



Timber Products Company
THE TREMENDOUS RESOURCE™



Transportation Alert

Getting your wood panels depends on trucking availability, which is changing. Page 2.

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Total Redo: Survey Finds Majority of Homeowners Would Change Everything About Their Kitchen Cabinets

If homeowners had their way, a majority would change absolutely everything about their current kitchen cabinets and opt for solid wood cabinet doors with a Modern style, according to a new survey by Scripps Networks (HGTV) of 19,000 U.S. residents.

The *Under One Roof* survey included three specific questions on behalf of Timber Products Company, a leading manufacturer of hardwood plywood panels that are used to produce kitchen cabinets, and found that homeowners are craving changes in their kitchen spaces.

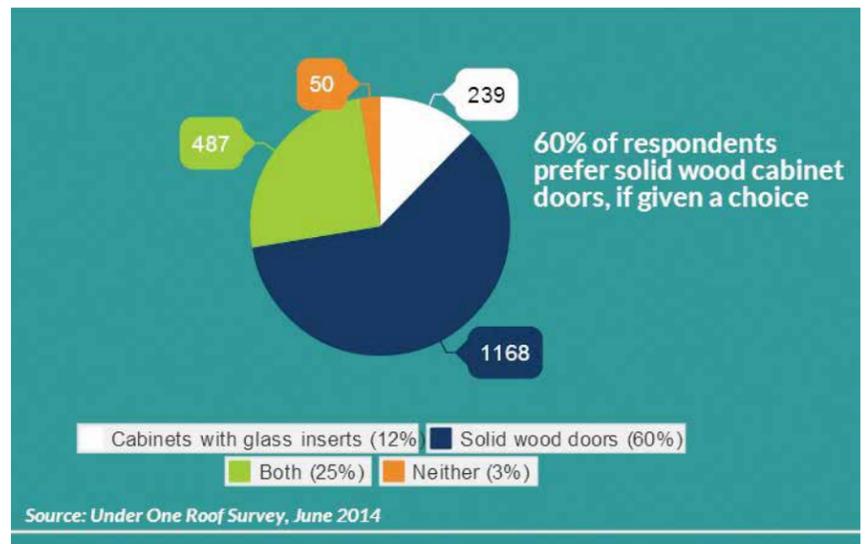
When asked what they would change about their cabinets, 29 percent said they dislike everything about their current kitchen units and would go for a total overhaul of the color, material, style and size. Among female respondents, the urge to scrap their cabinets was even higher, at 32 percent. On the flip side, 22 percent said they love their current cabinets and would not change a thing about them. Broken down by gender, just 20 percent of female homeowners said they would not make any alterations.

Thirteen percent would choose only a new style, while 11 percent would change colors and sizes.



In a HGTV survey for Timber Products Company, 32 percent of female respondents said they dislike everything about their current kitchen cabinets.

“The survey results show that a good number of homeowners are tired of their kitchen cabinets,” said Roger Rutan, Marketing Director at Timber Products Company. “Most respondents probably inherited cabinets when they bought their houses and are looking for something new and different. This is good news for the woodworking and cabinet industries as more homeowners could become customers.”



Other survey findings include:

- When it comes to style, the *Under One Roof* survey discovered that given a choice between solid wood cabinet doors or ones with glass inserts, 60 percent of homeowners gravitate toward solid wood. Twelve percent would select doors with glass inserts, and 25 percent indicated that they would use a combination of both choices.

- Modern kitchen cabinets were the top selection (25%) for a new style, followed by Contemporary (22%), Craftsman (18%) and Farmhouse (13%). Rustic, Shabby Chic and Eclectic all came in at under 10 percent.

“Kitchens are the heart and soul of most homes so it’s encouraging that homeowners are ready for big changes in cabinetry,” said Rutan. “With remodeling activity on the uptick in the U.S., we hope many homeowners will be getting their dream kitchens soon.”

