

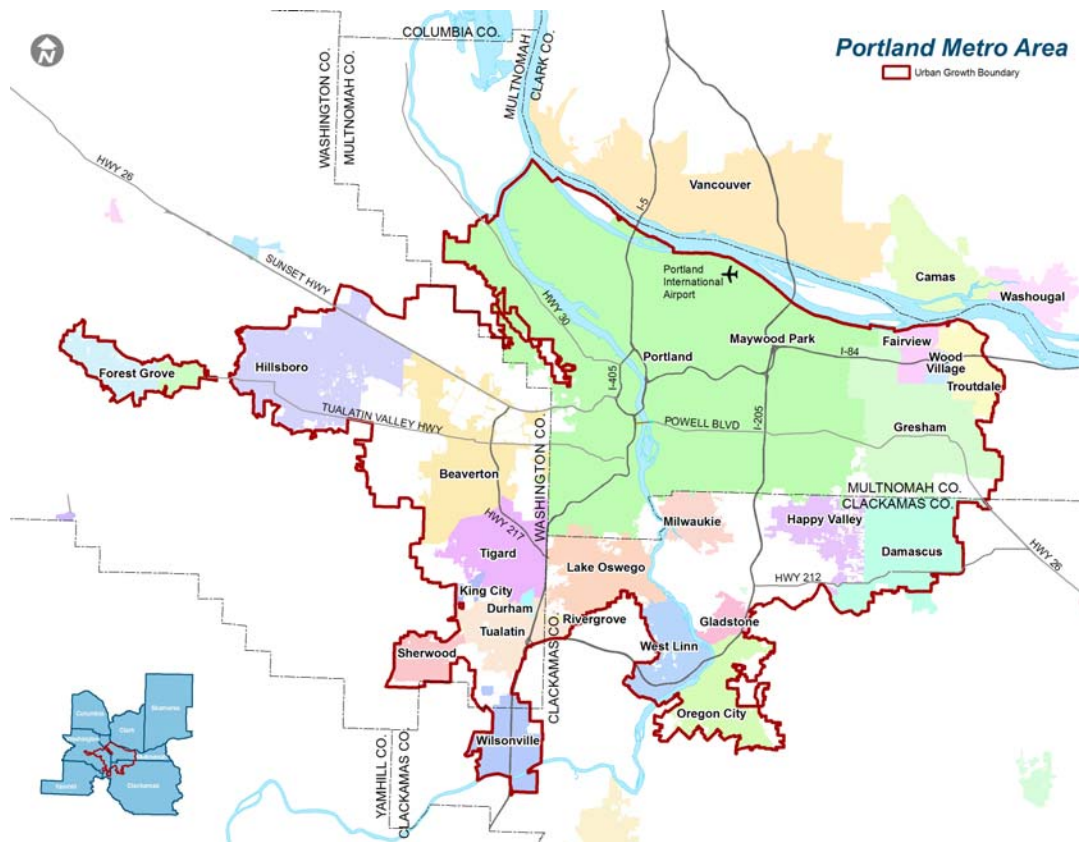
# Portland, Oregon

M E T R O P O L I T A N A R E A

J A N U A R Y 2 0 0 9

## First, a Basic Economic Overview

### Portland Region Metropolitan Area Counties (Portland/Vancouver OR-WA MSA)



### Economy — Facts and Figures

Portland’s total non-farm wage and salary employment has grown 10% between 1998 and 2008. This is an increase of 91,500 employees, bringing the total to 1,042,200 as of November 2008.

The Portland metro area’s seasonally adjusted unemployment rate rose in November to 7.5%, from 6.8 percent in October. This is the highest rate since the peak of 8.8 percent during 2001 to 2003. The most current data (November 2008 figures from the January 2009 Portland Metropolitan Area Labor Trends report), shows the Portland-Vancouver MSA civilian labor force at 1,188,200.

