



Import Trends

The future of hardwood plywood imports from China. Page 1.

Surviving Sandy

Roberts Plywood battles Superstorm Sandy and all its fury. Page 2.

Happy Holidays From Timber Products Company!

As we close 2012 and the 94th year of Timber Products Company, a familiar saying comes to mind: The more things change, the more they stay the same. Change has been the only constant in our industry for the last several years, as we have weathered the worst economic conditions since the Great Depression. During this time, the Timber Products team has focused on getting better in every aspect of our business, with our customer's needs always at the forefront.

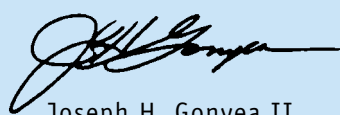
What has stayed the same is the importance of relationships: with our customers, our suppliers, and with every Timber Products team member. What has also stayed the same are our company's core values of honesty, integrity, and fairness.

We believe 2013 will bring us better economic times. Rest assured that Timber Products Company will continue to be there to support our customers as they work to capitalize on improving markets.

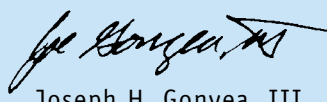
To our customers, thank you for your business, loyalty and friendship. We will continue to work to earn your trust and confidence every day. To our team members, we offer sincere thanks for all your hard work that has made us an industry leader in the products we produce and services offered.

During this Holiday Season, let us all be mindful of the men and women in the Armed Forces around the world who are fighting to preserve the liberties we enjoy here at home, and can sometimes take for granted.

From our family to each of yours, we wish you the best of the Holiday Season and a happy, healthy and prosperous New Year! 🍷



Joseph H. Gonyea II



Joseph H. Gonyea, III



David W. Gonyea

What's Next: The Impact of Unfair Chinese Hardwood Plywood Imports

On Sept. 27, 2012, the Coalition for Fair Trade of Hardwood Plywood (CFTHP), an association of U.S. manufacturers of hardwood and decorative plywood, filed an unfair trade petition with the U.S. Department of Commerce and the International Trade Commission (ITC), regarding hardwood and decorative plywood imports from China. Timber Products is a member of the Coalition.

It is the opinion of the Coalition that imports from China are sold in the United States at below market prices and are subsidized by the government of China. Our petition requests that the U.S. government investigate these unfair trade practices and apply antidumping and countervailing duties on imports of hardwood plywood from China in order to restore competitive parity to the U.S. market. The Coalition submitted extensive data to support our petition.

On Oct. 18, 2012, the Coalition presented oral testimony before International Trade Commission (ITC) examiners in Washington, D.C. Mike Clausen, Vice President of Hardwood Plywood Sales, testified on behalf of Timber Products Company. Four other industry members testified as well.

On Nov. 9, 2012, in a unanimous decision, the ITC made a preliminary determination that there is a reasonable indication that imports of subsidized hardwood and decorative plywood from the People's Republic of China are causing material injury to U.S. manufacturers of these products. This decision means this petition will move forward into a full investigation.

Joe Gonyea, III, Chief Operating Officer of Timber Products, stated, "We are pleased the International Trade Commission has recognized the merit of our petition and they will now do a thorough investigation. Timber Products Company can compete with any hardwood plywood manufacturer in the world, as long as the playing field is level. We hope this process will make that a reality. We applaud the bi-partisan efforts of Senator Ron Wyden, Congressman Peter DeFazio, and the other members of the Oregon delegation for being proactive on this issue that impacts literally thousands of family wage jobs in our state."

Congressman Peter DeFazio (D-Springfield) stated, "American manufacturers can't compete when the deck is unfairly stacked against them. We cannot afford to allow China to get away with manipulative trade practices that hurt American companies and cost us jobs."

The next step in this process is done by the Department of Commerce. Commerce must determine who is dumping and at what margins. It will also investigate any subsidies that support Chinese hardwood plywood manufacturers. Commerce will use this information to determine the amount of countervailing duty. This process will take about eight months. We expect to get preliminary results from this investigation around March 2013. Those results will include an indication of the amount of duties to be applied.

The final determinations by the Department of Commerce are forwarded to the ITC where a final determination and decision is expected mid-year 2013.



Federal ruling that China could be dumping plywood unites Oregon delegation

FEDERAL REGISTER
The Daily Journal of the United States Government

Notice

Hardwood Plywood From China: Institution of Antidumping and Countervailing Duty Investigations and Scheduling of Preliminary Phase Investigations

US panel approves anti-dumping probe of Chinese plywood imports
Nov 9 (Reuters) - A U.S. trade panel on Friday approved an investigation into charges Chinese companies are selling hardwood plywood in the United States at unfairly low prices, setting the stage for the Commerce Department to set preliminary duties next month.

