



THE CUTTING EDGE

WOOD MACHINERY MANUFACTURERS OF AMERICA

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2001: The Year in Review

Happy New Year! It seems like it was yesterday when we celebrated the "Real Millennium". 2001 went by in a flash, and that could be seen as a good thing due to this past year's tough economy. Even though there were struggles for everyone, the Wood Machinery Manufacturers of America had a outstanding year and once again your Association was very active on a number of different fronts.

2001 WIC

The 10th annual Woodworking Industry Conference was held in scenic Carlsbad, California. This important industry conference drew over 250 combined delegates from WMMA, WMIA and AWFS. With the wide variety of workshops offered, delegates were able to take home information varying from improving your financial results to learning more about "e-business". The contact tables were a huge success and provided the face-to-face business exchange WIC delegates count on annually.

On April 27, Mark Chappell, Vice President of Sales and Marketing for Alexander Dodds Company in Grand Rapids, Michigan; Thomas C. Anderson, General Manager of Safety Speed Cut Mfg. Co., Inc. in Anoka Minnesota; and Frank Feraco, President and CEO of Porter-Cable Corporation in Jackson, Tennessee were elected to serve three-year terms on the WMMA Board of Directors.

The prestigious Ralph B. Baldwin Award of Excellence was awarded to Michael Burdis, President of James L. Taylor Manufacturing Company in Poughkeepsie, New York. The presentation acknowledged Burdis' leadership in developing strong partnerships with customers and customer associations. Mr. Burdis was also praised for helping Taylor become one of the first American manufacturers to develop a successful export program.

The Baldwin Award recognizes an individual who has made outstanding contributions to the woodworking industry, the Association their company and their community.

ANSI 01.1

The committee passed a resolution stating that it is the expectation of the committee that OSHA will adopt and use the currently published standard. This resolution is the first step in producing a standard that will serve as a solid guideline for the design, installation, care and use of the woodworking machinery.

The ANSI Executive Standards Council found that ASC 01 must undergo a special audit, which was completed. Assuming the audit is accepted, ANSI will then consider the submission for ANSI 01.1's reaffirmation.

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Letter From The President

New Year's Greeting from Your President

By Kenny Moffatt

If you are reading this message, you are part of another "first" from your Association, the WMMA. This issue of The Cutting Edge marks the first anniversary of its distribution in a totally electronically format. The Association has made a strong commitment to electronic communication via email and its website. Hopefully, you have found these changes to be user-friendly, since they certainly have saved the Association money which can be channeled into other programs and services for the benefit of the membership.

I trust everyone is recharged and hard at work after having an enjoyable holiday season with their families and friends. During this interval, the WMMA leadership also was hard at work on behalf of the members.

In December, the Board held its traditional year-end Directors' meeting and approved the 2002-2003 budget cycle. I am pleased to again report that the Association is in strong financial condition. Consequently, the Board has endorsed several innovative programs while achieving a long-held goal of holding reserves equal to the average expenditures over the past two years.

One goal is to have more member company participation at the Woodworking Industry Conference, or WIC. Those companies that do send delegates know that this annual meeting is a great time to meet people in the industry, solidify manufacturer/distributor relationships, and take home some solid business applications for implementation. If your company has not had a delegate attend the WIC over the last five years, now is an ideal time to do so. Your Directors feel so strongly about the networking and learning opportunities at the WIC that they approved waiving the registration fee for two people from any member company not attending a WIC between 1997 and 2001. In addition, during the WMMA Business Session, a \$500 check to help defer meeting costs will be presented to each non-attending 1997-2001 company with delegates present at WIC'02. Information brochures are already in the mail, and a telephone campaign is underway. The same information is contained on the Association's website, www.wmma.org.

Another goal is to reward those in the Association who are participants and have freely given their time and talents. Consequently, a discount program for delegate registration at the WIC'02 was implemented. Committee members will save 15% on their WIC registration; Committee Chairs, 25%; Directors, 50%; and Executive Committee, 75%.

A third goal involves the affirmation of a service from the Export Development Committee that was first launched during last year's Anaheim Show. It is the Foreign Buyers Program and will be part of WMMA's plans during IWF'02. This program brings foreign buyers and distributors to member booths where they can actually see the machinery demonstrated. The objective is to use this forum for members to gain a foothold in foreign markets.

