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In the Loop

To: CEDC Board of Directors, CEDC Members and Interested Parties

From: Ted Sprague, CEDC President

Date: 8/27/10

SKYLINE STEEL WELCOMED TO THE PORT OF LONGVIEW

On August 19th there was a ceremonial groundbreaking held at the Port of Longview to welcome Skyline Steel to our community. The event was highlighted by comments made by Department of Commerce Director Rogers Weed, Barry Juneghani of Skyline Steel and Jeff Gordon of IDM. Over 200 construction workers will build the facility while Skyline plans to employ 65 full time workers. This was a highly competitive recruitment as the company looked at sites up and down the entire west coast of the United States. The Port Commissioners and staff deserve kudos for landing this company and for their vision to have the site ready for construction!



Photos courtesy of Marvin Pierson



August 27, 2010

***MAKE YOUR RESERVATION NOW - - TIP STRATEGIES ROLL OUT - -
SEPTEMBER 2ND***

I am pleased to announce we are quickly approaching the roll out of the TIP Strategies plan for the future of economic development for Cowlitz County. A general membership meeting of the CEDC will be held at the Cowlitz Expo Center at noon on Thursday, September 2nd. I encourage you to not only attend, but bring a colleague, friend, relative, or anyone interested in the future development of our area. It is simple to register, simply follow this link http://www.cowlitzedc.com/event_calendar.shtml or call Kim Nelson at 360.423.9921. I am also seeking companies and organizations to sponsor the event. We are reducing our normal fee for sponsorship to only \$200. This will pay to have your banner put up in the room, your logo on the agenda and a “thank you” from the podium. Please show your support of economic development by sponsoring this important event.

Please make a point to join us on September 2nd, thank you.

MIKE KARNOFSKI PICKED AS COWLITZ COUNTY COMMISSIONER

The Chair of the Cowlitz EDC was recently named County Commissioner to fill out the term of Kathleen Johnson. Our two commissioners, George Raiter and Axel Swanson had a difficult decision before them - - a nice problem to have - - as the candidates were strong and had varied backgrounds. According to the commissioners, a key factor in choosing Mike was his civic work with the CEDC! That could spur some of you on to more involvement with our organization, and I hope it does not scare you away... I am pleased that the commission considers work with the EDC an important activity in civic involvement. Commissioner Raiter is a longtime Board member of CEDC as well as a past Chair. Congratulations to Mike and we look forward to working into the future with him in his new role.

***PACIFIC TECH CONSTRUCTION BEGINS WORK ON JOHNSTON RIDGE
OBSERVATORY IMPROVEMENT PROJECT***

The US Forest Service celebrated the groundbreaking of the new 160 seat amphitheater at Johnston Ridge on May 18, 2010, the 30th anniversary of the 1980 eruption. The project, awarded to Pacific Tech Construction of Longview, will also include parking lot resurfacing, window replacement, and new roof installation.

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The amphitheater and additional improvements are funded by federal stimulus money distributed by the American Recovery and Reinvestment Act. Roughly 2.7 million dollars in federal funds are set aside for Johnston Ridge observatory this year.

Pacific Tech is excited about working with the USFS on the revitalization of the Johnston Ridge Observatory. The project will provide visitors with a more enjoyable and educational experience on their visit to Mt. St. Helens. The amphitheater will aid in the delivery of interpretive presentations and educational programs which are currently held in the plaza in front of the observatory. This arrangement means visitors must stand and listen to presentations, making it difficult for those in back to see and listen to the speaker. Once completed, the amphitheatre will provide visitors with a clear view of both the presenters and the crater in the north face of the volcano. The project is scheduled for completion in spring 2011.

John Colgate, Pacific Tech Construction Vice President of Operations states, “We are pleased to have the opportunity to work with USFS on this project. Most of us were living here thirty years ago when Mt. St. Helens erupted and clearly remember the impact it had on our community. The improvements to the Johnston Ridge Observatory will solidify it as the premiere destination for tourist’s and locals looking to get a bird’s eye view of the eruption site. We are very proud to be a part of the project.

Pacific Tech Construction is an 8(a) Minority Small Business, HUBZone and SBA certified Small Business. Pacific Tech works with a wide range of Federal agencies and takes pride in the long list of satisfied clients that result from these projects.

CONGRESSMAN BAIRD TO ADDRESS SMALL BUSINESS NEEDS

Congressman Brian Baird invites you to join him September 9th for a small business workshop to hear directly from the experts on changes in federal law that may impact you and your business. Regional leaders of the Small Business Administration, the Internal Revenue Service and Health and Human Services will bring you the latest information on how tax credits, health care programs and loan opportunities may help you. Please be prepared to bring your questions and concerns.

Space is limited so please RSVP to steven.sparks@mail.house.gov for the September 9th event at 2:00pm at the Cowlitz Expo Center.

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TROY STARIHA APPOINTED TO PORT OF KALAMA COMMISSION

Local businessman, Tony Stariha, was appointed as a member of the Port of Kalama Commission on July 28th. He was selected to assume the seat formerly held by CEDC Board member and Commissioner, Fred Swanstrom who passed away in May.

