



April 14, 2015

Re: HB 3531 and HB 2722

Chair Clem and Members of the House Committee on Rural Communities, Land Use and Water,

In 2014 the Oregon Business Association, the Oregon Business Council and the Northwest Food Processors Association convened a group of food industry executives (the Oregon Food Beverage Leadership Council), Co-Chaired by Patrick Criteser of Tillamook Creamery Association and Sam Tannahill of A to Z and Rex Hill Winery, to examine opportunities to maintain and accelerate growth in Oregon's food processing industry. The focus of the group was on growing value-added, traded sector food processing, building off of a remarkable run from 2003-2013 where the industry grew despite the global recession.

One of the key initiatives that emerged from these conversations was to increase sales of Oregon food products to a rapidly growing middle class in Asia, and in particular, to accomplish this by leveraging Oregon's brand for high quality, clean and environmentally friendly food and beverage products. This opportunity was also affirmed by the twelve regional economic forums conducted by the Oregon Business Plan, Business Oregon and Regional Solutions in the summer of 2014.

It is no secret that Oregon enjoys brand advantages based on the quality of Oregon food products. For example, Oregon wines enjoy a significant price premium in the marketplace compared even to California and Washington wines, and the market for Oregon wines is rapidly expanding across the U.S. and Asia. Oregon's microbrews are displacing lower priced domestic beers across the U.S. and in foreign countries. However even with these products Oregon's footprint in Asia is tiny compared to what it could be. And the opportunity to extend this success to Oregon's other food and beverage products is significant.

HB 3531 and HB 2722 provide vehicles to pursue this important opportunity and are part of a larger agenda before the 2015 legislature that supports the growth of Oregon's rural and natural-resource based industries. The Oregon Business Association and the Oregon Business Council support these bills. Thank you.

Sincerely,

Joel Fischer, Senior Policy Analyst
Oregon Business Association

Jeremy Rogers, Vice President
Oregon Business Council