

March 2018

More than just talk

By Linda Jovanovich HMA Executive Vice President

If there's one thing that advertising experts agree on, it's that "messages are more effective when repeated." And while the debate continues as to how frequently a message must be shared before the desired response is achieved, it's clear that repetition = response. So, here goes!

The stage is set for HMA's **National Conference and Expo**, and I look forward to spending time with you all later this month in Greenville, at the Hyatt Regency. That's where we'll be talking **ROR** –**Return on Relationships**, and where we'll be working to build a stronger industry, one relationship at a time.

"What's your ROR?"

Business consultants everywhere reiterate that if you are not evaluating your "return on relationships," you should be! Because more so today than ever before – relationships are the lifeblood of any and every successful business.

HMA members have long understood that. Even in the most challenging times, ours has been an industry where a hand shake has been just as binding as a contract. Yet, all good things can be improved upon. And our National Conference and Expo is your opportunity to network and enhance your relationship building efforts.

- Registration totals are nearing record numbers.
- The Expo is a Sell-Out!
- And there is still time to register to attend.

You'll find all of the Conference details – Registration, Program Schedule, **revised** Hotel Information, Expo Participants and Sponsors – on our HMA member website, www.HMAmembers.org. And of course, the HMA staff is available to answer any questions you may have. Simply call us, 412.244.0440, and we'll take care of business.

Bottom Line: Continued success depends on healthy relationships. Gather with other HMA members, association colleagues, and industry suppliers in Greenville, where we'll all be working to build a stronger industry, one relationship at a time. See you, soon.

Regional Meeting on the Horizon for May

HMA's 2018 Central Regional Meeting is heading to Johnson City, Tennessee, May 23-24. And the call to action is "all aboard!" Tour locations to date include the Mountain City, Tennessee sawmill, kiln operations and millwork locations of HMA member company, New

River Hardwoods, Inc.; a tour of New River Hardwoods' Roan Mountain facility, and a tour of Mullican Flooring's manufacturing facility in Johnson City.

Registration and other meeting specifics will be available at the conclusion of the National Conference and Expo. So, beginning March 26, be sure to visit www.HMAmembers.org for all of the Central Regional Meeting details.

And since you have your calendars in hand, please make note of these upcoming HMA events:

- 2018 Northeast Regional Meeting September details forthcoming
- 2019 National Conference & Expo March 20-22 The Hyatt Regency, Savannah, Georgia

Recognizing one of our own

Congratulations to HMA member **Tommy Battle**, President of Battle Lumber Co., Inc., Wadley, Georgia, for being chosen as the **2018** *Timber Processing* Person of the Year. In an article entitled, "Way of Life," the Hatton-Brown publication aptly depicts the Tommy Battle - Southern lumberman, family man, risk-taker - that HMA members and industry colleagues have come to know and respect.

And in the article, Tommy generously shares his spotlight when he says,

- "You've got to keep growing and pressing forward, but you can't lose track of what got you to where you are today.
- I was fortunate enough to have a stable foundation to build upon, thanks to the hard work and dedication of my family. From the start, it was always my desire to take our foundation, grow it into a cutting-edge sawmill powerhouse, and hand it down to the next generation to keep it moving forward."

Visit www.timberprocessing.com for the entire article. And once again, congratulations Tommy!

There is still time to Register to attend

HMA's 2018 National Conference and Expo is just weeks away. And if you've yet to finalize your plans; there is still time to be part of the event. Informed sources tell us that the Hyatt Regency Greenville is bracing for our industry extravaganza. And rightly so because ...

This blockbuster will be featuring speakers, workshops and roundtables on national and global economics, industry and market trends, **ROR**, and other topics of importance to the hardwood industry. Plus, the Expo is a 'sell-out! And the location is superb! (Click <u>here</u> for the Washington Post's review of **That** Greenville.)

So **Register** to attend today, and be part of the excitement. Then be sure to browse www.HMAmembers.org for all of the Conference details – Program Schedule, updated Hotel Information, Expo Exhibitors, Conference Sponsors. Should you have questions, please contact the HMA office at 412.244.0440. See you in Greenville.

