

IMPACT OREGON



The great outdoors:

WHERE RECREATION MEETS BUSINESS

PLUS

INDUSTRY ROUNDTABLE | A BILLION-DOLLAR BUSINESS | AROUND THE STATE

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IMPACT OREGON

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WELCOME >>

THOSE OF US WHO LIVE in Oregon know how important our state's recreational opportunities are to our quality of life. We bike, we hike; we watch birds, we catch fish. It's an integral part of the Oregon story—the abundant opportunities to participate in a huge range of recreational activities, no matter where you are in the state.

Thanks to a recent survey commissioned by Oregon Department of Fish and Wildlife and Travel Oregon, we also know that the effect of those activities on Oregon's economy is a big one—billions of dollars big. (For the numbers, see pages 3 and 4). When people travel to the coast to catch a glimpse of the migrating gray whales, they aren't just buying gas for their cars. They are purchasing binoculars at the local sports store. They are eating out at coastal restaurants and sleeping in at oceanfront resorts. They are hiring guides to make their viewing experience up close and personal, and creating jobs for the interpreters at the state Parks and Recreation whale watching centers.

This issue of Impact Oregon explores this intersection of outdoor recreation and business. The main section of the publication is devoted to a roundtable discussion held recently at Timberline Lodge on Mount Hood. For that event, we gathered about a dozen high-profile leaders in business, recreation, and travel and hospitality, and invited them to share their insights on how these industries intersect. The rest of the issue is devoted to a regional look at how the main issues discussed at the Roundtable play out across the state.

We hope you enjoy this issue of Impact Oregon. Have a wonderful time during your next outdoor pursuit in this beautiful state.



Kari Westlund

Chair, Oregon Tourism Commission



Adam Davis

Roundtable moderator
Davis, Hibbitts and Midghall



MICHAEL KEVIN DALY / TRAVELORANGE.ORG

COVER PHOTO COURTESY OF ROBERT FROST, A PHOTOGRAPHER AND GRAPHIC DESIGNER BASED IN TALENT.



OREGON TRAVEL BY THE NUMBERS

Total direct travel spending in Oregon was **\$8.4 billion in 2008**. This represents a 2.7 percent increase over the preceding year in current dollars. When adjusted for inflation, travel spending decreased by 2.7 percent.

Travel spending in Oregon generated a total (direct and secondary) impact of **135,400 jobs** with earnings of \$3.4 billion in 2008. Most of the secondary impacts were in various professional and business services.

The Gross Domestic Product of the travel industry was **\$3.2 billion in 2008**. The travel industry is one of the three largest export-oriented industries in rural Oregon counties (the other two being agriculture/food processing and logging/wood products).

The decrease in travel spending in Oregon mirrors the pattern for the larger U.S. – a leveling of activity in the third quarter and a sharp decline in the fourth. Visitor air travel to Oregon on U.S. air carriers declined by 2.7% in 2008 over the preceding year. Visitor air travel declined by 1% in the third quarter and 14% in the fourth quarter (over the same quarter in 2007). State lodging tax receipts were unchanged in the third quarter of 2008 compared to the third quarter of 2007. They declined by over 7% in the fourth quarter.

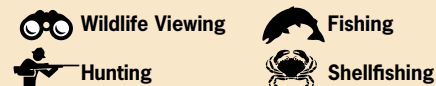
Related travel impacts also exhibited lower rates of growth than in previous years. This includes employment (93,400 jobs), earnings (\$2.1 billion), local tax receipts (\$112 million) and state tax receipts (\$210 million).

SOURCE: Oregon Travel Impacts report, 2009

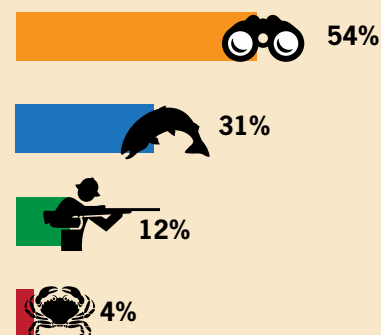
OREGON'S GREAT OUTDOORS

Outdoor recreation is a big part of Oregon's economy—billions of dollars big. According to a new study commissioned by the Oregon Department of Fish and Wildlife and Travel Oregon, fish and wildlife recreation resulted in expenditures of \$2.5 billion statewide in 2008.

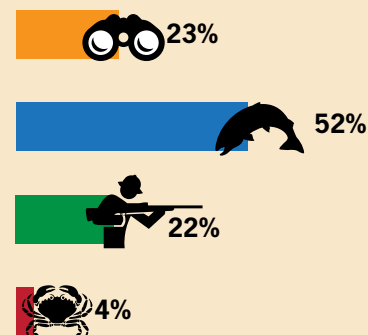
Expenditures broken down by activity:



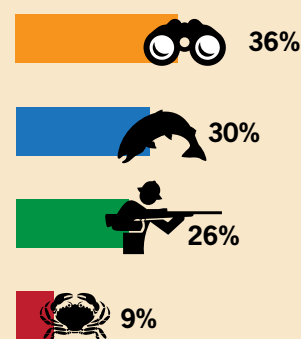
TRAVEL-GENERATED EXPENDITURES (\$862 Million)



LOCAL RECREATION EXPENDITURES (\$147 Million)



EQUIPMENT EXPENDITURES (\$1.5 Billion)



SOURCE: Fishing, Hunting, Wildlife Viewing, and Shellfishing in Oregon, 2008 Trip Characteristics and Expenditure Estimates, Travel Oregon, Oregon Department of Fish and Wildlife, April 2009.

