



June 2018

More than just talk

By Linda Jovanovich

HMA Executive Vice President

If the weather in your part of the country is anything like what we are experiencing here in 'the burgh,' we've skipped Spring, and gone right into Summer. But no complaints from me! I welcome the warm; love the bright mornings and enjoy basking in the rays of the late day sun.

All who were with us in Johnson City for HMA's recent **Central Regional Meeting**, got a taste of some summer-like weather. Thank you to all who participated in our jaunt through the eastern portion of the Volunteer State. The scenery was beautiful. And the facility tours were great. I'd like to extend special thanks to:

- Tour Hosts – **New River Hardwoods** (Mountain City & Roan Mountain locations) and **Mullican Flooring** in Tennessee, and **Southern Forest Products** in Virginia - for opening their facilities to the HMA. We appreciate your special effort, warm hospitality and genuine comradery.
- Meeting Sponsors – **Cleereman Industries, Inc.**, **OneDigital**, **Stringer Industries, Inc.**, **Taylor Machine Works, Inc.** and **TradeTec Computer Systems, Ltd.** Your combined, generous support helped get us safely from Point A to Point B, and everywhere between, plus kept us energized, hydrated and extremely well fed. Thanks so much for going the extra mile for the HMA.

Looking ahead, details for the **fall** Regional Meeting, October 17 – 18, are nearing completion. Please mark your calendars. Interesting facilities to tour! Colleagues to catch up with! And most of all, great networking opportunities! Registration and much more will soon be available at www.HMAMembers.org.

In closing, I wanted to let you know that the next several weeks will be busy for me. I'll be having hip replacement surgery, (yes, it's time for the 'other' hip to be done), but not to fear. The HMA staff will be in full swing, as usual, and I have total confidence in my wonderful surgeon who tells me that I'll be up and about in short order - just like last time! Nonetheless, have a good thought for me, please. And happy JUNE!

Requesting your participation, please

If you would like to take part in a conference call regarding **topic selection** for the learning sessions at HMA's 2019 National Conference and Expo in Savannah, **Thursday, June 14** is

the day. Your input matters! And we invite you to join the conversation. So please mark your calendars, and then call the HMA office, **412.244.0440**, for all of the call-in details.

And while your calendars are handy, jot down these **2019 National Conference & Expo** details. The dates for the event are **March 20 – 22, 2019**. The venue will be **The Hyatt Regency Savannah**. You remember this waterfront hotel – grand yet intimate; both historic and contemporary; in the heart of Savannah’s historic district and just a short walk from the world-famous River Walk. Take a look and get your planning started.

Remembering an industry colleague

HMA was saddened to learn of the recent passing of industry colleague, **Walt McIlvain**, Industrial Vision Systems, Inc., Bryn Mawr, Pa. For years, an integral part of the hardwood industry and a longtime supporter of HMA events, Walt was most recently an exhibitor at HMA’s National Conference and Expo in Greenville.

On May 8, a memorial service was held in Bryn Mawr. HMA extends condolences to Walt’s wife, Ann; children, Elizabeth, Laura and Alida, and to the entire McIlvain family.

On the calendar for the coming months

HMA is planning ahead, and we ask that you do the same. Details for our **2018 Fall Regional Meeting**, October 17-18, are being finalized as we speak. All of the meeting specifics will soon be available at www.HMAmembers.org. And of course, questions can always be directed to the HMA office, 412.244.0440. We request you make-it-a-date!

And before closing your calendar, take a moment and make note of these other upcoming industry and HMA events:

- **Hardwood Federation 2018 Fall Fly-In** – September 11-13. Online registration and other meeting details are available here.
- **HMA’s 2019 National Conference & Expo** – March 20-22 – The Hyatt Regency Savannah. Check it out.

Application deadline fast approaching

Hardwood producers and processors, like others in the manufacturing sector, have been challenged by our nation’s skilled labor crisis. In response, our industry has found it necessary to grow our own workforce. And HMA is pleased to announce the launch of a unique, 16 week/14 credit course of study - The Hardwood Manufacturers Certificate Program - that will prepare learners for fast growing, in-demand positions within the hardwood manufacturing industry.

