AHMI has verified the sustainability of the Appalachian Hardwood Forest as defined by AHMI Bylaws through the data provided by the U.S. Department of Agriculture’s Forest Service and Forest Inventory Analysis.
Key Findings - Appalachian Hardwood Region in 2012

1. Timberland in AHR is **65.4 million acres**
2. Standing inventory of **1.45 trillion BF**
3. The region-wide hardwood growth to removal ratio is **2.45**
4. Saw timber size >11”dbh hardwood stands are up from 57% in 1990 to **67% in 2010**
5. Average annual hardwood removals account for **less than 1%** of total hardwood inventory
Production peaked in 1999 at an estimated 12,619,000,000 board feet.

1975 production was estimated at 7,157,500,000 board feet.

2010 production is estimated at an annual rate of 6,921,300,000 board feet.

2009 was the lowest recorded production since the series began in 1960 at 5.73B board feet.

Graph: Hardwood Market Report
Sources: US Census Bureau, US Forest Service, and Hardwood Market Report
2012 Hardwood Lumber Production Forecast
6.5 BBF
# Hardwood Lumber Markets

<table>
<thead>
<tr>
<th>Product</th>
<th>1999</th>
<th>2004</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pallets</td>
<td>12.9</td>
<td>11.7</td>
<td>7.0</td>
</tr>
<tr>
<td>Furn.</td>
<td>4.5</td>
<td>4.0</td>
<td>2.6</td>
</tr>
<tr>
<td>Exports</td>
<td>2.6</td>
<td>1.3</td>
<td>0.6</td>
</tr>
<tr>
<td>Millwork</td>
<td>1.2</td>
<td>1.2</td>
<td>1.0</td>
</tr>
<tr>
<td>Cabinets</td>
<td>1.3</td>
<td>1.2</td>
<td>0.4</td>
</tr>
<tr>
<td>Flooring</td>
<td>1.4</td>
<td>1.5</td>
<td>0.5</td>
</tr>
<tr>
<td>RR Ties</td>
<td>0.7</td>
<td>0.9</td>
<td>1.0</td>
</tr>
</tbody>
</table>

*billion board feet*
Issues

- Timber
- Loggers
- Sawmills
- Credit
- Demand
Hardwood Checkoff
Hardwood Checkoff
Growing Future Markets

- Promotion
- Education
- Research
Projected Revenue

Sawmills-Green $3.50 mil.
Sawmills-KD $2.50 mil.
Yards & value added $1.50 mil.
Hardwood plywood $1.65 mil.

TOTAL $9.15 mil.
Questions?

Tom Inman, Appalachian Hardwood Manufacturers, Inc.
Tel. (336) 885-8315    www.appalachianwood.org
    tom@appalachianwood.org