



January 2016

Registration discount ending soon!

Last chance to catch an Early Bird discount!

HMA 2016
National Conference & Expo

March 9-11, 2016 | Fort Worth, TX
www.HMAmembers.org
Discount ends January 4

Beware – Hotel Room Pirates!

A company called Convention Housing Bureau (CHB) is fraudulently representing itself as HMA's housing vendor for our 2016 National Conference and Expo. **Be advised!** HMA has **NO** affiliation with CHB or any housing company. Please make your hotel accommodations directly with The Worthington Renaissance.

And don't delay! Reservations can be made [online](#) or by calling **1-800-468-3571**. Be sure to mention the **Hardwood Manufacturers Association** to get the 'special' rate: **\$199** Standard and Balcony Suites. **It is not too early** to make your reservations. Should your plans change, there is no obligation **IF** you cancel within 24 hours of your reservation start.

Others on the Dais in Fort Worth

If you're serious about being part of the "solution," you'll make your way to the Worthington Renaissance in Fort Worth, March 9-11, to participate in **HMA's 2016 National Conference and Expo**. The 2 ½ day event was designed to provide pertinent industry-related manufacturing, marketing, resource, and management information. You'll not want to miss this array of "on point" presentations.

- Sharing a spotlight will be representatives from the Biomass Thermal Energy Council and The Chip Doctors. Their presentation entitled, "**Revenue & Profit Centers: Are you Leaving Money on the Floor?**" will discuss biomass for energy/heat, and how certain mill adaptations can turn waste into profit.

- The *Hardwood Market Report*, for decades a trusted source of industry information, will be on hand to discuss current **“Hardwood Market Trends,”** and to also provide a sneak-peak of what lies ahead.
- The Hardwood Federation, our industry’s advocacy voice on Capitol Hill, will provide a **“2016 Legislative Update”** and discuss how our participation in the Hardwood Federation can affect the outcome.
- A member panel, comprised of Baby Boomers, Generation X’ers, and Millennials, will discuss, **“Leveraging the Generational Differences in the Workplace,”** and show how a company willing to invest in its people will experience increased productivity, greater employee retention, increased customer satisfaction, and greater profitability.
- A business session, **“Improving your Risk Profile to Slash your Rates,”** will be conducted by certified Risk Manager and Duncan Financial Group Vice President, David R. Leng. And then he and we will **Continue the Conversation(s)** over snacks and refreshments at the ever popular **“Industry Confab.”**

Don’t miss this industry event. Make plans to attend, today.

Being part of the “solution”

Looking to spotlight your company and at the same time support the efforts of the HMA? Being a **sponsor** at the National Conference and Expo will accomplish both. Call the HMA office, 412.244.0440, to see which sponsorship levels are still available, and give us the pleasure of adding your company name and logo to this space next issue, just like this.



At the **Platinum Sponsor** level is Thompson Appalachian Hardwoods, Inc., Huntland, Tennessee. They will be co-sponsoring the Next-Gen Reception and Millennial Claire Thompson Getty, Executive Director of Thompson Appalachian Hardwoods, will be moderating Thursday afternoon’s panel, *“Leveraging the Generational Differences in the Workplace.”* (www.thompsonappalachian.com)



At the **Gold Sponsor** level is industry supplier, Moehring, Wiesentheid, Germany! These fine folks will be co-sponsoring the Technology Roundtable session, as well as manning Booth #21. As first time Expo participants, please be sure to make them feel welcome. (www.Moehring.com)



At the **Bronze Sponsor** level is Frank Miller Lumber Company, Inc., Union City, Indiana! This long-time member company will be sponsoring the “Leveraging Generational Differences” learning session. To Bob Miller, HMA’s Second Vice President and Millennial Council Coordinator, and to all at Frank Miller Lumber, a special thank you for all that you do! (www.frankmiller.com)

“Actions speak louder than words.”

We’d like to recognize and thank the many industry stakeholders who have contributed to HMA’s Education/Promotion Campaign. They’ve “stepped to the plate” with more than good wishes, and their confidence, collaboration, and financial support speak volumes! Thank you for augmenting our efforts to elevate American hardwoods as the building and remodeling material of choice.

