



Bob Repine, Director

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MISSION:

TO ADVANCE OREGON'S ECONOMY

GOALS:

Promote a favorable investment climate to strengthen businesses, create jobs and raise real wages.

- · Invest and engage in training a skilled workforce
- Retain and expand existing companies and recruit new investment
- Capitalize on competitive advantages and strategically invest resources to offset disadvantages

Assist Oregon communities to build capacity to retain, expand and attract businesses.

- Support the development of industrial and commercial lands
- Advance ports' efforts to promote economic development activities
- Promote capacity building, emphasizing rural and distressed areas
- Build capacity in Oregon's arts and cultural organizations, creative businesses and individual artists

Improve national and global competitiveness of Oregon companies.

- Support innovation and research
- Assist industry clusters to succeed
- Market Oregon's advantages
- Promote international trade and attract foreign direct investment

When we began the process to set the new direction for the Oregon Economic & Community Development Department, it was understood that this wasn't simply an exercise for the sake of going through the motions. We weren't creating a plan that sits on a bookshelf never to be looked at again. This was about setting our objectives, and defining a clear, measurable path for success that creates hope and opportunity for all Oregonians.



We identified the three core objectives of the department:

- Promote favorable investment climate to strengthen businesses, create jobs and raise real wages.
- Assist Oregon communities to build capacity to retain, expand and attract businesses.
- Improve national and global competitiveness of Oregon companies.

With a clear direction, we identified the strategies, resources and people to take us there. These are summarized in this document, but there are many specific tactics that have been produced to achieve each strategy. For information on our specific programs and services, please contact our offices to see how we can assist your business or community.

We believe the three objectives listed above best serve our mission to expand Oregon's economy. Fulfilling our mission means our work will enhance both rural and urban communities; expand both existing and emerging industries; and assist both small and large businesses. We look forward to paving the way for continued sustainable economic development in Oregon, and working with Governor Kulongoski, private industry and other state agency partners to ensure opportunity for Oregonians in 2007 and beyond.

Bob Repine,

SUSTAINABLE ECONOMIC DEVELOPMENT

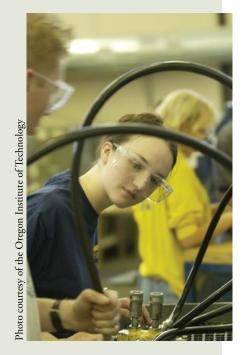
EXPAND GLOBAL COMPETITIVENESS

CREATE JOBS

ASSIST COMMUNITIES

STRENGTHEN BUSINESSES "We're looking at having our best year ever. Partly as a result of good planning, but most of the credit belongs to the superior workforce we've found here in Oregon."

Matt Conable, President William Henry Knives



GOAL

Promote a favorable investment climate to strengthen businesses, create jobs and raise real wages.

Oregon is strategically located to engage in the global economy and must continue to ensure that existing businesses are able to prosper and grow through global trade. Being competitive globally means Oregon must have a well-educated and trained workforce. Oregon recognizes that continuous investment in workforce training is essential for all businesses to remain competitive in the new global market.

Oregon will **invest in programs that provide training opportunities for the existing workforce**, strengthening the capacity of the individual worker and enabling companies to be more productive. Oregon also will develop strategies to identify common skill and training needs within clusters of industries throughout the state. Oregon will use leveraged resources to strengthen industry cluster consortia as a way to take advantage of common opportunities and strategies.

Oregon will **concentrate on strengthening "traded-sector" industries**, those trading outside the local economies, as a way of ensuring our place in the global economy. This approach will be comprehensive and will integrate all available resources and techniques to retain, strengthen and expand traded-sector businesses in the state. Financing, tax incentives, workforce training and technical assistance will be marketed to local partners.

Oregon will capitalize on competitive advantages and strategically invest resources to offset disadvantages.

Industrial land availability is one of several investment areas the Oregon Economic & Community Development Department (OECDD) will focus on. Existing Oregon businesses that are expanding, as well as new startups and businesses being recruited to the state, need properly prepared "project-ready" industrial land in a predictable, timely manner. Oregon will continue to work on a comprehensive approach to expanding the development of properties with high potential and in demand through the industrial site certification process. This includes enhancing the site certification program and marketing sites to potential developers.

G O A L

Assist Oregon communities to build capacity to retain, expand and attract businesses.