Endorsed by the Hardwood Manufacturers Association, and in conjunction with the Northcentral Technical College, Antigo, Wisc., the program is an excellent vehicle to train and advance that promising, career-minded employee within your organization that is looking for more. But interested employers and potential students need to act quickly because the **application deadline is June 29**.

Here is a brief on the course of study:

- **Upon Program completion**, certificate holders will be able to identify hardwood species; scale, grade and value hardwood logs; breakdown logs and edge/trim lumber; investigate slicer and rotary veneer manufacturing; examine the physical and mechanical properties of wood; operate a conventional dry kiln, and apply basic hardwood lumber inspection grading rules.

- Courses are conducted at Northcentral Technical College's 27,000 square foot state-of-the-art Wood Technology Center of Excellence, Antigo, Wisc.
- Program specifics – detailed course descriptions, course costs, housing information - are available at www.HMAMembers.org.
- Prospective students may apply at bit.ly/HardwoodCertificate. And questions regarding the Certificate Program should be directed to Wood Science Instructor, Travis Allen at 715.348.7723 or allen@ntc.edu.

Bottom Line: The Hardwood Manufacturers Certificate Program is your opportunity to grow, groom and inspire the supervisors, lumber inspectors, Kiln operators, quality control technicians and plant managers so desperately needed in your hardwood facilities. **The application deadline is June 29.** Apply at bit.ly/HardwoodCertificate.

An update on HMA's NextGen Leaders

Statistics confirm that the generational group known as the Millennials is the largest in U.S. history. And not only are they great in number, they're bright, intense, and in a word, awesome. Despite these stellar attributes, HMA knows all so well that, while they are the future leaders of our industry, the missing piece of their success story is the industry know-how that only seasoned, hardwood veterans can provide.

To that end, in 2013 **HMA's NextGen Leaders Council** was established with the purpose of engaging and mentoring that generation of leadership. It is an ongoing and most rewarding endeavor. And we're happy to report that the current class of NextGen Leaders is hard at work organizing their project agenda for this year.

- Over the next nine months, two conference call learning sessions (topics to be determined) will be conducted.
- In September, HMA's NextGen Leaders –along with the Emerging Leaders group of the National Wood Flooring Association – will be participating in special meetings and events in association with the Hardwood Federation Fall Fly-In, September 11-13, in Washington D.C. (During their three-year term on the Council, each member is asked to attend one Hardwood Federation Fly-In event.)
- And in development is an intriguing project involving **Legends of the Hardwood Industry**. (Can't wait for this one!)

2018-19 NextGen Leaders Council members are:

- **Tripp Pryor**, American Hardwood Export Council, Washington, D.C.
- **Geoff Henderson**, Anderson-Tully Company, Vicksburg, Miss.
- **Zack Rickman**, Atlanta Hardwood Corporation, Mableton, Ga.
- **Drew Battle**, Battle Lumber Company, Inc., Wadley, Ga.
- **Andy Nuffer**, Bill Hanks Lumber Company, Inc., Danbury, N.C.
- **Jessica Fly**, Fly Tie & Lumber, LLC, Grenada, Miss.
- **Tyler Johnston**, Frank Miller Lumber Company, Inc., Union City, Ind.
- **Seth Netterville**, Fred Netterville Lumber Company, Woodville, Miss.
- **Kelsey Tuck**, Gates Milling, Inc., Gatesville, N.C.
- **Richard Buchanan**, Granite Hardwoods, Inc., Granite Falls, N.C.
- **Logan Josey**, Josey Lumber Company, Inc., Scotland Neck, N.C.
- **Kirby Kendrick**, Kendrick Forest Products, Inc., Edgewood, Iowa
- **Jacob Schriener**, Northwest Hardwoods, Inc., Tacoma, Wash.
- **Kyle Gunderson**, Pike Lumber Company, Inc., Akron, Ind.
- **Jason Dallas**, Stella-Jones Corporation, Pittsburgh, Pa.
- **Nick Thompson**, Thompson Appalachian Hardwoods, Inc., Huntland, Tenn.

