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Background Brief on ...

International Trade

Oregon's Role in the Global Economy

International exports and imports are vital components of Oregon's economy. According to the U.S. Census Bureau, Oregon's total exports were \$18.3 billion in 2011 and growth of exports from 2010 to 2011 was approximately 3.6 percent. The Pacific Northwest is one of the leading export regions in the United States, with exports comprising for 15.6% of Washington State's economy and 10.5% of Oregon's economy. For the first quarter of 2012, top Oregon-export sectors are:

- Computer and electronic product manufacturing (3.8% of total state exports);
- Agricultural products (16.7%); and
- Machinery, except electrical (10.3%).

Oregon's top five trading partners in 2011 are mainland China (\$3.18 billion), Canada (\$2.72 billion), Malaysia (\$2.22 billion), Japan (\$1.65 billion), and South Korea (\$1.06 billion). Over 50 percent of Oregon's total exports are to countries in Asia.

The two largest growth manufacturing sectors were computer and electronic products and agricultural products, which each increased by 27 percent between 2007 and 2008. The Portland-Vancouver-Beaverton Metropolitan Statistical Area (MSA) is the 15th top exporter in the United States. Computer and electronic products are the top manufactured exports from the Bend, Corvallis, and Portland-Vancouver-Beaverton MSAs, while transportation equipment is the top manufactured export from the Medford MSA. Machinery manufacturing is the top export from the Eugene-Springfield MSA, and crop production is the top manufactured export from the Salem MSA.

Exports of services to international markets are increasingly finding international markets, such as

architectural and engineering, scientific research, and communications. In 2002, services related to architecture and engineering registered the largest value of the state's global service exports, accounting for over ten percent of the industries' total revenue for that year.

Another important aspect of Oregon-based international trade activities are the research, design, marketing, and global management of activewear and outdoor gear companies, such as Columbia Sportswear, Adidas, and Nike; and home to a number of growing global brands such as Keen, Dakine, Leatherman Tools, and LaCrosse/Danner.

Export-Supported Employment

470,000 jobs in Oregon are supported by all exporting and importing activities related to manufacturing and nonmanufacturing sectors of international trade, with approximately 113,000 jobs associated with exporting manufacturing goods. During 2008, majority owned affiliates of foreign companies in Oregon were responsible for approximately 44,300 jobs, or approximately three percent of Oregon workers. One quarter of these jobs was in the manufacturing sector.

According to the International Trade Administration, 4,918 Oregon-based companies exported goods in 2008, with small-to-medium size businesses (defined as less than 500 employees) making up 89 percent of the companies and generating over 32 percent of Oregon's total merchandise export value.

Role of Ports

Beyond providing recreational services to Oregonians, the 23 public port districts along the Columbia River and the Oregon coast are essential to the state's trade economy. Including jobs related to international trade, one out of six Oregon jobs are directly or indirectly tied to activities at Oregon's ports.

The Columbia Snake River System comprises the world's third largest grain export gateway, and the nation's largest wheat and barley export gateway. The System is also the largest gateway

for wood and mineral bulk, and the second largest for auto imports, on the West Coast.

The [Port of Portland](#) is the largest port in Oregon, operating four marine terminals, five industrial parks, and the Troutdale Airport, Hillsboro Airport, and Portland International Airport (**PDX**). The Port of Portland is a vital import center, especially for international companies such as Toyota, Honda, and Hyundai, which ship automobiles to the United States. The Port of Portland is one of the largest automobile import gateways on the West Coast.

Role of State Agencies

A number of state agencies provide support services to businesses who wish to establish or expand international trade relationships.

One role of the Business, Innovation & Trade Division, located within Business Oregon, is to assist Oregon companies - especially small and medium-sized firms - in finding customers abroad. The Global Strategies Section provides specialized assistance in a number of industry sectors, ranging from clean technologies to forest products. Business Oregon also contracts with trade representatives in Japan, China, South Korea, and Europe.

The marketing division of the Oregon Department of Agriculture offers [international and domestic marketing assistance](#) for food, agricultural, and fisheries products. Examples of services and activities include export market research and feasibility studies, outbound trade missions for Oregon producers and inbound trade missions for targeted buyers of Oregon products, and offshore tradeshow and product showcases.

Additionally, the Oregon Tourism Commission (**Travel Oregon**) provides a number of [industry marketing and promotional services](#) for the economic impact of Oregon's \$8.7 billion tourism industry. Examples of their activities include working with other state agencies, including Business Oregon and the Department of Agriculture, to bring non-stop air service from PDX to locations in Europe, Asia, and

Canada, and promotions in Munich for Columbia Sportswear.

Sister States

Oregon currently has a “sister state” relationship with the Fujian Province, People’s Republic of China (1984); Taiwan Provincial Government, Republic of China (1985); Honduras (1991); Toyama Prefecture, Japan (1991); Jeollanam-do Province, Republic of Korea (1996), and the Kurdistan region of Iraq (2005). The Legislature itself maintains a sister relationship with the Parliament of the German State of Lower Saxony (1991). The purpose of these relationships is to enable a wide range of activities and cooperation in areas such as business, culture, and education and also help promote economic activity and cross-cultural awareness.

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