

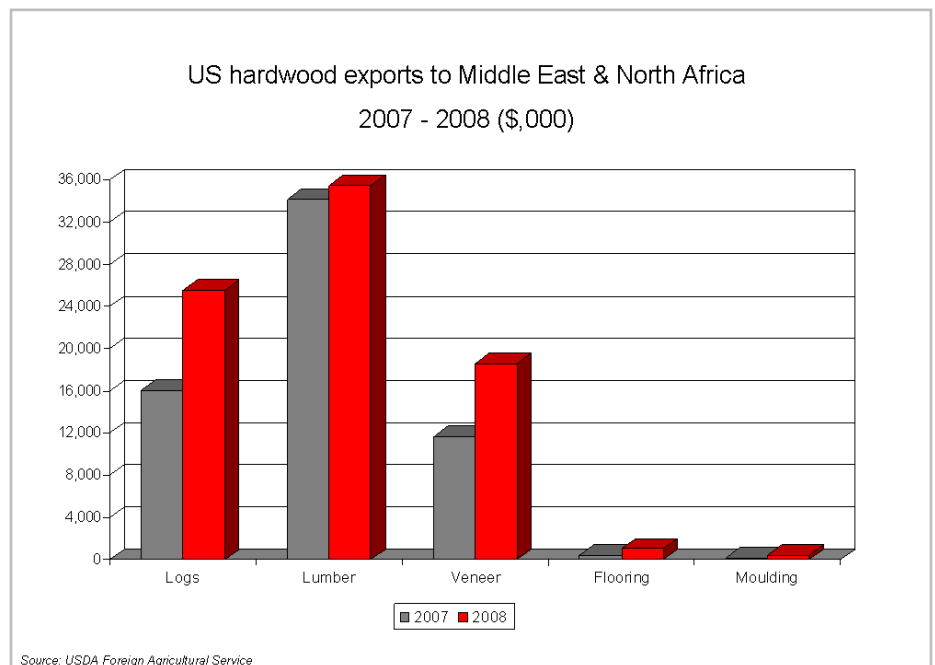


Middle East Issue 16 - January/February 2009

US hardwood exporters prepare for Dubai Wood Show as Middle East imports continue to grow

This April 21 to 23, the US hardwood industry will once again take part in the Dubai Wood Show under the banner of the American Hardwood Pavilion. Following the success of the Pavilion at the Dubai Wood Show 2008, key hardwood exporters from the United States will be joining AHEC again to take advantage of the rapidly growing demand for hardwoods in the Middle East. At the same time, AHEC is able to report that during 2008, total direct exports of American hardwood value-added products (lumber, veneer, flooring & mouldings) to the MENA region grew by 19.6% in value, reaching \$55.5 million. The principal value-added US hardwood product exported the region – hardwood lumber – saw an increase in volume of 3.7% to 48,698 m³ and an increase in value of 3.8% to \$35.5 million. At the same time, shipments of both hardwood veneer and logs also grew significantly, increasing by 59.7% to \$18.6 million and by 58.6% to \$25.5 million (51,547 m³) respectively.

Now, more than ever before, American species are becoming increasingly well-established in the Middle East hardwood market and, according to the latest data available, US hardwood product exports to the Middle East and North Africa (MENA) region reached \$55.5 million during 2008, a rise of 19.6% from the previous year. In an effort to further maximise the increased demand for US hardwood in the region, the American Hardwood Export Council (AHEC), the leading international trade association for the US hardwood industry, has announced its presence at the upcoming Dubai Woodshow 2009 for the fourth consecutive year, along with 16 hardwood exporting companies, 3 major US hardwood exporting states and the National Hardwood Lumber Association.



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AHEC will also hold a workshop on American hardwood species, products and grading on April 21, 2009 at the Park Hyatt Hotel to provide Middle East importers and manufacturers with a better understanding of the US hardwood industry and its products and to meet a selection of key US hardwood exporters, who will be present in Dubai for the Wood Show.

Included among the participating companies in this year's American Hardwood Pavilion at the Wood Show are AHC Exports, Anderson Tully Lumber Company, Atlantic Veneer Corporation, Baillie Lumber Company, Frank A Conkling Company, Hermitage Hardwoods Lumber Sales, Missouri-Pacific Lumber, Nina Company, Northland Corporation, Northwest Hardwoods, Oaks Unlimited, Pike Lumber Company, Prime Lumber, Taylor Lumber, Turman Wood Group and Wheeland Lumber Company. In addition, representatives from the States of Indiana, Virginia and Mississippi, as well as the National Hardwood Lumber Association (NHLA) will also be on hand to provide general information on products, species, and applications.

