



Together on the Water

March 25, 2019

House Committee on Economic Development
900 Court Street NBE, Room 333
Salem, OR 97301

RE: Support for HB 3251 Outdoor Industry Competitiveness Fund

Chair Lively, Vice-Chairs Bonham and Fahey:

My name is Meg Chun and my husband and I are the founders of KIALOA Paddles, an outdoor company that has been in Bend, Oregon since 1992. We grew our company very slowly over many years and it wasn't until well into our 15th year that we were in a financial position that would allow us to get financing to help us grow our company.

Though we recently sold KIALOA Paddles, I continue to work full-time for the new company as well as sit on three boards, the US Bank Advisory Board, the Oregon Outdoor Alliance Board, and the Terrafrma Board, a new start up in Bend, Oregon. I also do pro bono consulting with small startups.

From my experience as both a business owner and now a mentor, one thing has been clear. There is no easy way for start ups or small businesses in the Consumer Goods category to get financing. Not only is it not easy, it's virtually impossible. Investors want faster turn arounds, banks must be conservative, so these companies end up trying to make it happen by accruing high interest rate loans, or trading for equity when they don't have enough value to do so and losing control, or worse yet, stagnating and dying because they can't get the capital to grow. And without this capital, new jobs are NOT created, new business is NOT created.

Bend Oregon's outdoor community is truly amazing. A handful of committed Outdoor Industry people identified a critical issue – public monies that did exist were focusing their efforts to get “new business” to relocate to their city or state, rather than supporting already established businesses right in their back yards that needed support. So that handful of people got together and formed support programs such as Bend Outdoor Works and the Oregon Outdoor Alliance. These organizations are making a difference – all with volunteer work. And these organizations are now running into the very that our small businesses are facing – they need funding to grow.

Public monies are needed to help support these small businesses and the organizations that are working to help them. We need help supporting the backbones of our communities where small businesses are working hard to create livelihoods, jobs, and overall community growth.

Sincerely,
Meg Chun
Former CEO KIALOA Paddles

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