OUTDOOR ACTIVITIES: Every region benefits

Everyone knows that Oregon's rich natural resources are a big draw for visitors traveling to the state's rural areas, but no one really knew how big—until now. A study just released by the Oregon Department of Fish and Wildlife and Travel Oregon tracks the economic impact of several outdoor activities, right down to the county level.



What did the study reveal? “The report showed that we spend a lot of time on outdoor activities in Oregon and we spend a lot of money doing them,” says Roger Fuhrman, ODFW Information & Education Administrator. “The other thing the study confirmed was how much money comes out of the I-5 corridor and goes to Eastern Oregon and the coast for recreation. It really showed the value of fish and wildlife recreation to the more rural counties.”

ODFW managers are working on an interactive version of the report so local policy makers can obtain data specific to their area. “Information in the report will allow local decision makers to really assess the value of these activities before they make land use or other decisions that affect the resource,” Fuhrman says.



REGIONAL HIGHLIGHTS FROM THE STUDY INCLUDE:

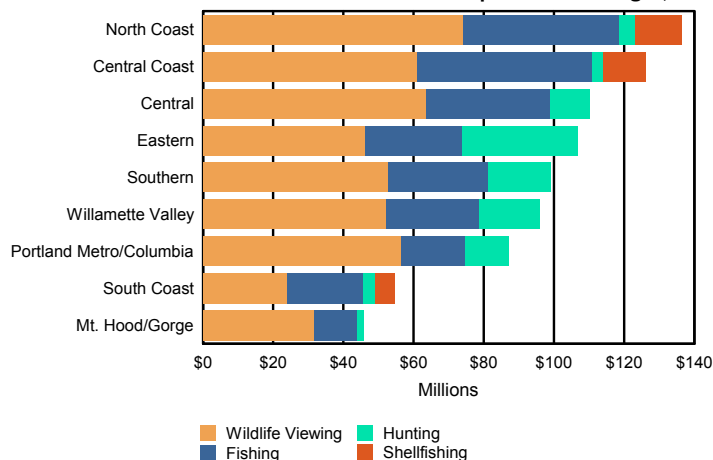
During 2008, travel-generated recreation expenditures accounted for over \$100 million in four of Oregon's travel regions (North Coast, Central Coast, Central, and Eastern).

In all nine travel regions (the coast is counted as three separate areas), travel-generated expenditures for wildlife viewing and fishing were particularly notable.

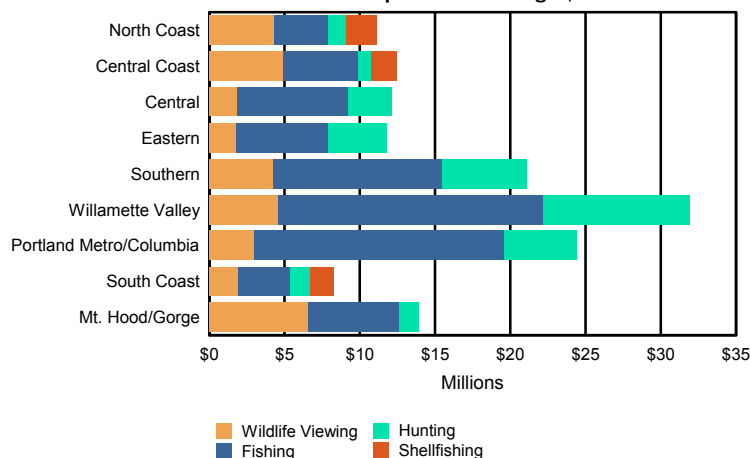
While travel-generated expenditures for hunting occurred in each of the nine travel regions of the state, spending made in the Eastern, Southern, and Willamette Valley travel regions accounted for nearly two-thirds of the total.

Local recreation expenditures occurred most notably in travel regions with large urban-centered populations (Willamette Valley, Portland Metro/Columbia, and Southern), with fishing, hunting, and wildlife viewing representing the bulk of all local recreation expenditures made throughout the state.

Travel-Generated Recreation Expenditures in Oregon, 2008



Local Recreation Expenditures in Oregon, 2008





OUTDOOR RECREATION

and the Business of Tourism

PHOTOGRAPHS BY EDMUND KEENE

The sun-smeared landscape of Mt. Hood provided a most appropriate backdrop recently as leaders in Oregon's outdoor recreation sector came together at Timberline Lodge for a lively discussion. Public lands managers, business owners, private advocacy groups—they were all there to share their thoughts on outdoor recreation and the business of tourism.

“We want to have a very open conversation about that nexus between tourism, recreation and the state's economy,” explained Todd Davidson, CEO of Travel Oregon, in his introductory remarks. “We want to talk about some of the challenges that we face, as well as some of the opportunities that are before us.”

The Oregon Tourism and Hospitality Industry Consortium sponsored the event, along with MEDIAmerica, publishers of Oregon Business magazine. Adam Davis, partner in Portland research firm Davis, Hibbitts & Midghall, served as moderator.

What resulted was a candid, freewheeling discussion among some of Oregon's top decision makers in outdoor recreation. You can join the conversation by reading the pages that follow.