For the period November 1, 2014 through October 31, 2015, thank you to these generous contributors:

HMA Member Contributors

Anderson-Tully Co.
BWP Hardwoods, Inc.
Baillie Lumber Co.
Beal Lumber Co.
Big River Cypress & Hardwoods, Inc.
Bill Hanks Lumber Co.
Bingaman & Son Lumber, Inc.
Brenneman Lumber Co.
Cersosimo Lumber Co.
Curtner Lumber Co.
Dwight Lewis Lumber Co.
East Perry Lumber Co.
Frank Miller Lumber Co.

Haessly Hardwood Lumber Co.
Hannafee Brothers Sawmill Co.
High Country Lumber & Mulch
J.T. Shannon Lumber Co.
Jerry G. Williams & Sons, Inc.
Linden Lumber, LLC
Northland Forest Products, Inc.
RAM Forest Products, Inc.
T & S Hardwoods, Inc.
Thompson Appalachian Hardwoods
Thompson Hardwoods, Inc.
Turn Bull Lumber Co.
Wellborn Cabinet, Inc.

Non Member Contributors

Champlain Hardwoods
Cotton-Hanlon, Inc.
DMSi
Hardwood Market Report
National Hardwood Magazine
PLM/ILM Insurance Companies
Reel Lumber

SII Dry Kilns
Swaner Hardwood Co.
Taylor Machine Works, Inc.
USNR
W.M. Cramer Lumber Co.
Woodus K. Humphrey & Co.

More than just Talk

*By Linda Jovanovich
HMA Executive Vice President*

Happy 2016! HMA is gearing up for an eventful year, and I hope you plan to be with us every step of the way. For starters, **January 15** is the submission deadline for the **Susan M. Regan Memorial Scholarship**. If you're wondering what I'm talking about, you just may be a little behind in your email. So, here's what's going on.

Recognizing the need for skilled industry professionals, HMA has established **two** annual scholarships in memory of former Executive Vice President, Susan M. Regan. Each scholarship, in the amount of \$1000, is intended to provide financial assistance to qualified students enrolled in an accredited forestry/wood products program.

One scholarship will be awarded to a junior or senior enrolled in a four-year institution. One scholarship will be awarded to a second-year student enrolled in a two-year institution. Applicants must be enrolled in an accredited Forestry/Wood Products program for the full school year, and not graduating mid-term. **Here's where you come in.**

If you know of an eligible student that could benefit from this opportunity, please make them aware that all of the eligibility requirements, and a scholarship application, are available at www.HMAmembers.org. And don't delay. Completed applications, along with all transcripts and references, must be received by January, 15. Award recipients will be announced (and hopefully introduced) in March at the National Conference & Expo.

For HMA members new to the Association since 2007, Susan Regan served as HMA Executive Vice President from 1990-2007. She was a dedicated industry stakeholder and a fore-runner in the effort to raise consumer awareness. These scholarships will ensure that

she will continue to be remembered for her stellar work in the promotion of solid American Hardwood products.

I truly hope you plan to be with us in Fort Worth to witness this inaugural event!

Moving the Needle on American Hardwood Awareness

The pros at the American Hardwood Information Center thought we'd end 2015 with a Bang! We're talking about our latest news release entitled, "**All the Rage in Hardwood Flooring.**" It's informative. It's spicy. And it begins like this.

"After months of online browsing, you've found the perfect, wide plank hardwood flooring. Or so you think! You absolutely love the look. But how can you be sure it's the right product for you? Ask the pros."

If you like the attention getting approach of the release, you're in good company. Editors across the country are running with it. And while flooring releases typically get great pick-up, this one is off to a stellar start.

- On the afternoon of December 18, "**All the Rage in Hardwood Flooring,**" was put "on the wire" by our preferred, content-based marketer, Brandpoint. The pick-up was immediate.
- Within three (3) days, the release had 345 online placements! That's an ad value of \$124,698, a 25-to-1 ROI, and an online site **audience of 30,031,264!**

But it's just the beginning. We anticipate that as 2016 kicks into gear, and spring improvement projects rise to the top of everyone's to-do list, our information will top the charts.