Under One Roof Survey Facts and Findings

- **29 percent** of overall respondents would change every aspect—color, material, style and size—about their kitchen cabinets.
- **32 percent** of female respondents would change every aspect—color, material, style and size—about their kitchen cabinets.
- **22 percent** love their kitchen cabinets and would not change anything about them.
- **13 percent** would change only the style of their kitchen cabinets.
- **11 percent** would change only the color of their kitchen cabinets.

- Solid wood was identified by **60 percent** of respondents as their choice for new cabinet doors.
- **12 percent** of homeowners would select new kitchen cabinet doors that contain glass inserts.
- **25 percent** would select a combination of solid wood cabinet doors and doors with glass inserts.
- Modern (**25%**) was the most popular style for new kitchen cabinets, narrowly edging out Contemporary (**22%**).
- **18 percent** would select Craftsman style for kitchen cabinets.
- **13 percent** of respondents selected Farmhouse as their cabinet style of choice.

Under One Roof Survey Methodology

Under One Roof was an Internet-based consumer panel of self-selected lifestyle enthusiasts hosted by Scripps Networks Interactive that included approximately 19,000 U.S. residents ages 18-64. The online study was conducted in June 2014. The kitchen cabinet questions were provided by Timber Products Company.



IWF 2014 Preview: Connect With Experts in Booth #1725



Left to right: Steve Fuller, Royal Plywood; Bob Herold, Royal Plywood; and Lori Burke, Timber Products Company.

The woodworking industry's annual trade show—the International Woodworking Fair (IWF)—heads east to Atlanta in August and the Timber Products Company team will be on hand to answer your questions and help you with your hardwood plywood needs.

You're invited to drop by booth #1725 to see the entire line of our award-winning GreenT™ Hardwood Plywood, visit with our product experts and qualify for special prizes. This year, we're giving away a tablet PC loaded with helpful content from Woodworking Network and Timber Products Company. Visit our booth for details on how to win, plus follow @TimberProducts on Twitter and like our Facebook page to learn more about Timber Products' plans at IWF 2014.

The show is an opportunity for Timber Products to connect with old friends, make new acquaintances and meet with industry professionals. In Atlanta, we'll be touting

our Eastern manufacturing facility and how it offers distinct advantages to East Coast customers, such as:

- **Quick Delivery to Eastern Markets:** Keep your inventory turning with quick and reliable shipments to all Eastern markets, usually within two days of leaving our mill.
- **One Stop Shop:** Choose from a full line of sustainable products made with a comprehensive selection of high-quality veneers, core materials, sizes and thicknesses for a wide range of applications. This selection of options gives you a one-stop shop for all your hardwood plywood, decorative laminate, and custom components needs.
- **Eastern Customer Service Team:** Experienced sales team members are living in four Eastern markets to personally assist you with product questions, consultation on sustainable building projects and ordering.
- **Commitment to Quality:** The entire GreenT line of panels is built on the highest-quality core material to enhance the stability and finished appearance of the panel. The cores are machined to exacting tolerances, creating the perfect platform for hardwood veneers. Consistent, quality products are our trademark.

See you in Atlanta!



Throughout the recent recession, small- and mid-size trucking companies closed their doors at an alarming rate. The reasons were many but the result was that there were more trucks than there was freight demand, creating competitive markets that drove down freight rates.

On top of that were higher costs for insurance, maintenance and regulatory compliance. According to the American Trucking Association (ATA), more than 15,000 trucking companies closed their doors during the economic downturn.

With the economy on the comeback trail, it's not surprising to find a shortage of trucking capacity. However, the problem is not only the availability of trucks but also finding qualified drivers to sit behind the wheel. A trucker's life on the road can be pretty tough. According to the Bureau of Labor Statistics, the average age of a commercial

Transportation Resources Remain Tight

truck driver is 55, which reflects the difficulty in getting younger people into the profession. It's estimated that there are more than 150,000 unfilled driver positions in America. Federal regulations have created additional challenges for trucking companies and drivers to earn money as new rules for hours of service (HoS) have gone into effect, limiting the number of hours a trucker can drive in a day or week.