“Outdoor recreation provides the inspiration for people to visit this place and I believe that is the economic driver of Oregon in relationship to the tourism industry.”

>> DAVE NISSEN, CO-OWNER,
WANDERLUST TOURS



MODERATOR

ADAM DAVIS Partner
Davis, Hibbitts & Midghall, Inc., research firm, Portland



PARTICIPANTS

① TODD DAVIDSON

CEO, Travel Oregon, Salem

② DAVE NISSEN

Co-owner, Wanderlust Tours, Bend

③ BRAD NIVA

Owner, Rogue Wilderness Adventures, Merlin

④ LENISE LAGO

Deputy Regional Forester, U.S. Forest Service, Portland

⑤ ED SHEPARD

State Director for Oregon and Washington, BLM, Salem

⑥ BRIAN MULLIS

President and Co-founder, Sustainable Travel International, White Salmon, Wash.

⑦ TREY CARSKADON

Chair, Oregon State Marine Board, Salem

⑧ LIZ HAMILTON

Executive Director, Northwest Sportfishing Industries Association, Oregon City

⑨ DENNIS OLIPHANT

Owner, Sun Country Tours, Bend

⑩ TIM WOOD

Director, Oregon Parks and Recreation Department, Salem

⑪ ROGER FUHRMAN

Information & Education Administrator
Oregon Department of Fish and Wildlife, Salem

⑫ KATE KLOOS

Director of Marketing and Communication, PeaceHealth, Eugene

⑬ CHAD SPERRY

Co-owner, Breakaway Promotions, The Dalles

⑭ VICKY SEARLES

President, Eastern Oregon Visitors Association, Wallowa County

⑮ TOM O'SHEA

Managing Director, Sunriver Resort, Sunriver

⑯ JEFF KOHNSTAMM

President and Area Operator, RLK and Company, Timberline Lodge

MODERATOR ADAM DAVIS: When you think of the outdoor recreation businesses in Oregon and the contribution they make to Oregon's economy, what comes to mind?

KATE KLOOS: Quality of life. I work for PeaceHealth, the largest employer down in the Eugene market. We rely on skilled and talented people and on bringing those people from their medical schools to our facilities. They want to come live in a place that has everything that Oregon has to offer. So it's really attractive.

ROGER FUHRMAN: The first thing that comes to mind is a number: \$2.5 billion. Last year we had the opportunity to work with Travel Oregon on an economic study to try to identify the economic impact of fishing, hunting, wildlife viewing and shellfishing in Oregon, and that's how much people spend—\$2.5 billion—on travel and equipment.

DAVE NISSEN: Outdoor recreation provides the inspiration for people to visit this place and I believe that is the economic driver of Oregon in relationship to the tourism industry.

DAVIS: Can you give us an example of a recent business or agency success and tell us what it meant specifically to Oregon's economy?

LIZ HAMILTON: If the resources are healthy, then our businesses are healthy. Our organization has been successful in convincing federal managers of the Columbia to manage the river a little better for fish. These policies were instituted three years ago, and we're starting to see the results in the magnificent runs of summer steelhead that are going over Bonneville Dam and the huge runs of sockeye. We're completely convinced that next year we'll see very large runs of fall Chinook as a result of the successful efforts we have had in managing our river system a little more balanced for fish and other uses.

TODD DAVIDSON: We hosted the U.S. Travel Association this summer, and I had the opportunity just earlier this week to meet with many of those same folks at a follow-up conference. They are still talking about Oregon's amazing natural beauty and, related to that, the way we care for it.

LENISE LAGO: The Forest Service in Oregon got \$163 million from the economic stimulus bill—the largest amount of any state in the nation. Part of the formula had to do with the level of unemployment, but that's not the only reason Oregon got so much. It's because we had a proven track record of getting things accomplished because of the partnerships we have. For example, \$4 million of that money is coming right here to make improvements to Timberline Lodge, and that's money we couldn't normally get through regular appropriation.

TOM O'SHEA: Every fall at Sunriver, we look at hiring for the season. We will go from 400 to 1,000 within six weeks; and traditionally we go overseas to hire at least 100 people. Last year we came to the conclusion that, with the economy turning the way it was, we would cancel that program. That

put us at significant risk because we were now going to have to depend on Deschutes County to provide those 100 people. It was a great success and very well received in the local economy. At least 120 people that otherwise would have come from overseas were hired in our own community. On the environmental side, people want to do the things that are important. Instead of going out and playing a round of golf, they'd rather go out and work on a trail or do something with the environment.

“There's a ‘new normal.’ We're not going to go back to the way we did business before. Coming out of this downturn in the economy, we're going to be doing things differently.”

>> **JEFF KOHNSTAMM,** PRESIDENT AND AREA OPERATOR, RLK AND COMPANY, TIMBERLINE LODGE

JEFF KOHNSTAMM: This last winter when the economy was really tanking, it was a real challenge for us at Timberline to get customers to come into our high-end dining room. Our chef came up with an economical buffet lunch, which was extremely popular. Working with Travel Oregon and with Oregon Ag Department, he created this farmers market. One week was Dungeness crab week, one week was outboard tuna week; we had strawberry week, local cherry week. We did about 10,000 covers this summer. The neat thing about that, it shows the customers who come to Timberline want the local products that Oregon produces.





