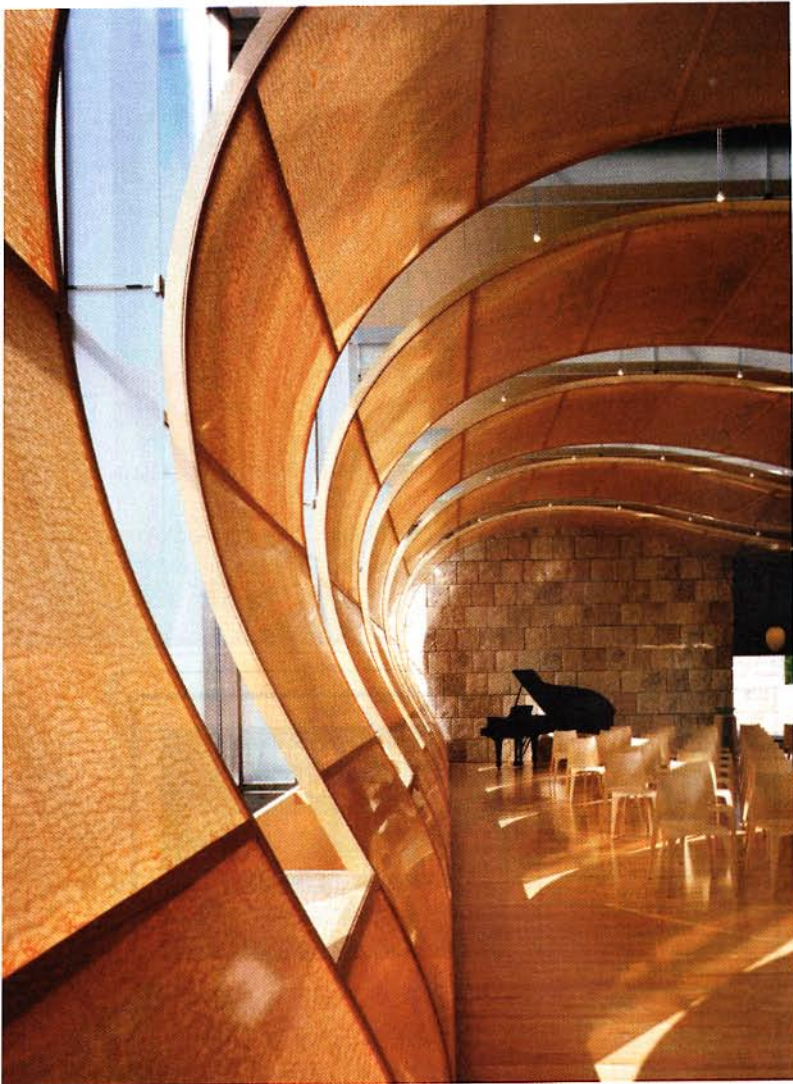
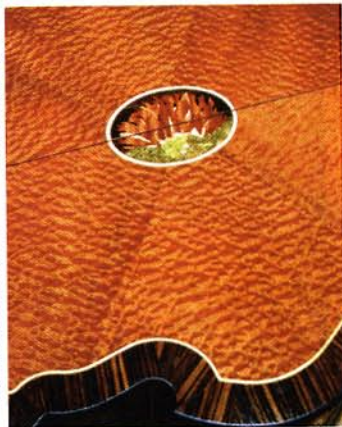
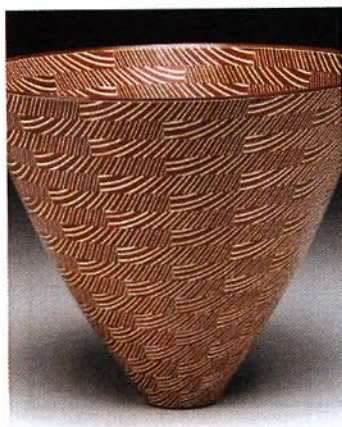


# Finishing Strong

Veneer Technologies says its automation and flexibility make it strong.



Veneer Technologies specializes in face veneer, sheet veneer and edge banding for customers in the hardwood plywood, wood products distribution, furniture and cabinetry industries.



Veneer Technologies puts a sleek finish on wood products for customers across the country, but Vice President John Varner doesn't need to gloss over why the company is a success.

