



Timber Talks

A Newsletter for WRLA Members & Colleagues

**MARCH
2010**

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WRLA 120th Annual Convention

Thank you to all the dealers and exhibitors who participated in our 120th Annual Convention held February 10th & 11th at the Kalahari Resort, Wisconsin Dells.

Wednesday evening attendees got together to renew friendships and kick off convention at the Opening Reception. During the reception the final unification agreement between the WRLA and the NLA was signed by WRLA President, Bill Wood, Executive Vice-President David Rosenmeier, NLA Chair John Bates and NLA President, Paula Siewert.

Thursday morning dealers and builders attended the training sessions on Wisconsin building codes and team motivation.

At the grand luncheon an award was presented to Kevin Denson, Dalton Lumber, Dalton, Wisconsin who was voted 2009 Lumber Person of the Year. The 2009 convention sponsors were also recognized for their contributions.

WRLA Unification Committee member, Bruce Braaksma, Royal Lumber spoke on the history of the unification of the WRLA with the Northwestern Lumber Association. WRLA President Bill Wood, Fennimore Lumber, thanked the committee and presented some of the benefits the merger will bring to members of both associations.

Keynote speaker, Dan Fesler CEO of Lamperts and Chair of the National Lumber and Building Material Dealers Association (NLBMDA) shared a humorous presentation on being successful in today's world.

Thursday afternoon attendees participated in exhibitor how to seminars on metal roofing and the proper usage, benefits and installing techniques of house wraps.

Following the afternoon seminars, dealers, builders and guests toured the Tabletop Showcase and enjoyed hearty appetizers, and drinks during the Showcase Reception. Drawings were held for door prizes donated by this years exhibitors and dealers collected tickets from exhibitors to enter a drawing for a 42" flat panel plasma HD TV from the WRLA. Randy Decker of Decker Lumber was the lucky winner of the TV. The winner of the WRLA Exhibitor Grand Prize—a portable GPS unit, was Ken Hager, Amerhart and the winner of the Dealer Early Bird Drawing was Bill Ploeckelman B&I Lumber.

Dealers and Exhibitors, please take a few minutes to complete the convention survey that was faxed or emailed to you this week. The surveys can also be downloaded from the WRLA website. Completed surveys can be fax to the WRLA office at (262) 250-1842. Your feedback helps make the convention experience valuable to everyone.

Thank you again to the exhibitors and dealers who attend this years show and events. Watch the mail for your post convention flyer and mark your calendar for the 121st Annual WRLA Convention February 9th & 10th, 2011 at the Kalahari Resort in Wisconsin Dells.✍

To be removed from this fax or email list, fax your request to (262) 250-1842 or e-mail us at wrla@wrlamsi.com

Coming Events

Call the WRLA office for details on coming events

March 15-17, 2010

NLBMDA Legislative Conference
Washington DC

March 23, 2010

E-Commerce Issues & Red Flag Issues Webinar

April 13, 2010

Webinar—“Understanding The Economy in Troubled Times”

Side Tally.... Smaller homes may be in the future for new construction. The National Association of Home Builders reports the average home size shrank 100 square feet last year. Builders surveyed at the International Builders show say media rooms and sunrooms are disappearing from newer designs. High ceilings may be on the way out too, as a way to reduce energy costs.

Internship Available in Washington DC

Source: NLBMDA

The National Lumber and Building Material Dealers Association (NLBMDA) is once again accepting applications for the 2010 Blair Collings Summer Internship in Government Affairs. The focus of the internship will be on federal government affairs, but the intern will also be involved in the overall operation of NLBMDA.

Applicants must have a high school diploma but not a four year college degree at the time of the internship. Applicants must have attained at least 17 years of age but not more than 24 years, on or before June 1.

Applicants must be the child or grandchild of a retail lumber and building material owner or employee. The company affiliated with the intern applicant must be a member of an NLBMDA federated association such as the Wisconsin Retail Lumber Association.

An overview of the internship and the application form can be found on WRLA's website at www.wrlamsi.com. The deadline for applications is March 19.

Have You Completed Your Red Flags Ruling Yet

More than 9 million people have their identity stolen each year. The federal government is making sure businesses are taking steps to deter identity theft and mitigate many businesses and organizations to implement a written identity theft prevention program.

The Federal Trade Commission (FTC) will begin enforcement on June 1, a second extension of the original date established by Congress. Although having a written program is valuable for any business, it is mandated for financial institutions and creditors (companies that regularly defer payment for goods). The

mandate is not based on industry or sector but on activities that fall within the definitions.

The FTC has a detailed how-to guide and answers about eligibility at <http://www.ftc.gov/bcp/edu/microsites/redflagsrule/index.shtml>. Also on the site is a video about how to get ready and do-it-yourself templates for low-risk businesses.