When looking for trucking resources, look first to trusted partners like TP Trucking, which has responded to these new realities.

"We have created more capacity in the form of 30 new Kenworth trucks that were purchased recently and more are on the way," stated Craig Turner, Division Manager. "Because we have the newest equipment, are part of a larger company, and offer a competitive wage and benefit package, we have been able to get drivers into all of our trucks. Our new equipment is a real draw for any driver with experience and a good driving record. Our high driver retention rate is proof that TP Trucking is doing the right thing for our drivers."

Here are some tips to help you deal with this transportation reality:

- Allow for more time between when you place an order and when you need it to arrive at your location.
- If you can forecast your shipping needs, give them to us so we can plan ahead.
- If you have regularly scheduled transportation needs, we can work to have those loads covered on a consistent basis.
- Unload truck arrivals in a timely and efficient manner. That will put the truck back on the road as soon as possible, something that is good for both the receiver of the load and the trucking company.
- Consider the use of intermodal transportation that combines railcars and trucks. Putting truck containers onto flatbed railcars is cost-competitive. Make sure your receiving dock can handle a container.
- Rail service has continued its gradual improvement. Filling a railcar is roughly equivalent to three truckloads.

Contact TP Trucking's Oregon office at 800-777-1121 or the Mississippi office at 888-339-1929.

IWF Symposium: Creating New Products and Business Approaches

Although the International Woodworking Fair (IWF) is scheduled to begin Aug. 20 in Atlanta, the real action kicks off a day earlier when a full-day symposium—*Woodworking Inventors: Creating New Products and Business Approaches*—looks at how a new breed of woodworkers is approaching the market of the future. The session, presented by Woodworking Network and sponsored by Timber Products Company, runs from 8:30 a.m. to 4:30 p.m. at the Georgia World Congress Center.

"The symposium is a great opportunity for distributors and cabinet makers to hear from custom woodworkers on business philosophy, new products and marketing strategies," said Timber Products Director of Marketing Roger Rutan. "It's a chance to get inside the minds of companies that will be leading the business through a transformation. We're thrilled to be involved and are looking forward to hearing from these innovators."

Specifically, the symposium will dive deep into new products, how to produce them and how to take them to market successfully. Attendees will hear from a variety of woodworkers and designers who have succeeded and were featured in the *Customer Woodworking Business Woodworking Inventors'* article series, including:

- Adam Rogers, Thos. Moser Furniture
- Peter Mai, president, Olde School Cabinet
- Corbin Clay, Azure Furniture
- Jared Patchin, J. Alexander Fine Furniture
- Chip Yawney, A Cut Above Inc. – Custom Cabinetry & Design
- Jonah Coleman, Fletcher Wood Products

Our social media team will be on hand at the Symposium, gathering content and talking with several experts, so watch for video interviews on the Timber Products social media channels after the show and live tweets during the event.

Visit Woodworking Network online to sign up for the symposium.

Boost Your Green Knowledge With September 10 Webcast

Environmentally certified products continue to gain traction in the home building and woodworking industries. As costs for sustainable products come down, homeowner interest goes up and more orders could potentially come your way. Are you ready? Do you know today's certification terminology? What steps do you need to take to market your services?

The answers to these questions and many others will be addressed on September 10 in the latest informational webinar from Timber Products Company and Woodworking Network, *The Next Generation of Green Building: Learn About Sustainable Products and Programs*. The 30-minute online session features industry experts sharing insight on the latest developments in green building, how it impacts woodworking and cabinetry and what steps you should take next to be part of this important marketplace. It will air on September 10 and be available on demand after that.

Be sure to share this webinar with your customers, and sign up yourself to hear about environmentally certified products. Register for this free webcast by visiting <http://bit.ly/TPwebcasts>.

