

July 2017

More than just talk

By Linda Jovanovich HMA Executive Vice President

Not even in my wildest dreams did I imagine the role technology would play in our daily lives. How we learn. How we navigate. How we communicate. So fast and easy! And so many tools at our fingertips! Like texting a meeting reminder, rather than picking up the telephone.

But sometimes, texting just isn't the right tool! Some conversations must be conducted the 'old-fashioned' way! And most recently, I've had the pleasure of speaking with many of you – voice to voice. And the conversations have been very fruitful.

How could a 60 minute chat with our HMA NextGen Leaders Council not be exciting and beneficial? It was our quarterly conference call. The topic of conversation was the Hardwood Federation. The discussion, led by Federation Executive Director, Dana Cole, was informative, lively, and fun. Thank you, Dana. And thank you Council participants. I hope to see many of you in September for the Federation's Fall Fly-In. (For additional Council information, please read the article entitled, "HMA NextGen Leaders Council Update.")

And thank you to all who participated in our 'Planning Call' regarding **presenters** and **topics** for the learning sessions at our 2018 National Conference and Expo! Ideas were flying. And the creative juices were flowing. Thank you for your time investment and input.

To date, we have one confirmed presenter. NatCon 2018 is on the calendar of economist Alan Beaulieu, ITR Economics. The timing is right for an update on the predictions ITR provided us, several years ago. We'll keep you posted as we 'firm up' other NatCon details. We're headed in a good direction.

Now, I know that you all are enjoying the sweetness of summer. But, please reach for your 2018 calendar and reserve March 21-23 for HMA's National Conference and Expo, The Hyatt Regency, Greenville, South Carolina. It's already July!

"Employee Benefits & Healthcare Reform"

The Thursday afternoon business sessions of HMA's 2017 National Conference and Expo included a panel discussion regarding "Employee Benefits & Healthcare Reform – What you are doing and what you should expect." Moderated by Michelle Reynolds, Account Executive for OneDigital - a consulting firm dealing with employee benefit administration products and services, and one of HMA's Resource Purchasing Power Partners – and comprised of healthcare and benefits experts from United Healthcare, OneDigital, and

Guardian Life Insurance Company, the group addressed how best to prepare for what <u>may</u> lie ahead with the American Health Care Act (AHCA). We offer this brief review.

The Panelists on Healthcare Reform - AHCA

When asked for their thoughts on what the next 24 months may bring, the consensus was to expect "more of the same" in regards to uncertainty and change. Variety in interpreting the new law will abound. Anticipate much speculation as to how the law could apply to the local market going into 2020. Their **best** advice - Be informed. Stay informed. Have trusted advisors at the ready!

From the Perspective of the Insurance Carrier

The greatest regulatory impact will most likely be to the individual, and to the small group market – companies with less than 50 employees. As was the case with the Affordable Care Act (ACA), the Administration is again asking insurance carriers to take on additional risk. Expect more HSA (Health Savings Account) type plans. And keep an eye on what happens with 'essential health benefits' legislation. If some of these mandated services are removed, costs could lessen.

AHCA's impact on HMA companies

The primary issue on the table for both employer and employee is relief of penalty for non-compliance of the ACA health coverage mandates. Their **best** advice – Concentrate on what is law, today! Employer mandate(s) remain in force. And individuals are still required to have healthcare coverage, or penalties apply.

Can Healthcare Costs be Controlled?

Absolutely! Control healthcare spend by taking a 'risk management' approach to your healthcare budget. And encourage employees to take ownership of their health. Educate, communicate with, and engage employees on Wellness Programs, Virtual Visits, etc. Fill in care gaps by offering ancillary products such as Accident, Critical Illness and Hospital Indemnity plans. When employees know how to 'get the biggest bang for their buck,' they'll make choices that will keep employer costs down.

