

HOUSE COMMITTEE ON
COMMERCE
SUBCOMMITTEE ON
TRADE AND ECONOMIC DEVELOPMENT

February 28, 1995 Portland State University Campus
3:00 p.m. Smith Center, Room 236
Tape 18-20

MEMBERS PRESENT: Rep. Chuck Carpenter, Chair
Rep. Gail Shibley, Vice-Chair
Rep. Michael Fahey
Rep. Cynthia Wooten

MEMBERS EXCUSED:

STAFF PRESENT: Joseph Cortright, Executive Officer
Bobby Sullinger, Committee Assistant

WITNESSES: Judith Ramaley, President, Portland State University
Sandy Cutler, Director, Oregon Small Business Development Center
Mark Gravengaard, Vice-President, J. Gravengaard Corporation
Don King, Mt. Hood Community College
Wayne Embree, Deputy Director, Oregon Research Technology
Nanette Newell, PH. D., Executive Director, Oregon Biotechnology
Association
Jim Craven, Oregon Council of the American Electronics
Kathleen Dotten, President, Oregon Metals Initiative, Inc.
Dr. William Wood, Oregon Graduate Institute
John Laughlin, Southern Oregon State College
Jim Reinmuth, Oregon Joint Professional Schools of Business
Buddy Ungson, Oregon Joint Professional Schools of Business
John Owen, Oregon Joint Graduate Schools of Engineering
Joan Malling, School of Business Administration, Portland State
Commission
Mark Clemens, Director of Economic Development, Portland
Linda Marshall, Alumni Board of Directors, Portland State
Peggy Young, Eastern Oregon State College

MEASURES HEARD: Informational Meeting
Higher Education and Economic Development

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 18, SIDE A

001 CHAIR CARPENTER: Brings the committee to order at 3:09 p.m.
Informational Meeting -- Higher Education and Economic Development --
Public Hearing
014 CHAIR CARPENTER: Opens INFORMATIONAL MEETING on Higher Education and
Economic Development.
026 JUDITH RAMALEY: Presents written testimony [EXHIBIT A].
063 RAMALEY: Continues to present testimony [EXHIBIT A] (Undergraduate
Education).
111 RAMALEY: Continues to present testimony [EXHIBIT A] (Lifelong Learning).
133 RAMALEY: Continues to present testimony [EXHIBIT A] (Research).
183 RAMALEY: Continues to present testimony [EXHIBIT A] (Small Business
Development and Assistance).
216 RAMALEY: Continues to present testimony [EXHIBIT A] (International
Trade).
268 RAMALEY: Continues to present testimony [EXHIBIT A] (University/Community
Partnerships to Make Our Towns and Cities Vital Places to Live and Work).
325 RAMALEY: Continues to present testimony [EXHIBIT A] (Recommendations for
Legislative Action).
399 RAMALEY: Continues to present testimony [EXHIBIT A] (Create a Higher
Education/Business Partnership Fund).
435 RAMALEY: Continues to present testimony [EXHIBIT A] (Investing in Higher
Education as Economic Development).

TAPE 18, SIDE B

019 RAMALEY: Continues to present testimony [EXHIBIT A] (Closing Summary).
026 REP. SHIBLEY: Could you comment on PSU's methods to ensure opportunities
and services for businesses and individuals are not duplicated?

034 RAMALEY: Responds to committee discussion.

067 REP. FAHEY: Comments on PSU's proposed expansion/building projects.

071 REP. WOOTEN: How many educators would you potentially lose if the legislature does not increase funding for faculty salaries?

078 RAMALEY: Responds to committee discussion.

115 REP. WOOTEN: Has PSU assessed what the proposed funding cuts by the legislature will do to your access to students and the tuition base?

118 RAMALEY: Responds to committee discussion.

135 REP. WOOTEN: Is PSU contemplating a resource fee?

137 RAMALEY: Responds to committee discussion.

146 REP. WOOTEN: Overviews Workforce Training and Education Fund bill.

158 RAMALEY: Overviews a letter from Michael D. Schrunk, District Attorney for Multnomah County [EXHIBIT B].

171 SANDY CUTLER: Presents testimony overviews Oregon Small Business Development Centers Network. Presents J. Gravengaard Corporation brochure [EXHIBIT C], Oregon Small Business Development Center Network - 1995 Legislative Briefing Packet [EXHIBIT D], and Oregon Business magazine - February 1995 [EXHIBIT E].

201 CUTLER: Continues to present testimony (Rural Small Business).

247 CUTLER: Continues to present testimony (Small Business Research Program).

274 MARK GRAVENGAARD: Presents testimony overviews the history of the J Gravengaard Corporation and the role OSB DCN played in the corporations expansion.