5 Questions for Tom Reardon, Executive Director, BIFMA



Tom Reardon is the Executive Director of BIFMA – the Business & Institutional Furniture Manufacturers Association. Its mission is to promote the growth and image of the business furniture industry by serving as an information resource, industry advocate and professional and trade development network.

Timberline recently caught up with Tom to find out about the state of the industry, top trends he is seeing in the marketplace and where the business is headed in the next few years.

Timberline: What business and institutional furniture trends are you seeing in the market?

Reardon: Work styles and the workplace are continually evolving, lately with a trend toward more open and collaborative spaces, often with more of a “homey” or residential feel. This trend toward more open workspaces has also highlighted the need for private work areas. Team members usually aren’t collaborating at all times; there’s also a need for more private spaces suited to task execution. The challenge lies in balancing the work environment to effectively manage the space for both collaboration and task execution.

TL: How has the business and institutional furniture market held up over the past five years?

Reardon: Frankly, it’s been a bit of a roller-coaster ride. We’re slowly recovering from the 2008–2009 recession that saw U.S. production fall 29.7 percent in 2009. We’ve rebounded a bit but it’s a slow journey. This production data reflects only office furniture and does not include other types of “institutional” furniture such as education, health-care or hospitality.

TL: For architects, how important are green, sustainable furniture products?

Reardon: Making better, more informed choices regarding the environmental impact of products is a growing trend and one that is expected to continue. However, it will likely become even more of an expectation as time goes on. Much like “lean manufacturing” was a differentiator 25 years ago; today it’s just

how manufacturing is done. I expect a similar dynamic in sustainability.

TL: What are some threats and opportunities facing your membership today?

Reardon: Cost containment is always important; energy costs, healthcare and benefit costs, materials costs, etc. Attraction and retention of a qualified and skilled workforce can be a challenge, or it can be a point of differentiation as an employer. Expansion into other vertical market segments (such as healthcare, education, residential and hospitality furniture) is an opportunity that many manufacturers are pursuing.

TL: What strategy is BIFMA embracing for the next few years to serve its members?

Reardon: BIFMA will continue to pursue programs and services that provide for a more effective and/or efficient industry. Establishing standards for mechanical testing of products or standards around environmental performance metrics provides a common method for manufacturers and our customers to evaluate product performance. And establishing environmental performance metrics is an area that is rapidly evolving right now. Market data is another area where we intend to focus over the next year. BIFMA has long maintained an industry market data program, but as our members have expanded into some of these other vertical market segments, so too our data program needs to evolve.

2014 PCBC Recap: Changes in Store for Home Building

The mood was upbeat at the recent PCBC 2014 show in San Francisco. Builders, designers and suppliers were all relieved that the housing market is finally showing long-awaited signs of life, but it was clear that this year’s conference could be summed up in one word: change.

Coming out of the Great Recession, we see new buyers with new requirements for everything from energy savings to light fixtures. Wood usage in the interior is also taking on new importance as the design community embraces natural materials for its beauty, versatility and sustainability.

Here are a few notes from PCBC on pending changes in home building that could impact woodworkers and their businesses:

New energy codes and new technology will have a dramatic effect on home and community design. Zero Net Energy (ZNE) for all new homes by 2020? With the introduction of innovative insulation materials, doors, windows and ventilation systems, a ZNE home is rapidly becoming an affordable option. Driving the reduction in energy consumption are state and federal building codes that have become law and are being phased in over time. Green building programs like LEED and Green Globes place a high value on energy efficiency. Last but not least is demand from the new home buyers: Generation X, Y and Millennials. Sustainability and efficiency are not extras for them—they are requirements.

Traditional home buying patterns and segments are rapidly changing. The first-time buyer is looking for a community or neighborhood as much as they are looking for a home. More than half own a pet. Having multiple generations in one home is becoming common, something home builders must take into account as they allocate space and think about what functions are on which floors. The 55+ category is also changing as they look for everything from active communities to the availability of an on-demand concierge service for any need.

