

SENATE COMMITTEE ON TRADE & ECONOMIC DEVELOPMENT

February 25, 1997 Hearing Room 343

1:00PM Tapes 24, 25

MEMBERS PRESENT:

Sen. John Lim, Chair

Sen. Joan Dukes, Vice-Chair

Sen. Bill Fisher

Sen. Avel Gordly

Sen. Veral Tarno

MEMBER EXCUSED: Sen. Gary George

STAFF PRESENT:

Jim Stembridge, Administrator

Julie Havel, Administrative Support

MEASURE/ISSUES HEARD:

Information Session

International Trade Advisory Committee

These minutes are in compliance with Senate and House Rules. Only text enclosed in quotation marks reports a speaker's exact words. For complete contents, please refer to the tapes.

Tape/#	Speaker	Comments
TAPE 14, A		
005	Chair Lim	Calls meeting to order at 1:21pm.
<u>INFORMATION SESSION - INTERNATIONAL TRADE ADVISORY COMMITTEE</u>		
009	Jim Stembridge	Committee Administrator, gives overview on SB 526 of the 1995 session, which creates the International Trade Advisory Committee, and states the purpose of today's meeting is to share the committee's report.

023	Chair Lim	Informs audience that many Senators were or still are in caucus, which is why some are not yet here today.
054	Steve Newman	Executive Director, Pacific Northwest International Trade Association and Vice-Chair of International Trade Advisory Committee (ITAC), begins testimony (EXHIBITS A & B) , and introduces three colleagues who are here with him today, David Chen, Frank Rivera, and Harriet Clothier.
102	Newman	Gives highlights of Oregon Export growth in the past year.
152	Newman	Continues overview of International Trade Advisory Committee, highlighting the organization's purpose and structure.
193	Sen. Gordly	Refers to the committee's promotion of international market development and finding new opportunities for Oregon products in other countries, and urges Newman to apply to Africa as well.
253	Newman	Continues presentation, explaining the functions of the Small Business International Trade Program.
303	Newman	Explains functions of the Oregon Trade Conference scheduled for mid-April, which gets everyone involved in trade in one place at the same time.
333	Sen. Gordly	Asks for and receives more in depth information on the Oregon Trade Conference, including who has been invited to participate, and how involved anyone from South Africa has been.
369	Chair Lim	Asks for update on South Africa exports from Warren Banks.
387	Warren Banks	Oregon Economic Development Department, explains the agency is open to dealing with any country, but there is not as much focus on South Africa as with some other countries.
402	Sen. Dukes	Asks what, if any, participation is coming from Russia, and for a general update on Oregon's trade status with Russia.
TAPE 25, A		
015	Banks	Explains emphasis is on agriculture when it comes to exporting to the Russian Far East.
031	Newman	Comments further on trade status with South Africa and Russian Far east, but states it is a question of resources and opportunities, and whether to strengthen ties that already exist, or forge into new territory.
69		Discussion continues on issue of trade with South Africa and other countries.

79	Sen. Dukes	Urges ITAC to "dream a little bigger" when it comes to the international trade picture, and share with the committee how it can help the ITAC make that dream a reality.
100	Chair Lim	Asks if we have a contract person in Germany.
102	Banks	States there never has been a representative in Mexico or Germany, but have had a contract on a pay-as-you-go-basis with two firms there, but when the contract ran out, they ceased their operations.
121	Harriet Clothier	President, Parr Lumber International, (separate subsidiary of Parr Lumber) gives overview of company and explains how it's housing products became so successful in places like Korea and Japan.
158	Clothier	Explains her company may never have gotten off the ground if it had not been for a trade mission to Japan, and how critical these missions are in her experience. Adds such missions to Africa and Russia could help establish those contacts and relations with them to pave the way for increased trade.
204	Chair Lim	Asks how the offices in Japan and Korea have been helpful to her.
218	Clothier	Explains many of her contacts have been by referral.
225	Sen. Fisher	Asks if there is still a wheat market to India and other places.
232	Newman	Explains he is sure wheat is still one of Oregon's largest agricultural export products, though it now travels down the Mississippi rather than the Columbia-Snake Rivers.
260		Discussion continues on status of wheat export origins and the massive technological changes that have helped the product move down the river system, onto the ships and over to other continents.
310	Newman	States he believes 25 % of Oregon exports to Japan is wheat.
321	Clothier	Adds the increased use of bread has added tremendously to the demand for wheat.
355	Newman	Continues presentation, explaining recommendations to discontinue creating any new sister-state relations until funding for support becomes available to maintain those relations.
TAPE 24, B		
010	Newman	Gives overview of future committee activities and objectives.
017	Newman	Explains committee's urging to make use off "brochure shows" that are much less expensive than trade missions,