A fourth goal is an attempt to broaden the reach of the WMMA scholarship program and bring it into the communities where the members are located.

Lastly, the Board is set to undertake, during 2002, a Strategic Visioning process for the Association and its committees. The direction and energy for this task will fall upon the very capable shoulders of Chuck Granger, who steps up as your President during the WIC.

There is much to gather from WMMA. The New Year's challenge for every member company is to listen, learn and look for new ideas that can help each committee individually and the WMMA as a whole. I extend to you my personal best wishes for your business success during this difficult economic period.

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The current draft standard, which is separate from the reaffirmation, is near completion. The ANSI 01.1 Standard will be a general standard as it has in the past. But, the ASC 01 committee plans to follow it with more machine specific design standards.

Executive Committee

Comprised of the officers of the WMMA, the Executive Committee maintains oversight of all association programs, as well as finances and investments. They are also responsible for maintaining WMMA's leadership role in the industry. Their initiatives in 2001 included maintaining the partnership with industry associations through the industry peer group meeting (consisting of chief staff and volunteer leaders from woodworking industry associations) and the WMMA/WMIA/AWFS liaison meeting. They also continued to work closely with WMIA and AWFS in planning for the Woodworking Industry Conference. In addition, the officers maintained WMMA's interest in industry projects, including the Tulane Wood Dust study, the "Wood is Good" promotional campaign and the development of the ANSI standard.

Since the Executive Committee is also charged with long range planning for the association, they spent time monitoring industry, government and economic issues that could impact the industry and the WMMA. They routinely guide the Board, Committee chairs and staff in ensuring that WMMA maintains a strong position in today's changing and challenging environment.

Export Development Development

Harold Zassenhaus, WMMA's Export Director, had another busy year. Harold traveled the world in 2001. WMMA exhibited at WoodMac China 2001 in Shanghai, FIMMA 2001 in Bento Goncalves, Brazil and Ligna 2001 in Hannover, Germany. The committee kicked off the first Foreign Buyers Program at the AWFS® Woodworking Machinery & Furniture Supply Fair in Anaheim, California. This program was designed to expose members to qualified aggressive international distributors while recognizing their importance to the U.S. Industry. Twelve foreign dealers from various locations abroad accepted invitations to the AWFS Show under this new program. Feedback has been positive and the committee plans on continuing the Foreign Buyers Program in 2002 at the IWF Show.

Industry Marketing Committee

The Industry Marketing Committee continued to promote the theme "Stop with WMMA... Go with American Technology.". WMMA members were given stoplights at the AWFS show to promote this theme. The new ad that was created for this theme had approximately 25 placements in industry magazines.

All of the "How To" brochures are on the website and are continually promoted to members. A Short Course on Ergonomics, a "How To" Brochure, was produced in 2001. A new brochure on how to convert print media to digital has been finalized and will be sent out by the end of January 2002. This brochure will assist and direct readers to the digital document conversion manual on the website.

The committee also proposed several versions of a new WMMA logo.

Management Information

The Management Information Committee authored several articles for the Cutting Edge Helpline. Topics have included containing healthcare costs and trade show preparation.

In the Spring of 2001, membership received the Capital Goods Expenditure Survey that in both detail and survey format lets members know what our wood-based customers are planning to purchase during the 2001 calendar year. This was done in conjunction with Chartwell Communications and can be viewed under the Members Only section of the WMMA website.

The Committee continues to publish and compile the monthly Flash Report and the Quarterly Delinquent Report. Both of these reports are now communicated to our participating members electronically.

Membership

Successful recruiting efforts paid off, as the membership total stands at 252. As always, the WMMA booth presence at regional tradeshows was a great vehicle for reaching out to prospective members and distributing the Buyer's Guide.

The Membership Committee also focused on retention efforts in 2001 with the mentoring program. All new WMMA members are contacted by committee members to welcome them and to answer any questions they may have about association activities.

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Public Policy

For over two decades, product liability was the central focus of activity for the Public Policy Committee, but that has not been the case for the past several years.

The Committee members were on the forefront of educating their elected officials on the never-before-used Congressional Review Act of 1996 (which WMMA's Legislative Counsel, John Satagaj, had a active role in the writing) to disapprove The Ergonomics Rule.

