

Oregon Business Plan Summit (Jan 9, 2006)

Bill Thorndike Remarks.

Three years ago, we gathered here in the depths of a recession and agreed it was time to *Step Up* – to pursue a vision for Oregon’s economic future “defined by thriving businesses that lead their industries in ideas, innovation and design, market reach, and staying power.”

To support that vision, we agreed on a strategy that has become known as the Four Ps for Prosperity

Pioneering Innovation – a culture of research, innovation, and entrepreneurship

People – well-educated, capable people and education systems that sustain their skills

Place – quality of life, good public services, attractive communities and an environment that attracts and retains talented people

And, Productivity – good physical infrastructure and resources, and reasonable business costs.

And we adopted 12 initiatives with specific actions that support this vision and strategy, and assigned teams of business and public leaders to work on them.

All of this became known as the Oregon Business Plan.

Three years later, there is good news to report. Oregon’s economy is growing once again. Over the past year, job growth in Oregon reached over 3%. Employment in every one of our key traded sector industries – electronics, forest products, metals, transportation equipment, and food processing – has increased.

Good economic news translates into good news for public services, which took a beating in the recession. Because of our highly volatile tax structure, government leaders had to make tough and painful fiscal choices. Now the outlook is much brighter. If the economic progress continues, our public officials will soon have the opportunity to invest in education and other vital services.

Finally, and perhaps most importantly, Oregon has achieved a remarkable degree of progress on the specific initiatives presented in the Oregon Business Plan. I can’t possibly review all the accomplishments here. Let me just run through one initiative, transportation, and touch on the highlights of the others.

Three years ago, we had no air service to Asia or Europe. That was a big problem for our globally-connected companies. The Port of Portland joined forces with business leaders and elected officials to successfully recruit Lufthanza and Northwest Air. Today, we have direct access to Germany and Japan.

Three years ago, our bridges were in disrepair. Today, thanks to bold leadership by Bruce Starr, Alan Brown, Rick Metsger and others we have a \$2.5 billion package to repair critical freight corridors.

Three years ago, we had a backlog of highway needs. Thanks to the focused efforts of our Congressional delegation, we now have federal dollars targeting many of these critical infrastructure projects.

Three years ago, we identified freight mobility as a critical priority. Today we are deepening the Columbia River Channel for transpacific traffic, and the Legislature has provided \$100 million for freight related projects.

These are just the highlights of just one initiative.

Let me tick off a few accomplishments from the other initiatives.

PERS reform has saved Oregon taxpayers billions of dollars.

Creation of ONAMI, the Oregon Nanoscience and Microtechnology Institute, with significant state, federal and private sector support.

The creation of new venture and seed capital funds

Funding to double the number of engineering graduates in Oregon.

Passage of the first major federal forest health bill in years.

37 shovel ready industrial sites, and a new Commission to give a thorough review Oregon's land use system.

Streamlining regulation that has cut paperwork and increased the efficiency of Oregon's companies

A bold new initiative to attack costs and improve quality in health care

Launching Brand Oregon, a powerful marketing tool for selling Oregon products and recruiting new companies to the state.

Finally two items that will be highlighted in today's program stand out. First, is the creation on the Oregon Clusters Network, which you will hear about shortly. Second is the enormous amount of work that has occurred on the education initiative.

This education policy work is critically important, and you will hear a lot about it today.

Regarding education many of my business colleagues ask me how their companies can directly help. Well, of course there are many fine statewide organizations that support schools like Smart, E3, OMSI, the Saturday Academy, the Business Education Compact and more. Financial support for these and local school foundations is always appreciated.

It is also very important to involve employees directly. Today, the Chalkboard Project, E3 and the Oregon Business Plan announce the a new challenge to employers to get employees directly involved in the classroom. You will find the brochure in your packet. Our goal is to name 500 Oregon Education Champions by the end of the year. Please make sure your company is on that list!

Much is happening under the umbrella of the Oregon Business Plan. We don't pretend that the Oregon Business Plan is responsible for all of this fine work. The credit goes to the individuals, often elected officials, who made this happen. What is perhaps most exciting about the Oregon Business Plan is that it provides a structure for constructive dialogue and collaboration among the business community and public leaders. If we can build on this structure, we have a tool for doing the hard work all communities must do to achieve long-term prosperity.

If you look at the accomplishments, much of the credit goes to a group of people who don't get much of it these days, our state Legislators. I know Salem is a noisy and messy place. But when the dust settled after in the past two legislative sessions, our legislators, Republicans and Democrats,

Senators and Representatives, passed nearly all of the specific legislation and budget requests recommended in the Oregon Business Plan. In doing so, they boosted the economy and set us on a course for long-term prosperity.

Many of our Legislators are in this room right now. Please stand, so we can give you a round of thanks.

I also want to thank Governor Kulongoski. He and his staff and his agency directors pour over the recommendations in the business plan – and help us in so many ways to implement them. He has been a wonderful partner. You will have the opportunity to greet him a bit later today.

And, of course, I must thank our US Senators, Ron Wyden and Gordon Smith for leading this effort. The two of you, a Republican and Democrat, from Pendleton and from Portland, have become the role model for the Oregon Business Plan and indeed, for how we as Oregonians can work together for common purpose.

We are also very gratified to see the emergence of Regional Business Plans, modeled after and connected with the Oregon Business Plan. In particular, this morning, Judy Pepler and the business steering committee released The Regional Business Plan for the six county Portland region. This plan will not only set an agenda for local partnerships, we have incorporated some of the specific policy recommendations into the state-wide plan.

I can foresee the day when every region of the state has its own business plan, which in turn nest into the statewide plan.

After three years the State of the Oregon Business Plan is good.

When we created the business plan, we imagined that it could become a permanent structure for dialogue and collaboration, a way to keep us all focused on the issues that matter for the future of Oregon.

One way to insure permanence is to create orderly transitions in leadership. The Oregon Business Plan steering committee, consisting of a diverse group of business leaders, including the leaders from many of the statewide business associations, elects a new Chair every two years. My time has run out

I am very please to introduce to you our new Chair, Allen Alley. Allen is the CEO of Pixelworks, a leading high technology firm. When Allen is not traveling the globe on business, he devotes enormous energy to make Oregon a better place for all of us. Allen loves Oregon, and has demonstrated his commitment to state. Allan has visited Baker City, Burns and Medford, spending time with local leaders learning about issues in other parts of the state. I know he will bring a statewide perspective to his new task.

Allen has already demonstrated great leadership in the Oregon Business Plan, leading the Innovation work through his service as Chair of the Oregon Council for Knowledge and the Economy. He will now bring his energy to the business plan. I could not be happier that he has agreed to lead this effort.

Please welcome Allen Alley.

(9:27-9:30 Allen Alley... Acknowledgements and Porter Introduction)