

Oregon's Food Sector and the Oregon Business Council Food & Beverage Task Force



Oregon's Food Sector

2,600+ companies

Present in all 36 Counties —*Second in rural presence to wood products*

121,000 Jobs - *Second most manufacturing jobs after semiconductors*

Transforms \$5.5 billion in farm commodities into \$19 billion in finished products annually



Why Oregon?

Food companies rely on:

Robust and diverse agriculture

Local affordable energy sources – *natural gas*

Quality workforce

Proximity to trading partners (U.S. and int'l)



Food & Beverage Council

Launched by Sen. Ron Wyden and Oregon Business Council

30+ leaders from diverse perspectives and backgrounds

15+ Food leader roundtables across Oregon with Sen. Wyden.

Purpose: To do for food and beverage what we did for semiconductors: Produce a vision for what could be and set strategy to accomplish that vision.



Some Key Findings

Growth in the sector has been outpaced by other regions

Entrepreneurial activity in F&B is higher than national average, but success rate in reaching scale is not

Limited workforce availability, affordable capital, co-manufacturing capacity, and technical assistance constrain growth



Public Policy Impacts

Incentives like the Machinery and Equipment property tax deferral help food businesses of all types and sizes

Public-policy-driven costs including the Corporate Activities Tax, and DEQ proposals under CPP and EPR can lead companies to limit Oregon investments

Regulatory environment challenging for large & small food companies

In a low population growth full employment economy, we should revisit whether new jobs created is the best criterion for enterprise zones and other incentives.



Investments

Fund studies to ensure good data drives efforts to bolster food sector
Workforce, Capital, Co-Manufacturing

Support technical assistance such as the OSU Center for Innovation
and Excellence in Food and Beverage Sustainability

Fund ODA's domestic and international export programs