- Seasonally adjusted nonfarm employment declined by 1,100 jobs in November following a loss in October as well. The state of Oregon rate was 8.1 percent and the national rate was 6.7 percent.
- Manufacturing added jobs in November (+300), however manufacturing is down 2.3% over the year.
- Primary metals and food processing are the two components of manufacturing up over the past 12 months.
- Financial activities added 100 jobs in November, reversing their recent downward trend.
- Restaurants and drinking places saw growth decline sharply from annual rate of 2.3 percent this past summer to a decline of 1.3 percent in November.
- Educational and health services added 900 jobs over the month and remains the area's fastest growing broad industry (+3.0%).
- Oregon's seasonally adjusted unemployment rate rose to 8.1 percent in November from 7.2 percent (as revised) in October. The rate has risen by 2.7 percentage points over the past 12 months.
- Oregon's most recent population estimates from Portland State University shows the state added 45,620 new residents in 2008, an increase of 1.2 percent over 2007. Oregon's total population now stands at 3,791,075. The Portland metro area (Oregon portion only), gained 22,865 new residents for a growth rate of 1.3 percent.
- The U.S. Bureau of Labor Statistics current Portland consumer Price Index (CPI) is 214.62 for the 1<sup>st</sup> half of 2008. The CPI for the Portland metro increased 3.9% from the 2nd half of 2007's 210.46. The next CPI update will be late February, 2009.

## Wage and Salary Employment —November 2008

Industry	Portland-Vancouver OR-WA PMSA	Percent
Manufacturing	122,600	11.76%
Construction & Mining	64,000	6.14%
Trade, Transportation & Utilities	205,700	19.74%
Information, Financial & Real Estate	94,300	9.05%
Education, Health Services & Hospitality	233,600	22.41%
Professional, Business Services & Other Service	172,000	16.50%
Government	150,000	14.39%
<b>TOTAL</b>	<b>1,042,200</b>	<b>100%</b>

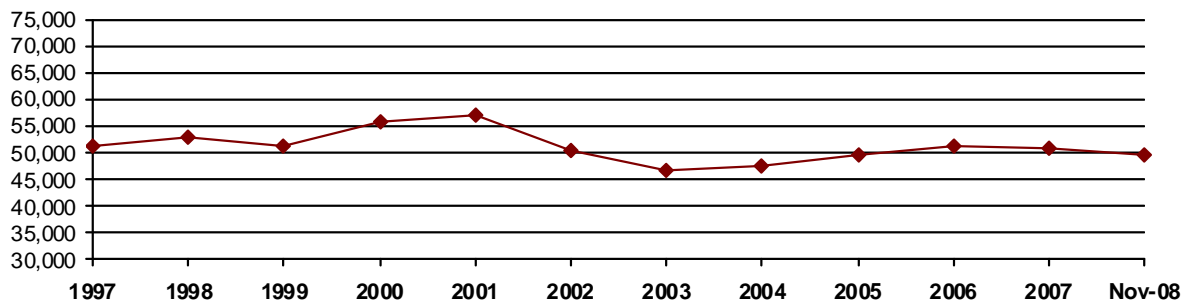
Metropolitan Area Labor Trends, State of Oregon Employment Dept November 2008 data from the January 2009 report.

## High Tech Employment

The Portland Metro region is the center of Oregon’s high-tech industry. Cyberstates 2008 reports Oregon’s High Tech industry employs 60 out of every 1,000 private sector workers with average wages of \$75,616. Innovative tech companies across a variety of sectors are locating here, joining established high-technology companies such as Tektronix, ESI, Intel, and Hewlett-Packard. These include household names like Google and Yahoo as well as small and medium sized companies that at least for now, most people probably have not heard of.

The computer and electronics industry accounts 49,500 employees of the Portland Metro’s manufacturing and non-manufacturing employment. These high technology jobs are in the following categories: computer and electronic product manufacturing; software publishers, and computer systems design and related services.

**High Tech\* Employment Portland-Vancouver MSA**



\*High tech industries include computer & electronic product manufacturing (# 334), computer software publishing (#5112) and computer system design and related services (#5415). Employment figures are annual averages from 1990 to 2007\* (\* figure is estimate); 2008 figure is for the most recent month.

## Manufacturing Employment — November 2008

Manufacturing Sector	Portland-Vancouver OR-WA PMSA	Percent
<b>DURABLES</b>		
Computer and electronic product manufacturing	35,000	28.55%
Metals (Primary and Fabricated)	20,100	16.39%
Machinery manufacturing	8,400	6.85%
Transportation equipment manufacturing	8,600	7.01%
Wood products manufacturing	4,400	3.59%
Other Durables	15,900	12.97%
<b>NONDURABLES</b>		
Food manufacturing	9,400	7.67%
Paper manufacturing	4,400	3.59%
Other Nondurables	16,400	13.38%
<b>TOTAL MANUFACTURING</b>	<b>122,600</b>	<b>100%</b>

Source: Portland Metropolitan Area Labor Trends, State of Oregon Employment Department November 2008 data from the January 2009 report.