The days of large tracts of detached homes are over. First, this kind of vacant land is now scarce. More importantly, the overwhelming trend is home buyers looking for close-in, mixed-use developments that look and feel more like a village that has a wide range of services within walking distance.

Building in infill sites is becoming a standard part of home building. This means that builders have to come up with new ways to deal with smaller, denser projects. Here is one place where wood treatments in the interior offer real benefits. The homeowner may not have a yard but they can look at beautiful wood cabinets, wood wall treatments, wood floors and millwork.

Many new home buyers are looking for an urban community with suburban amenities. The list of what home buyers are asking for is long but all fall into the mindset of a community with parks, jogging trails, entertainment venues, nearby restaurants and shops, as well as services like dry cleaners.

These trends bode well for the woodworking industry. The warm look of wood and its versatility is seen as a sustainable way to make today’s new home more livable and attractive. From high-end appliances to a dog-washing tub in the laundry room, buyers have shown they are ready to spend money for those enhancements that are important to them. Woodworkers have many products that can help today’s home builder as they strive to meet the ever-changing demand in this dynamic marketplace.



The recent PCBC event showed that first-time buyers are looking for a community or neighborhood as much as they are looking for a home.

Species Spotlight: Sapele



Sapele

In this issue’s Species Spotlight, Timber Products veneer expert Eric Cullen shares his insight on Sapele (pronounced *suh-pee-lee*).

Characteristics: *Entandrophragma cylindricum*, commonly known as the Sapele or Sapelli, is a large tree native to tropical Africa. Most of its veneer comes from the Central Republic of Africa, Ghana and Cameroon and is available from Timber Products Company in plain sliced and quarter sliced as well as FSC-certified. The tree is inherently symmetrically round and produces a consistent ribbon appearance when quarter cut. Because of its cylindrical nature, the ribbons are much straighter than other species and it is the species of choice for consumers who want a ribbon stripe panel. The ribbons appear to be a weave of light and dark material.

Sapele’s heartwood is a medium to dark reddish brown. Some customers order the medium color, and others want the dark color. That’s why Timber Products Company offers Sapele veneer sorted based on these characteristics. It is also available with a pommel figure, which is a more exotic form of this veneer.

Uses: Because of its close color resemblance to African Mahogany, Sapele is often used in custom millwork projects for libraries, courthouses and offices. In addition, many homeowners are beginning to specify Sapele for custom kitchen cabinets.

Trends: More Sapele is ordered in quarter sliced than plain sliced and is usually finished with a clear coat. Showing its broad appeal, Sapele has been ordered from all regions of the country. In Southern California, Sapele is popular in flat panel kitchen cabinet door and drawer fronts and frameless cabinets to achieve a “California modern” appearance.

Did you know? Sapele is the number one hardwood species in the UK, Portugal and Spain. It is used mostly in architectural applications such as store fixtures, doors, furniture and flooring.



LEED v4: It's a New Day

The U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED) rating system for green buildings has dominated the American marketplace since its inception in 1993.

With more than 46,000 registered projects representing over 6.6 billion square feet, LEED is typically the first certification system that project managers and owners turn to for building green. The woodworking industry has struggled with LEED over the years, as the program paid little attention to the use of wood. When USGBC announced the process to create a new set of standards, dubbed LEED v4, wood industry groups such as the American Wood Council and the Sustainable Forestry Initiative (SFI) went to work to have an impact on any new rules. When LEED v4 was rolled out in late 2013, the wood industry consensus was that we had some wins and some losses, but no net gains.

To understand LEED v4 and how it impacts your woodworking business, start with a fresh mindset. The Materials and Resources category is where the vast majority of wood-related credits are still located. The umbrella term is Building Product Disclosure and Optimization – Sourcing of Raw Materials. LEED v4 is focused on life cycle thinking at both the product and whole-building levels.

