



**April 2015**

### **2015 National Conference & Expo is a wrap!**

If you were part of the action in Nashville, you know first-hand that this year's attendance exceeded last year's numbers and that the super event included something for everyone. It was exciting to see our **'Next-Gen' Millennials** at the top of their game. And it was encouraging to watch so many of our more seasoned members, along with a host of other industry stakeholders, enjoying the **hot-topic** learning sessions and the standing-room-only networking venues.

The sold-out industry Expo, a mix of both familiar and new faces, was literally a smorgasbord of solutions, strategies and technical expertise! And based on the volume levels in the ballroom, the foyer and other HMA inhabited space, it was clear that a whole lot of information was being exchanged. **Thank you** to all who attended and contributed to the success of the event.

If you were unable to be with us, and would like to view some of the PowerPoint presentations that you missed, they will soon be available at [www.HMAmembers.org](http://www.HMAmembers.org). You'll find them in the **Members Only** section of the website.

And as we look to next year, HMA's National Conference & Expo is set for March 9-11, at The Worthington Renaissance, Sundance Square, Fort Worth, Texas. Mark your calendars, please.

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### **The dates for HMA's South Atlantic Regional Meeting have Changed!**

Last month we asked you to mark your calendars for HMA's South Atlantic Regional Meeting. We hope you did that in pencil, because the dates for the meeting have been revised. The new dates are **June 2-3, 2015!** And we're heading to Raleigh/Rocky Mount, North Carolina.

Three HMA member companies, **Virginia-Carolina Forest Products, Inc.**, **Josey Lumber Company, Inc.**, **Jerry G. Williams & Sons, Inc.**, will be opening the doors of their facilities. And industry friends, **Meherrin River Forest Products** and **High & High, Inc.**, when they learned that HMA would be in their neighborhoods, they agreed to have HMA tour their facilities, as well.

This whirl-wind event of facility tours and unique networking promises an abundance of take-away value in minimal time. And HMA members (along with the industry suppliers that participated in our 2015 National Conference and Expo in Nashville) will find all of the meeting details – registration, tour site schedule, hotel information – at [www.HMAmembers.org](http://www.HMAmembers.org). Register soon. It's already April!

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## Officers, Directors elected at NatCon

At the March HMA Board of Directors meeting in Nashville, the following **Officers** were elected for 2015. Congratulations to President Skipper Beal, Beal Lumber Co., Inc., First Vice President Richard Wilkerson, Anderson-Tully Company, Second Vice President Bob Miller, Frank Miller Lumber Company, and HMA Executive Vice President, Linda Jovanovich.

**Executive Committee** members were also elected at that meeting. In addition to the Officers, congratulations go out to: Phil Pierce, Holt & Bugbee Co., Troy Brown, Kretz Lumber Company, Inc., Darrell Beasley, Thompson Hardwoods, Nordeck Thompson, Thompson Appalachian Hardwoods, Inc., and past president Jack Shannon, J. T. Shannon Lumber Company.

During the Conference's Thursday Business Meeting, HMA members elected **Directors** Hal Mitchell, Atlanta Hardwood Corporation, John Hubbard, Buchanan Lumber Birmingham, Matthew Netterville, Fred Netterville Lumber Company, Troy Brown, Kretz Lumber Company, Inc., Wayne Law, Maine Woods Company, LLC, and Trisha Thompson, T & S Hardwoods, Inc.

**Congratulations** to you all and thank you for your service!

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## Spotlighting our Conference Sponsors

Each and every participant at HMA's recent National Conference and Expo played an important role in the take-away value and success of the event. And we **thank you all**. However a significant number of you – our **19 Conference Sponsors** - deserve an extra helping of HMA thanks. You went the extra mile for us, financially. And that additional financial support enabled HMA to enhance the overall Conference offerings to all participants.

Yes, you were recognized in many ways during the Conference's action-packed days in Nashville, and several issues of HMA's newsletter, *The Link*, touted your generosity. But just like you, HMA is going the extra mile. For the next 6 months, we'll be spotlighting you on the Home Page of [www.HMAmembers.org](http://www.HMAmembers.org).

Your special effort helped make NatCon 2015 a true blockbuster. And we **thank you**.

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## Make Hotel Reservations for the SA Regional, soon!

HMA's **South Atlantic Regional Meeting** is set for June 2-3 in North Carolina, and if you haven't heard, we're mixing things up a little. Here's what you need to know.

- If you are **flying** to the meeting, Raleigh-Durham (RDU) International is the fly-in airport, and
- Hotel reservations need to be made in **two hotels**, because of the Raleigh/Rocky Mount locations of the tour sites. Hotel deadline is **May 15, 2015** so ...

For Monday, June 1, ONLY, make a reservation at the **DoubleTree by Hilton Hotel Raleigh-Durham Airport at Research Triangle Park**, 4810 Page Creek Lane, Durham, NC 27703, by calling **919.941.6000**. A Complimentary Airport shuttle to the hotel is available by calling the same number. Room Rate is \$139.