American hardwood exports to Middle East & North Africa keep rising, despite global economic downturn

The volume of direct exports of US hardwood lumber to the MENA region showed a slight increase overall during 2008, rising by 3.7% to 48,698 m³, as compared to the previous year. Decreases were seen in the top three markets – UAE, Israel and Saudi Arabia – , which fell by 12.3%, 1.9% and 20.3%, respectively. The downturn in Saudi Arabia is the continuation of a long term trend, while in the UAE and Israel, it was the result of

a clear change global market conditions. The UAE, and Dubai in particular, has been hit hard by the global economic crisis and demand for hardwoods suffered during the latter part of 2008, due to a slowdown in construction.

In many other markets, demand for US hardwood lumber increased significantly during last year, rising in volume by 40.3% in Egypt, by 100.5% in Lebanon, by 60.1% in Jordan, by 78.0% in Turkey and by 42.0% in Oman. These increases more than made up for the downturn seen in the top three markets.

The value of exports of US hardwood lumber to the MENA region also showed a slight increase overall during 2008, rising by 3.8% to \$35.5 million, as compared to the previous year. Decreases of 5.6%, 18.0% and 19.5% were seen in the UAE, Saudi Arabia and Qatar respectively, while increases were seen in all seven of the remaining top ten Middle East markets.

In particular, significant increases were seen in shipments to Egypt, Lebanon, Jordan, Turkey and Oman.

In terms of species, US hardwood lumber exports to the Middle East continued to be dominated by red oak in the during 2008, which accounted for some 19,257 m³ or 39.5% of total exports. Furthermore, red oak exports to the region increased last year, as compared to 2007, rising by 9.5% in volume. However, the dominance of red oak in this region is far lower than it was some three to five years ago, when red oak accounted for around 75% of all US hardwood lumber exported to the region. Despite still being in high demand, it now seems that there is a general move away from red oak in some MENA region markets and that white oak, ash and other species are gaining in popularity. This is mainly due to the influence of US and European fashions in the region, which is where many of the architects and interior designers originate from.

Direct exports of US hardwood lumber to the MENA region – 2007-2008

	Volume (m ³)			Value (\$,000)		
	2007	2008	% chg	2007	2008	% chg
UAE	13,274	11,643	-12.29	10,562	9,968	-5.62
Israel	7,400	7,260	-1.89	4,303	4,328	0.58
Saudi Arabia	9,027	7,193	-20.32	5,947	4,876	-18.01
Egypt	3,963	5,558	40.25	2,795	3,687	31.91
Jordan	2,328	3,726	60.05	1,928	2,684	39.21
Lebanon	2,278	4,567	100.48	1,757	3,415	94.37
Turkey	1,822	3,243	77.99	1,122	2,080	85.38
Qatar	2,426	1,975	-18.59	1,733	1,396	-19.45
Oman	1,016	1,443	42.03	1,071	1,361	28.28
Kuwait	1,111	791	-28.80	1,067	762	-28.58
Bahrain	1,259	552	-56.16	1,273	498	-60.88
Morocco	765	278	-63.66	521	242	-53.55
Libya	215	436	102.79	75	120	60.00
Algeria	0	33	n/a	0	40	n/a
Tunisia	36	0	n/a	10	0	n/a
Yemen	29	0	n/a	17	0	n/a
Total	46,949	48,698	3.73	34,173	35,458	3.76

Hardwood Events in Europe, Middle East & India

(Black denotes AHEC participation)

2009

9-14 Feb	Bouwbeurs	Utrecht
14-17 Feb	Delhiwood	Delhi
16 Feb	Architectural seminar	Delhi
3-5 Mar	Ecobuild	London
2-5 Apr	Panelexpo	Delhi
21-23 Apr	Dubai Wood Show	Dubai
21 Apr	AHEC workshop	Dubai
13-19 May	Interzum	Cologne
18-22 May	Ligna	Hannover
22-31 May	Hay Festival	Hay-on-Wye
22 Jun*	AHEC Workshop	Mumbai
24 Jun*	AHEC Workshop	Chennai
26 Jun*	AHEC Workshop	Cochin
24-27 Sep	Segovia Festival	Segovia
24-27 Sep	100% Detail	London
25-29 Sep	Intermob	Istanbul
30 Sep-3 Oct	NHLA Convention	Boston
14 Oct	Wood Awards	London
21-23 Oct	AHEC Convention	Athens
2-7 Nov	Batimat	Paris