Before 2005, Veneer Technologies' business grew no less than 9 percent per year. Last year, however, Veneer Technologies saw sales increase more than 23 percent. Varner says the company's modern facilities, flexibility and global view of the marketplace have all been contributing factors to this upswing in growth.

Founded in 1993 and based in North Carolina, Veneer Technologies manufactures and sells face veneer, sheet veneer and edge banding to customers in the hardwood plywood, wood products, furniture and cabinetry industries, among others.

Varner says the company holds approximately 20 percent of the market share for sheet veneer in the United States. The company produces more than five million square feet of face veneer per month at its state-of-the-art facility in Newport, N.C.

More than 90 different species of wood are used in Veneer Technologies' products, many of which are imported from all over the world.

Varner says the company believes in constantly improving its processes to fill orders faster and more efficiently. Even though the company has what Varner says is one of the most modern veneer facilities in North America, Veneer Technologies is in the process of rebuilding it with an eye toward further improvements.

"It's just constant modernization," Varner says. It's this modernization that gives Veneer Technologies the ability to compete against imported competition. "We're constantly redoing everything we do," Varner says.

## Flexibility Through Automation

Varner says one of Veneer Technologies' strengths is its automation. The company has eight cross-feed splicers in its facility, along with other equipment that makes Veneer Technologies a completely automated operation.

"We try not to handle the product at all," Varner says.

The automation has helped save the company more than 30 percent in production costs in the last few years, he says, as well as given it the ability to be quick and responsive to customers.

"We are a large manufacturer but we are still very flexible," he says.

Varner says Veneer Technologies has the capability to turn around orders within one day, even large or unusual ones.

Although competition overseas can offer cheaper prices, they can't give customers the level of flexibility and responsiveness that Veneer Technologies can, Varner says.

"There might be someone who can do things cheaper, but they don't know the customer base," he says.

Veneer Technologies is working hard to become better known in the industry, Varner says. The company is trying to develop greater brand recognition by extending its product offerings into areas such as exotic lumber.

Varner says the company is also passing along its savings on production to its customers, in the hopes that customers will spread the word about Veneer Technologies.

Veneer Technologies Inc.  
www.veneertech.com  
Sales: \$32 million  
HQ: Newport, N.C.  
Employees: 130  
Service: Hardwood veneer and edge-  
banding  
John Varner, vice president: "We're  
constantly redoing everything we do."

## Company Profile

"We're trying to work with them to get our product into the marketplace as competitively as possible," he says.

### Friendly Competition

Another effort to elicit involvement from its customers is the company's new Craftsman's Challenge competition. Currently in its second year, the competition sponsored by Veneer Technologies recognizes "excellence in woodworking that features natural veneer and edge banding," the company says.

The Craftsman's Challenge accepts entries in categories including architectural woodworking, cabinetry, furniture, specialty items, store fixtures and student design projects.

Winning entries are awarded cash prizes not only for the designers, craftsmen and manufacturers of the items, but also for the veneer distributor and the sales representative who sold the veneer for the project.

"So we pay all the way through the chain," Varner says. The company says that the competition "is designed to show that both sales and distribution are integral parts of the design industry.

"We at Veneer Technologies Inc. value all efforts to effectively market and sell our products and will continue to support those efforts," the company says.

Varner says more than 60 applications were received for the initial compe-

tion in 2005, and it was so well received that the company diverted all of its advertising budget to promote it instead of directly promoting the company. Veneer Technologies is currently accepting entries for the 2006 competition.

### Preserving the Future

Veneer Technologies foresees a bright future for itself, Varner says, because the company supplies its products to several different fields. When business becomes slower in one market, the others have a chance to pick up the slack. Varner says Veneer Technologies plans to diversify even further in the near future. "One of our strengths we have now is that we're in multiple industries," he says.

The company is also taking an active role in ensuring that the industry as a whole has a stable future by helping promote healthy forests. As a member of the Hardwood Forestry Fund, Veneer Technologies has planted approximately 4,000 hardwood trees per year on public land throughout the country, Varner says. The organization requires the use of a management plan for newly planted hardwood trees, and maintains educational and demonstration forests to show landowners forestry management techniques.

The Hardwood Forestry Fund also provides grants to public natural resource services such as state foresters. ■