The Tax Relief Coalition, of which WMMA was a member, successfully achieved approval of The President's tax relief package; the bill on accelerated depreciation, however, got caught amidst politics in the Senate.

With funds from WMMA and other wood industry associations, the Inter-Industry Wood Dust Coordinating Committee (IWDC) continued its six-year study, conducted by Tulane University, on wood dust exposure and health effects. The WMMA Board maintained its strong commitment to the health of the industry by continuing to fund \$20,000 per year for six years.

WMMA Legislative Counsel Sheldon London and John Satagaj, through monthly Cutting Edge articles, regularly updated the membership on pertinent regulatory and legislative matters impacting the industry.

Product & Engineering Standards Committee

In 2001 this committee blazed a new trail by setting up and maintaining their own committee site within www.wmma.org. It should prove to be a valuable venue for posting news and publications directed to committee members only.

This past year, the committee focused their efforts on the development of an "Operator's Manual Guideline," designed to assist WMMA members in producing operator's manuals for the industry. After significant committee review and input, this project will be unveiled to members and the industry in early 2002.

The committee also addressed the issue of ergonomics and the proposed OSHA ruling. Several articles have already appeared in the Cutting Edge and plans were made for an educational seminar on ergonomics to be presented throughout 2002.

Other educational efforts from the committee include preliminary discussions with KCMA and AFMA to develop operator training workshops and the ongoing promotion of the safety warning labels for the woodworking industry. Committee members also produced several Cutting Edge articles, addressing topics including dust collection, ISO environmental standards, the ANSI standard for woodworking and regular updates on committee projects.

Education & Scholarship Committee

The Education and Scholarship Committee has expanded the initial program so that WMMA members can work with local institutions and individuals to develop future managers. In the past, WMMA has partnered with three universities, North Carolina State, Pittsburgh State and Oregon State to develop a quality program of study. Now the program takes its next step to increase participation by involving more member companies locally and giving them more ownership in the final outcome.

Remember that this is your Association and you have a lot to be proud of! Take a look back on the wonderful achievements of 2001...

Public Policy

WMMA Scores More Public Policy Victories

John Satagaj, London & Satagaj



I like public policy victories. Obviously the events of September 11th changed our perspective on 2001, but the year was still a successful one for the WMMA public policy program.

We started the year with Congress' repeal of the ergonomics standards. WMMA was in the vanguard of the effort. We used a little known law, the Congressional Review Act, to achieve this goal. When we started the effort, we were so far ahead of the curve members of the WMMA Public Policy Committee reported that when they visited the Hill during our annual committee meeting, staffers told them they were the first ones to even raise the issue. Most of them had never heard of the law. Our committee had to educate Congress as to what the Congressional Review Act was. If you will pardon the symbolism, we were "on the cutting edge."

Then we shifted our attention to tax relief. In the late spring, Congress passed a significant tax relief package. It included personal rate relief that benefits many of you who operate as S Corporations. It included pension savings improvements. It also included estate tax relief. Our only disappointment was that, while the law repeals the estate tax, it is not a permanent repeal. On balance, in terms of the agenda the WMMA Public Policy Committee set out last January for tax relief, it was a solid victory.

We then turned our attention to the rough economic downturn. We endorsed and embraced an initiative to enact the High Productivity Investment Act, a proposal to modernize the outdated depreciation system.

When interest in Washington turned to a second tax package as an economic stimulus, there was absolutely no discussion of investment in machinery and equipment. None. Indeed, some of our colleagues in the manufacturing community even signed onto a proposal that was notable for its absence. WMMA struck off on its own. At every turn, we sounded the clarion call for incentives for businesses to invest in new equipment and machinery. Remarkably, in a few short weeks, the notion of such investment went from invisible to a "given" in the stimulus debate. Did WMMA do it alone? No, we worked with like-minded colleagues but I can tell you we did our share, and not many did.

The Democrats have decided no stimulus is better than a modest stimulus. Congress has fled Washington and the Senate leadership has decided to risk not passing a

stimulus bill. The House approved a bill that was a significant compromise and made many concessions to the Democratic view, but was not good enough from their point of view. The Senate Democratic leadership has apparently decided that by the time next November's election rolls around, we will forget their decision.