## Manufacturing Wage

- The wages for the Metro Region’s average production occupations in 2008 range from \$11.81 to \$25.40 per hour.

Source: Employment Statistics, Oregon Employment Department 2008,

## Major Metropolitan Companies and Their Products

Firm	Industry or Product	Employment
Intel	Semiconductor chip & PC manufacturing.	15,500
Providence Health Systems	Health care	12,000
Oregon Health Sciences University (OHSU)	Health care/school/research	11,000
Fred Meyer, Inc.	Retailer	14,684
Kaiser Permanente	Health care	9,000
Legacy Health Systems	Health care	8,251
Nike, Inc.	Footwear and sports apparel	7,000
Wells Fargo Bank	Financial services	5,969
Banfield The Pet Hospital	Veterinary services	5,994
United Parcel Service	Small-package transportation	4,100
Columbia Forest Products	Forest products	4,000
The Greenbrier Cos. Inc.	Transportation	3,972
U.S. Bank	Financial institution	3,808
Southwest Washington Medical Center	Health care	3,800
Daimier Trucks North America	Produces medium and heavy-duty trucks	3,500
United Parcel Service	Small-package transportation	3,400
Bonneville Power Administration	Utility provider	2,959
Regence	Health care	2,784
Portland General Electric	Energy electric service	2,500
Farmers Insurance Co. of Oregon	Insurance	2,500
Cascade Corp.	Vehicle components	2,400
Standard Insurance Company	Insurance	2,366
Integra Telecom	Telecommunications	2,300
Tektronix, Inc.	Develops/sells/services electronic measurement,	2,113
Precision Castparts	Manufacturing	2,110
PacifiCorp	Utility provider	2,020
Hewlett-Packard Co	Designs and manufactures printers	1,800
Oregon Steel Mills	Manufacturing	1,680
FEI Co.	Semiconductor equipment	1,683
Xerox Corp.	Technology and services	1,600
Adidas America Inc.	Apparel development, manufacturing, marketing	1,500
Northwest Pipe Co.	Metal processing and fabrication	1,185
Maxim Integrated Products Inc.	Computer and electronic products	1,000
Siltronic	Manufacture of hyper-pure silicon wafers	1,000
WaferTech	Silicon wafers	1,000

Sources: Portland Business Journal 2008 & 2009 Book of Lists; PDC research

## Top Twelve Foreign-Owned Firms in the Portland Vancouver Metro Area

<b>Firm</b>	<b>Industry or Product</b>	<b>Country of Ownership</b>	<b>Employment</b>
Freightliner Corp.	Heavy & medium –duty trucks	Germany	3,500
Siltronic	Monocrystalline silicon wafers	Germany	1,000
Adidas America Inc.	Sporting goods industry	Germany	1,500
Sapa Anodizing	Aluminum Extrusions	Sweden	850
SEH America	Silicon Wafer Manufacturer	Japan	750
Ishimoto America Inc.	Facility Design, construction Mgmt.	Japan	750
Sage Software	Softwear	United Kingdom	425
Glacier Northwest	Cement, ready mix concrete	Japan	425
Gerber Legendary Blades Knives	Knives	Finland	400
Biotronik Inc.	Cardiac Rhythm Medical Devices	Germany	400
Sulzer (US) Pumps Inc.	Heavy pump manufacturer	Switzerland	320
Epson Portland	Computers, printers, circuit boards	Japan	300

Source: PDC research, & Portland Business Journal Book of Lists 2009.