		and give exposure to new companies.
045	Sen. Dukes	Asks how committee plans to achieve its recommendations for overcoming trade impediments.
053	Newman	Explains if we are going to be competitive, we must do a better job in the education arena when it comes to training the workforce.
078	Sen. Dukes	References February 20, 1997 discussion with the Oregon Economic Development Department's Bill Scott and asks for Newman's opinion on the possibility of conducting a feasibility study for South Africa.
090	Newman	Explains he would recommend taking a look at statistics first to see who is doing what and where it is coming from, transportation feasibility, etc. and then go from there. States it is very "do-able."
104	Sen. Fisher	Asks about transportation into and out of Canada.
108	Newman	States it is almost all surface transportation.
112	Chair Lim	Asks if we have any figures for 1996 yet.
115	Banks	States by mid-march we should have the raw data.
121	Sen. Gordly	Asks follow up question on feasibility to South Africa.
123	Newman	Replies he would like to see the use of college interns to gather the raw data.
		Discussion continues on possibility and the likelihood of completing it this session.
182	C. Sherman Severin	Consultants Report International, explains mission and informs committee of upcoming conference to be held this year with representatives of South Africa on October 19-22 at the Hilton Hotel in Portland. Emphasizes that the state that moves the fastest is going to get the trade.
242	Severin	Explains they need the support of the committee in order to move forward.
272	Sen. Gordly	Asks what specific support he would want from OEDD.
280	Severin	Explains he has received sponsorship from South African Airlines, and is looking for marketing cash. States we need to market ourselves in South Africa, so is looking for financial support from OEDD and the sooner the better.
289		Discussion continues on the issue of specific support needed to make this conference a reality.
290	Sen. Gordly	Asks if Marylhurst is a sponsor of this conference.
291	Severin	States he is very tied to Marylhurst and is sure the school will support him, but states he plans to resign his position in order to work full-time on this project.

320	Chair Lim	Asks about logistics of conference.
324	Severin	Explains he has met with Department of Commerce in Portland. States Oregon is one of the most difficult places to hold the conference, but they are adamant about holding it here because Oregon has symbolic meaning to South Africa.
345	Chair Lim	Asks who the "we" are.
347	Severin	States it is his staff.
350	Sen. Dukes	Asks why Oregon is so difficult.
375	Severin	Replies Oregon is very polite and very supportive, but only in principle ---because Oregon companies are generally very reluctant to come forward with actual monetary support.
TAPE 24, B		
011	Chair Lim	States he is also deeply interested in the conference and offers assistance in any way possible.
027	Sen. Fisher	Asks about most feasible shipping routes.
047	Tom Nylund	Small Business International Trade Program, gives overview of program, and its functions. States it is a three member staff, with six area offices.
047	Nylund	Explains his group hosted Consul General F. W. de Klerk at the world trade center and several delegations from Africa, and he hopes over time, more businesses will become active in developing trade to South Africa.
047	Nylund	Shares his concerns about how Measure 47 has affected or is threatening to affect program.
048	Chair Lim	Adjourns meeting at 2:49pm.

Submitted By, Reviewed By,

Julie Havel, Jim Stembridge,

Administrative Support Administrator

EXHIBIT SUMMARY

A- International Trade Advisory Committee Biennial Report summary, Steve Newman, 25 pp.

B- International Trade Advisory Committee Biennial Report, Steve Newman, 25pp.