The deal on the table at the time would have allowed taxpayers to claim an additional first-year depreciation deduction equal to 30 percent of the adjusted basis of qualifying property. This was the piece of the High Productivity Investment Act we got into the mix. We viewed it as a "down payment" that would have given us the leverage to expand it and make it permanent.

The stimulus package would have also increased for 24 months the amount that can be expensed under Internal Revenue Code Section 179 from \$24,000 to \$35,000. This would have been another plus for us.

Now I must admit I am bitter about the fact the Democratic leadership chose not to consider the stimulus package in the Senate. We had moved the debate so far only to have it slip away at the last moment! I have spoken to a number of you since and I am concerned about the impact of the failure of Congress to enact a stimulus package, and the damage that was done by their "hemming and hawing." How many of you heard from potential customers over the course of the fall who said, "I think I will wait to see what Congress will do on investment incentives?" As disappointing as it is that we did not secure enactment, I know we tried to use every arrow in our quiver.

It is clear we will have to apply a full court press to get the depreciation system modernized through enactment of the High Productivity Investment Act. I am sure it will be a principal agenda item for the WMMA Public Policy Committee when it meets.

While September 11th and the general state of the economy have saddened and troubled all of us, we can take pride in the fact WMMA had a successful public policy year. Thank you to all of you who support these efforts. We could not have done it without you! This is what belonging to an association is all about.

What is the Wood Promotion Network??

"Wood is the greatest story never told," stated Kelly McCloskey, President and CEO of the Wood Promotion Network. Kelly, helping kick off the Wood Promotion Network Campaign at the North American HomeBuilders Show in Atlanta, in February 2001, also stated "Wood is the material that has literally built North America, from the dream home to the picket fence that surrounds it." He also added that "we want everyone to know why wood continues to be the preferred building material for builders and homeowners alike."

The Wood Promotion Network has two very specific goals:

To secure and expand wood markets in North America.

To increase confidence in the abundance and sustainability of North America's forests.

One principle initiative of the campaign is an education program that has as its theme, Be Constructive: Wood. It will educate consumers and trade customers with important facts about wood's superior attributes.

Ed Brindley Jr., publisher of Timberline stated "The Wood Promotion Network is providing a very valuable service to counter the misleading, negative messages about wood that emanate from competing materials and the preservationist movement."

The efforts of competing industries and environmentalists have had an influence on regulators and customers and impacted the forest products industry. According to Steve Rogel, chairman, president and CEO of Weyerhaeuser Co., and Don Gould of Pas Lumber Co. Ltd., "It's time to turn the tide. We all know wood is a superior building product and is the best environmental choice, especially with solid evidence that North America's forest is increasing in size."

With the forest products industry being very fragmented, Kelly McCloskey notes that "This creates additional challenges not faced by our competition. Our goal is to produce and distribute a few, well tested concepts that everyone can pick up and carry on their own. The goal isn't to speak with one voice, but to have thousands of voices, all carrying a few simple messages. It is in this regard that we need the support of all wood users, suppliers and customers. The more participants, the more successful the effort will be."

The Wood Promotion Network has established a web site at www.BeConstructive.com that provides information to builders and consumers. More and more forest products companies and associations, both softwoods and hardwoods are taking advantage of the opportunity to join this partnership. For more information on this organization and how to join, please contact Kelly at (604) 891-1224, fax (604) 891-1218, or e-mail kelly@woodisgood.org.

(Information for this article was taken from News from The National Oak Flooring Manufacturer Association newsletter)

~ MEMBERSHIP BENEFITS ~

Do you know an individual who has made significant contributions and achievements in the woodworking industry? Is there someone out there that has consistently demonstrated dedication to his/her company, our Association and the industry as a whole?

Time is running out for nominations for the WMMA Ralph B. Baldwin Award of Excellence

- ☞ Recognize an individual who has made outstanding contributions to the entire wood products industry.
- ☞ Judges look at contributions to the WMMA, contributions to the wood products industry and contributions to the individual's company.
- ☞ Nominees must still be living. He or she may be currently active in the industry or retired.

- ☞ Nominate an individual from your own company or another company.
- ☞ Every WMMA Member is invited to submit one nominee.
- ☞ Deadline for submissions is February 22 (ballots must be received in headquarters by 2/22)
- ☞ Winner will be announced on Friday, May 3 at the WMMA Business Session during the Woodworking Industry Conference at the Westin La Cantera Resort in San Antonio, Texas.

