HOUSE COMMITTEE ON COMMERCE SUBCOMMITTEE ON TRADE AND ECONOMIC DEVELOPMENT February 23, 1995 World Trade Center, Portland, Oregon Tape 15-17 3:00 p.m. MEMBERS PRESENT. Rep. Chuck Carpenter, Chair Rep. Gail Shibley, Vice-Chair Rep. Michael Fahey MEMBERS EXCUSED: Rep. Cynthia Wooten STAFF PRESENT: Joseph Cortright, Executive Officer Jeri Chase, Office Manager Bobby Sullinger, Committee Assistant WITNESSES: Richard Fritz, Pacific Vision Al Baker, Vice President International Sales, Norpac Food Sales, Inc. Mark Foster, Attorney Gordon Fromm, Ex-Tech, Ltd. J. Frederick Truitt, Helen Simpson Jackson Professor of Management, Willamette University Brent Neilsen, Willamette University Graduate Student Keith Phillips, Willamette University Graduate Student James Ramsey, Willamette University Graduate Student Wei Zhang, Willamette University Graduate Student Jennifer Murray, Director of Career Services, Willamette University Ron Fox, Oregon Jobs Coalition Tom Niland, Director, Small business International Trade Program, Community College Steve Newman, Executive Director, Pacific Northwest International Association. MEASURES HEARD: Informational Meeting International Trade in Oregon - PH 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 15, SIDE A 001 CHAIR CARPENTER: Brings the committee to order at 3:08 p.m. Informational Meeting -- International Trade in Oregon -- Public Hearing 003 CHAIR CARPENTER: Opens INFORMATIONAL MEETING on International Trade in Oregon. 018 RICHARD FRITZ: Present testimony relating to international trade and the Oregon Department of Agriculture (ODA). 081 FRITZ: Continues to present testimony (Stability in Government). 127 FRITZ: Continues to present testimony (Suggestions for Change to ODA) CHAIR CARPENTER: To what extent have you used Oregon Economic Development 184 Departments (OEDD) international trade offices? FRITZ: Responds to committee discussion. 185 199 CHAIR CARPENTER: Would closing OEDD overseas office effect your efforts? 200 FRITZ: Responds to committee discussion. 234 AL BAKER: Presents testimony relating to international trade and Norpac Food sales. 269 REP. SHIBLEY: How do you invest internationally? 273 BAKER: Responds to committee discussion. FRITZ: Responds to committee discussion relating to coordination between 319 government agencies. 328 REP. SHIBLEY: Do you think combining economic development efforts between Oregon and Washington would be feasible? FRITZ: Responds to committee discussion. 333 346 CHAIR CARPENTER. Do you think we could down size the International Trade Division of OEDD and still be viable? 348 FRITZ: Responds to committee discussion. 376 BAKER: Continues to present testimony relating to filing agency reports and consolidating OEDD's functions.