The NLBMDA has a sample template that can be downloaded from the WRLA website www.wrlamsi.com.

Rising Lumber Prices Spawn Overheated Concerns

Source: WWPA Plumb Line Feb./Mar 2010

A steady climb in lumber prices has generated media coverage and Internet comments claiming the gains could hamper housing's recovery. However, such stories fail to provide a proper perspective on the path prices have taken.

A Feb. 16 story in the *Wall Street Journal* noted a 32 percent increase in lumber futures was a "sudden and unexpected surge" that could raise construction costs and hold back new housing. While 32 percent could be considered a healthy increase, the story omitted how low prices had fallen in recent years.

Western Wood Products Association Framing Lumber Index shows framing lumber prices declined 55.6 percent between 2005 and 2009. After reaching a low point of \$192.56 per thousand board feet in March 2009,

average framing prices have risen to \$253.49 per thousand board feet.

While such a gain is impressive, current prices remain more than 40 percent below the high of \$433.19 reached in March 2005.

The articles do correctly point out the lack of supply is a key reason for the price gains. The WWPA Barometer report shows through Feb. 13, orders for Western lumber are up 23 percent. However, production is 1.3 percent lower compared to year-ago totals.

Inventories in the market and at mills are much lower as well. According to the Barometer, Western mills have 20 percent less lumber in their inventories vs. last year.

WRLA 2010 Scholarship

The WRLA Scholarship applications will be available in March for the 2010/2011 school year. An eligible candidate is:

- An employee with two years full-time employment with a WRLA dealer member firm or a dependent of an employee who has two years' employment with a WRLA dealer member firm.
- Will have a high school diploma or equivalent by August 1, 2010
- Is attending or plans to attend an accredited two-year or four-year school of higher education or an accredited vocational school, with the intent of the candidate to earn a degree or satisfactory certificate of completion of a vocational program.

Applications, will be available to be downloaded from the WRLA website at www.wrlamsi.com.

Completed applications must be received by the WRLA office no later than June 1, 2010.✍

Roofing Demand Forecast to Rise 2.4% per Year to 2014

Source: ProSales, 2-23-2010

Demand for roofing in the United States will grow 2.4% per year through 2014 to reach 274.5 million squares worth \$17.9 billion, up from 243.5 million in 2009, the Freedonia Group forecast today. Demand for asphalt shingles, which accounts for nearly three-fifths of the market, will rise 3.2% per year to 162.5 million squares in 2014, the Cleveland-based market analyst said.

The growth forecast contrasts with the experiences of the past five years, when U.S. roofing demand overall shrank 1.1% per annum and demand for asphalt shingles slipped 2.2% per year between 2004 and 2009. "Advance will be driven by an expected rebound in housing starts," Freedonia said. "Although housing starts will remain below the level reached in 2005, the recovery will fuel above-average gains in the residential roofing market through 2014," Residential roofing accounted for just under 60% of the total U.S. roofing market last year, Freedonia said.

To read [more](http://www.prosalesmagazine.com/industry-news.asp?sectionID=0&articleID=1206196) go to <http://www.prosalesmagazine.com/industry-news.asp?sectionID=0&articleID=1206196>

EPA Lead Rule Update

Source: NLBMDA

EPA's new "Lead Rule" takes effect April 22, 2010 requiring contractors, property manager and others paid to renovate structures built before 1978 to be certified by the U.S Environmental Protection Agency. The rule could have a significant impact on dealers with installed sales operations and/or their contractor customers.

NLBMDA staff recently met again with EPA officials regarding the "Lead Renovation, Repair and Painting" (RRP) rule expressing concerns over the lack of certified firms, trained renovators, and approved test kits that will be necessary to effectively implement the rule without significant disruption of home renovations throughout the U.S. According to the EPA, their objective is to have 1,000 accredited trainers in place before the deadline. Currently, EPA has only 123 accredited trainers and 6,501 certified renovators nationwide, numbers far too insufficient for the millions of renovations carried out annually.

IN BRIEF:

Requirements for Renovations Contractors: Certification and Training Requirements

- All firms performing renovation, repair and painting work on homes constructed prior to 1978 must become certified by the EPA. This can be accomplished by applying to EPA or to the State, if it has an EPA-authorized renovation program, and paying a fee.
- Firms must have one or more "Certified Renovators" assigned to jobs where lead-based paint is disturbed. To become certified a renovator must successfully complete an EPA or State-approved training

course conducted by an EPA or State accredited training provider.

- All renovation workers must be trained. Renovation workers can be trained on-the-job by a Certified Renovator to use lead safe work practices, or they can become Certified Renovators themselves.