KATE KLOOS
PeaceHealth



BRIAN MULLIS
Sustainable Travel International



TODD DAVIDSON
Travel Oregon

DAVIS: That's come up now a couple of times—the impact on local communities. Anyone else?

VICKY SEARLES: What we are finding out is that people are looking for a whole package. It's more than just going out on a trail or going fishing; they like the heritage, they want to hear about the lifestyle, they want to hear about the food in the area. We have new businesses starting out that do tours of farms and ranches, and then they do the gourmet cooking of the product, and take visitors into some of the heritage centers. I think you just really have to understand what your product is and what's working for you.

CHAD SPERRY: The key term that I use when we're promoting our events is diversification. I don't know another state in the U.S.—and I'm a little biased, I'll admit—that has the diversification that Oregon does in recreational opportunity. We can take a cyclist from the alpine setting of Mt. Hood Meadows down into the high desert of eastern Oregon through the Columbia River Gorge and do all of that within a 30-mile-drive radius. We had 45 states represented with competitors at the National Championships this year. They wouldn't normally have made Bend, Oregon, a destination; they were driven there because of a passion-based event, but after they have seen the scope, the diversification, the beauty, the opportunities that are there, they will be back.

BRAD NIVA: I'm in the rafting business and I drive a bus daily. I swear, the number one question is, how much does the real estate cost here? Maybe I should get my Realtor's license. Down in our area, we try to sell a whole story, that the Rogue River is an anchor for the community; we try to really sell the whole package of what this resource offers to the area, as well as for visitors.

TIM WOOD: The observation I have is that rural communities are putting new importance into outdoor recreation as a growing element of their economy. I think that through investment and through new parks, we've got some great relationships with counties that 10 years ago would never existed. It goes back, to the recognition that tourism is good for the economy. I think there's a real, measurable, significant impact in rural counties as they begin to recognize the importance of outdoor recreation as a part of their economy.

BRIAN MULLIS: I think more and more rural communities and those that aren't so rural are realizing that the average traveler that's attracted to our region isn't necessarily someone that's looking for a metropolitan-type experience. They're people that are collecting experiences more than materialistic goods, so we have seen a shift in the marketplace.



TIM WOOD
Oregon Parks and
Recreation Department

“I think there’s a real, measurable, significant impact in rural counties as they begin to recognize the importance of outdoor recreation as a part of their economy.”

>> **TIM WOOD, DIRECTOR, OREGON PARKS AND RECREATION DEPARTMENT**

DAVIS: Other examples of how your business impacts Oregon’s economy?

KLOOS: The biggest thing that we’ve done in the last couple of years is open a brand-new facility right on the McKenzie River, Sacred Heart Medical Center, and that was about a \$550 million project. It got a lot of national attention because of its evidence-based design. A lot of thought went into giving it that Northwest feel so it looks like a lot of your lodges that you might see around the state, and from the moment people walk in, they definitely feel a sense of Oregon. We opened that in August of 2008, and just prior to that, Eugene hosted the ‘08 Olympics track and field trials, and we were a major partner in that.

NISSSEN: Of course, we employ people and we drive money into the economy that way, and all of that is good. But what I’m hearing from everyone around the table is that tourism and outdoor recreation do not operate in a vacuum. If I do a shoddy job with our tours, that is a reflection on the whole industry. We need to collectively support one another. Wanderlust Tours partners with breweries in our area, we support caterers, we support bakeries. Everything that we do with our tours is rippling throughout our economy, and that is pervasive through the whole industry.

DAVIDSON: We’ve gone out and done research on Oregonians, their perceptions of the tourism industry, and that research told us that 95 percent of Oregonians believe that tourism is important to the state’s economy. And that’s a tremendous swing from anything that we had seen in the past because there wasn’t a lot of awareness of the role tourism played in the economy, but because of some of the work done in the Legislature and the tourism industry being talked about, suddenly Oregonians are aware that it matters.

DAVIS: What are your barriers—what do you think needs to be addressed for the health of outdoor recreation?

FUHRMAN: One of the biggest challenges for ODFW is the way we’re funded. Right now, most of our funding is dependent on the sale of hunting and fishing licenses but, at the same time, hunting and fishing is declining. We are seeing an increase in the number of wildlife viewers and right now we don’t have a way to tap that economic benefit and put it back into management of resources. We need to figure out a way to put some resources back into managing all of the fish and wildlife in the state. If we don’t, a lot of the things that we take for granted in Oregon are in danger.



DAVE NISSEN
Wanderlust Tours

NIVA: We've lost this connection of what kids should grow up in. Our trips average three and four days long, and about 38 hours into a trip, all of a sudden it's just like they finally get it, like they get rid of the hubbub of their life and the rat race that they're leaving and then all of a sudden they relax; and then they're crying when we come around the corner and there's the car and it's over.

DAVIS: Who else can speak to that, the challenge right now of just building your businesses?

OLIPHANT: The state organization (for outfitters) has pretty much folded, so there is no collective voice. So we just don't have a collective body, and it's hurting us and it could kill us. There are a lot of people that don't think we have a place on public lands. So it's a misunderstanding and without, I think, some sort of collective voice, we're powerless and that's scary.