Don't miss this opportunity to recognize your peers in the industry. If you need another ballot, contact Headquarters at 215-564-3484 or email wmma@fernley.com. You also can visit the website to see who has received this prestigious award over the years.

Conference Early Bird Registration is

around the Corner!

Don't miss out on the opportunity to save your company \$100 per person on your registration fees and \$75 on your contact table fees! Register by March 15, 2002 to receive these great savings.

Did you forget that if you are a first time attendee you can attend WIC for free? The WMMA wants to make sure that no member will miss out on this great event! Take advantage of the fabulous discounts that the WMMA Board as to offer you!

- **One first time attendee from any WMMA member company that has previously attended the WIC will receive a free delegate registration. That is a 100% discount!**
- **All WMMA Committee members will receive 15% off the delegate registration fee**
- **All WMMA Committee Chairs will receive 25% off the delegate registration fee**
- **All WMMA Board Members will receive 50% off the delegate registration fee**
- **All WMMA Executive Committee Members will receive 75% off the delegate registration fee**

SEND IN YOUR COUPON WITH YOUR REGISTRATION TO GUARANTEE YOUR DISCOUNTS!

Have not attended a WIC in the past five years? You can't afford to pass up on this offer!

WMMA is giving away **(2) two free registrations plus a \$500 stipend per company**. The money is for use to help defray travel or lodging costs. Companies eligible are those where no one has attended a WIC over the years 1997-2001. If two delegates per company register, this offer will be available to the first 15 companies responding. Please remember that this unique offer is only available to those member companies which have had no WIC attendance from 1997 through 2001.



IWF 2002

7 months left until IWF 2002

Have you ever wondered what another avenue would be to get you name out in front of the buyers who will be attending IWF 2002? Here's one possible solution!

introducing...

The IWF Connection

What is The IWF Connection?

The IWF Connection is a special area on the IWF's new enhanced web site where exhibitors can upgrade their listing and capture the attention of potential buyers as they do their pre-show planning and post-show research.

The IWF Connection is:

- ✓ an excellent way to get your product or service information in front of buyers before and after IWF.
- ✓ a tool for buyers to find any exhibitor, product or service during IWF quickly and easily.
- ✓ an efficient way for buyers to contact your sales force to schedule appointments at IWF 2002 or make inquiries.
- ✓ a cost-effective method to link buyers directly to your web site.

The IWF web site, www.iwf2002.com, featuring the IWF Connection, has been promoted in trade publications since September 2001 and will be heavily publicized before and during IWF as "the" place to go online for more information on the vast array of IWF exhibitors. Then, during IWF 2002, the IWF Connection will be heavily promoted to buyers as a place to go for up to one year after the show for additional exhibitor information.

In an independent survey of IWF 2000 buyers, 54.66% indicated that they registered online. 34.8% indicated that they have, or plan to purchase capital equipment over the Internet*. Make sure that IWF 2002 buyers can find you online by upgrading your listing on The IWF Connection.

What are my choices?

Basic Listing: (BL)	Free	Upgraded Listing: (UL)	\$150
Enhanced Listing: (EL)	\$50	Premium Listing: (PL)	\$300

Note: You must be a contracted IWF 2002 Exhibitor to be included on www.iwf2002.com and The IWF Connection.

What's Included?

- ✓ Company name and Booth Number: As a contracted IWF 2002 Exhibitor, you will be listed automatically on the IWF Connection *BL, EL, UL, PL*
- ✓ Phone, Fax, Mailing Address: List up to three phone and fax numbers along with your mailing address. *EL, UL, PL*
- ✓ Email, Web Site Links: List up to ten email addresses, or links to web sites to help buyers find out more information. *UL, PL*
- ✓ Product or Service Listing: Include you company name under our extensive listing of products and services, so buyers can find you when they are looking for something specific. *UL, PL*
- ✓ A 50-word description: A brief listing of your company information, product or service descriptions, or an information-based description of a new product or service. *UL,*
- ✓ A 250-word description: An expanded listing of your company information, product or service descriptions, or an information-based description of a new product or service. *PL*
- ✓ Five product shots: Include up to five photos or drawings of your products in full color. *PL*
- ✓ Floor Plan Locator: A customized web-page highlighting your booth on a detailed floor plan. *PL*

If you want additional information visit the website at www.iwfatlanta.com, call 770-246-0608 or email info@iwfatlanta.com.