And FYI - the release is much more than just 'fluff.' It includes the differences between solid and engineered hardwood flooring, and the appropriate applications for each. And it even provides a glimpse of what's trending in stains and finishes.

Please visit the American Hardwood Information Center, www.HardwoodInfo.com, for a look at the entire release. And special thanks to the National Wood Flooring Association, Mullican Flooring, and Shannon & Waterman. Your collaboration in this effort was greatly appreciated.

Adding a splash of Color, or Two?

Trend setter Pantone, the global authority on color trends and standards for the design industries, recently announced its Color of the Year choice. This time around however, Pantone has chosen to spotlight two shades, **Rose Quartz** and **Serenity**. And a visit to their website, www.pantone.com, explains why.

"As consumers seek mindfulness and well-being as an antidote to modern day stresses, welcoming colors that psychologically fulfill our yearning for reassurance and security are becoming more prominent.

- **Rose Quartz** is a persuasive yet gentle tone that conveys compassion, and a sense of composure.
- **Serenity** is weightless and airy, like the expanse of the blue sky above us, bringing feelings of respite and relaxation, even in turbulent times.

Joined together, they demonstrate an inherent balance between a warmer embracing rose tone and the cooler tranquil blue, reflecting connection and wellness, as well as a soothing sense of order and peace."

In addition to this color duo, Pantone is also offering a host of other softer shades designed to evoke a sense of calm and relaxation. Visit www.pantone.com to learn more, and be sure to check out Iced Coffee, Snorkel Blue and Lilac Gray. *(Color swatch courtesy of Pantone)*

Hardwood Federation Update

By Dana Lee Cole

Hardwood Federation Executive Director

Before leaving Washington for the holidays, the House and Senate passed a **2015 Omnibus Spending Bill and Tax Extenders** package and forwarded it to the President for signature, concluding the major legislative business for the year. Although a comprehensive package addressing wildfire funding mechanisms and federal forest management was not passed, the Omnibus package did include some important victories for the forest products industry:

Forest Management

Programs receiving increased funding and directional support in the Omnibus and report language include:

- **Fire Suppression** - While the bill does not provide a permanent fix to the fire borrowing problem, it does provide \$4.2 billion for wildfire fighting and prevention programs; \$670 million above the 2015 enacted levels. This should reduce borrowing from other Forest Service programs, at least in the next fiscal year. Hazardous Fuels Reduction programs will be funded at \$545 million, an increase of \$19 million. (But a particularly bad 2016 fire season could diminish these increases quickly.)
- **Timber Harvest Programs** - The Omnibus includes an increase of \$21 million for timber sales, bringing the line item up to \$360 million. There is also strong House and Senate report language indicating that both Chambers expect compliance with program objectives i.e. increasing timber sale outputs in a more efficient manner.
- **Northern Long Eared Bat** - There is report language in the bill directing Forest Service research staff to prioritize studies of white nose syndrome.
- **Forest Inventory Analysis (FIA)** - The FIA program received a \$5 million increase for 2016.

Biomass

If you have purchased a **wood or pellet stove** or are planning to, the Sec. 25C non-business energy property credit was extended retroactively to January 1, 2015 and forward through 2016. In this section, buyers of qualifying wood and pellet stoves are eligible for a \$300 credit.

If you **produce** wood pellets at your facilities, the report accompanying the Omnibus package includes language directing USDA to reform the way it administers a renewable energy program that affects wood pellet producers. The Farm Bill program, known as the Bioenergy Program for Advanced Biofuels, classifies wood pellets as "advanced biofuel," which makes pellet producers eligible for direct payments under the program. Language in the Omnibus directs USDA to reformulate the payment allocation so that disbursement is fair and equitable across the suite of advanced biofuels that now qualify.