A new credit, MRc2, gives points to products for which a Life Cycle Analysis (LCA) is available and developed from that, an Environmental Product Declaration (EPD). Currently, there are a limited number of wood products where an LCA or EPD exists. In that same line of thinking, another new credit is MRc—Material Ingredient Reporting—that gives points for the use of products with ingredient disclosure like Cradle to Cradle. A more comprehensive list of acceptable ingredient disclosure mechanisms is still in development at the USGBC.

LEED v4 combines many of the other previous credits for wood into MRc3 – Sourcing Raw Materials. This credit gives points for the traceability of raw materials and transparency into the supply chain. The previous Regional Materials and Recycled Content credits from LEED v3 are now combined into MRc3.

An important criteria for wood products under LEED v4 is to have products that have been certified to Forestry Stewardship Council (FSC) standards. The MR Credit 7 from the earlier version of LEED for certified wood is now part of the Building Product Disclosure and Optimization – Sourcing of Raw Materials.

LEED v4 states that wood products must be certified by the Forestry Stewardship Council (FSC), or a USGBC-approved equivalent, to contribute toward credit achievement. This USGBC-approved equivalent has yet to be defined. Jason Metnick, Senior Vice President of SFI, commented, "SFI has been engaged with USGBC leadership to understand the new responsibly sourcing credit and how SFI-certified wood products might be able to achieve points. We have encouraged them to be more transparent on what it would take for the SFI standard to be recognized. To date, the USGBC has not defined 'approved equivalent.' SFI will continue to work with USGBC on this issue."

The Indoor Environmental Quality credit for low-emitting materials has also changed. This pertains to composite wood products like particleboard and MDF. LEED v3 stated that wood products must be constructed from no-added urea-formaldehyde (NAUF) resins. In LEED v4, composite wood products must be documented to meet the low formaldehyde emissions as designated in the California Air Resources Board (CARB) ATCM for ultra-low emitting formaldehyde (ULEF) resins or no-added formaldehyde (NAF). Almost all of Timber Products' hardwood plywood production meets the ULEF standard.

Still confused? Here is our recommendation to navigate the LEED waters:

- Designate a LEED point person to spend whatever time is necessary to understand how LEED v4 pertains to your specific business.
- Ask suppliers like Timber Products Company to start collecting raw material sourcing information. For example, about 90 percent of Timber Products' hardwood plywood manufactured in Oregon is SFI-certified. While LEED does not yet recognize SFI specifically, this certification provides a tremendous amount of transparency into where and how the raw materials were developed and extracted, something LEED is looking for.
- Find out if any of your suppliers have an LCA or EPD for their products. The Hardwood Plywood and Veneer Association (HPVA) is currently working on both for the product as a whole. Timber Products Company is part of that process.

As always, you can count on Timber Products Company to be your source for timely, factual information regarding LEED. There are aspects of LEED v4 that have yet to be defined and like you, we are still learning.

Questions about LEED? Contact Roger Rutan at rrutan@timberproducts.com or 541-744-4263.

Thank You, Timberline Readers!



Timberline's mission is to provide value to you and your business, so judging from our latest survey results we are hitting the mark in your eyes.

In a recent reader survey, here's what you told us:

- 97 percent said the articles in Timberline are interesting and pertinent to their businesses. This 7 percent jump from last year is a direct result of your input and help in guiding the editorial content.
- 85.7 percent of Timberline readers rate the publication on a 1-to-10 value scale above 7, which is higher by more than 20 percent year-over-year.
- 94 percent of you believe that the editorial content has improved since last year.

- 94 percent have shared Timberline with colleagues.
- 95 percent of you wish to continue to receive the publication every quarter.

We thank you for the insightful, helpful feedback and want you to know that our goal is to provide useful stories, each and every issue, that assist you with your business. Today's wood products business is complicated and ever-changing, so helping you keep up with the latest trends and regulations is important to the success of Timber Products Company and its partner customers.

timberline

Timberline is a publication for our employees, families and customers.

Requests for additional copies, or to be included on the Timberline mailing list may be sent to timberline@timberproducts.com.

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