'Take-away' comments from each panel participant

- Assist your employees with their healthcare and financial wellness by communicating and educating them on their benefits. (Brad Schumacher, Guardian Life Insurance Co.)
- Take a risk management approach to your healthcare costs, and think hard on how to engage employees in being better healthcare consumers. (Wally Dawson, OneDigital)
- Incorporate a Wellness Program, and educate your employees as to its value to them and to you. (Martha Browne, United Healthcare)
- In this time of uncertainty and change, be open-minded and open to different approaches. What worked in the past may not work, going forward. (**Crystal Harris**, OneDigital)
- Work with a knowledgeable Advisor or Broker/Partner. And begin your renewal conversations six (6) months before your policy renewal dates. (Michelle Reynolds, OneDigital)

An audio recording of the panel discussion is available in the **Members Only** section of www.HMAmembers.org. And special thanks to Ms. Reynolds and all who, following the panel presentation, participated in the **Benchmarking Your Benefit Programs** round table discussion at the Industry Confab.

September Regional details finalized

Keep your sunscreen close at hand. In September, HMA's **2017 Mississippi Valley Regional Meeting** will be trekking Louisiana/Mississippi, and the weather experts are calling for warm temps and plenty of sunshine. Take a look at the details.

- Date/Location September 27-28 Baton Rouge, LA/Natchez, MS
- Tour locations include Fred Netterville Lumber Company, Woodville, MS, Rives
 Reynolds Lumber Company, Inc., Natchez, MS, J.M. Jones Lumber
 Company, Natchez, MS, and Stella-Jones Corporation, Alexandria, LA.
- Registration for HMA members and 2017 National Conference Sponsors and Exhibitors is up and running at www.HMAmembers.org.

Important HOTEL information

Because of the Louisiana/Mississippi locations of the tour sites, hotel reservations will need to be made in **two hotels**.

- For Tuesday, September 26, ONLY, make a reservation at the Hilton Baton Rouge Capitol Center, 201 Lafayette St. Baton Rouge, LA 70801, by calling 1.800.955.6962. Be sure to mention the HMA room block when calling to receive the discounted rate of \$138. (A Complimentary Airport shuttle to the hotel is available by calling the same number.)
- For Wednesday, September 27, ONLY, make a reservation at Hotel Vue, 130 John R. Junkin Dr., Natchez, MS 39120 by calling 601.442.9976. Be sure to mention the Hardwood Manufacturers Association (HMA) to secure the discounted room rate of \$119.

Other meeting details

The fly-in airport will be the Baton Rouge Metropolitan Airport, also known as Ryan Field. And there will be an HMA Board of Directors meeting the afternoon of September 26. HMA members are welcome to listen and observe.

So don't delay. Make plans to participate in this **Members Only**, action packed networking extravaganza. All of the meeting details can found at www.HMAmembers.org. And should you have questions, do not hesitate to call the HMA office at 412.244.0440.

HMA's Promotion tool belt getting sizable

By now, most of you have received *The American Hardwoods Collection*, the second 'edition' of a <u>sample kit</u> of 20 of the most used hardwood species. The kit, which also includes a <u>stain simulator</u> and *The American Hardwoods Collection Brochure*, is an excellent tool to promote solid American Hardwoods, and HMA is pleased to again have the opportunity to make it available to all HMA members, the specifying community, students and all industry advocates.

We'd appreciate your feedback about the sample kit. And if you would like to discuss getting this ever-popular tool into the hands of your marketing department and 'key' customers, please call the HMA office at 412.244.0440.

There's more!

If it's been a while since your last visit to **The American Hardwood Information Center**, <u>www.HardwoodInfo.com</u>, the authoritative resource for consumers and professionals seeking information about American Hardwoods, then make haste and check it out. The goal of the 'refreshed' website is to promote the use of American Hardwood products ranging from flooring, cabinetry and furniture, to millwork and building materials in both residential and commercial applications, and to provide insight from industry experts on design trends,

care and maintenance, installation, finishing and professional specifying. Take a look, please.