336 GRAVENGAARD: Continues to present testimony (OSB DCN and the J. Gravengaard Corporation).

406 GRAVENGAARD: Continues to present testimony (Business Management Seminars Sponsored by the OSB DCN).

439 GRAVENGAARD: Continues to present testimony (Taxes Paid by Small Businesses).

TAPE 19, SIDE A

002 CHAIR CARPENTER: Have you used other state programs designed to assist small businesses?

003 GRAVENGAARD: Responds to committee discussion.

005 REP. WOOTEN: If you are in contact with OSB DCN why are you unaware of other programs available to you?

006 GRAVENGAARD: Responds to committee discussion.

019 REP. SHIBLEY: Does your company own real property?

025 GRAVENGAARD: Responds to committee discussion.

044 CUTLER: Continues to respond to committee discussion.

071 REP. WOOTEN: What could the OSB DCN do better without additional funding or staff?

086 CUTLER: Responds to committee discussion.

103 CHAIR CARPENTER: What is the SB DCN's mission?

105 CUTLER: Overviews the mission of OSB DCN.

166 WAYNE EMBREE: Presents testimony overviews Oregon Research and Technology Development Fund and efforts associated with research institutions in Oregon.

224 EMBREE: Continues to present testimony (Comparing all of Oregon's research volume with the University of British Columbia).

251 REP. SHIBLEY: Is there a longitudinal study showing how long companies stay in business or grow?

253 EMBREE: Responds to committee discussion.

303 REP. SHIBLEY: Comments on statistics presented relating to business failure rates.

320 REP. WOOTEN: How much seed capitol did you provide during the last biennium?

332 EMBREE: Responds to committee discussion.

392 REP. WOOTEN: How do you evaluate risk of investment?

401 EMBREE: Responds to committee discussion.

403 REP. WOOTEN: How can we make new research developments more available?

431 EMBREE: Responds to committee discussion.

TAPE 19, SIDE B

010 NANETTE NEWELL: Presents written testimony [EXHIBIT F]. Overviews Oregon Biotechnology Association - Oregon Biotechnology Foundation [EXHIBIT G], 1994 Survey of Oregon Biotechnology Companies [EXHIBIT H], Biotechnology in Oregon - Realizing the Potential [EXHIBIT I].

053 NEWELL: Continues to present testimony (Importance of University Research in Oregon).

090 NEWELL: Continues to present testimony (Funding University Research).

127 REP. SHIBLEY: Do you feel there is a need for development of manufacturing as it relates to the Biotechnology Industry in Oregon?

142 NEWELL: Responds to committee discussion.

152 JIM CRAVEN: Presents testimony overviewing the Electronics and Software Industries in Oregon and how they relate to higher education.

178 CRAVEN: Continues to presents testimony (Electronics and Higher Education).

225 CRAVEN: Continues to presents testimony (Virtual Universities).

249 CRAVEN: Continues to presents testimony (Communication Between Business and Higher Education).

299 CRAVEN: Continues to presents testimony (Concerns Relating to Higher Education and Economic Development in Oregon).

310 REP. SHIBLEY: Do your members support using the "Corporate Kicker" for funding education?

318 CRAVEN: Responds to committee discussion.

351 REP. FAHEY: Does your organization set-aside funds for apprenticeship programs or other educational programs?

353 CRAVEN: Responds to committee discussion.

370 KATHLEEN DOTTEN: Presents written testimony [EXHIBIT J].

431 DOTTEN: Continues to present [EXHIBIT J] (How is OMI Funded).

TAPE 20, SIDE A

001 DOTTEN: Continues to present [EXHIBIT J] (How is OMI Funded).

042 WILLIAM WOOD: Continues to present [EXHIBIT J] (How does OMI Operate).

094 DOTTEN: Continues to present [EXHIBIT J] (How does the Oregon Metals Initiative, Inc. Benefit the Metals Industry).

133 DOTTEN: Continues to present [EXHIBIT J] (Organization Chart of OMIC Activities).

149 JOHN LAUGHLIN: Presents testimony overviewing partnerships between higher education and the hotel restaurant management and hospitality industries.

192 LAUGHLIN: Presents Hotel Restaurant & Resort - Management Program [EXHIBIT K].

235 CHAIR CARPENTER: Do you think the state should fund development of the food industry as opposed to other higher wage jobs?

245 LAUGHLIN: Responds to committee discussion.

260 JIM REINMUTH: Overviews Oregon Joint Professional Schools of Business [EXHIBIT L].

347 BUDDY UNGSON: Presents Oregon Joint Professional Schools of Business [EXHIBIT M], Change - Innovate - Achieve [EXHIBIT N], Oregon Joint Professional Schools of Business Quarterly - Vol. 1 No. 2 [EXHIBIT O], Oregon Joint Professional Schools of Business Quarterly - Vol. 1 No. 1 [EXHIBIT P], Imagine - The Perfect Advanced Business Education Scenario [EXHIBIT Q], Managing and Negotiating Internationally [EXHIBIT R], Managing

Change Through Corporate Reengineering [EXHIBIT S], Entrepreneurship & New Venture Creation [EXHIBIT T], Global Marketing & Strategy [EXHIBIT U], Towards World Class Competition: Strategic Management and Change in a Global Context [EXHIBIT V], 21st Century Vigorous Manufacturing Enterprises: Europe, Japan, & The United States [EXHIBIT W].