O'SHEA: We're really in an electronic revolution right now. A customer is more likely to find you on Twitter than they are in a brochure. We no longer find the customers, the customer finds us now, so it's all about branding and positioning. So we have a number of factors taking place today: We have the economy, which is difficult; the credit market, which is strapped; and you have an electronic revolution going on that some of us are only just starting to understand—I mean, six months ago I didn't know what Twitter was.

KOHNSTAMM: The one encouraging thing that I do see is the innovation and the creativity that our crew really, out of necessity, has showed, and some great ideas have come up. And the way I put it is that there's a "new normal." We're not going to go back to the way we did business before. Coming out of this downturn in the economy, we're going to be doing things differently.

MULLIS: In terms of barriers, the one example that comes to mind is an organization that thinks and acts globally but has a need to act locally as well. We're working on an initiative with Travel Portland to develop a sustainable tourism certification standard and funding is kind of the barrier. It sounds like the money is going to come together but, really, it puts Portland in a unique position because they have, as a city, been engaged in sustainability for the better part of the last two decades. Being the first to go through this process will bring additional international recognition to the region.

DAVIS: Let's talk about how the public agencies are doing, maybe spotlighting some of the things that will affect people around this table.

ED SHEPARD: Well, right now I think the BLM doing fairly well as far as funding goes. That's primarily because of the stimulus money and also because of the fee collection under the Recreation Enhancement Act. The stimulus money goes away in 2010, and I think there's a limit to how far we can go with the fee recovery. Funding down the road is going to be difficult, which is going to limit our capabilities to work with you on making sure our recreation areas are maintained. I think the bright side of that is the partnerships that we've developed with a lot of you folks here and with others, but I think growth is going to be difficult for us.

OLIPHANT: I think both the agencies, the Forest Service and the BLM, have done a good job coming up with partnerships, getting folks more engaged, making decisions in a more collaborative way. Although probably more of an expensive process in the long run, I think it shortcuts litigation and appeal and that sort of stuff in the environmental process. At the same time, I think that some of the agency folks need to think like small businesspeople. Although they might have those rural economies in mind, sometimes the rural belongs to those who show up, and when you have interest groups, whether it's motorized or whatever, it's not always in the best interests of driving the rural economies.

SHEPARD: I would agree with the comment suggesting agency folks think like small businesspeople. I think that not all of us recognize the need of cash flow and lines of credit and things like that as we go through our permitting process, and what that can do if we don't work carefully with you folks that are in the business. I guess that's an area that we could use help with to remind us of things like that.

WOOD: Right now, the Oregon Parks and Recreation Department is doing fairly well. Our stable funding through lottery is a considerable contributor to our current health. We're able to serve the population today, but the issue is, will that population be there to participate in traditional outdoor recreation activities in the future? It comes back to creating the first experience with kids so that becomes part of what they value, and I think that's what the challenge is for all of us. In order to keep our customer base or our visitor base, we need to find ways to make connections with young families.

DAVIS: Things are changing in our forests in this state. What do you see going on?

LAGO: I can't help but think that one barrier is the word "recreation." This is probably the wrong crowd to say this to, but recreation doesn't sound necessary to a lot of people when a big part of your portfolio is putting out fires or water quality or revegetating after landslides. Recreation sounds like something you can do later on. So I think the challenge for my agency, for government and for all of our partners is to create a better approach to the things that we're all ultimately interested in, and I think it's community livability, economic vitality in rural areas, rural resiliency. A second barrier is the fragmentation within the recreation community. There is competition for the resource. The national forests are open to whoever comes but, you know, bikers don't want to be on the same path with horseback riders, and there's motorized vs. nonmotorized and there's fishermen vs. floaters. The resource would be much strengthened when the whole community that depends on that resource pulls together for their common interests. That's really important.

TREY CARSKADON: I look at Oregon as having a unique advantage as a world-class destination, certainly with fishing. So what are the impediments to that? One is getting Oregon to believe that, getting our legislators and decision-makers to believe that this is a world-class destination. In our category, there's tremendous opportunity for growth, economic development that would benefit rural communities and benefit industries across the state, and it won't take too much to get there.

FUHRMAN: There is a challenge that Fish and Wildlife and the BLM and the Forest Service face, and that's balancing that protection of the resource vs. providing that opportunity, and it's a delicate balancing act that we have to go through every day and in every decision we make.

DAVIS: Other comments?

CARSKADON: I want to say thank you to Travel Oregon. They get it, they're pushing hard on this. Thank you to Fish and Wildlife, the state parks and the Marine Board also for participating and collaborating with Travel Oregon to promote collectively, collaborate to break down those agency barriers and work together towards the promotion of outdoor recreation. I think we're on the cusp of something important and something that will set new models within the state.

NIVA: I'm thankful that Travel Oregon put something like this together because I feel like, in some ways, Travel Oregon's kind of left recreation hanging out there a little bit, and it's not to say it's your fault, it's our fault. We didn't have leadership and we certainly don't have it now in the (outfitting) industry, and that's something that we need to keep working on.

NISSEN: My last comment would also hopefully be a helpful word to Travel Oregon: I think that our branding is fabulous.

LENISE LAGO
U.S. Forest Service



I would love to hear more information as to where the state is going with the international market. We, as a state, have spent a lot of money supporting the international market, and I'm surmising that Portland and the coast benefit from that. So basically I think that we've given international business our yeoman's shot, and deservedly so, but I think we need to be more regional with our dollars on the West Coast.