- **Truss Beasley**, Thompson Hardwoods, Inc., Hazlehurst, Ga.
- **Jeremy Garcia**, Wellborn Cabinet, Inc., Ashland, Ala.
- Council Coordinator - **Claire Getty**, Thompson Appalachian Hardwoods, Inc., Huntland, Tenn.

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

Hardwood Federation Update

By Dana Lee Cole

Hardwood Federation Executive Director

In a relatively surprising development late in May, the full House voted down the Agriculture and Nutrition Act of 2018 (H.R. 2), also known as the **Farm Bill**. While that development was a disappointment, there does seem to be a path forward.

House Leadership has announced that a second vote on the Farm Bill will most likely take place by June 22. In the Senate, we expect that a Farm Bill draft will be unveiled in early June, and that a markup will soon follow. The House bill, which lines up well with a number of our public policy priorities, will most likely be one that passes, and as considered on the House floor, covers the following areas in our space.

Market Access & Foreign Market Development Programs

H.R. 2 reauthorizes these two critical export promotion programs; combines them into a new "International Market Development Program," comprised of the Market Access Program (MAP), Foreign Market Development Program (FMD) and Emerging Markets Program; and authorizes funding at \$255 million a year. This "umbrella" approach will hopefully avoid future arbitrary budget control restrictions, and allow the programs - which support the work done by the American Hardwood Export Council (AHEC) - to operate at their fully authorized spending levels - MAP receiving the lion share at \$200 million, and FMD at \$34.5 million.

Federal Forest Management Reform

H.R. 2, building upon the federal forest management reform provisions forged earlier this year in the omnibus spending deal, provides new tools for the Forest Service to expedite forest management projects. Specifically, the bill authorizes a number of new categorical exclusions (CEs) from environmental reviews designed to:

- Expedite salvage operations in response to catastrophic events
- Meet forest plan goals for early successional forests
- Manage "hazard trees"
- Improve or restore National Forest System lands or reduce the risk of wildfire
- Further forest restoration
- Implement infrastructure-related forest management activities
- Manage insect and disease infestation

Timber Innovation Act

The legislation directs the USDA Secretary to conduct performance-driven research and development, education, and technical assistance for the purpose of facilitating use of innovative wood products (mass timber/tall wood buildings) in wood building construction in the United States.

Biomass

H.R. 2 includes an **Energy Title** which authorizes a number of programs to incentivize the use of forest-based biomass for energy and other applications.

- CWEP - Community Wood Energy Program – aims at accelerating deployment of wood heating systems that run on our mill residuals. (HF was successful in securing a fivefold increase in this program's authorization and significantly expanding its scope.)
- The USDA's BioPreferred program includes both a federal purchase preference for biobased products (including forest products), as well as a voluntary product labeling program.

In addition to funding wood heating installations, H.R. 2 would also provide grants to innovative wood products facilities—i.e., those manufacturing cross laminated timber or experimenting with lignin or nanotechnology.

(As a point of Information, one of the amendments that surfaced during House floor consideration would have completely eliminated the Energy Title. But your HF team - working collaboratively with our forestry and forest product association allies - was able recruit "no" votes, and the amendment ultimately failed by a vote of 340-75.)

As the language of the Senate bill is still somewhat unclear, we continue to work with our allies to include as much as possible in the Senate version. The weeks ahead will be busy ones for us.

HMA members discuss Facility upgrades

"(Un)Conventional Problem Solving – an HMA Member Panel," was the opening session of HMA's 2018 National Conference and Expo. Comprised of representatives from 3 HMA member companies, Middle Tennessee Lumber Company, New River Hardwoods, and Pike Lumber Company, Inc., each participant discussed the why/how and lessons learned of recently completed capital upgrades. (Thank you to HMA President, Bob Miller, who served as panel moderator.)