360 UNGSON: Continues to presents testimony (MIM Program).

415 UNGSON: Continues to presents testimony (Ability to Adapt to International Markets and Competition).

445 REP. WOOTEN: How many students do you have in your program?

447 UNGSON: Responds to committee discussion.

TAPE 20, SIDE B

002 REINMUTH: Continues to responds to committee discussion.

012 JOHN OWEN: Overviews Oregon Joint Graduate Schools of Engineering [EXHIBIT X], Manufacturing Engineering [EXHIBIT Y], NERO - An Overview [EXHIBIT Z].

068 OWEN: Continues to present [EXHIBIT Z].

091 CHAIR CARPENTER: Could you expand on your relationship with Oregon Economic Development Department?

092 OWEN: Responds to committee discussion.

131 JOAN MALLING: Presents testimony relating to higher education and the Food Industry. Overviews Portland State University - Food Industry Management Program [EXHIBIT AA], Today's Managers - Tomorrow's Leaders [EXHIBIT BB].

186 MALLING: Continues to present testimony (Funding effort).

202 MARK CLEMENS: Presents testimony relating to the importance of higher education in recruiting new firms to the state of Oregon.

239 REP. WOOTEN: How do you view the relationship between Oregon Economic Development Department and Portland Development Commission?

243 CLEMENS: Responds to committee discussion.

291 REP. WOOTEN: How is the Portland Development Commission funded?

293 CLEMENS: Responds to committee discussion.

361 LINDA MARSHALL: Invites committee members to a reception after the hearing.

378 PEGGY YOUNG: Overviews The Rural Oregon Telecommunications Consortium [EXHIBIT CC].

385 CHAIR CARPENTER: Closed INFORMATIONAL MEETING on Higher Education and Economic Development.

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

Submitted by

Bobby Sullinger
EXHIBIT LOG

EXHIBIT A - Written testimony, Presented by Judith Ramaley, 11 pages.

EXHIBIT B - Michael D. Schrunk letter, Presented by Judith Ramaley, 1 page.

EXHIBIT C - J. Gravengaard Corporation brochure, Presented by Sandy Cutler, 2 pages.

EXHIBIT D - Oregon Small Business Development Center Network - 1995 Legislative Briefing Packet, Presented by Sandy Cutler, 16 pages.

EXHIBIT E - Oregon Business magazine - February 1995, Presented by Sandy Cutler, 96 pages.

EXHIBIT F - Written testimony, Presented by Nanette Newell, 3 pages.

EXHIBIT G - Oregon Biotechnology Association - Oregon Biotechnology Foundation, Presented by Nanette Newell, 2 pages.

EXHIBIT H - 1994 Survey of Oregon Biotechnology Companies, Presented by Nanette Newell, 30 pages.

EXHIBIT I - Biotechnology in Oregon - Realizing the Potential, Presented by Nanette Newell, 6 pages.

EXHIBIT J - Written testimony, Presented by Kathleen Dotten, 25 pages.

EXHIBIT K - Hotel Restaurant & Resort - Management Program, Presented by John Laughlin, 4 pages.

EXHIBIT L - Oregon Joint Professional Schools of Business, Presented by Jim Reinmuth, 2 pages.

EXHIBIT M - Oregon Joint Professional Schools of Business folder, Presented by Buddy Ungson, 4 pages.

EXHIBIT N - Change - Innovate- Achieve, Presented by Buddy Ungson, 12 pages.

EXHIBIT O - Oregon Joint Professional Schools of Business Quarterly - Vol. 1 No. 2, Presented by Buddy Ungson, 4 pages.

EXHIBIT P - Oregon Joint Professional Schools of Business Quarterly - Vol. 1 No. 1, Presented by Buddy Ungson, 6 pages.

EXHIBIT Q - Imagine - The Perfect Advanced Business Education Scenario, Presented by Buddy Ungson, 8 pages.

EXHIBIT R - Managing and Negotiating Internationally, Presented by Buddy Ungson, 4 pages.

EXHIBIT S - Managing Change Through Corporate Reengineering, Presented by Buddy Ungson, 4 pages.

EXHIBIT T - Entrepreneurship & New Venture Creation, Presented by Buddy Ungson, 4 pages.

EXHIBIT U - Global Marketing & Strategy, Presented by Buddy Ungson, 2 pages.

EXHIBIT V - Towards World Class Competition: Strategic Management and Change in a Global Context, Presented by Buddy Ungson, 4 pages.

EXHIBIT W - 21st Century Vigorous Manufacturing Enterprises: Europe, Japan, & The United States, Presented by Buddy Ungson, 4 pages.

EXHIBIT X - Oregon Joint Graduate Schools of Engineering, Presented by John Owen, 5 pages.

EXHIBIT Y - Manufacturing Engineering, Presented by John Owen, 6 pages.

EXHIBIT Z - Nero - An Overview, Presented by John Owen, 2 pages.

EXHIBIT AA - Portland State University - Food Industry Management Program, Presented by Joan Malling, 2 pages.

EXHIBIT BB - Today's Managers - Tomorrow's Leaders, Presented by Joan Malling, 8 pages.

EXHIBIT CC - The Rural Oregon Telecommunications Consortium, Presented by Peggy Young, 76 pages.