SHEPARD: I would just close by saying I appreciate the invitation to bring in the agencies in this. We provide the resource that you folks utilize in your businesses, and to get that connection so we understand your issues and concerns and you understand some of ours—I think it's a great opportunity.

DAVIS: It was a pleasure to meet all of you. You're a real important part of Oregon's economy but, more important than that, you're a big part of Oregon. So we wish you the best of luck.

DAVIDSON: First and foremost, thank you. We love this kind of interaction, this kind of feedback. This went as well, if not better, than I hoped by bringing together such a diverse group. We want that interaction between private business and the state and federal agencies. You guys delivered. I hope that all of you were able to make connections that would be beneficial in helping us connect to your visitors and provide a truly unique and magical singular Oregon experience for each of them. So thank you so much for being here and for being part of the day.



Recreational fishing gives Oregon's rural economies a big boost.

FISHING: Reeling in some big bucks for rural Oregon

Randy Collins knows first hand the kind of impact fishermen have on the local economy. The owner of River Vista Vacation Homes in tiny Idlewyld Park, Collins plays host to a steady stream of people coming to try their luck on the legendary North Umpqua River. The money they spend to rent one of Collins' riverbank cottages is just a fraction of what they leave behind.

Take the couple from Atlanta, Ga., who settled into two-story Madrone Cottage for a week's stay earlier this year. The man, an avid fisherman, picked up his fishing license and a wealth of insider advice at Idlewyld Park's Blue Heron Fly Shop. He picked up extra supplies from Northwest Outdoors in Roseburg, where he also stocked up on groceries.

When he came off the river, he and his wife toured several area wineries, and ate out nearly every night at restaurants in Glide and Roseburg.

The Atlanta fisherman, a seasoned pro, marveled at how he could step out the front door of his cottage and fish off Turtle Rock in solitary splendor. "He told me that if this were Alaska, it would be wall-to-wall people," Collins says. "He was just in awe of this place." The fisherman left with a nice spring chinook, along with firm plans to return next year.

Oregon is a magnet for fishermen from all over the world, drawn to world-class salmon runs, legendary fly-fishing rivers,

and healthy fisheries for halibut, sturgeon, trout and a host of other game fish. The money they spend is a big part of the economy, particularly in rural parts of the state.

In Lake County, for example, a recent Oregon Department of Fish and Wildlife/Travel Oregon study found that nearly 90% of the travel-related money spent in the county is from outdoor recreation pursuits, about half of

it tied to wildlife viewing.

On the North Coast, fishing, hunting, shellfishing and wildlife viewing account for nearly 40% of travel-generated expenditures. "It's a big deal for the economy here, and everyone knows it," says Tillamook County Commissioner Mark Labhart, who has fished steadily in Tillamook Bay and in the Trask River since he

"Guides from Washington are coming to Portland, people are buying food, bait, fishing gear, lodging, restaurant meals ... the multiplier effect is big."

>> MARK LABHART, TILLAMOOK COUNTY COMMISSIONER

moved to the area 25 years ago.

Labhart spends most of his fishing time in his home county, but once in a while he'll head for Eastern Oregon, like the trip he and his son took earlier this year to fish for brook trout as they hiked the Strawberry Mountain Wilderness Area.

A better-than-expected coho fishery (it's been "fantastic" this year, Labhart says) has added to the excitement on the North Coast this year. "The charters out of Garibaldi are packed," he says. "Guides from Washington are coming to Portland, people are buying food, bait, fishing gear, lodging, restaurant meals ... the multiplier effect is big."

GEOTOURISM: Putting communities on the map

Oakridge hosted a launch party. In Welches, they talked over lunch. Residents in La Pine got together at the library, and, in Sweet Home, the meeting was at the police department's conference room. For a few months this spring, dozens of communities in Oregon and Washington came together to figure out what makes them so special. And then they put those things on a map—a visual representation of the people, places and the events that make the region unique.

It's the Oregon and Washington Central Cascades Geotourism Project, a well-organized quest to identify the attractions, both natural and cultural, of the region stretching from Mount Rainier National Park in Washington to Crater Lake National Park. The end result? A printed Central Cascades MapGuide with about 150 map points, and an interactive Web site (www.thecentralcascades.com) that expands the guide.

The project, initiated by the National Geographic Society's Center for Sustainable Destinations, aims to give an economic boost to oft-overlooked communities by promoting sustainable tourism. The project was coordinated by a coalition of organizations, including Travel Oregon, Washington State Tourism, Sustainable Travel International, Rural Development Initiatives, Sustainable Northwest, the U.S. Forest Service and the Bureau of Land Management.

The project's first stage was gathering nominations for map points through a series of 25 community forums. The forum pro-

cess was key to the entire project. "The concept was to have this conversation about what it is here that we want to protect, and what we want to share," says Kristin Dahl, Travel Oregon's director of sustainable tourism.

The community mapping process resulted in more than 1,100 nominations, from well known Celilo Falls to little known Free Emigrant Road (in the Diamond Peak Wilderness Area); from the Sisters Outdoor Quilt Show to the U.S. Cavalry and American Indian Museum in Blue River.

A 25-member Stewardship Council helped review and sort nomination submissions, which were made at the community meetings and also by the public at large through the project's Web site. It was an intense, instructional and ultimately rewarding process, says council member Margie Tuckta, who represented the Confederated Tribes of Warm Springs. "I was really glad to be a part of it," she says. "We spent days narrowing it down to what seemed to be the most important. There were a lot of good ones."