Then for Tuesday, June 2, ONLY, make a reservation at the **DoubleTree by Hilton Hotel Rocky Mount**, 651 N. Winstead Avenue, Rocky Mount, NC 27804 by calling **252.937.6888**. Be sure to mention the Hardwood Manufacturers Association (HMA) to secure the discounted room rate of \$113.

Other meeting details are available at [www.HMAMembers.org](http://www.HMAMembers.org). And if there is a question, please call the HMA office, 412.244.0440.

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### **Request for 2015 Membership Updates**

If you have yet to return your company profile update forms, please do so at your earliest convenience. This key information ensures that our database is as current as possible so that:

- You will **receive membership updates**, National Conference and Regional Meeting notices, HMA's monthly email newsletter, *The Link*, and other industry Communiques.
- Potential customers, looking to source a hardwood specialty item or find a specific species producer in their part of the country, can easily find YOU in the **Buyers Guide** at [www.HMAMembers.org](http://www.HMAMembers.org).
- You can search-buy-sell equipment through the **Equipment Center** at [HMAMembers.org](http://HMAMembers.org).
- Your monthly **dues contribution** is based on annual production information supplied by you.

By completing and returning the 'Update' information you will enable us to provide the valuable Member Services that make the HMA unique. We look forward to your speedy response.

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### **The Importance of Business Exit Planning**

One of the learning sessions at HMA's National Conference and Expo addressed a priority topic for aging, "Baby Boomer" business owners - **business exit planning**. Attorney Lauren Anderson of Baker Donelson, Bearman, Caldwell & Berkowitz, PC, discussed "**Succession Planning for the Family-Owned Business**." Here is a synopsis of her presentation.

#### **Start the Conversations, NOW!**

Clear objectives are critical to establishing an effective succession plan. And while 'family' can add emotional overlays, bottom line objectives must result in appropriate leadership and business continuity.

- Aging owners, while still actively involved in the business and of sound mind, must "begin a constructive dialogue to reach agreement on long-term goals."
- Family members need to honestly evaluate their abilities and communicate their desires. "Different levels of interest in the business equate to different levels of participation and compensation."
- If members of the younger generation can't co-exist, serious consideration of separation of economic and management interests must be made. "Best option may be to turn some/all management over to skilled non-family members."

#### **What is a Buy-Sell Agreement?**

"Sometimes called a 'business will,' a buy-sell agreement is a legally binding agreement between co-owners of a business that governs the situation if a co-owner dies, is forced to leave the business, or chooses to leave the business." Some of the benefits of such an agreement are:

- It is negotiated while all key players are on equal footing.
- It eliminates negotiations at an emotionally-charged time, and reduces disputes if someone wishes to leave the business.

- It prevents delays in closing an estate, divorce proceeding, etc.
- It provides certainty for ongoing business, and keeps owners aligned and focused on the company's long-term interests.
- It relieves successors from involvement in the business, and it relieves the business from intrusion of successors.

**Bottom line:** a buy-sell agreement lessens the potential for conflict. Preparation is key. Contact your attorney and get your business exit planning started.

*You'll soon find Attorney Anderson's presentation in the Members Only section of [www.HMAmembers.org](http://www.HMAmembers.org). Don't miss it.*

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## Investing in our Industry's Future

If you were one of the 260+ National Conference and Expo attendees in Nashville, you saw that HMA's '**Next-Gen' Millennials** were there in full force, bringing to the forefront their talent, their great enthusiasm, their many questions, and whole lot more.

At Wednesday evening's **Next-Gen Reception**, hosted by HMA's Millennial Council and designed for the 'youngsters' involved in our member companies, nearly 50 Millennials gathered to get better acquainted and to share their experiences and success stories. Bob Miller, of Frank Miller Lumber Company and the current Millennial Council Coordinator, reported that the energy level in the Next-Gen Reception room was at an all-time high. And that the enthusiasm of these young professionals was infectious.

You are the future of our industry, **Next-Gen**, and we look to your vitality, your education, your strengths and your enthusiasm to take our industry to the next level, and beyond. Thank you in advance!

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## Federal Legislative Outlook 2015

At HMA's National Conference and Expo in Nashville, Hardwood Federation (HF) Executive Director, Dana Lee Cole, presented the **Washington D.C. Outlook for 2015**. Her comments included a review of current HF "top priority" issues, a plea for greater involvement at the grassroots level, and a hearty 'thank you' for the ongoing support of the HMA and its many member companies. If you missed it, here's a brief recap.

### HF Priority Updates

National Forest Management – Senate Natural Resources Chair, Lisa Murkowski, is avid "regarding the need to address federal forest management reform. House leadership also understands the need for reform," and a national bill is preferred. In addition, "both the House and Senate have introduced bipartisan Wildfire Disaster Funding bills," overhauling existing federal policy and boosting funding for fire prevention. Discussions will continue through 2015.