Middle Tennessee Lumber Company - Josh Green, Plant Manager

- A new rough mill installation was undertaken to simplify, streamline and improve processes, increase production and profitability, and maximize the value of "every single board."
- "We wanted to process one board every two seconds." To accomplish that, we had to be creative in our thinking, be collaborative, patient and hardworking.
- **Bottom Line Results** – "My boss is happy!" Production goals have been met and labor costs are down.
- **Lessons learned** – Adequately train employees for the changes that will result from such upgrades.

New River Hardwoods - Wayne Law, President & David Bailey, VP of Operations

- In the process of upgrading an idled sawmill, a slabber head was included in the retrofit to increase production and realize an expeditious payback.
- Successful implementation was the result of "total project buy-in" from vendors, installers and employees.
- **Bottom Line Results** – "This is where the rubber meets the road!" A 28 percent increase in production has been realized. "A no-brainer project that did what we wanted it to do."
- **Lessons learned** - Bottlenecks have resulted in the 'process,' that are being currently addressed.

Pike Lumber Company, Inc. - Brian Schilling, VP of Engineering

- In order to realize the company's increasing production goals, and to minimize process interruption, it was determined that an automated stacker would be integral in meeting production goals.
- We did our research plus acquired a lot of information from trusted suppliers, HMA member companies and HMA's Equipment Center, all great resources that added to the successful implementation of the project.
- **Bottom Line Results** - The resulting 'numbers' support our capital investment decision. Production goals have been met. Hourly labor costs are down. Proficiency levels have improved.
- **Lessons learned** – Going forward, do a better job of tracking man-hours and project costs.

The PowerPoint and audio portions of the entire session are available in the **Members Only** section of www.HMAmembers.org.

At the Crossroads of Today & Tomorrow

Will Mass Timber products play a role in the future of the hardwood industry? At HMA's recent National Conference and Expo in Greenville, that question, plus others related to it, was posed during Patrick Donahue's presentation, "**Hardwood Mass Timber – Overview on the Processes, the Products, the People, and the Potential.**"

Patrick Donahue is a wood scientist and Wood Products Program Director, University of Minnesota Duluth - Natural Resources Research Institute. As he sees it, hardwoods do indeed fit into the future of CLT. The U.S. Forest Service wants Mass Timber to succeed. Much HCLT (hardwood cross laminated timber) research has been, and continues to be conducted. And a vendor base is in place, producing machinery and systems for the woodworking industry.

For the hardwood producers in attendance, looking to position themselves for 'what's next' for the industry, Donahue reminded them that Mass Timber is more than grand scale CLT (Cross Laminated Timber) panels. And he encouraged them, as they consider business expansion potentials, to consider the hardwood CLT options - **Glulam, Nail Laminated Timber, Dowel Laminated Timber** - that require less oversight and that are less cost-prohibitive.

There are significant open issues, Donahue said. Fire resistance and dimensional stability performance issues need further research. And from an economic perspective, the question is, can the hardwood industry produce HCLT that is competitively priced?

Going forward, Donahue urged interested stakeholders to learn as much as possible about CLT, referring them to *The CLT Handbook*, and the *ANSI/APA PRG 320: Standard for Performance-Rated Cross-Laminated Timber*.

For the PowerPoint and audio recording of Donahue's presentation, visit the **Members Only** section of www.HMAmembers.org.

"Join the Movement, Host a MFG Day Event!"

Last year, nearly 3,000 manufacturers and educators participated in Manufacturing DaySM - the national campaign designed to celebrate modern manufacturing and inspire the next generation of manufacturers. Plans are in the works for 2018 events. And if you would like to learn more, there's an upcoming webinar to assist in getting your creative juices flowing.

- **What** - a FREE 60 minute webinar, "**Join the Movement, Host a MFG Day Event,**" to provide how-to information on organizing a Manufacturing Day event.

- **When - Thursday, June 7, 10:00 AM PDT**
- **Who -** Hosted by AWFS (Association of Woodworking & Furnishings Suppliers)
- **Why -** Hosting a Manufacturing Day plant tour is an incredible opportunity to “educate students, community members, media and policymakers on how integral manufacturing is to the local, national and global economy.” And a great way to attract and cultivate skilled workers!