As Oregon improves its global competitiveness, it's important that all Oregonians reap the benefits. By **facilitating local capacity building, especially in rural and distressed areas,** OECDD will help ensure that communities have the expertise and infrastructure needed to retain and expand existing companies and attract new businesses.

In coordination with other state and local agencies and partners, the department can help reduce barriers and **support** the development of industrial and commercial lands.

This will allow communities in rural as well as urban areas to improve local opportunities for sound economic growth. A consolidated development fund will make it easier to fund important water and sewer projects, build essential community facilities and plan for the future.

Oregon's 23 ports are important partners in the state's economic development efforts. The leadership and expertise of port officials are critical to the alignment of local and state economic development strategies. Port infrastructure is a key component of local business expansion and retention plans. By advancing ports' efforts to promote economic development activities the department can leverage these critical assets.

The Arts Commission and Cultural Trust will build capacity in Oregon's arts and cultural organizations, creative businesses, and individual artists by developing and awarding strategic infrastructure funding and organizational technical assistance to Oregon's cultural and creative sector. This will attract artists and creative workers to Oregon, as well as businesses that realize the benefits of locating within a vibrant arts sector. The Arts Commission also recognizes the advantages of incorporating art and culture in rural and community development plans and will provide resources to help these plans succeed.

LOWE'S GROUNDBREAKING



After an extensive search and evaluation process, Lowe's, the world's second-largest home improvement retailer, selected Lebanon, Oregon, as the location for its new west coast regional distribution center. The facility, located on an Oregon Certified Site, will be the state's third largest building at 1.4 million square feet—roughly the size of 31 football fields under one roof.

The Port of Newport recently began the first phase of rebuilding it's international terminal facility. "Project funding is vital to maintain our ability to provide commercial shipping which contributes significantly to economic benefit through wages, products, services and marine transportation."

Don Mann, General Manager Port of Newport

WHY INNOVATION?

Simply put, innovation helps firms compete, communities prosper and people thrive.

Competitive firms that rely on innovation offer good jobs at nearly twice the average wage, cultivate ingenious people who apply their skills at work and in the communities, and anchor key industries by attracting competitors and suppliers seeking proximity.

Most important, these firms inspire their customers, their employees and their neighbors.

GOAL

Improve national and global competitiveness of Oregon companies.

Future economic growth in our state depends on Oregon's ability to compete on a global scale. Developing and enhancing competitive advantages for Oregon businesses keeps existing businesses thriving and attracts new companies into the state.

To enhance competitiveness, OECDD will leverage public funds with private investments to **support innovation and research** through the Oregon Innovation Council (Oregon InC). Working with OECDD, Oregon InC has recommended 11 high-return projects that will help existing businesses achieve growth through innovation, and help new industries emerge.

Established industries also bring opportunity for economic growth. There is an inherent competitive advantage to multiple companies that operate in the same industry in the same geographic area, making an "industry cluster." Talented workforce, established vendors and existing distribution channels are all benefits of doing business within a cluster. Recognizing this, OECDD will **assist industry clusters to succeed** by identifying clusters and investing resources to support their growth and competitiveness.



In both emerging and existing industries, Oregon is a great place to do business. OECDD will **market Oregon's advantages** to the world, communicating the compelling reasons why businesses should expand to Oregon. This will contribute to enhancing the overall brand image of Oregon including its people, products and places. OECDD will work through Brand Oregon partners such as the Department of Agriculture, Tourism Commission and private industry to identify and communicate all the competitive advantages that make Oregon attractive to business.



Marketing Oregon products and services overseas and establishing new opportunities in foreign markets will help Oregon's economy to grow. OECDD will promote international trade and attract foreign direct investment to increase the global competitiveness of Oregon companies.

World Trade Quick Facts

- Total 2005 exports: \$12.38 billion (#23 of US States)
- Consistently ranks among top 15 US states in exports per capita
- One in four manufacturing jobs (1 in 5 of all jobs) linked to international trade
- Top 2005 export sectors (% of total)
 - Computer & electronic products 37%
 - Transportation equipment 13%
 - Crops 12%
 - Machinery manufacturing 11%
 - Chemical manufacturing 4%
 - Primary metal manufacturing 3%
 - Paper products 2%
 - Wood products 2%
- Canada, South Korea and Japan continue to be Oregon's largest export markets but China and Mexico are becoming strong export partners

O R E G O N ECONOMIC & COMMUNITY DEVELOPMENT DEPARTMENT

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