Stariha will represent the Port as appointed Commissioner until after the November 2011 election. He was chosen out of a field of six strong applicants for the position. Stariha said his main goal is to help the Port continue to achieve economic growth. “I feel the Port is where the economic growth in our community will take place. As the Port grows, the downtown will receive more exposure and everyone will benefit. As jobs come to the area, it will reflect in our community, in our schools and in our families.” Well said! Congratulations Commissioner Stariha and the Port of Kalama.

Other recent shake up at the Port involve staffing. Mindi Linquist, who served as the Marketing and Public Affairs Manager for two years recently resigned to accept a position as Political Director for “People for Patty Murray”. Liz Newman, who has been at the Port since 1999 will fill Linquist’s vacated position. In addition, Sean Clark was hired to fill a new staff position as Planner. Mr. Clark was most recently Traffic Manager for Cameron Glass.

BROADBAND WORKSHOP TO BE HELD IN COWLITZ COUNTY

The Department of Information Service’s Broadband Program and state Department of Commerce are conducting a broadband workshop at the Cowlitz Expo Center on September 27th from 1:00pm – 4:00pm. They want to share with you opportunities for funding (that may be available to states, after the American Reinvestment and Recovery Act funds for broadband) for telehealth, distance learning and small businesses. And, they are collaborating with Commerce where broadband impacts economic development and job creation for our community.

Please join for an interactive discussion about the type of broadband applications your organization and your community would like to use. They are in the process of collecting information about the type of broadband applications many kinds of industry sectors and

many groups of consumers in our state use or need, especially for businesses and community services (e.g., schools, hospital, nonprofits, public safety, etc.). The information they collect will be included in a preliminary report on the broadband capability and needs of our state.

They wish to meet with representatives of several industry and public sector groups that rely on or would benefit from broadband. This is just the beginning of an on-going dialogue they hope to have with you to work together on increasing the state's broadband capabilities in 21st century.

“TO EXPORT OR NOT TO EXPORT”, PREPARED BY: JACK MAROLICH OF THE CENTER FOR ECONOMIC VITALITY AT WESTERN WASHINGTON UNIVERSITY

Exporting can be a great opportunity to branch into a new market, increase revenue, and grow your business. For many businesses, exporting may be daunting because they believe they are too small, however, size shouldn't necessarily factor into the decision. Nearly 97% of US exporters are small to medium-sized companies and the ability for small businesses to expand internationally is only increasing as individual economies grow more global over time. However, exporting is not something that happens overnight, or even over the course of several months; it requires detailed planning and strategizing. A business owner should ask themselves some serious questions before venturing into a relatively unknown territory and putting the integrity of their business on the line, including:

What will my company gain from exporting?

Do I enjoy the sales part of the business? In other words, am I comfortable giving pitches, heading up marketing, being the face of the company? If I'm not, is there someone in the business who is?

Is my business financially able to take on the risk of investment in pursuing a foreign market? How much money am I able to dedicate to the venture initially without bearing too much risk? Are such resources better used elsewhere?

What is an acceptable timeline to see success? How do I measure success in the foreign market; using return on investment (ROI), market share, total revenues, profit margins, or other metrics?

Will sharing resources with another market jeopardize my current operations? Financials aside, do I have the people, the know-how, and ability to spread my focus over additional markets? Does exporting align with company goals?

This is not an exhaustive list, but a good start to take an introspective look at your business. Once you can confidently answer the questions that are important to your business, you can pursue the next step of setting up the infrastructure to get your product into a foreign market. The next step will require determining details and finding partnerships to get your product into the foreign market. Now is the time to get down to business and hammer out some integral details.

You may need to know:

Is a product similar to mine already available in the foreign market? What degree of competition do I expect to face from established products? What is my niche?

What customers will I be targeting and how will I identify and reach out to them?

How will I sell my product? Internet sales, retail locations, some other means?

Who is going to ship/distribute my product?

What are the border/tariff regulations of shipping goods into the foreign market?

Are there regulations specific to my product in the foreign country that differs from the ones for my current market? Will I have to make modifications to meet these different regulations? Will these changes compromise my product or my business as a whole?

Can my current production capacity support higher demand? What is the expected demand for the new market?

What retail locations are a good match for my product and are these stores frequented by my target market? More importantly, will these stores carry my product?

What price will I charge in the foreign currency and what prices are my competitors charging for similar products? What is my pricing strategy? Will I price based on quality and differentiation, or value?

What are the legal and tax implications of receiving revenue from a foreign country? Are my current attorney and accountant able to handle this or am I going to need to find additional expertise?

Once again, there are more questions that may need to be answered, but these cover a broad range of issues that may arise. The most important part of expanding into a foreign market is being prepared and having enough knowledge to be reasonably comfortable making decisions. You cannot know everything about your new market so there will be some uncertainty, but you should reduce as much ambiguity as possible and be able to justify your decisions. A great resource for understanding exporting is www.export.gov. More information specific to Washington State can be found at www.choosewashington.gov.