So get on board. **Register** for the ‘how-to’ webinar, then get your event planning started. If you are unable to tune-in on June 7, not to worry! The webinar will be recorded, and an access link will be provided to all who are registered for the session. Don’t delay. This year’s Manufacturing Day is set for October 5. And it will be October before we know it.

About your Corporate Wellness Strategy

Wouldn’t it be great if employers could consult a “workplace well-being crystal ball” to determine which wellness program best fits the needs of their employees? Crystal Ball – NO! Health Promotion Strategies – YES!

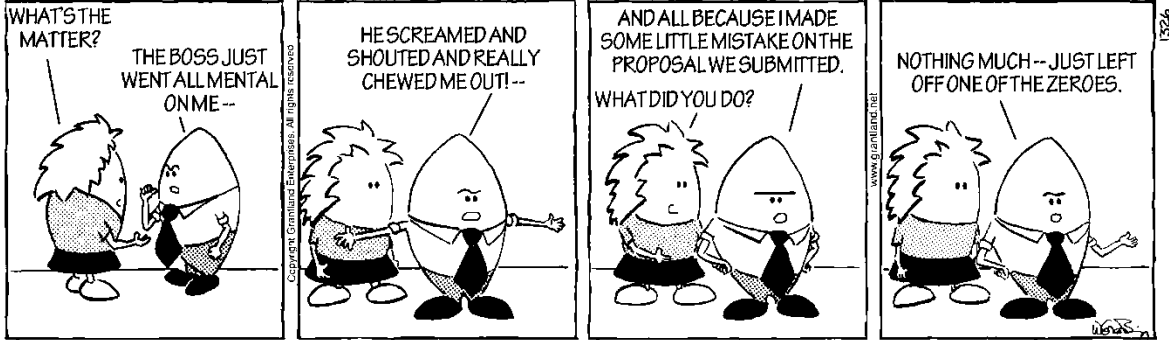
Sara Tarca, a workforce health consultant at OneDigital, suggests that employers ‘meet employees where they live,’ rather than try to change them, and offers these “four ways to increase the effectiveness of your corporate wellness strategy.

- **Identify Priorities** - Find out from your employees what they are concerned with and what they care about. (You might feel that they should care about [heart disease](#), BMI, high blood pressure, etc., but if it isn’t a priority for them, your program won’t be successful.) Start with what the employee would like to change, and when they’re feeling confident, they will expand to other health improvements.”
- **Personalized Programs** - Circulating in the health and well-being industry is the phrase “Bring Human Back” to the workplace, an encouragement to employers to “find out what is causing stress for millennials, and generations responsible for millennials.” If it is the [financial burden](#) of student loans, for example, one strategy is wellness incentive management.
 “This program is where an employer targets benefit plans and well-being rewards to personal needs such as a benefit for student loan repayment, or the opportunity to earn points for health coaching sessions that can translate to dollars towards loan repayment.”
- **Employee Involvement** - Connecting employees to health improvements and topics they care about via webinars, family sessions, self-help materials, individual counseling, internet resources and seminar programs will enable employers to tailor programs to their employees’ lifestyles, schedules and comfort levels, plus cultivate a culture of well-being.
- **Documentation** - “[Focus on recording](#) both successes and stumbles. By measuring if, when and how employees made changes - did they use the tools that they learned in a [mindfulness seminar](#), for example - your program is better positioned to garner resources and gain tangible results.”

“Employees want to feel their best, and bring their best selves to the job, but often don’t know where to start. They need to believe you’re on their side. Meeting people ‘where they live,’ tapping into their motivation and existing goals to move in a positive direction - with the right tools, at the right time – will improve the engagement of your wellness programs and consequently the health of your population.”

Sara Tarca has over 20 years of experience in the Wellness and Health Promotion industry. She can be reached at starca@onedigital.com or 860.773.6990.

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