And also a few surprises, Tuckta says. "I learned about a lot of sites right around here that I didn't even know were out there," she says. "It will be wonderful to have a map like that for tourists, as well as for all of us."

Although the nomination process is now closed, visitors to the www.thecentralcascades.com site can view all of the nominations on the site's interactive map. The printed map guide is expected to be available this spring.

Nominations for the Central Cascades geotourism map ranged from iconic Oregon attractions to small-town festivals.



BIKE MANUFACTURERS: Portland's newest craft product

With an active outdoor lifestyle, a reputation for green living and a competitive business environment, it's not surprising that outdoor-related manufacturers are firmly entrenched in Portland and surrounding areas.

The granddaddy of them all, of course, is Nike, but the soft goods industry also boasts other titans of retail, namely long-time denizens Columbia Sportswear and adidas America.

Now, a vibrant bicycle manufacturing sector is taking off in Portland, thanks in part to the city's firmly entrenched reputation for friendliness toward the two-wheeled, which includes a Platinum-level Bicycle Friendly Community designation. "You couldn't be in a place with more cycling passion than in the Portland environment," says Jerry Norquist, longtime bicycle industry insider and currently the director of Cycle Oregon.

For niche bicycle makers—where the culture is often as important as the bottom line—Portland makes a lot of sense. Revered cyclist and successful businessman Chris King relocated his company from California to a historic building in northwest Portland, and quickly grew to employ about 75 workers.

Bike builders, designers, parts manufacturers, and retailers—the bike industry in Portland is growing larger and more complex all the time. A recent report from Portland-based Alta Planning and Design, the country's largest bike planning firm, found that the value of Portland's bicycle industry grew by 38% from 2006 to 2008. It expanded from 95 to 143 businesses, including 12 new small-scale bike builders.

At Chris King and successful newcomer Vanilla Bicycles, there is just as much web real estate devoted to the love of biking—the events, the store teams, the sponsorships—as there is to the sale of the equipment.

"I think Portland is an ideal place for these start-ups because of the passion people have here for the sport," Norquist says. "There are a number of local hand builders in the area; it's kind of like the new craft beer."



James Johnson, co-owner of Joseph Hardware

CYCLING: 'The bike business has far exceeded my expectations'

A few years back, the owner of the only bike shop in Joseph—in the whole of Wallowa County, in fact—retired. To take up the slack, the folks at Joseph Hardware started doing simple repairs. "There was an obvious demand to fill that niche," says James Johnson, co-owner of the Main Street store. He just didn't know it was such a big niche.

The demand for bicycle-related services grew and grew, spurred by the increasing popularity of cycling in the wide open spaces of Eastern Oregon. "We started fixing bikes and quickly learned we were in over our heads," Johnson says. The solution? Johnson sent himself and two employees to school—the United Bicycle Institute in Ashland, one of the best bike mechanics courses in the country.

Today, the bike part of the historic Joseph business keeps Johnson and his two bike mechanics busy. They started out three years ago with minor bike repairs, adding rentals and this year, sales and repair of Diamondback bikes. The hardest part of the job is finding space in the old-fashioned hardware store; right now, the two mechanic's stands, work bench and tools are crammed into a 12x15-foot space.

"The bike business has far exceeded my expectations," Johnson says. "I'm sure if we hadn't added that niche we probably would be down numbers-wise this year, and we weren't."

Outdoor recreation is having a clear and decisive effect on the economy of Eastern Oregon, with bicycle tourism being a strong component. Wallowa County served as the pilot for Oregon Rural Tourism Studio, a four-month training program for regional leaders interested in sustainable tourism development.

The program, sponsored by Travel Oregon and regional partners, featured a series of workshops on topics ranging from community tourism planning to agri-tourism to bike tourism. "The program is designed to be customizable by the community, and we work with a steering community that helps set the direction," says Kristin Dahl, Travel Oregon's tourism development and sustainability manager. "In Wallowa County, bicycle tourism was identified as a niche product."

County resident Troy Nave, the field and heritage trip coordinator for Wallowa Mountain Institute, served on the steering committee and helped organize a two-day Bicycle Tourism Workshop.

"We brought in personnel and experts who've done that kind of work before, and we had very good participation," Nave says. "People responded—they didn't just come and spend the time thinking about the hay they had to bale. They really rolled up their sleeves and thought about how to make Wallowa County a great cycling destination."

CULINARY: Feeding an appetite for excellence

Some visitors to Oregon rave about their travel on pristine rivers, lakes and streams. Others go home talking about the state's award-winning wines and craft beers. It's no surprise, then that some of Oregon's savviest tour operators are offering the best of both worlds—and visitors are eating (and drinking) it up.

Imagine paddling the Rogue River by day and exploring the intricacies of craft beer by night, by the glow of a riverside campfire. That's what 13 guests from all over the country did last summer during Rogue Wilderness Adventures' "Paddles and Pints" trip.

"It was a four-day trip and each night we progressed to a different type of beer," recalls owner Brad Niva, who brought beer guru Mark Victory, a Deschutes Brewery alum, along for the ride. "People came from all over; we had guys that flew out from New York, some came from Seattle and we had a lot of people from the Bay area."