## Population and Income

### MSA Population

- Portland became the nation's 23rd largest metropolitan area in 2006.
- MSA 2007 Population is 2,159,720. The MSA has grown 39% (598,169 people) since 1990.
- The region's population increased by 231,839 people between 2000 and 2007, a 12 percent increase. The population is projected to reach 2.8 million by 2025.
- Average Annual Net MSA In-Migration 1990 to 2000 is 82%

Source: US Census Bureau, 2000; Washington State Office of Financial Management, 2002; Oregon Office of Economic Analysis, 2004; Portland State University Population Research, 2008

### Income

- Portland MSA Income:

Median Household Income:	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
	57,200	65,800	67,900	49,227

Source: Washington State Office of Financial Management 2004; US Census 2007

- Per Capita Income

	<u>2004</u>	<u>2005</u>	<u>2007</u>
Multnomah County	24,119	25,854	26,742
Washington County	26,154	27,336	25,667
Clackamas County	26,849	29,771	29,714
Clark County	22,370	24,874	25,667

Source: Census Bureau 2004-2007; No data 2006; Claritas 2008

## Education

### Oregon One of National Leaders on SAT Scores!

In 2008, Oregon’s Scholastic Aptitude Test (SAT) scores continue to rank near the top. Oregon scored third in the nation on the SAT among the states that had at least 50 percent of their high school seniors. This is the third year of the revised tests.

Oregon and Washington posted higher than the national average. On the newer writing section, Oregon students scored an average 502, the same as last year. Oregon scores increased one point in reading and one point in math.

In Oregon, about 20 percent of the 18,377 who took the test were minorities, up from 2007.

Of Oregon’s high school seniors, 54 percent took the SAT, and 18 percent took the ACT. In Oregon, starting with the class of 2008, the number of (as well as the percentage) of students taking ACT is gaining. The ACT is popular for those students aiming for selective universities in the Midwest.

State of Oregon 2005 SAT Scores		State of Oregon 2006 SAT Scores		State of Oregon 2007 SAT Scores		State of Oregon 2008 SAT Scores		U.S.
Verbal	526	Reading	523	Reading	522	Reading	523	502
Math	528	Math	529	Math	526	Math	527	515
		Writing	503	Writing	502	Writing	502	494
<b>TOTALS:</b>	1054		1555		1550		1552	1511

### SAT Scores in the Portland Metropolitan Area

#### SAT Scores 2008 — Selected Portland Area School Districts

Portland School District		Hillsboro School District		Tigard-Tualatin School District		*Gresham-Barlow School District		Beaverton School District	
Reading	454	Reading	511	Reading	537	Reading	511	Reading	558
Math	460	Math	513	Math	542	Math	519	Math	559
Writing	437	Writing	485	Writing	518	Writing	484	Writing	534
<b>TOTAL</b>	1351	<b>TOTAL</b>	1509	<b>TOTAL</b>	1597	<b>TOTAL</b>	1514	<b>TOTAL</b>	1651

Source: 2008 Oregon SAT & ACT Data

## ✓ Portland Praises

### **Portland ranks 13th among top U.S. cities for number of manufacturers**

Portland ranks 13th among top U.S. cities for the number of manufacturers in city limits, and 23rd for the amount of industrial jobs, according to a survey from Manufacturers News Inc. The city is second among Pacific and Mountain states for manufacturers, and ranks above the major metro areas of Philadelphia, Milwaukee and Atlanta, according to the survey.

Portland hosts 1,335 manufacturers employing 50,556 workers, accounting for 21 percent of the state's manufacturers and related jobs. The manufacturers have an average of 37.9 employees per company, below the average of 50 among other major U.S. cities.

Portland Business Journal, 12/10/08

### **Oregon's broadband service ranks 14th in PCMag survey**

**We're No. 14!** PCMag.com says Oregon's high-speed Internet world is the 14th best in the nation. The state is behind such states as California, Nebraska and Oklahoma for its Internet service provide (ISP) speed.

In its third annual review, the magazine tested more than 200,000 home ISPs for speed and based its rankings on the real-life business and quality-of-life implications for fast or slow Internet connections...

PCMag.com found that Oregon had a 59.6 percent broadband penetration across the state. The median price for monthly broadband access in Oregon was \$40, according to the magazine.

The Portland Tribune, December 2, 2008

### **Portland International Airport named best U.S. Airport**

For the third straight year, Portland International Airport has been named the best U.S. airport in a poll of business travelers, according to Conde Nast Traveler magazine.

The poll rates U.S. and international airports, airlines and hotels. U.S. airports were rated based upon a variety of criteria, including location and access; ease of connections, customs and baggage; food, shops and amenities; comfort and design; and perceived safety and security.

PDX received the top overall score, and the magazine noted the airport's green initiatives, including the 28 solar panels installed on a canopy between the terminal and parking garage, and how the airport's restaurants collect used oil and grease for conversion into biofuel.