And one last item ...

In the works - as we speak - is the redesign of the <u>Mobile App</u> of the <u>American</u> Hardwood Species Guide. We anticipate a late summer roll out. So mark your calendar and spread the word.

When Version 3.0 is up and running, you can expect faster load times, new navigation, species comparisons, and "refreshed" imagery that will complement the look of the website version of the **Species Guide** and the new **American Hardwoods Collection** sample kit.

Will the application be FREE? **APP**solutley! And will it be available for all mobile devices? Eventually. What we mean is that Version 3.0 for iPhone and iPad users is being developed first. Availability for Android users will follow later in the year. In both cases, this informative and quick reference tool will be at your fingertips via a fast link to your provider's App store at www.hardwoodlnfo.com.

HMA NextGen Leaders Council Update

If you are relatively new to the HMA, you may not be familiar with HMA's NextGen Leaders Council, formerly known as the HMA Millennial Council. Comprised of young, talented, enthusiastic, and eager-to-learn hardwood industry professionals, and under the tutelage of Council Coordinator, Julio Alvarez, Bill Hanks Lumber Company, Inc. and HMA Vice President Bob Miller, Frank Miller Lumber Company, Inc., the Council is on the fast track to greater industry involvement and knowledge.

Each quarter, as part of their learning and mentoring activities, the Council takes part in a conference call learning session. The most recent call included the participation of Hardwood Federation Executive Director, Dana Lee Cole, who discussed lobbying in general, provided an over view of the Federation's current Capitol Hill priorities and activities, along with detail regarding the agenda of the Federation's upcoming Fall Fly-In, slated for **September 12-14, 2017**, in Washington. (During their three-year term on the Council, each member is asked to attend one Hardwood Federation Fly-In event.)

NextGen Leaders Council members are:

- Tripp Pryor, American Hardwood Export Council, Washington, D.C.
- Matt Fisk, Baillie Lumber Company, Hamburg, N.Y.
- Drew Battle, Battle Lumber Company, Inc., Wadley, Ga.
- Jessica Fly, Fly Tie & Lumber, LLC, Grenada, Miss.
- Seth Netterville, Fred Netterville Lumber Company, Woodville, Miss.
- Ben Pierce, Holt & Bugbee Company, Tewksbury, Mass.
- Kirby Kendrick, Kendrick Forest Products, Inc., Edgewood, Iowa
- David Platt, Kuhns Brothers Lumber Company, Inc., Lewisburg, Penna.
- Jacob Schriner, Northwest Hardwoods, Inc., Tacoma, Wash.
- **Kyle Gunderson**, Pike Lumber Company, Inc., Akron, Ind.
- Andy Nuffer, Robinson Lumber Company, New Orleans, La.
- Nick Thompson, Thompson Appalachian Hardwoods, Inc., Huntland, Tenn.
- Truss Beasley, Thompson Hardwoods, Inc., Hazlehurst, Ga.

For more on the NextGen Leaders Council, visit www.HMAmembers.org.

Hardwood Federation Update

By Dana Lee Cole Hardwood Federation Executive Director

You may remember that a major focus of Hardwood Federation (HF) advocacy activity in the 114th Congress (2015-16) was **The Resilient Federal Forests Act of 2015** (H.R. 2647). The bill addressed our concerns as to how the Federal Forest system is being managed, especially the dramatically increasing budget needs to fight fires on federal lands, mostly at the expense of other forest and wildlife management programs housed within the U.S. Forest Service.

H.R. 2647 also sought to address the slow pace of reforestation after wildfire, increasing fuel reduction programs in lands close to urban communities, streamlining timelines for project planning, including timber sales, and allowing expedited review of collaborative forest management projects. Unfortunately, H.R. 2647 did not gain traction in the Senate after passage in the House. However ...

