

The city will be aided in this effort by the work of the Pacific Northwest Defense Coalition (PNDC) in cataloging the capabilities of existing manufacturing firms.²⁶ The reach of this program will be expanded to all primary industry segments in the Northwest, and will allow local manufacturers to market their capabilities to one another and officials in the region to quickly identify supply chain possibilities for Northwest manufacturers.

1.1 Cluster Strategy - Advanced Manufacturing	Responsible Parties
Action 1.1.12: Improve the industrial efficiency of the manufacturing sector through the provision of lean manufacturing services, zero waste and other form of process improvement.	PDC, OMEP, ZWA, Mfg 21, private firms

The city will expand its relationships with the Oregon Manufacturing Extension Partnership and Zero Waste Alliance to cover 50% of the cost for consulting services to help promulgate lean manufacturing techniques to reach 50 firms per year for each service. In addition, PDC will continue to collaborate and provide financial support to the Manufacturing 21 Coalition, a center of excellence and networking organization for the advanced manufacturing industry. Manufacturing 21 is a vehicle promoting a range of process improvements, including lean manufacturing, sustainable business practices, and state-of-the-art technologies derived from local research.

In addition to the above services, the city will explore providing other forms of industrial efficiency consulting, including energy management services to improve the cost effectiveness of existing industrial facilities.

Objective 1.2: Implement a multi-faceted international strategy to expand export of local products and expertise and attract foreign investment.

As the 14th largest exporting region in the US, trade plays a critical role in the growth of Portland’s economy. Trade-related employment accounts for a third of total employment in the region, and over 44,000 jobs are attributable to foreign direct investment (FDI) in Oregon.²⁷ Traded sector industries, which account for 43% of all gross exports in the region, have a heightened impact on the regional economy; jobs in these industries average approximately \$50,000 per year, compared to the average wages in the region of \$44,000.²⁸

Nationally, trade is projected to grow faster than the economy as a whole. The combined value of US imports and exports increased from 28% of real GDP in 2001 to 33% of in 2008. Trade’s share of real GDP is projected to grow to 58% in 2030. Oregon is following this trend, with export shipments increasing from \$10.3 billion in 2003 to \$19.3 billion in 2008.²⁹ Most of those exports must travel through the Portland region for access to market on one of four modal systems: road, rail, air and water.

The city will implement an international trade and investment strategy that incorporates an intensive schedule of international visits with coordinated promotion of both the region and firms located here. A

²⁶ PNDC worked in partnership with the Connector, a Defense Logistics Agency funded program that tracks domestic manufacturing capabilities.

²⁷ Organization for International Investment, <http://www.ofii.org/or.htm>

²⁸ U.S. Dept of Commerce, Bureau of Economic Analysis, <http://www.bea.gov/>

²⁹ U.S. Dept of Commerce, Bureau of Economic Analysis, <http://www.bea.gov/>

primary focus of the city’s international strategy will be leveraging the region’s legacy trade assets to expand export and foreign direct investment opportunities for local businesses with expertise in sustainability as well as those seeking opportunities to supply the growing demand for clean technology products, components and services.

1.2 International Strategy	Responsible Parties
Action 1.2.1: Coordinate promotion of Portland’s sustainable economy through an expansion of the city’s aggressive international trade show plan, targeted marketing campaigns, and strategic business development trips.	PDC, Team Oregon, GGP, OECD, Port of Portland, ODA, U.S. Dept of Commerce, Int’l Marketing Partners

Targeted trade shows are a major source of investment leads both domestically and globally. By partnering with other municipalities in Oregon, as well as OECD and Greenlight Greater Portland, the city can leverage limited trade show dollars and maximize its annual participation in trade shows for the targeted industries.