The 'stage is set' for NatCon Expo and more

Like we've been saying for the past several months, HMA's 2018 National Conference and Expo in Greenville is where you want to be March 21-23, especially because **Expo 2018 is a sell-out!** That's right! Beginning at 6 p.m. on Wednesday, March 21 until 11 a.m. on Friday, March 23, the following industry suppliers will be 'front and center,' at your beckon call working to build a stronger industry. Join them.

American Wood Technology, LLC Automation & Electronics USA

BBandT Ins. Svc.-Nat'l. Forest Prod. Practice

BOLDesigns, Inc. Breeze Dried Inc. Brewco, Inc.

Brunner Hildebrand Lumber Dry Kiln Co.

Buckman

CARBOTECH INTERNATIONAL Cleereman Industries, Inc.

Cooper Machine

Corley Manufacturing Co.

DMSi Software Dri-Stixx Ventures

Froedge Machine & Supply Company, Inc.

HMC Corporation

Heicor Enterprises, LLC

ISK Biocides, Inc.

Industrial Vision Systems Lonza Wood Protection Lucidyne Technologies, Inc.

McDonough Manufacturing Co.

What a line-up! You'll not want to miss this!

MesserSmith Manufacturing, Inc. Nicholson Manufacturing, LTD

Nyle Systems, LLC

Paw-Taw-John Services, Inc.

PA Lumbermens Mutual Insurance Co.

Piche

Progress Industries Inc. Quality Strapping, Inc.

SII Dry Kilns

Salem Equipment, Inc. Stella-Jones Corporation

Stringer Industries
TJT Consulting
TS Manufacturing

Taylor Machine Works, Inc. Timber Automation, LLC

TradeTec Computer Systems, Ltd.

U-C Coatings

UPG USNR

Vacutherm, Inc. Wood-Mizer, LLC

what a line-up: Tou if hot want to miss this:

Above & Beyond NatCon Support and Commitment

Since November of last year, we've been spotlighting the many companies who have signed on as **National Conference Sponsors**. We'd like to add one more company to that impressive list.



Thank you to **Platinum Sponsor** Thompson Appalachian Hardwoods, Inc., Huntland, Tennessee. They will be co-sponsoring the NextGen Reception. And congratulations to former NextGen member Claire Thompson Getty, Executive Director of Thompson Appalachian Hardwoods, who has agreed to serve as the 2018-20 NextGen Leaders Council Coordinator. (www.thompsonappalachian.com)

To all of the **HMA member companies** who have gone "Above and Beyond" in support of the HMA, **thank you!** This additional financial support enables HMA to enhance the overall Conference offerings. In return, HMA makes special effort to recognize <u>all</u> Conference sponsors on <u>www.HMAmembers.org</u>, in all of the Conference promo material, during the actual event, and in our monthly newsletter, *The Link*. Thank you:

Platinum Sponsors: Anderson-Tully Company, Baillie Lumber Company, J.T. Shannon Lumber Company, Stella-Jones Corporation, Thompson Appalachian Hardwoods, Inc.

Gold Sponsor: New River Hardwoods

Silver Sponsors: Atlanta Hardwood Corporation, Bill Hanks Lumber Company, Inc., Northland Forest Products, Inc., T&S Hardwoods, Inc.

Bronze Sponsors: Frank Miller Lumber Company, Inc., Haessly Hardwood Lumber Company

Additionally, hats off to the <u>industry suppliers</u> who also have put extra "skin in the game" in their support of the HMA. Thank you to Event Sponsors, **Pennsylvania Lumbermens**Mutual Insurance Company and USNR, Platinum Sponsor, Taylor Machine Works, Inc., Gold Sponsors, DMSi Software, Mellott Manufacturing, and UPG, and to Bronze Sponsor, American Wood Technology, LLC.

See you all in Greenville!

Hardwood Federation Update

By Dana Lee Cole Hardwood Federation Executive Director

While the Hardwood Federation's core issues of forest management reform and green building were not specifically addressed in the President's late January State of the Union speech, his agenda for 2018 did reference a number of issues that have tremendous impact on the industry.

First, and foremost, was the section dedicated to infrastructure reform - an issue widely believed to have potential for bipartisan interest and agreement. Although details at the time of the address were more aspirational than specific, there are key concepts that are potentially beneficial to the hardwood sector.