398 FOSTER: Continues to present testimony relating to problems with OEDD. TAPE 15 SIDE B 092 FOSTER: Continues to present testimony relating to overseas operations of OEDD 130 FOSTER: Continues to present testimony relating to suggested changes to OEDD. 174 FOSTER: Continues to present testimony relating to consulting activities of OEDD and how it directly competes with the private sector. 248 CHAIR CARPENTER: Do you think OEDD's training programs are effective? 250 FOSTER: Responds to committee discussion relating to training programs and what should be done to certify companies in foreign standards. REP. SHIBLEY: Can you make some recommendations relating to OEDD's lack 305 of oversight you mentioned? 314 FOSTER: Responds to committee discussion. REP. SHIBLEY: What is your opinion of offering industrial incentives to 326 locate in Oregon? 335 FOSTER: Responds to committee discussion. 369 GORDON FROMM: Presents testimony relating to international trade and OEDD. 402  $\ensuremath{\texttt{FROMM}}$  : Continues to present testimony relating to suggested changes at OEDD. TAPE 16, SIDE A FROMM: Continues to present testimony relating to finance and 013 international trade. 030 CHAIR CARPENTER: Do you think that if a company can not qualify for a private loan the state should have programs to guarantee loans? 045 FROMM: Responds to committee discussion. 081  $\ensuremath{\texttt{FROMM}}$  : Continues to present testimony relating to the coordination of activities between state agencies. 121 Committee discussion relating to overseas offices. 127 FROMM: Responds to committee discussion relating to using overseas offices. 164 REP. FAHEY: Do you know of any potential growth markets for exports? 165 FROMM: Responds to committee discussion. 190 REP. SHIBLEY: Are there export opportunities in South Africa? FROMM: Responds to committee discussion. 192 210 J. FREDERICK TRUITT: Presents testimony relating to international trade. Overviews Draft Report on International Business Promotion Programs with Special Reference to International Trade Division of Oregon Economic Development Department [EXHIBIT A]. 2.65 TRUITT: Continues to overview [EXHIBIT A] (Part 1 - Questions/Answers). BRENT NEILSEN: 293 Continues to overview [EXHIBIT A] (Number of Employees). 313 NEILSEN: Continues to overview [EXHIBIT A] (International Trade Division Operations). 357 KEITH PHILLIPS: Continues to overview [EXHIBIT A] (Ohio Facts). 408 PHILLIPS: Continues to overview [EXHIBIT A] (Ohio's Major Function of International Trade). TAPE 16, SIDE B 049 PHILLIPS: Continues to overview [EXHIBIT A] (Ohio's Trade Council). 103 PHILLIPS: Continues to overview [EXHIBIT A] (Contract Program). 138 CHAIR CARPENTER: The governor of Ohio supported the initiative to engage in international trade effort? 139 PHILLIPS: Responds to committee discussion. 159 PHILLIPS: Continues to overview [EXHIBIT A] (Emphases on Trade Shows and Trade Conventions). 173 Committee discussion relating to trade show attendance and vendors. 212 PHILLIPS: Responds to committee discussion. PHILLIPS: Continues to overview [EXHIBIT A] (Getting company brochures on

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the Internet). 2.61 PHILLIPS: Continues to overview [EXHIBIT A] (Oversight Committee of Ohio International Trade Division). 281 REP. SHIBLEY: Comments on international trade as it relates to geographical locations. 304 CHAIR CARPENTER: Comments on the need to disseminate services to rural Oregon. 311 JAMES RAMSEY: Overviews [EXHIBIT A] (Economic Development Trends). 370 RAMSEY: Continues to overview [EXHIBIT A] (NAFTA). TAPE 17, SIDE A 003 WEI ZHANG: Overviews [EXHIBIT A] (Public Trade Assistance Flowchart). 071 ZHANG: Continues to overview [EXHIBIT A] (Local Development Assistance Flowchart). TRUITT: Continues to overview [EXHIBIT A] (Conclusion). 125 JENNIFER MURRAY: 142 Presents comment testimony relating to [EXHIBIT A] and the efforts at Willimette University. 168 RON FOX: Overviews Oregon Jobs Coalition 1995 Legislature 'A Job Creation Agenda for Oregon' Executive Summary [EXHIBIT B]. REP. SHIBLEY: Comments about the competition between OEDD and private 214 sector as it relates to international trade. 219 Responds to committee discussion. FOX: 232 TOM NILAND: Presents testimony relating to the Small Business International Trade Program. NILAND: Continues to present testimony relating to the Small Business 324 International Trade Program. STEVE NEWMAN: Presents testimony relating to Pacific Northwest Internal 376 Trade Association. 407 NEWMAN: Continues to presents testimony relating to international trade efforts. TAPE 17, SIDE B 001 NEWMAN: Continues to presents testimony relating to international trade and how to assess return on investment. 067 CHAIR CARPENTER: Presents Bradley K. Pence, President, Keith Brown Building Materials letter [EXHIBIT C]. 079 CHAIR CARPENTER: Closed INFORMATIONAL MEETING on International Trade in Oregon. CHAIR CARPENTER: Adjourns committee meeting at 6:14 p.m. 080

Submitted by

Bobby Sullinger EXHIBIT LOG

EXHIBIT A - Draft Report on International Business Promotion Programs with Special Reference to International Trade Division of Oregon Economic Development Department, Presented by J. Frederick Truitt, 67 pages.

EXHIBIT B - Oregon Jobs Coalition 1995 Legislature 'A Job Creation Agenda for Oregon' Executive Summary, Presented by Ron Fox, 4 pages.

EXHIBIT C - Bradley K. Pence, President, Keith Brown Building Materials letter, Presented by Representative Carpenter, 1 page.