HOUSE COMMITTEE ON COMMERCE SUBCOMMITTEE ON TRADE AND ECONOMIC DEVELOPMENT February 21, 1995 Eugene City Council Chambers 3:00 p.m. Eugene, Oregon Tapes 12-14 MEMBERS PRESENT: Rep. Chuck Carpenter, Chair Rep. Gail Shibley, Vice-Chair Rep. Michael Fahey Rep. Cynthia Wooten Rep. Lee Beyer MEMBERS EXCUSED: STAFF PRESENT: Joseph Cortright, Executive Officer Jeri Chase, Office Manager Bobby Sullinger, Committee Assistant WITNESSES: Denel Stoltz, Executive Director, Willamette International Trade Center Dave Hauser, Executive Director, Eugene Chamber of Commerce Rick Evans, Executive Director, The Organization for Economic Brenda Cheatham, Oregon Marketplace Ed Brockett, President, Pierce Corporation Dana Siebert, Vice President of Services, Symantec Evert Slijper, Co-President, Whittier Wood Products Terry Alberts, Spectra-Physics Ki-Won Rhew, PacInfo Processors of Oregon Dr. Del Hawkins, University of Oregon Jerry South, Emerald West Equipment Gretchen Pierce, Economic Development Commission John Lively, Executive Director Eugene-Springfield Metropolitan Lou Bauers, Manger of Community Development, City of Eugene Jim Zelenka, Lane Council of Government Steve Cornacchia, Lane County Commissioner MEASURES HEARD: Informational Meeting International Trade in Oregon - Public Hearing These minutes contain materials which paraphrase and/or summarize statements made during this session. Only text enclosed in quotation marks report a speaker's exact words. For complete contents of the proceedings, please refer to the tapes. TAPE 12, SIDE A CHAIR CARPENTER: 012 Brings the committee to order at 3:12 p.m. Informational Meeting -- International Trade in Oregon -- Public Hearing 013 CHAIR CARPENTER: Opens INFORMATIONAL MEETING on International Trade in Oregon. 015 Committee discussion relating to the purpose for having an international trade informational meetings. 023 DENEL STOLTZ: Presents testimony relating to the Willamette International Trade Center (WITC) and the efforts of the organization to service husiness 075 REP. WOOTEN: Do you know the number of firms in Eugene that engage in international trade? 082 STOLTZ: Responds to committee discussion. 090 REP. WOOTEN: What type of assistance does WITC provide businesses in Eugene? 095 STOLTZ: Responds to committee discussion. 120 REP. WOOTEN: How much funding does WITC receive from the Oregon Economic Development Department (OEDD)? 125 STOLTZ: Responds to committee discussion. 140 REP SHIBLEY: What kind of training do you offer and is it available to any business? 149 STOLTZ: Responds to committee discussion. REP. SHIBLEY: Are there any other organizations that provide services 168 similar to your organizations in the Eugene area? 172 STOLTZ: Responds to committee discussion. 210 REP. SHIBLEY: How do you know what would happen in the international trade arena if you did not provide training and counseling services to companies in the Eugene area without tools to measure the impact of your