- The highlight of the infrastructure discussion was a requested \$1.5 trillion in infrastructure investment to improve roads, bridges, railways, airports and other transportation. While the general concept is something everyone agrees upon, the challenge will be to identify how to fund such a massive undertaking.
- Following up on regulatory reform measures taken in 2017, the White House is also calling for a streamlining of the permitting process for infrastructure programs, including NEPA, Endangered Species Act review requirements, and conformity to the most recent National Ambient Air Quality standards to reduce legal challenges. All of this would be overseen by one lead agency with decision making powers, to condense the permitting timeline.

Challenges abound, however. Infrastructure funding avenues have yet to be agreed upon. And while everyone seems to want permit streamlining, agreeing about how the process can be quicker, without risking established safety and conservation standards, will take work.

Trade

Renegotiations of the North American Free Trade Agreement (**NAFTA**) and the South Korean Free Trade Agreement (**KORUS**) continue to raise concerns among the business community, fearful of losing currently low or negligible tariff rates on many goods and services. In his State of the Union remarks, the President reinforced his commitment to "fair and reciprocal" trade deals, but did not go into detail about ongoing negotiations.

Albeit slow, negotiations are proceeding and both the public and private sector continue to engage with the White House.

- A group of 36 GOP Senators wrote the President to ask that in order to advance the U.S. economy, "we keep NAFTA in place, but modernize it to better reflect our 21st century economy."
- Major trade associations are also heavily involved, including Trade for America, a new coalition working on preserving and improving U.S. participation in NAFTA.
- Bilateral discussion on KORUS began in early January.

The Farm Bill

Certainly important to the Hardwood industry, and a priority for the U.S. Department of Agriculture, the House and Senate Agriculture Committees are putting pen to paper on the next **Farm Bill**, which expires this year. The goal in both chambers is to finish drafting by early spring, and go quickly to debate on the full floor.

Key issues in the Farm Bill for the Hardwood industry include <u>funding for export promotion programs</u>, passage of the <u>Timber Innovation Act</u> which would promote using wood to construct tall buildings, and the <u>Community Wood Energy Program</u> which would provide grants for installing advanced wood heating systems across the country.

Challenges

Although the above issues barely scratch the surface of the Administration's "to-do" list, it will still be a challenge to complete more than a few items. Fierce partisanship in Washington continues to limit either side's ability to compromise. And the election calendar is not the friend of moving legislation. (The November mid-term elections will limit actual D.C. work days after late spring.)

Nonetheless, the Hardwood Federation staff remains optimistic that items on *our* to-do list will be dealt with before the end of the year. The Farm Bill is the best chance for bipartisan cooperation, and seems to be moving forward on schedule...or at least as on schedule as things can be in our Nation's Capital! And if we can fold some of our federal forest management priorities into the Farm Bill, we will consider it a victory. Infrastructure and trade are harder to predict, although trade seems more likely to maintain positive momentum.

As always, the Hardwood Federation will be on top of the issues, working on behalf of the industry and available to you all.

The many Benefits of using Wood products

"Everything has to be made of something. And it turns out that wood stacks up quite well to competing materials. Discover the many benefits of using wood for construction and packaging products." Because according to those in-the-know, **Wood Is the New Green.**

Did you know that:

- "Buildings in the U.S. account for more than 70% of the nation's energy consumption and 39% of CO₂ emissions. (Source: U.S. Green Building Council)
- In the U.S., forests and forest products store enough carbon each year to offset approximately 10% of the nation's CO₂ emissions. (Source: U.S. Congress)
- On average, North American wood producers use 98% of every tree brought to a mill for processing. (Source: reThink Wood)
- Wood products make up 47% of all industrial raw materials manufactured in the U.S., yet consume only 4% of the total energy needed to manufacture ALL industrial raw materials. (Source: APA The Engineered Wood Association)
- Using wood substitutes could save 14-31% of global CO₂ emissions and 12-19% of fossil fuel consumption. (Source: Journal of Sustainable Forestry) "

And the eye opening news regarding FIRE RESISTANCE is this:

"Timber does not ignite until it reaches more than 480°F. When it catches fire, it develops a protective char layer. Large timber beams have better fire resistance than unprotected steel beams of similar size because the interior of timber remains much cooler.