Export Development

WoodMac China Trade Fair, February 25-28, 2003 in Shanghai.

Harold Zassenhaus

The Export Development Committee has received the go ahead to organize a WMMA pavilion at the **WoodMac China Trade Fair, February 25–28, 2003 in Shanghai**. This will mark the fourth time we have organized a pavilion at this important event.

For members wishing to take out space, we have negotiated a significant space discount: \$243/sq. meter, versus the going rate of \$320. Members will have until August 1, 2002 to take advantage of the \$243 rate. After that date, the rate will increase to \$270/sq. meter--- still a \$50 savings over the going rate. As we have done in previous pavilions, we will hire a professional contractor to erect a custom pavilion with 4.0-meter high towers with the WMMA logo and USA flag design. Each member stand will identify the member company and will be tailored to meet its needs. Our location is very good ensuring that all who enter can quickly spot the WMMA area. We will also organize hotel accommodations at reduced rates and assist in freight consolidation and translators.

About the Fair

The fair is supported by EUMABOIS, the European Federation of Woodworking Equipment Associations, ensuring a large turnout from European suppliers. In 2001, there were 483 exhibitors (37% increase over 1999), 26 countries represented, 18,000 sq. m. of gross space occupied and 9,651 visitors (an increase of 28% over 1999). A portion of the increased representation was due to a large Chinese Pavilion with 63 exhibitors, something new to the fair.

In 2001, there were a number of woodworking equipment fairs taking place in China. There was even one held a month later in the same city. However, from comments made by dealers and principals, it was strongly felt that WoodMac China was the better event.

About the China Market

China's wood processing industry has a large requirement for machinery to improve and increase production in order to meet both domestic and external needs. It is estimated that China processes in excess of 180 million cubic meters (over 1.8 billion sq. feet) of timber. China is a leading producer, consumer and exporter of furniture and furniture components. As mentioned in previous Cutting Edge articles, China is the second largest supplier of wooden furniture to the US and may have surpassed Canada as the number one supplier in 2001 (official numbers will be out by end February). The woodworking industry seems to be strong and should get stronger once the U.S. economy rebounds and China's middle class increases in size and looks to rent or buy larger homes with better furnishings. Shanghai appears to be one of the most important sites for the industry, thus pointing to this show as the most relevant for WMMA members.

However, that is not to say it is an easy market to enter. Competition is high, competent dealers are few; and the Chinese will use manual labor, whenever possible. This may be the situation for a while. However, as labor costs increase, domestic clients demand more and better quality product, China will begin looking to the West for sources of supply.

For more information, brochure and space reservations, contact Harold Zassenhaus, 301-652-0693, email: zemg@erols.com. For more information on who participated in 2001 and what the thoughts of the 2001 event were, check out the Member Only section of the WMMA website; click on "Export Development Committee" under "WMMA Activities" and scroll down to "Report from WoodMac China".

Export Development

U.S. Import and Export Trade Statistics

As an insert to this issue, we are reporting U.S. import and export figures for the 3rd quarter of 2001. Statistics are reported for all woodworking equipment and its three component parts: machines, cutting tools, accessories and parts. The following is a summary of major trends;

Exports

Exports of all woodworking equipment (machines, cutting tools plus parts and accessories) remained fairly flat for the first nine months of 2001. Within the group, exports of machinery were up 4%, year on year, while cutting tools dropped 6% and parts and accessories dropped by a like amount from 2000 levels.

The following chart highlights the value and percentage changes in exports to the industry's major trading regions of the world.

U.S. Exports, Woodworking Equipment January - September, 2001

	\$ Millions	% Share	% Change
Country	2001	2001	- 01/00 -
-- World --	207.3	100.0	-0.9
Canada	83.7	40.4	-12.7
Western Europe	43.1	20.8	11.9
East Asia -9	21.1	10.2	7.0
Mexico	16.8	8.1	-22.7
So. /Central America	14.1	6.8	-16.4
Eastern Europe	3.4	1.7	-28.2

Source: GTI, Inc.