EPA Regulations – "There will be lots of EPA oversight in both the House and Senate. EPA's proposed reductions in **ozone** will be challenged." Issues surrounding **carbon** regulations will continue because there is no clear statement that biomass is an alternative fuel and that it is carbon neutral. There is much concern about the definition of **Waters of the U.S.** and "what will require a federal water quality permit, and what will not."

Transportation/Truck Weights – The current "short term transportation bill expires at the end of May" and putting a long term bill into place is high priority. It could include gas tax and increased truck weights, but getting both included will be "an uphill battle."

Northern Long Eared Bat (NLEB) – The forest products industry has gotten Capitol Hill's attention. NLEB is being decimated by White Nose Syndrome, **Not** by forestry. Focusing on

habitat control is not going to save it. And while the conversation is far from over, "latest word is that it is likely that a **threatened designation** will be made with a 4d rule, which offers flexibility. This is an improvement, but there would still be questions about how flexible the U.S. Fish and Wildlife Service would be on interpretation; how state jurisdictions would react; when new guidance would be released."

### **We are ALL Advocates**

Before addressing questions from the audience, Dana thanked the HMA for its ongoing support and then made a request.

"My colleagues and I reach a significant number of federally elected officials, but there are a lot of state and local officials that we simply don't have the time or resources to connect with. That's where YOU come in."

- Get in front of your local, state and federally elected officials and let them know what is going on in our industry and what it takes to run your business. Visit their local offices. Attend meetings. Most of all, **invite them to tour your facility**.
- A first-hand look at your operations; seeing your employees in action will "resonate with members at all levels. You are their constituents and ultimately they answer to you. Hearing directly from business executives in their districts is an effective way to reinforce the message we convey here in Washington."
- Step-by-step directions for planning a tour for officials are provided in a "**Facility Tour Guide**," available from the HF. Contact the Federation to learn more.

*Dana's PowerPoint presentation will soon be available in the **Members Only** section of [www.HMAmembers.org](http://www.HMAmembers.org). Be sure to check it out.*

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### **American Hardwoods & AHEC in Dubai**

American hardwoods take the spotlight at the Dubai WoodShow 2015, April 14-16, as the American Hardwood Export Council (AHEC) hosts the largest ever **American Hardwood Pavilion**. Included in the twenty-one American hardwood lumber and veneer exporters set to exhibit in the massive Hardwood Pavilion, 10 HMA member companies.

Now in its 10th year, the **Dubai International Wood & Wood Machinery Show** spotlights American hardwoods to architects, interior designers, flooring, furniture and joinery manufacturers from throughout the Greater Middle East, a significant market for American hardwood products.

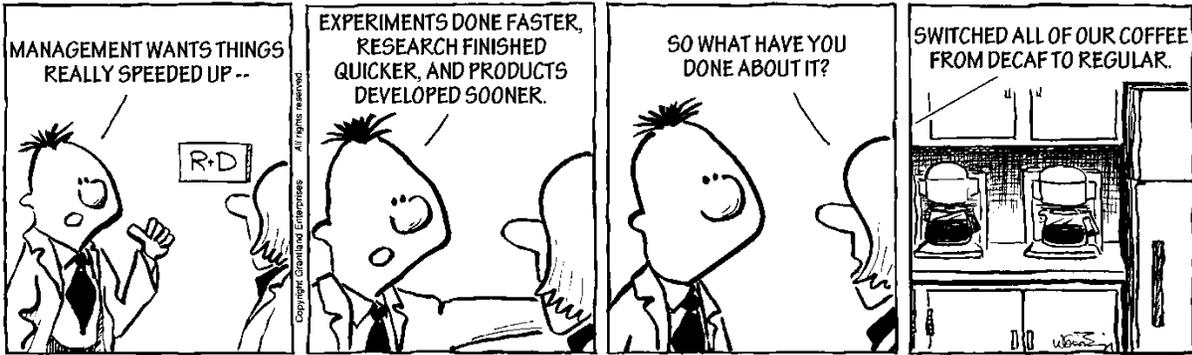
HMA member companies exhibiting in Dubai are American Lumber Co., Baillie Lumber Co., Hanafee Brothers Sawmill Co., Hermitage Hardwood Lumber Sales, Kretz Lumber Co., Linden Lumber, LLC, Midwest Hardwood Corp., Northwest Hardwoods, Oaks Unlimited, and Wheeland Lumber Co.

During the event, AHEC also will co-sponsor the 'Talking Timber' seminar where "Dr. Scott Bowe, Professor & Wood Products Specialist from the Department of Forest and Wildlife Ecology College of Agriculture and Life Sciences, University of Wisconsin, will deliver a presentation on the U.S. hardwood forest resource, lumber production and kiln-drying," as well as the environmental credentials of American hardwoods.

*AHEC is the leading international trade association for the American hardwood industry, representing companies and trade associations engaged in the export of a full range of U.S. hardwood products, including - lumber, veneer, plywood, flooring, moulding and dimension materials. Visit [www.americanhardwood.org](http://www.americanhardwood.org) for more information.*

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