2010

4-8 Mar	Indiawood	Bangalore
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* To be confirmed

If you would like more information on AHEC's participation in these events or would like to know how to attend, please contact Lucy Peacock at: lucy.peacock@ahec.co.uk

American hardwood lumber grading

Q&A series: January 2009



by Bob Sabistina - Grading consultant to the
American Hardwood Export Council

The Grading Rules for North American hardwood lumber were established 100 years ago by the National Hardwood Lumber Association (NHLA), which is now headquartered in Memphis, Tennessee. I have been writing a series of articles for the past eighteen months, answering a variety of questions pertaining to the application of those grading rules. This month's article answers some of the questions I have received over the past few months. These questions come from all over the world, as the American Hardwood Export Council has been distributing this article from Europe to Asia.

Question: It seems that the more I learn about American hardwood lumber grading, the more confused I get. I see numerous variations in the grades according to species. Can you explain what the species exceptions are according to the NHLA rules.

Answer: The NHLA grading rules have been the standard for hardwood lumber transactions throughout North America for over 100 years. Within this standard framework, companies have been seeking ways to tweak their grading standards, thus elevating their products into a more custom, added-value product. The following notes and exceptions are a amalgamation of the NHLA rules and current marketing trends.

Red alder: The grading rules are unique for this western USA hardwood. Key points include the following: The lumber is kiln-dried, surfaced, and then inspected from the better face. Pin knots are a natural characteristic and are not considered a defect. The primary grades include Superior (Select & Better), Cabinet (No.1 Common), and Frame (No.2 Common), which adapt themselves to similar uses as the standard NHLA grades. Your best option is to work closely with your red alder supplier to find the best grade that will work for you.

Ash: When the purchasing specifications call for a white (sapwood) or brown (heartwood) colour in the clear cuttings, I always refer buyers to the colour specifications for hard maple. These can be found in the back pages of AHEC's *Illustrated Guide to American Hardwood Lumber Grades* (available online at www.ahec-europe.org), as well as in the NHLA's *Rules for the Measurement & Inspection of Hardwood & Cypress*. Light brown flecks or mineral streaks - sometimes referred to as glassworm - are also common and are treated as a natural characteristic and not considered a defect.

Aspen: Regionally referred to as popple and is not to be confused with American tulipwood (*Liriodendron tulipifera*), which is also known as yellow poplar. Light brown mineral streaks are naturally occurring and are not considered a defect.

Basswood: Often produced in 9/4 (57.15mm) thickness for Venetian blinds. Black and brown mineral streaks are admitted in the clear-face cuttings. Dormant twig buds are not considered a defect.

Beech: Standard grading in all respects with an occasional brown mineral streak which is not considered a defect.

Yellow birch: This northern species is often sorted for sap (sapwood) or red (heartwood) clear cuttings. Again, I refer you to the grading specifications for hard maple colour sorts. When sorted for colour, the FAS grade will allow a 5 inch width. Paper birch is a much softer birch species, which is lighter in colour with scattered brown flecks and should not be mixed with yellow birch.

Cherry: This premium wood has naturally occurring pin knots and gum streaks which are not considered defects. Sapwood is admitted without limit. Because of this NHLA rule, cherry is often

sold with a heartwood specification such as 90/50, which means one face will be 90% heartwood and not less than 50% heartwood on the back side. Consult your supplier about how their cherry is being sold.

Cottonwood: Sometimes regionally referred to as white poplar and is not to be confused with American tulipwood or yellow poplar. Sometimes sawn in 9/4 (57.15mm) thickness for Venetian blinds.

Elm: Purchase orders should specify American red or grey elm. Bird pecks and the purple mineral streaks, which are often present, are admitted in the clear-face cuttings.

Gum: Often sold as sap gum and no colour specification is required. When sold as red gum, each clear cutting is required to have one red (heartwood) face.

Hackberry: Sometimes regionally referred to as sugarberry and used as an ash substitute. It is best to purchase surfaced lumber, as an interior blue stain is not uncommon.

Hickory and pecan: Typically referred to as hickory in the North and pecan in the southern USA. Bird pecks and the purple mineral streaks extending from the peck are naturally occurring and are not considered a defect. This heavy hardwood can be susceptible to interior blue stain and purchasing surfaced lumber is recommended to ensure good colour throughout. The FAS grade allows a 4 inch minimum width.



