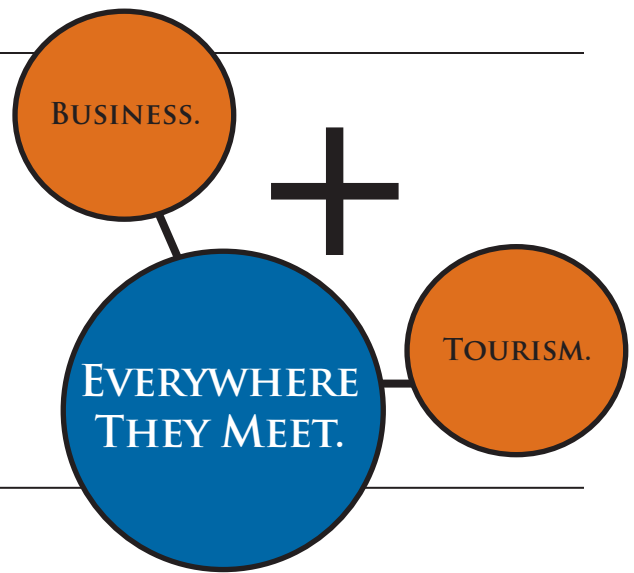


JACKSONVILLE

NOVEMBER 20, 2008



Panelists:

Ron Fox, executive director, Southern Oregon Regional Economic Development, Inc.
Bob Hackett, marketing manager, Oregon Shakespeare Festival
Jeff Hampton, executive director, Oregon Lodging Association
Carolyn S. Hill, chief executive officer, Southern Oregon Visitors Association
Anne Jenkins, senior vice president, Medford Visitors & Convention Bureau
Scott West, chief strategy officer, Travel Oregon
Charles Willis, general manager, Xanterra Parks & Resorts/Crater Lake Lodge

The tall brick walls of Jacksonville's historic Redmen's Hall provided the backdrop for a spirited discussion on the ties between business and tourism, and what today's economy holds for them both. About 50 people from a wide range of businesses attended the Town Hall on Nov. 20, hosted by the Southern Oregon Visitors Association and Travel Oregon.

"Town Hall is a great name for what we are doing," said moderator Carolyn S. Hill, chief executive officer of the Southern Oregon Visitors Association. "Traditionally, a town hall is when citizenry could come together and talk about common issues. And that's what we will be doing—talking about the interdependence between industries."

The role of tourism

Jeff Hampton, executive director of the Oregon Lodging Association, offered a quick glimpse at the effect the tourism and hospitality industries have on the state's economy: \$8.3 billion in direct impacts, with overnight visitors accounting for half of visitors' spending.

Tourism has an effect on virtually every business sector, said Scott West, chief strategy officer for Travel Oregon. "A tourism perspective when doing things like recruiting businesses plays into the entire picture."

In this region, tourism and economic development leaders are used to working together to attract visitors. The Southern Oregon marketing team pools its resources to promote the region as a great place to locate, explained Ron Fox, executive director of SOREDI. "A great living environment is actually parallel with a great business environment, so we are making those two things work together."

"I can't think of any industry in my region that's not touched by tourism. Everything is interconnected, and that's why it is so critical that each one of us understands how to work together."

ANNE JENKINS
MEDFORD VISITORS & CONVENTION BUREAU

Legislative issues

The probable fate of the gas tax immediately took center stage. Panelists agreed that, despite economic conditions, transportation issues will move forward in the 2009 Legislature. "We are contributing to the economic health of the state by investing in the infrastructure," Fox said. "That has a dramatic impact on our ability to compete in the global market."

The imminent increase in Oregon's minimum wage also sparked a spirited discussion. A restaurant owner in the audience predicted labor cuts and shorter hours of operation at some businesses, and the demise of others.

"One thing that hinders what we do here is the higher minimum wage," said Charles Willis, general manager of Crater Lake Lodge. "That has a tendency to block large corporations from coming to state."

Panelists agreed that the minimum wage issue is of huge importance to the tourism industry and one that is difficult to educate the public about. "I don't think citizens understand the wealth brought to Oregon by visitors," Fox said. "The tourism industry is a wealth generator and that \$8 billion (in direct impacts) represents a lot of small businesses, which employ 60-70 percent of the workers in Oregon."

"We need to articulate to the voters where we are on this issue," Fox said.



ANNE JENKINS
MEDFORD VISITORS &
CONVENTION BUREAU



Ron Fox
SOUTHERN OREGON
REGIONAL ECONOMIC
DEVELOPMENT, INC.



CHARLES WILLIS
XANTERRA PARKS & RESORTS/
CRATER LAKE LODGE

Changing demographics

The changing face of Southern Oregon's visitors is posing a new challenge to businesses in the region, that of creating a culturally broad experience. Younger, more culturally diverse visitors are necessitating changes in business practices, both to attract them and then to make them welcome.

"It's coming, folks," warned Bob Hackett, marketing manager of the Oregon Shakespeare Festival. "The demographics are changing, particularly on the West Coast. We need to create culturally welcoming communities for visitors from lots of different backgrounds. It's pure market share and if you don't address it, you're going to lose it."

The Shakespeare Festival has changed its business practices to appeal to the new audience. Half of the festival's ticket sales are now online, and many sales result from week-of-show e-mails.

"We have to be more flexible than we've ever been to attract new patrons. We need to reach people in a way that works for them."

BOB HACKETT
OREGON SHAKESPEARE FESTIVAL

Sustainability is another hot topic, both with visitors and venues. Zanterra Parks & Resorts, which operates Crater Lake Lodge, employs a full-time environmental manager and allocates about 20% of its capital budget to environmental issues. "Certainly there is a huge interest in our approach," said Zanterra's Willis. "Our brochure disappears quite regularly." "It gets recycled, though, right?" called out an audience member to laughter from the crowd.

The town hall concluded with a discussion on how to involve citizens with tourism activities that benefit all. "In my town, there is a disconnect between tourism, its effect on business and the citizenry in general," said an audience member. "How can we make a better connection?"

Audience members offered their tips: strategic planning, better education, building a town identity, getting the younger generation involved. "It's not enough to set an event and say they will come," said one participant. "It's a grassroots effort that starts from the ground up."

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PANEL MEMBERS (FROM LEFT TO RIGHT):

SCOTT WEST - TRAVEL OREGON, ANNE JENKINS - MEDFORD VISITORS & CONVENTION BUREAU, BOB HACKETT - OREGON SHAKESPEARE FESTIVAL, CHARLES WILLIS - ZANTERRA PARKS & RESORTS / CRATER LAKE LODGE



BOB HACKETT
OREGON SHAKESPEARE
FESTIVAL



MEMBERS OF THE AUDIENCE