Exemption from the RRP Rule: "Opt-Out" provision

The training, certification and work practice requirements currently do not apply where the firm obtains a signed statement from the owner that all of the following conditions are met:

- The renovation will occur in the owner's residence;
- No child under age 6 resides there;
- No woman who is pregnant resides there;
- The housing is not a child-occupied facility; and,
- The owner acknowledges that the renovation firm will not be required to use the work practices contained in the rule.

Firms engaged in renovation work on homes constructed prior to 1978 that are not yet certified and do not have certified renovators are encouraged to start the process for securing both as soon as possible. Certification of firms currently takes EPA six weeks or more to process and approve.

To receive a copy of the EPA brochure, "Steps to Lead Safe Renovation, Repair and Painting" visit:<http://www.epa.gov/lead/pubs/rrpfactsheet2008.htm>.✍

2010 WRLA Board of Directors

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Names in the News

Boise Cascade has announced that **Sarah Haenel** has been promoted to Sales Manager, Chicago BMD. Sarah began her career with Boise in the Fall of 2005 as an outside sales person in Wisconsin and Northern Illinois territory. Prior to that she gained valuable industry experience with Georgia-Pacific and Universal Forest Products. Congratulations Sarah on your new assignment.

US LBM Holdings LLC will buy **Edward Hines Lumber Co**, "This acquisition will make US LBM the 10th largest distributor of building materials in the United States according to the 2009 ProSales 100," BlackEagle said in a news release. "The addition of Hines Lumber and Hall & House to US LBM substantially expands its operations, growing it to 30 locations serving six states with approximately 850 associates." Last year US LBM acquired Stock Building Supply Wisconsin operations.

WELCOME New WRLA Members: Dealer

Faber Building Center Inc

N3280 Oak Center Rd, Oakfield WI 53065

Phone: 920-583-4546 Fax: 920-583-4215

Contact: Randy Faber

Faber also has a showroom:

Faber Home Design Center

450 W Johnson Street, Fond du Lac WI 54939

Phone: 920-322-9700

Contact: Randy Faber

Cashton Building Supply Inc

523 Broadway St, Cashton WI 54619

Phone: 608-654-7871 Fax: 608-654-5333

Contact: Kevin Kirking

2010 Dealer Reference Manual & Buyers Guide Now Available



One Free copy was mailed to members in early February.

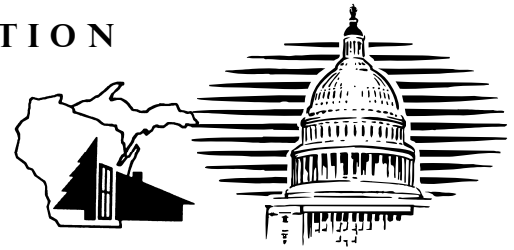
Additional copies can be purchased \$25 member cost or \$75 non-member cost

An order form can be downloaded from the WRLA website or call the WRLA office at 800-236-3534 for a copy.

The information contained in this newsletter is not intended to be, nor does it constitute, legal advice. Don't apply or interpret the law without the aid of a trained expert who knows the facts. Your particular situation

Legislative Update

MARCH 2010



3,000 Sign WMC Petitions to Save Jobs

Source: WMC, February 18, 2010

More than 3,000 Wisconsin job creators and citizens are urging the Legislature to defeat a proposed global warming bill, WMC announced.

"The outpouring of opposition to this job-killing bill is nothing short of breathtaking," said James S Haney, WMC President. "In six business days, we received over 3,000 signatures from top business executives and opinion leaders opposing the plan." The WMC petition drive started Wednesday, Feb. 10. You can go to <http://www.wmc.org/governmentaffairs/display.cfm?ID=2241> for more information on the global warming bill and sign the petition.

Wisconsin Manufacturers & Commerce (WMC) delivered the petitions to legislative leaders of both parties. More petitions will be delivered to the Capitol as business leaders are continuing to sound off opposing the bill, Haney said.

The Legislature is considering Governor Doyle's Global Warming Bill (AB 649) that mandates 25 percent renewable energy, creates a boutique fuel standard, implements California car emission standards, and other provisions. The proposal will increase utility prices, gas prices, reduce income and cause job loss, a study said.

A study from the no-partisan Wisconsin Policy Research Institute says similar global warming policies will cause Wisconsin to lose 43,000 jobs, and reduce family incomes by an average of \$1,012 per person.

WMC supports a balanced approach to energy and environmental issues that promotes voluntary conservation and market-based approaches to energy efficiency. WMC annually sponsors the Business Friend of Environment Award to salute the cleanest businesses in Wisconsin, and to educate other employers on how to conserve. WMC voluntarily pays a premium to purchase energy for its Madison headquarters from renewable resources.