The Return of H.R. 2647

The sponsor of the original bill, Congressman Bruce Westerman (R-AR), is back and has reintroduced a new version of the bill. On June 15, the House Subcommittee on Federal Lands held a hearing on the draft bill. And on June 20, **H.R. 2936**, the final bill was introduced.

While essentially the same as the former version, the 2017 bill does have some new language, and also authorizes some **new tools** to satisfy requirements of the National Environmental Policy Act or NEPA—a long standing statute that forms the basis for environmental reviews required before forest thinning work can begin. (These reviews, if they drag on too long, can be problematic as projects become less economically attractive.)

The new tools are known as Categorical Exclusions from NEPA, or CEs, and can be used for:

- Expediting critical response actions
- Expediting salvage operations in response to catastrophic events
- Meeting forest plan goals for early successional forests
- Improving, restoring and reducing the risk of wildfire

The bill would also allow expedited environmental analysis - essentially an action <u>vs</u> no action decision - for certain collaborative forest activities on lands suitable for timber production, or covered by a community wildfire protection plan.

Other H.R. 2936 significant changes

CEs can be issued for projects up to 10,000 acres, which doubles the cap from the House-passed version last Congress. And one of the more interesting provisions in the draft is the creation of up to 10 **Pilot Arbitration Projects**, per Forest Service region.

The intent is to resolve legal challenges against forest management activities through binding arbitration, providing organizations the opportunity to offer an alternative to challenged activities proposed by the Forest Service or Bureau of Land Management. An independent arbitrator would review and make the determinations.

We'll keep you posted!

Remember, this is still a very new bill, and language could change depending on discussions with fellow Members of Congress and the public. But it is a great start. And HF is anxious to get to work in support of Mr. Westerman, and his co-sponsors on H.R. 2936, to ensure that this bill gets a fair hearing in the House and Senate.

HF 'elevator speech' brief and on point

Marketing and PR experts recommend always being prepared with an **elevator speech** - a concise, 30 second message that communicates who you are, what you're looking for and what benefit you provide. The same advice bodes well for the hardwood industry. And our industry advocate in Washington, the Hardwood Federation (HF), took note.

In its welcome letter to Secretary of Agriculture Sonny Perdue, the Federation included an excellent industry 'elevator speech' that succinctly identified who we are and how important our industry is to America. So the next time you encounter someone influential, tell them ...

The U.S. wood products industry is an important contributor to the U.S. economy:

- Our companies are among the top ten (10) manufacturing sector employers in 47 states, providing jobs in rural areas where employment opportunities are limited.
- We employ nearly 900,000 people more than the automotive, chemicals and plastics industries.
- And we produce \$210 billion in products annually, accounting for approximately four
 (4) percent of the total U.S. manufacturing GDP.

The response will most likely be, "I didn't know that!" That will be your cue to keep the conversation going. Talk American Hardwoods. Begin by telling them how environmentally friendly hardwoods are, and that they are more abundant than ever!

Southern Cypress news and promotion update

It's been a busy year for the cypress industry, and the Southern Cypress Manufacturers Association (SCMA) has been hard at work promoting this beautiful wood. Here's a brief look at what we've been up to.

SCMA representative Brian Meier of Cypress Rose Sawmill was featured on a podcast with NextGen Home TV. During the 20-minute interview, Brian introduced listeners to cypress, described why this versatile wood is suitable for a variety of exterior and interior applications, and shared a little bit about the SCMA.

As we go to press, SCMA is publishing its latest editorial article. Entitled, "Cypress Siding – It's What the Pros Choose," the content focuses on cypress in exterior applications and features interviews with design professionals on how and why they incorporate cypress in their residential designs. Keep an eye out for the article in your local newspaper, or favorite online news source. And of course, visit www.CypressInfo.org for a quick peek at the release.

To help grow our social media audience, the SCMA has been engaged in an advertising campaign with the popular social media network, Facebook. As part of the campaign, three ads have been showing up on the newsfeeds of potential new followers, with successful results! Since late March, the Southern Cypress Facebook page has grown from 2,830 followers to 3,960. We "Like" that.