Business Taxes

- A provision permanently extending Section 179 was included in the final package. The provision extends the **small business expensing** limitation and phase-out amounts in effect from 2010 to 2014 (\$500,000 and \$2 million respectively). These amounts currently are \$25,000 and \$200,000 respectively. The special rules that

allow expensing for **computer software and qualified real property** (qualified leasehold improvement property, qualified retail improvement property) are also permanently extended. The provision modifies the expensing limitation by indexing both the \$500,000 and \$2 million limits for inflation, beginning in 2016, and by treating air conditioning and heating units placed in service in tax years beginning after 2015, as eligible for expensing. It further modifies the expensing limitation, with respect to qualified real property, by eliminating the \$250,000 cap beginning in 2016.

- The **Research & Development credit** was also made permanent. Beginning in 2016, businesses with less than \$50 million in gross receipts will be free to use the credit to offset alternative minimum tax. In addition, certain start-up businesses that may not have an income tax liability will be able to offset **payroll** taxes with the credit.

Happy **New Year** from the Hardwood Federation!! We look forward to continuing our efforts on your behalf in 2016!!

Thinning the Forest and why!

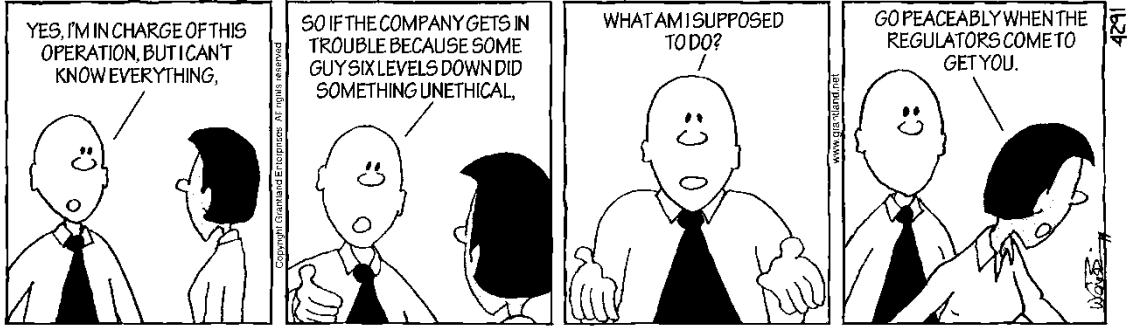
The next time a fringe environmentalist spouts off regarding forest management practices, point him to the article, "**Six Reasons Thinning Trees is Good for the Forest**," recently posted on the *Forest2Market* newsletter. The post discusses "the myriad benefits that regular thinnings have on the overall health of our forests and their peripheral ecosystems, wildlife habitats, and the safety and economic wellbeing of the communities that border them. For example:

Increased Growth – "Private landowners have demonstrated repeatedly that properly managed, working forests have both economic and ecological benefits. Regular thinnings provide an improved environment for maximizing a site's growth potential, which results in larger, healthier trees and more valuable timber. As a silvicultural practice, thinning allows for the continued growth of the healthiest preferred species within a timber stand while removing the suppressed, diseased and low-vigor trees that will impede the growth of the entire stand. Many of the low-vigor trees in such stands continue to grow at a reduced rate until competition claims them or they are removed via thinning. An integral piece of properly managing the forest is the removal of these trees, which can also serve as unnecessary fuel load during a fire event."

Environmental Benefits – "Thinnings will alter the environment of the forest, which is a good thing. Thinnings allow the penetration of light, which increases the temperature of soil as well as the availability of moisture and nutrients within the soil. With these changes, forest vegetation flourishes and produces a more favorable habitat for wildlife. Thinnings will invariably reduce the canopy of the forest, which allows a greater amount of rainwater to reach the forest floor, as well."

Visit <http://blog.forest2market.com> for the rest of this on-point posting.

GRANTLAND®



HMA Link is published each month exclusively for members of the Hardwood Manufacturers Association. Views expressed are not necessarily those of the HMA. *HMA Link* welcomes comments and questions.

Hardwood Manufacturers Association
665 Rodi Road, Suite 305
Pittsburgh, PA 15235
Phone: 412.244.0440
Fax: 412.244.9090
www.HardwoodInfo.com
www.HMAmembers.org

Darleen Licina-Tubbs
Editor
Darleen@hardwood.org

Follow us @AmericanHardwds

