

**Comments before the Senate Committee on Rural Communities and Economic Development**  
**Senate Bill 7 – Oregon State Fair and Exposition Center**  
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Chair Roblan and members of the Committee, I am Don G. Hillman, President and CEO of Hillman Consulting, Inc. I am pleased to offer support for Senate Bill 7 with the -2 amendment.

I have been an industry professional serving the Fair industry for more than 30 years. My tenure includes serving as CEO, Deputy CEO, CFO, and COO for county, state, and private fairs in Oregon, California, and Washington, including the Oregon State Fair & Exposition Center (OSFEC), California Exposition and State Fair, Washington County Fair Complex, and the Western Washington Fair (Puyallup).

Since I began my career in 1979 as the OSFEC Deputy Director/CFO and eventually Director/CEO from 1989-1994, I can attest to the difficulty and challenge leading an organization that must survive in an ever-changing competitive, entrepreneurial environment compelled to comply with strict State contracting and purchasing rules and regulations.

In 1993, we developed a legislative concept similar to Senate Bill 7. It almost passed, but the OSFEC still appeared to be on a sustainable path, free and paid big-name entertainment at the LB Day Amphitheater was drawing sellout crowds, live horse racing was exciting and viable, and attending the annual Oregon State Fair was an annual family tradition for those living from Portland to Eugene.

Times have changed. A generation later, life is more complex and fewer families have ties to family farms. Competition for family entertainment dollars is more intense. The horse race track no longer exists. Outdoor entertainment venues like Portland's Waterfront Park, Salem's Waterfront Park, Oregon Gardens, and the Zoo Concerts Series now provide similar family-style entertainment options closer to home; the Portland Expo Center, the Oregon Convention Center and the Salem Convention Center provide superior exhibition/meeting facilities; and Oregon Casinos now dot the landscape. All together, twenty years later, the OSFEC must survive and thrive in a much different economic and social environment.

The time is now right to embrace the concepts embodied in Senate Bill 7.

To survive and thrive long-term, the OSFEC must change its organizational structure and embrace contract/purchasing rules that strengthen its ability to compete in an ever-changing business environment.

Since the OSFEC manages two separate business models (annual State Fair and off-season rental facilities), both may deserve separate consideration.

The new organizational structure and change in contracting/purchasing rules should serve the annual State Fair very well. A well-balanced, engaged governing board coupled with a professional, seasoned, experienced industry management team will produce positive change in the short-term.

It is less clear that the OSFEC off-season rental facility business can see the same short-term success. Given the state of the OSFEC facilities and expanded competition for event space, it may be appropriate for the Parks Department to commit to a longer involvement and financial partnership to the OSFEC. How long is not clear, but the negotiating process found in the legislation should be addressed for this possible issue.

Thank you for the opportunity to testify today. I'm happy to answer any questions that you may have.