Group Fights Hardwood Plywood Antidumping
By Hans M. Rosenberg | 10/15/2012 1:45:00 PM

BREAKING NEWS
Chinese Hardwood Plywood Antidumping Complaint Has Merit: ITC
The antidumping probe against Chinese hardwood plywood makers will continue after the U.S. International Trade Commission unanimously voted today that "there is a reasonable indication that a U.S. industry is materially injured."

Oregon Delegation Applauds Decision to Investigate China's Illegal Plywood Subsidies
WASHINGTON, DC-- Oregon's congressional delegation applauded the United States International Trade Commission (USITC) for finding that there is a "reasonable indication" that the U.S. hardwood plywood manufacturing industry has been substantially injured by Chinese subsidized plywood sold in the U.S. at less than fair value. The U.S. Department of Commerce will continue to investigate Chinese hardwood plywood imports and make preliminary determinations on potential Chinese trade violations in December 2012 and March 2013.

What's Next (continued on page 2)

Superstorm Sandy Pelts Eastern Distributors

When Superstorm Sandy battered the Eastern Seaboard in late October, the wood products industry took a hit just like everyone else. But not for long.

Flooding and power outages were widespread in the aftermath of the storm, and wood products distributors like Roberts Plywood, which serves customers from Connecticut to New York to New Jersey, were shut down for a few days to recover. But by Nov. 1, three days after the storm touched down, Roberts was back in business running on limited power, taking deliveries and doing everything it could to help customers.

"We lost power for a few days but other than that had very little damage because we are six miles inland from the ocean," said Norm Roberts, President. "We prepared for the storm by placing our trucks up against our building to prevent the wind from knocking our doors open. We feel fortunate, because a lot of our customers were closed a good part of that week and their employees couldn't get to work due to the shutdown of the mass transit systems."

Some areas were harder hit than others, said Roberts, and will need more time to recover. He cited some of his customers who are out of business completely and those who found their CNC equipment underwater due to flooding.

"New Jersey and Long Island got hit hard by flooding," he said. "Seawater is more damaging than rainwater because of the salt, so it will take a while to clean up. The bright side is that these communities will rebuild and the homes and buildings will need cabinets and furniture. Restaurants, in particular, can't stay closed too long, so they will start the process right away. The first quarter of 2013 will be busy."

At his home in Long Island, Roberts was without power for 12 days following the storm, and water crept up his driveway. Downed trees littered the neighborhood.

"I happened to be in Florida during the storm and my neighbors pulled together to help out," said Roberts. "I've lived on Long Island for 58 years and never seen anything like this. To make it worse, we had a snowstorm the following week."

As for inventory, Roberts Plywood was fully stocked and ready to serve customers right away.

"Our regular shipments were coming in as scheduled, and we even unloaded a few trucks on the Wednesday after the storm," he said. "My philosophy has always been 'inventory is king,' so we were prepared. It helps to have suppliers like Timber Products to keep the orders coming to us consistently."

"The region was hit hard but we will bounce back," he added.

Timber Products Company sends its thoughts and prayers to all of those impacted by Superstorm Sandy, and is doing everything it can to help its customers recover from this natural disaster. 🌱

What's Next (continued)

Timber Products Company realizes our customers have questions on this process and how any outcome might affect your business. Some questions can't be answered until a final decision is made. We will keep you informed of the process and any outcomes as they occur.

For more information and all related materials on the CFTHP petition, visit www.hardwoodplywoodfairtrade.org. 🌱

Social Media Poll: 2013 Will Be Better

Timber Products Company recently polled our followers and fans on Twitter and Facebook and asked them about 2013 and what they thought about their businesses.

Here's what they had to say:

Are you expecting 2013 to be a better year for your business than 2012?

Yes	83%
No	17%

Be sure to follow Timber Products on Twitter (@TimberProducts) and Like us on our Facebook page for industry news, company updates, reader surveys and additional *Timberline* photos.



Thank You Timberline Readers!

In our most recent reader survey, 95 percent of you told us that the articles in *Timberline* were interesting and pertinent to your business. The 2012 survey of *Timberline* readers also showed that 81.8 percent rated the newsletter at 6 or above when it came to overall value of the publication to their business—a jump of 17.8 percent from the previous year.

Our goal each and every issue is to provide useful stories that help you with your business. If you have a story idea, or an interesting, high-profile project that involves Timber Products hardwood plywood, we'd like to hear from you. Please send details and your contact information to lhartwig@timberproducts.com and you could be featured in a future edition! 🌱



Coming Next Issue:

Species Spotlight: Alder
Social Media Marketing Tips and Tools
Special Forestry Section
Feature on Fessenden Hall

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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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