efforts? 216 STOLTZ: Responds to committee discussion. CHAIR CARPENTER: Do you keep records of the companies you have serviced 260 and the success they have had as a result of your efforts? 268 STOLTZ: Responds to committee discussion. 303 DAVE HAUSER: Presents testimony relating to international trade and the Eugene Chamber of Commerce. 356 REP. WOOTEN: How much funding does the Eugene Chamber of Commerce provide to the Willamette International Trade Center? 370 HAUSER: Responds to committee discussion. 380 CHAIR CARPENTER: Do you have any suggestions as to how OEDD and local Chambers of Commerce might coordinate there efforts to facilitate growth as CHAIR CARPENTER: it relates to business? 389 HAUSER: Responds to committee discussion. RICK EVANS: Overviews The Organization for Economic Initiatives and the 406 efforts to help business obtain contracts for international trade. BRENDA CHEATHAM: Presents testimony relating to Oregon Marketplace and 449 the Japan External Trade Organization's efforts to assist business with international trade. TAPE 12, SIDE B 005 CHEATHAM: Continues to present testimony (Hosting Product Specific Roundtable's) 041 $\,$ REP. SHIBLEY: Could you expand on the types of outreach programs and different international trade associations in the Eugene area? 053 СНЕАТНАМ. Responds to committee discussion. REP. WOOTEN: How much funding does Oregon Marketplace receive from OEDD 078 and how much is allocated to international trade efforts? 081 CHEATHAM: Responds to committee discussion. 089 EVANS: Continues to responds to committee discussion. 093 REP. WOOTEN: Does your organization assess fees for its services? 095 CHEATHAM: Responds to committee discussion. 125 EVANS: Continues to responds to committee discussion relating to fees for services. 132 REP. WOOTEN: How many people are employed by Oregon Marketplace? 136 EVANS: Responds to committee discussion. 153 ED BROCKETT: Presents testimony relating to international trade activities of the Pierce Corporation and WITC's role in those activities. 169 REP. FAHEY: What product does your company export? 170 Responds to committee discussion. BROCKETT: 174 CHAIR CARPENTER: Do you continue to use WITC's services? 176 BROCKETT: Responds to committee discussion. 185 DANA SIEBERT: Presents testimony relating to international trade and the Symantec Corporation. 240 SIEBERT: Continues to present testimony relating to the benefits of OEDD and WITC. 2.63 REP. BEYER: Can you share with the committee how Symantec Corporation decided to site in Eugene? 265 SIEBERT: Responds to committee discussion relating to the primary factors that brought Symantec Corporation to Eugene. How important was OEDD's efforts to Symantec Corporation in 272 REP. BEYER: the initial survey of the different state? 275 SIEBERT: Responds to committee discussion. REP. BEYER: How did OEDD's offer compare to the other states that were 285 trying to recruit your company? 288 SIEBERT: Responds to committee discussion 299 REP. BEYER: How many employees does your company have now at the Eugene site?

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SIEBERT:

Responds to committee discussion.

326 REP. FAHEY: How important was the airport facilities in Eugene to your companies decision to locate here? 328 SIEBERT: Responds to committee discussion. REP. SHIBLEY: What was the total amount of tax abatements that the 345 Semantic Corporation receive for locating in Oregon? 348 SIEBERT: Responds to committee discussion. 363 EVERT SLIJPER: Presents testimony relating to international trade and the Whittier Wood Products Corporation. 448 SLIJPER: Continues to present testimony relating to OEDD and WITC role in his companies international trade efforts. TAPE 13, SIDE A 003 REP. WOOTEN: Has your company taken advantage of the Credit Enhancement Fund? 008 SLIJPER: Responds to committee discussion. Committee discussion relating to financing expansion efforts of the 016 Whittier Wood Products Corporation. TERRY ALBERTS: Presents testimony relating to WITC and how international 0.31 trade relates to the Spectra-Physics. 083 REP. SHIBLEY: What impact does Spectra Physics and the other companies affiliated with WITC have on international trade? 089 ALBERTS: Responds to committee discussion. 136 REP. SHIBLEY: How has the University of Oregon been helpful to WITC and other organizations that are trying to become involved in international trade? 142 ALBERTS. Responds to committee discussion. 196 KI-WON RHEW: Presents testimony relating to the international trade efforts of PacInfo Processors of Oregon. 260 RHEW: Continues to present testimony relating to international trade delegations to Korea. 351 CHAIR CARPENTER: Have you used the Seoul, South Korea OEDD office? 352 RHEW: Responds to committee discussion. DR. DEL HAWKINS: Presents testimony relating to the University of 375 Oregon's International Marketing courses. HAWKINS: Continues to presents testimony relating to the potential for 450 international trade for businesses in Oregon. TAPE 13, SIDE B REP. WOOTEN: Does WITC provide the necessary services and expertise to 010 businesses aspiring to enter the international trade markets? HAWKINS: Responds to committee discussion. 014 067 REP. WOOTEN: What can the state do to allocate resources better to organizations like WITC? 073 HAWKINS: Responds to committee discussion. REP. FAHEY: How could the legislature encourage the banking industry to 089 become more involved with small business financing as it relates to international trade? 096 HAWKINS: Responds to committee discussion. 131 JERRY SOUTH: Presents testimony relating to the international trade of Emerald West Equipment Company and OEDD's role in accomplishing their efforts. 183 SOUTH: Continues to present testimony relating to the extent of international trade by the Emerald West Equipment Company. 235 CHAIR CARPENTER: Have you used any of OEDD's overseas offices? 237 SOUTH: Responds to committee discussion. 268 CHAIR CARPENTER: Who paid for the overseas trip that OEDD sponsored? 270 SOUTH: Responds to committee discussion. CHAIR CARPENTER: Do you have any suggestions as to what changes OEDD 289 could make to improve the services it offers? 294 SOUTH: Responds to committee discussion 315 RHEW: Continues to present testimony relating to the difficulties his company had getting financing for international trade efforts. 338 CHAIR CARPENTER: Closed INFORMATIONAL MEETING on International Trade in

Oregon.