Portland Business Journal, September 22, 2008

## Portland Greenest in the Nation

Once again, Portland is the greenest city in the United States, according to the 2008 city rankings of sustainlane.com, an online community dedicated to healthy, sustainable living.

Portland retained its title as SustainLane's No. 1 city to beat this year — not surprising given that it got a 30-year jump on the rest of the country. That's right: city-planners in Portland have been thinking green since the '70s, when the rest of the country was still embracing the strip mall," the Web site reported Monday in announcing the list of America's 50 biggest cities that are thinking green. The SustainLane U.S. city rankings factor in each city's ability to maintain healthy air, drinking water, parks and public transit systems, as well as a robust, sustainable local economy with green building, farmers markets, renewable energy and alternative fuels.

SustainLane's September 22, 2008

## Portland's Green Cluster Continues to Promote Sustainability

Portland continues to promote sustainability with incentives, new energy-efficiency goals, and continued institutional support. The city's environmental efforts are supported by several state incentives, perhaps the most prominent being the Oregon Business Energy Tax Credit (BETC). The BETC provides tax credits, to be taken against state income taxes or other taxes, for investments in energy efficiency and conservation, and use of renewable energy sources and less-polluting transportation in industrial, commercial, and homebuilding projects.

Urban Land, July 2008

## Portland is the Nation's 10th-Best City for Walkability

Portland is the nation's 10th-best city for walkability, according to a study conducted by **Front Seat**, a software company that ranks cities for their walker-friendliness. Portland's top walking neighborhood is the Pearl District. San Francisco is the top city for walkability. The companies web site ranked more than 2,500 U.S. neighborhoods on a scale of 0 to 100, based on their walkability.

Portland Business Journal, July 17, 2008

## Portland Among America's Best for Design

Portland is among the top five best cities for architecture and design, according to an independent study conducted by one of the world's leading architectural practices. Looking at 10 criteria including architecture awards, "green" design and public transit systems, New York-based RMJM Hillier, selected 10 cities leading the way in design policy and practice. Then the firm commissioned public opinion and research firm **Zogby International** to interview more than 1,000 residents of those cities on architecture and design issues and incorporated those results into the research to determine the final rankings. Portland ranked No. 5.

Portland Business Journal, June 26, 2008

## **Portland one of Top 25 Livable Cities**

Portland has been selected by *Monocle* magazine as one of the top 25 most livable cities in the world. Urban dwellers want a mix of shops and services within walking distance, a good transport interchange within close proximity, green space as part of their residence, a good park with a body of water nearby, independent businesses as a key feature of the community, a sense of security, excellent coffee frequently came up as well as neighborhoods that had the ideal mix of restaurants, cafés and street life. .

The Financial Times Ltd, June 13, 2008

## **Bicycle Friendly Communities**

Portland has been selected by the League of American Bicyclists to be the 1st large US city to receive the Platinum level designation. Some highlights include: Portland's bikeway network includes 270 miles of on-street bike lanes, bike boulevards, and paved trails; another 40 miles of unpaved trails offer mountain biking opportunities in city parks. A city ordinance requires bike parking in new development and redevelopment projects; another provides a huge incentive for developers to provide showers and locker rooms. Full story at League of American Bicyclists.

League of American Bicyclists April 19, 2008

## **Best Places to Live and Launch 2008 Portland, OR #6**

Fortune Small Business Magazine went across the country looking for great business environments with alluring leisure offerings as well as at economic conditions, such as local tax rates alongside natural beauty. Starting a company in one of these business-friendly locations can save proprietor big bucks.

Fortune Small Business Magazine, April 2008

## **America's 50 Greenest Cities Portland #1**

America's top green city has it all: Half its power comes from renewable sources, a quarter of the workforce commutes by bike, carpool or public transportation, and it has 35 buildings certified by the U.S. Green Building Council.

Popular Science Magazine, February 2008

## **Portland in Top Ten list of Cities for Independent Filmmakers**

Portland placed number 8 based on feedback from writers, directors, crew people, and film office representatives. So what criteria determined the final rankings? Quality and quantity both carried a lot of weight in terms of the local talent pool, production facilities, educational opportunities, networking events, film festivals and other screening venues. Enthusiasm, on the part of the local moviemaking community, film office and cineastes, meant something, too.