"We all support clean energy, but employers need to be able to get energy at an affordable price in order for Wisconsin to create jobs for our families," Haney said. Wisconsin has lost 160,000 manufacturing jobs since 2000, and in 2009 the state had more government workers than manufacturing workers.

"As energy prices go up, we lose manufacturing jobs that provide the highest wages and best benefits," Haney said. "The Legislature should scrap the bill, and look for alternatives that do not increase energy prices or cause job loss," Haney added.

Senate Democrats Unveil "Jobs" Agenda; Plan Hiring Tax Credit Vote After Break

Source: NLBMDA E-Update 2/16/10

Contact your members of Congress and urge them to support a HomeStar program that is fair to all dealers.

The Senate Democrats have released an outline of their plans to stimulate job creation through a series of bills, ranging from a tax credit for new hires, extension of unemployment benefits, small business lending, additional infrastructure funding, aid to states, and a residential energy-efficiency consumer rebate program called HomeStar (formerly "Cash for Caulkers").

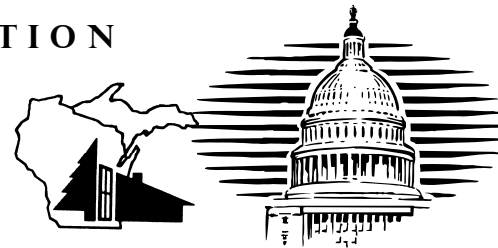
Senate Finance Chairman Max Baucus (D-MT) and ranking member Charles Grassley (R-IA) unveiled a bipartisan \$84 billion plan that included a tax credit for new hires and numerous tax cut extensions to benefit small businesses as well as a one-year extension of unemployment insurance which is currently set to expire February 28. The plan was shot down, however, by Majority Leader Reid who declared it "too bloated" and announced the Senate would instead vote on his pared-down, \$15 billion bill that would contain only four provisions: Build America bonds, extension of small business expensing (Sec. 179), a one-year extension of the highway funding act, and the new hire tax credit proposed by Sens. Schumer (D-NY) and Hatch (R-UT).

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If you have a regulatory issues you would like to see addressed, please contact the WRLA Office. The WRLA works with the National Lumber and Building Materials Dealers Association (NLBMDA) on national issues and with the Wisconsin Manufacturers and Commerce (WMC) to lobby on state of Wisconsin regulatory issues. You can reach the WRLA via phone at 800-236-3534 or via email at wrla@wrlamsi.com.

Legislative Update

MARCH 2010



The Schumer-Hatch tax credit would provide a payroll tax holiday for businesses that hire people who have been unemployed for at least 60 days, excluding companies from paying the 6.2 percent of wages they would normally pay into the Social Security program. Employers would also get a \$1,000 tax credit for each employee they keep for at least a year, and money from the Treasury's general fund would be used to make up the short-fall to Social Security. While Republican leadership and Finance Committee members were tentatively on board with the Baucus-Gassley measure, it is unclear whether they will support Reid's approach.

HomeStar, meanwhile, continues to develop behind the scenes, with reports it may be included in the second bill in the Senate's "jobs" series. The latest draft elaborates on

the requirements rebate aggregators would be required to meet and NLBMDA wants to make sure any system does not put small dealers at a disadvantage to the big box chains. NLBMDA continues to raise concerns with those drafting the legislation regarding the product criteria and contractor and quality assurance requirements, out of concern that too many complicating factors could limit the effectiveness of the program. NLBMDA believes an efficient, stream-lined program will enable all retailers, contractors and manufacturing to best participate and restore a meaningful amount of jobs in the housing supply chain.

Members with questions can contact Colleen Levine at colleen@dealer.org or Jeremy Stine at Jeremy@dealer.org.



Wisconsin Retail Lumber Association Inc.



WEBINARS The WRLA is now offering Webinars for WRLA members and their employees. Webinars are an inexpensive way to get your people trained –no travel, no hotel cost! Just gather around your office computer. Information on upcoming Webinars are posted in Timber Talks; on our website www.wrlamsi.com and will be emailed to everyone on our webinar email list. If you would like to be added to the webinar email list email us at wrla@wrlamsi.com or to be notified via fax, call the WRLA office at 800-236-3534.



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- ◆Laser Printer Forms ◆ Checks, Computer & Handwritten ◆ Stock Computer Paper ◆ Snap-Out Sets ◆Register Forms ◆ Personalized Envelopes ◆ Purchase Order/Receipt Books

We can duplicate your existing forms and make any changes you desire. Call for a quote today!

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