Informational Meeting -- Economic Development in Oregon -- Public Hearing CHAIR CARPENTER: Opens INFORMATIONAL MEETING on Economic Eevelopment in 339 Oregon. 343 GRETCHEN PEIRCE: Presents testimony outlining presentations scheduled relating to OEDD and economic development in Oregon. JOHN LIVELY: Presents testimony relating to recommendations for OEDD. 357 LIVELY: Continues to present testimony relating to OEDD's successes with 411 Cascade Fabrications. 439 LIVELY: Continues to present testimony relating to OEDD's role in Job training. TAPE 14. SIDE A 026 CHAIR CARPENTER: What is the role of the Chambers of Commerce? 027 LIVELY: Responds to committee discussion. CHAIR CARPENTER: Do you think it would be feasible to shift some of the 074 functions of OEDD to the Small Business Development Centers provided they received additional funding? 078 LIVELY: Responds to committee discussion. 140 LOU BAUERS: Presents testimony in support of OEDD's efforts as they relate to small business assistance. 231 BAUERS: Continues to presents testimony relating to efforts towards urban renewal in Eugene. BAUERS: Continues to presents testimony overviewing governmental down 280 sizing as it relates to economic development. 325 REP. WOOTEN: Can you touch on the West Eugene Enterprise Zone and how it has development industry. 329 BAUERS: Responds to committee discussion. 337 REP. FAHEY: What was the average wage of the jobs that were created through the use of Enterprise Zones in the Eugene-Springfield area. BAUERS: Responds to committee discussion. 339 345 JIM ZELENKA: Presents testimony overviewing OEDD's efforts relating to local needs and local priorities. 375 ZELENKA: Overviews a letter from Liz Cawood of CAWOOD Communications [EXHIBIT A]. 452 ZELENKA: Continues to present testimony relating to multi-regional efforts. REP. WOOTEN: How efficiently do you think the money used for the Regional 464 Strategies Programs was spent for creating jobs? 468 ZELENKA: Responds to committee discussion. TAPE 14. SIDE B 001 ZELENKA: Continues to respond to committee discussion. REP. WOOTEN: Are you currently using Regional Strategies funding for Work 040 Force Quality Training Programs? 042 ZELENKA: Responds to committee discussion. 058 ZELLENKA: Continues to present testimony relating to measuring results. 089 ZELENKA: Overviews a letter from Michael D. Dungan of Pacific Power [EXHIBIT B], and a letter from Glenn Koehrsen of the Linn, Lincoln, Lane and Benton Counties, Regional Strategies board [EXHIBIT C]. 097 STEVE CORNACCHIA: Presents testimony overviewing his efforts relating to the State Community Economic Revitalization Team (SCERT). 168 CORNACCHIA: Continues to present testimony relating to OEDD's role as coordinator for the SCERT program. CORNACCHIA: Continues to present testimony overviewing OEDD's concern relating to accountability. CORNACCHIA: Continues to present testimony relating to Regional 365 Strategies and accountability. 402 REP. WOOTEN: How do you respond to shifting paradigms relating to economic development? Responds to committee discussion relating to shifts in 411 CORNACCHIA: priorities in economic development programs.

438 CHAIR CARPENTER: Adjourns committee meeting at 6:14 p.m.

Submitted by

Bobby Sullinger EXHIBIT LOG

EXHIBIT A - Liz Cawood of CAWOOD Communications letter, Presented by Jim Zelenka, 3 pages.

EXHIBIT B - Michael D. Dungan of Pacific Power letter, Presented by Jim Zelenka, 2 pages.

EXHIBIT C - Glenn Koehrsen of the Linn, Lincoln, Lane and Benton Counties, Regional Strategies Board letter, Presented by Jim Zelenka, 3 pages.