



CSG-WEST Fiscal Affairs Committee Forum

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PANELIST SNAPSHOT: Oregon's Industry Focus - Strategies to grow specific growth industries

"Serving Western Legislatures"

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Oregon has transformed from a state very much reliant on natural resources from its timber heydays (though timber and wood products are certainly still a significant part of the economy) to a more diverse advanced manufacturing and clean-tech economy. Oregon focuses economic development programs on growing traded-sector industries and the following is just one example of how we targeted solar energy manufacturing by leveraging existing assets to take advantage of the growth industry.

Early on, we saw the opportunity for solar energy growth, and the great fit of solar manufacturing needs with our existing semiconductor industry, and the competitive advantages we already had in place, including:

- **Highly skilled silicon workforce:** Home to Intel's largest manufacturing facility and many other semiconductor firms, Oregon has over 60,000 tech workers.
- **Stable, affordable electricity supply:** Stable electrical supply infrastructure and low industrial rates.
- **Low business costs:** Competitive industrial power rates, low business taxes, tax abatement and incentives.
- **Access to Market:** Convenient gateway between Pacific Rim and U.S.

So, we developed a recruitment plan to attract manufacturers and suppliers at multiple points on the supply chain, building out a complete industry cluster that could help itself grow. Solar manufacturers from around the world have now discovered Oregon. SolarWorld, SoloPower and Sanyo have all recently come to Oregon, making Oregon the largest U.S. manufacturer of solar wafers, cells and modules, led by the largest solar cell manufacturer in the U.S., SolarWorld. Altogether, Oregon's solar projects represent an estimated capital investment of \$1.5 billion and close to 2,000 jobs.

What's Next?

This is just one example of how we've helped build up a specific industry cluster. Oregon targets five key industries to maximize economic growth: advanced manufacturing, clean technology, high technology, sports apparel & outdoor gear, and wood & forest products. The solar energy is actually in a global shakeout stage right now as global prices for solar components fluctuate. We've been both lucky and smart in that all of Oregon's solar manufacturers are still in operation. We want to now leverage what we've built with solar, for more opportunities in complementary areas like LED and thin film.

For further information about Business Oregon, visit www.oregon4biz.com.