Average building fires reach temperatures of 1,300°F to 1,800°F. While timber stays strong, steel weakens as its temperature exceeds 450°F. At 1,400°F, steel retains only 10% of its strength." (Source: *National Fire Protection Association*)

Information source: *Pallet Enterprise*, and photo courtesy of Cornerstone Architects and Andrew Pogue, Photographer.

Loss Control Resource available Online

Work-related motor vehicle accidents can happen in any industry – lumber and wood operations are by no means exempt. And while no "silver bullet" exists to lessen commercial mishaps, it is prudent for businesses to embrace a safety culture to better the odds of reducing fleet incidents.

An online safety brochure entitled, "Business Auto Standard Checklist Best Practice," is now available from the Loss Control experts at Pennsylvania Lumbermens Mutual Insurance Company (PLM/ILM). No doubt your daily operations could benefit from some or all of the following action items.

<u>Defensive Driver Training</u>

"Implement a defensive driver training program which is a key component in vehicle accident prevention. Consider using proven safe driving techniques like the Smith System or the National Safety Council's Defensive Driver Training. Defensive driving strategies address the effects of drugs and alcohol on driving, the dangers of distracted driving, as well as how to handle fatigue and dangerous road conditions. Employers should be sure their drivers are educated on basic safe driving tenets, such as looking as far down the road as possible for potential obstructions and problems, maintaining an adequate following distance, and anticipating potential hazards.

Accident Review Committee

All driving related accidents should be reviewed by an accident review committee. The committee should be comprised of members of upper management, supervisors and employee drivers. The driver involved in an accident and their supervisor will discuss the details regarding their accident and ways to prevent the accident in the future. The committee should not be adversarial. The purpose is to learn from the loss and identify preventative measures moving forward.

Driver Observation Program

Driver observations should be routinely conducted by your supervisors and your management team. The driver's driving habits can be observed by riding along with the driver, following the driver in another vehicle or reviewing dashboard camera videos (if applicable). Provide the drivers feedback and conduct additional training if necessary. Drivers with poor driving performance should be observed more frequently.

Accountability for supervisors and drivers

There should be a disciplinary procedure in place addressing driver accidents, moving violations and maintaining appropriate documentation to comply with the DOT standard. Supervisor's and driver's performance should be evaluated and included in their performance reviews."

Bottom line: As Founding Father Benjamin Franklin said, "An ounce of prevention is worth a pound of cure." Visit www.plmins.com for all of the details, and get your Fleet Safety Program started today.

PLM/ILM is a property and casualty insurance provider to the lumber, woodworking and building material industries. For further information, contact the Loss Control Services Department at 800.752.1895.

On the job and on 'thin ice?'

In an article entitled, "Know When You're on Thin Ice at Work," Wall Street Journal columnist Sue Shellenbarger provided the following <u>Do/Don't</u> checklist on "How to Avoid Being Blindsided at the Office."

On the 'DO' side of the spectrum:

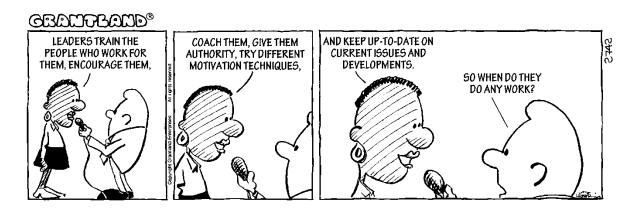
- "Find out early how your boss will evaluate your performance.
- · Ask specific questions about how you're doing.
- Ask for criticism from colleagues who will tell you the truth.
- Compare your performance to high achievers.
- Maintain good relationships with bosses, peers and subordinates."

Shellenbarger says, "Do Not:

- Bristle or get defensive during performance reviews.
- Assume mastery of core job skills will make up for lacking relationship skills.
- Let yourself become isolated.
- Ignore neglectful or dismissive behavior by your boss.
- Surround yourself with allies who won't give you honest criticism."

"Misreading important external factors on the job is a common misstep," says Shellenbarger. "And the risk of becoming unaware of your own failings increases as you rise up the ranks."

Since 1991, **Sue Shellenbarger**, creator and writer of the Wall Street Journal's Work & Family column, has been providing "regular coverage of the growing conflict between work and family, and its implications for the workplace and society." Click <u>here</u> for other Shellenbarger articles.





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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