Strategic business development trips will focus on Oregon’s significant base of foreign investors, which accounts for 44,000 jobs, or 3% of Oregon’s private-sector workforce. Over 25%, or 11,600, of these jobs are in manufacturing industries.³⁰ Existing foreign investors, which include companies such as SolarWorld, AREVA, Inc., and Saint Gobain, are a primary target for expansion opportunities in the Portland region. Business development trips would target markets with a history of investing in Oregon, including Canada, Germany, United Kingdom, Spain, France, Japan, China and Korea.

Maintenance of Portland’s direct air service to Asia and Europe, through the leadership of the PDX International Air Service Committee, is critical to maintaining the city’s attractiveness to foreign investors.

1.2 International Strategy	Responsible Parties
Action 1.2.2: Create an annual International Road Show of Oregon foreign representatives, and initiate the Mayor’s Export and International Investment awards program.	PDC, OECD, GGP, Port of Portland, ODA, U.S. Dept of Commerce

The international road show will match Portland’s export-ready small businesses with the foreign representatives capable of helping them find partners in these major international markets to assist in increasing export sales. The initial program will target representatives in Japan, Canada, Mexico, & Saudi Arabia, and will add representatives from China and Europe by the end of 2009. The success of this event will be measured by actual export sales and actual jobs created.

The Mayor’s awards program will recognize existing exporters who will share their success stories globally during public events during the International Road Show. New potential exporters will be recognized and will be given fast track access to the Oregon foreign trade representative services. International investors will also be recognized for leadership in community development and job creation.

³⁰ Organization for International Investment (www.ofii.org/or.htm)

1.2 International Strategy	Responsible Parties
Action 1.2.3: Develop and implement a site selection consultant strategy.	PDC, GGP, OECCD, Port of Portland, ODA, U.S. Dept of Commerce

The Mayor, in cooperation with Greenlight Greater Portland, will host events in major U.S. cities for consultants who manage the bulk of investment projects in the U.S. and abroad. San Francisco, New York, Chicago, & Atlanta are key target cities.

Objective 1.3: Support the efforts of higher education institutions to serve as the innovation engine of our sustainable economy.

Portland’s status as a center of innovation in sustainability depends on the frequent introduction of new technologies and a continued infusion of entrepreneurial, management and engineering talent into the workforce. Entrepreneurial regional economies such as Silicon Valley and the Research Triangle depend on local universities to drive innovation. The region’s higher education institutions, including state universities, private colleges and community colleges, will play the lead role in fueling innovation in the target industries. To do so, the research and development work of these institutions must be enhanced by creating an entrepreneurial culture within higher education that rewards professors and researchers for work with commercial applications. More explicit connections between higher education and firms in the target industries are needed, whereby universities help solve technological challenges faced by cluster firms, and firms help commercialize the innovation that occurs within school walls. This type of symbiotic relationship benefits both sides financially and through the notoriety that accrues to regions known for innovation.

1.3 Higher Education	Responsible Parties
Action 1.3.1: Create an inventory of statewide higher education resources to support the sustainable economy.	PDC, GGP, OUS Schools, OHSU, private colleges, community colleges

The city is hampered by the lack of an inventory of the assets of its higher education institutions. With the help of higher education, the city will map the capabilities and ongoing initiatives of each institution with an emphasis on 1) research and development capacity that can keep Portland’s sustainability economy on the cutting edge of innovation; 2) programs and curricula that supply the engineering and creative talent to meet the needs of the strategy’s target industries. Each of the target industries has a discrete universe of higher active education institutions, ranging from the design work of PNCA and the University of Oregon’s architecture program, to the range of sustainability curricula offered by Oregon Institute of Technology, Concordia University, University of Portland and Lewis & Clark, to training and apprenticeship programs for manufacturing careers offered by Portland Community College and Mt. Hood Community College.

Like the inventory work proposed for the activewear and software industries, an inventory of higher education resources will begin the process of more closely integrating disparate activities – in this case, regional economic development and higher education objectives - and identify the opportunities to leverage heretofore isolated activities.