NAFTA

For the first 9 months of 2001, Canada and Mexico accounted for 48% of total exports. Shipments to both neighbors dropped considerably.

Western Europe

As a region, Europe has been one of two bright spots for U.S. woodworking equipment manufacturers, due in large part to steady machinery sales to major European markets, such as UK and Germany.

East Asia-9

Exports to the region (China, Hong Kong, Indonesia, Malaysia, the Philippines, Singapore, South Korea, Taiwan and Thailand) bounced back to increase 7%.

Exports to Taiwan increased 51% to \$6.3 million, while shipments to China and Hong Kong combined grew 28% to \$9 million. Shipments to other countries in the region continued to decline.

Central/South America (excluding Mexico):

Exports continued to drop as shipments to Brazil and Argentina dropped by 36% and 56%, respectively. Exports to Chile remained flat. Together the three countries account for 50% of exports to the region.

Eastern Europe

Sales to Poland, which dropped 10%, account for almost 70% of shipments. Exports to Hungary and the Czech Republic almost stopped.

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Imports

Purchases from abroad accelerated their decline in the third quarter. For the first 9 months imports dropped 15% over 2000. All three categories recorded declines. As you might expect, imports of parts and accessories dropped the least, perhaps reflecting a preference for maintaining equipment rather than replacing it or, a trend towards sourcing components from abroad. Imports of machinery dropped 19%, an \$84 million decline from 1999 levels.

U.S. Imports, Woodworking Equipment January - September, 2001

	\$ Millions	% Share	% Change
Country	2001	2001	- 01/00 -
-- World --	825.4	100.0	-14.9
Western Europe	334.8	40.6	-5.1
East Asia -9	321.4	38.9	-19.1
Canada	58.7	7.1	-22.6
Mexico	7.5	0.9	-36.5
Eastern Europe	4.3	0.5	15.7
So. /Central America	2.8	0.3	18.9

Source: GTI, Inc.

East Asia

The region supplied 39% of US imports. Reversing last year's trend, the region's importance dropped as imports from Taiwan, our number one supplier, fell 29% to \$230 million. Imports from China, however, continued to grow at a healthy 36% clip. China is now our 5th largest supplier, overtaking Canada and Japan this year.

Western Europe

Imports from the region dropped as 3rd quarter imports fell considerably. Imports from Germany, and Italy (our 2nd and 3rd most important suppliers) fell 5% and 13%, respectively. Imports from the U.K. grew by 5% to \$27 million and shipments from Sweden jumped 134% to \$21 million.

Canada

The country continues to be a strong supplier to the U.S., although, its importance is eroding. Shipments dropped 23% for the first 9 months of the year. Imports of machinery declined 33%, while shipments of cutting tools dropped 16% and parts and accessories fell by 9%.

Eastern Europe

From a small base, imports from Eastern Europe continue to increase at a healthy pace, mainly from Slovenia, Poland and the Czech Republic.

Harold Zassenhaus is available to provide US export and import data on specific product categories. For more information, contact him at (301) 652 0693; fax (301) 986 1389 or e-mail: zemg@erols.com.

(WMMA members: to view detailed tables on imports and exports of machinery, cutting tools and parts and accessories, click on the "members only" section, select "Export Development" under "WMMA Activities" and click on 3rd quarter import and export statistics. You will need your user name and password. Don't have one or forgot it, contact WMMA Headquarters at 215-564-3484 or email wmma@fernley.com)

Member News

Woodworking's 11th Annual WMMA/American Technology issue

Canada is America's largest export market for woodworking machinery, tooling and accessories year in and year out. The March issue of *Woodworking* will again be focusing on the products of WMMA members in March. Send in your new product releases for the section to: Kerry Knudsen, Editor, *Woodworking*, 135 Spy Court, Markham, ON L3R 5H6 and mark them WMMA Section. For advertising information, contact Blair Tullis at 905-477-3222 or via email: blair@actioncom.com



Charles G.G. Schmidt & Co., Inc. is pleased to announce a new addition to their line of woodworking tools. Para-Clamp, Clamps and Panel Straighteners. The new Para-Clamp System is perfect for positioning parts, flattening panels and clamping wide pieces. They can also be used for clamping parts like jambs, laminates, posts, curved handrails and stringers. The New Para-Clamp has self aligning jaws that maintain even pressure across their entire length, with just one tightening screw. Made from all solid steel construction, three models to choose from. Jaw width ranges from 9 1/2" on the portable model to 24" on the bench top version.