And stay tuned for the specifics on the SCMA's 2017 Mid-Year Meeting. Our membership is in the process of determining their preferences for the two-day event. Date, location, and venue details will be available, soon.

Learn more about the SCMA by visiting www.CypressInfo.org. And if your company is engaged in the manufacture, further processing, or distribution of cypress products, email us at member-services@cypressinfo.org to get on board with cypress promotion.

Attracting Talent & Retaining Employees

In response to the call for help in finding and keeping good employees, a panel of Human Resource specialists from the Society for Human Resource Management (SHRM), HunterMaclean, and the Bradley Dixie Companies took to the stage at HMA's 2017 National Conference and Expo and broached the daunting topic, "Trends in Talent Management and Leadership Development - Attracting Talent and Retaining Employees." Here's a recap of their presentation.

The fight for talent is a constant battle ...

And according to the experts, finding and keeping good employees is a global issue. From New York to California, from Canada to Japan, "employee turnover is affecting every organization, in every industry," and is an issue that is impacting small, large and multinational companies. And there is NO quick fix, because each organization is different. What to do?

Find out why your employees are leaving and determine which areas within the whole of your organization - Job design and Work, Career Opportunities, Rewards, Employee Relationships, and Employer Characteristics – could be managed differently to keep and attract the talent that you need.

From the Panelists

- Blanche Eden-Gnann Corporate Director of Human Resources and Safety for Bradley/Dixie Companies - discussed reasons for employee turnover at DIXIEPLY, and addressed the importance of competitive wages, promoting from within, training programs, and a more 'personal' approach in employee management.
- Cheri Sale current President for the Savannah Area Chapter of the Society for Human Resource Management discussed the ultra-important group known as the Millennials; their confidence, desire for responsibility, engagement and collaboration, and the role we all need to play in mentoring these bright and energetic people.
- Wade Herring, Esq. HunterMaclean partner discussed how companies 'typically' approach the hiring process and the why and how regarding employment contracts and agreements. From his lips to our ears companies experiencing good employee retention have most likely established a clear employer-employee value proposition. Commit to them, and they will commit to you.

If there's a Bottom Line, it's this ...

Today's employees leave jobs because of interpersonal conflict between Supervisor and Employee <u>and</u> 'No Confidence' in the leadership of the organization. Finding ways to better manage those issues, plus taking action to make employees feel appreciated will increase employee commitment and loyalty.

A PowerPoint and audio recording of the panel discussion is available in the **Members Only** section of www.HMAmembers.org. And HMA sends special thanks to **Rushe Hudzinski**, Director of SHRM - Georgia and Savannah Technical College faculty member, for her efforts in coordinating and moderating the panel, and to all who participated in the **Leadership Development** round table discussion at the Industry Confab.

Body language - sending the right signals?

Speaking volumes, without uttering a word? Hmm? In her book, *The Silent Language of Leaders*, author and executive coach Carol Kinsey Goman Ph.D. "explains that personal space, physical gestures, posture, facial expressions, and eye contact communicate louder

than words and, can be used strategically to help leaders manage, motivate, lead global teams, and communicate clearly."

Goman also says that effective communication "can be derailed by even the smallest nonverbal gestures." So, whether addressing a large group or in a one-on-one setting, take note of your body language to avoid sending a wrong message.

- Hold your **head straight**. Tilting it too far backward connotes arrogance.
- Make eye contact by focusing on the "triangle formed by the eyes and forehead." Looking elsewhere can be deemed unprofessional; too little eye contact, deceptive; too much eye contact, staring.
- Smile, but just enough. Too much smiling connotes weakness. "The most effective smile, Goman says, "is one that starts small but grows when a person walks into a room, or walks across a stage."

Visit www.carolkinseygoman.com to learn more.





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.

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