Hard maple: Most often sorted for the white (sapwood) colour. Refer to AHEC's Illustrated Guide to American Hardwood Lumber Grades or website for these specifications. When sold as No.1 & 2 White, the FAS grade permits a 4 inch minimum width. When sold as Sap the FAS grade allows a 5 inch minimum width. When sold as Regular or Unselected, the full colour spectrum of the log should be represented. When sold as Brown, all sapwood or white has been sorted out and the majority of the clear-face cuttings will be heartwood. Green-grey mineral streaks are admitted in all the clear-face grades.

Eastern soft maple: Typically red-leaf maple in the North and silver-leaf maple through the Midwest and southern USA. It is essential to discuss this with your supplier, as they are very different in appearance. The red-leaf tends to resemble hard maple and is much more consistent in colour, while the silver-leaf has a wide range of colours and can have a slightly softer texture. Both species can produce a highly figured wormy variety which is sold WHND or Worm Holes No Defect. All soft maple varieties can be sorted for colour according to the specifications in the grading guide.

Pacific coast maple: This western USA species follows the grading guidelines for red alder. The main grades are Select & Better, No.1 Common, and Frame. It is sold kiln-dried, surfaced, and graded from the better face with naturally occurring pin knots, which are not considered a defect. For best results, consult your supplier for the grade that will suit your needs.

Red oak: I used considerable space in my last column to discuss the regional differences of this important American hardwood. It is graded true to the NHLA standard allowing naturally occurring mineral streaks in the clear-face cuttings. Red oak is becoming more readily available in fixed widths.

White oak: Tends to be consistent in colour throughout its wide northern to southern range. Certain areas of the Appalachian mountains produce a highly figured wormy variety and this is sold as Sound Wormy. Sapwood is admitted without limit in the NHLA rules, but usually sorted with a minimum of one heartwood face for export. Consult your supplier about their grading standards

for sapwood.

Quartered and rift sawn red and white oak: When specified, 90% of the clear-face cuttings must show figure or straight grain respectfully. The FAS grade will allow a 5 inch minimum width.

Sassafrass: Not readily available as lumber, and is graded true to the NHLA standard.

Sycamore: This species tends to move during the drying process and it is recommended that it should be graded after kiln drying.

Tulipwood: Widely known as yellow or tulip poplar in the USA. Burls and swirls in the grain are a common occurrence and are not considered defects. A heavy purplish-blue mineral colour is limited in the upper grades and unlimited in the Common grades. Tulipwood is becoming more readily available in fixed widths. Because the Common grades are generally stained or painted in finishing, a grey colour is allowed in the wood after surfacing.

Walnut: The NHLA grades have been altered for this species because of the limited availability and nature of the timber growth. The FAS grade allows a 5 inch minimum width and 6 foot minimum length. When steamed, the sapwood will turn a darker colour to assist blending in the finishing process and is admitted without limit. Discuss with your supplier how they do this steaming process for best results.

Willow: Burls and swirls are very common and are not considered a defect.

NOTE: I have moved to China and am setting up an office in Shanghai for the NHLA. I will continue to work closely with AHEC and conduct seminars with them throughout the world. It was thought that being in Asia would bring me closer to the market. If you are interested in any on the job training, please send me an e-mail. I appreciate the questions I receive which make these articles possible.

**Contact me at:
bshardwoods1@yahoo.com**

The American Hardwood Export Council cordially invites you to a workshop & networking evening

From the Forest to You

Buying American hardwoods is all about communication and making sure that your supplier fully understands your needs. This interactive workshop is designed for you to learn more about what is involved in getting American hardwoods out of the forest and in to your hands. It will focus on all aspects of the production and distribution process, including lumber grading and it will be an opportunity for you to gain a better understanding of the US hardwood industry and its products.

Open to all importers, traders, manufacturers & specifiers of wood products, the event will also provide an opportunity to meet a selection of key US hardwood exporters, who will be present in Dubai for the Wood Show.

Tuesday 21st April 2009
19.30 onwards
Park Hyatt Dubai
PO Box 2822
Dubai
United Arab Emirates

RSVP: lucy.peacock@ahec.co.uk

Admission is free of charge, but please register if you would like to attend

If you are unable to attend the workshop & networking evening, please come and visit the American Hardwood Pavilion at the Dubai Wood Show:
Blocks C12, C28, C33, Central Hall, Dubai
Airport Expo, 21 - 23 April 2009