For more information on the Para-Clamp or any of Charles G. G. Schmidt & Co., Inc. great products, please call 1-800-SCHMIDT (724-6438) or visit us online www.cggschmidt.com.

CARTER'S NEW BUILDING WINS ABC/WMC 2001 AWARD FOR QUALITY CONSTRUCTION

Carter Products newly opened 15,700 sq. ft. headquarters facility in the Grand Rapids suburb of Walker, MI., has been singled out for excellence by the Associated Building and Contractors West Michigan Chapter as best in its category. The 2001 Construction Award, presented in the contractor, Pinnacle Construction Group marked the 16th year of this competition. Over 80 entries vied for the coveted honor. Area architects, engineers, facility managers, educators and building inspectors served as judges.



The office/factory/warehouse, which opened for business in June, equips Carter with more than double their previous operating space. The building also incorporates a showroom capable of displaying and demonstrating the company's wide product line.

For further information on Carter's new headquarters or any of their extensive product line, contact: Carter Products Company, Inc. 2871 Northridge Drive NW, Grand Rapids, MI 49544 (616) 647-3380 * FAX (616) 647-3387. E-Mail: sales@carterproducts.com or reach them on their Website at: www.carterproducts.com

MASTERCAM ANNOUNCES VERSION 9: PRACTICAL ENHANCEMENTS FOR BETTER PRODUCTION



Mastercam users will gain immediate production benefits from the Version 9 upgrades and new users will quickly acquire unsurpassed capabilities.

Mastercam Mill Version 9 delivers high speed pocketing and increased machining options, including full "trochoidal" machining: moving the tool in small circles that can "nibble" out the entire pocket so the tool is never buried. When combined with Mastercam Solids, Mastercam Mill can automatically detect and program drill holes on solid models.

Mastercam Lathe Version 9 delivers new toolpaths based on proven industry needs and adds new verification tools for quick references.

Mastercam Wire Version 9 combines new wirepaths with easy new interfaces for faster programming.

Mastercam Solids Version 9 has made the line between solids and machining even more seamless for NC programmers.

For more information about the Mastercam Version 9 family of products, contact CNC Software, Inc. M – F, 8 AM – 6PM at (800) 228-2877 or (860) 875-5006, 671 Old Post Road, Tolland, CT 06084. Or visit Mastercam's Web Site at www.mastercam.com.



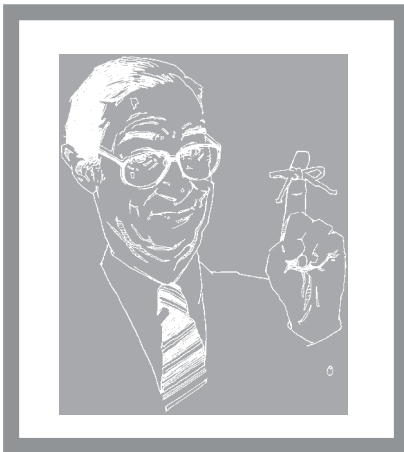
~ANOTHER GREAT MEMBER BENEFIT~

Take advantage of another great membership benefit from WMMA.

WMMA is pleased to announce a new member benefit, effective January 1, 2002. You can now call on London and Satagaj, and ask those burning questions about tax, H/R, legislative, regulatory, legal or general business fields. This is a FREE WMMA benefit.

This is INFORMATION SERVICE only. They cannot provide you with legal advice or counsel. It is not a substitute for your local advisors. They will NOT respond to emails or written inquiries for this service, but they are just a telephone call away. They can be reached at (202) 639-8888.

~REMINDER TO OUR MEMBERS~



WMMA has developed a number of programs and activities that affect your organization. Many of the activities impact the work of some of your key employees. All too often these key employees don't receive important

notices or receive them only when the key contact at the firm has time to pass it on. Let us help you provide your key employees with useful information ... quickly. If an employee changes functions or leaves, please let WMMA headquarters know and provide the new name. You can reach us at 215-564-3484 or email wmma@fernley.com.

PROFIT THROUGH AMERICAN TECHNOLOGY



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