"To have someone as knowledgeable as Mark along was is a real treat," Niva says. "Each night we cooked up amazing dinners, like our Rogue River salmon with tri-tip roast cooked alongside the river."

There's nothing like pairing up a couple of Oregon's unforgettable experiences, and the combination of high class food and drink along with world-class outdoor recreation is proving to be an irresistible and increasingly popular draw.

Wanderlust Tours owner Dave Nissen waxes poetic about the popular dinner canoe trip that his Bend company has offered for at least eight years. The trip is hosted on Elk or Paulina lakes,

where a caterer prepares Northwest cuisine in a forested area lake-side, served on linen and china with local wines.

"We do a magnificent paddle just as the sun is setting behind the Cascades," he says, "and we have fabulous naturalists who share the history and, on star and moonlit night, talk about the constellations. It's absolutely magical to be out on the water at night."

Nissen considers the partnerships Wanderlust develops through its food and drink offerings—wines from Maragas Winery, beer from Cascade Lakes Brew Co., bonfire desserts from the Sparrow Bakery—an important part of its mission of sustainable tourism.

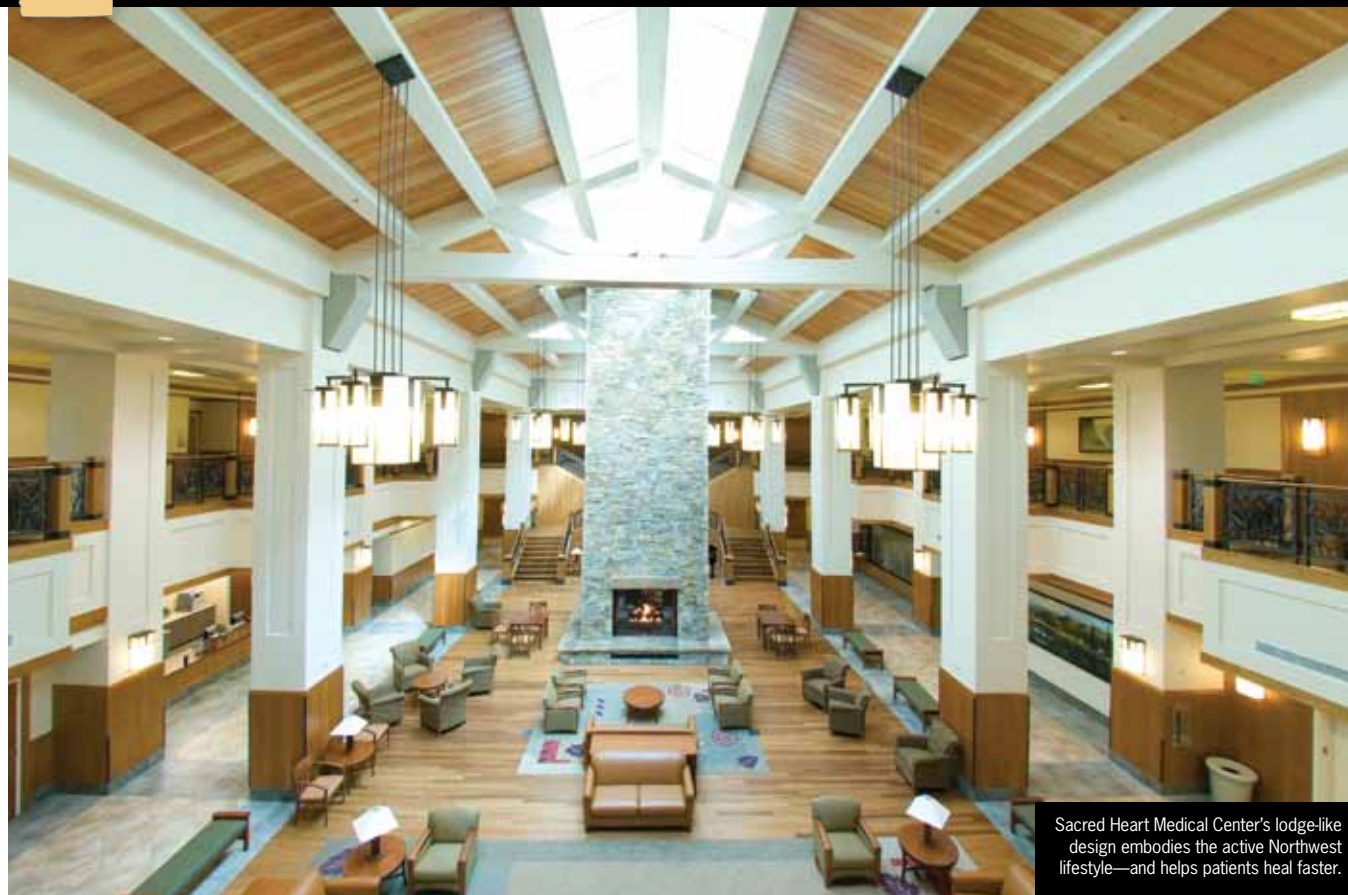
Visitors' interest in local foods helped Timberline Lodge turn what could have been a dismal summer season into an enduring success. With visits to the lodge restaurant sharply declining, the culinary team began looking for low-cost alternatives to the regular fare. They ended up with a first-class culinary attraction that showcases the bounty of Oregon.

The Farmers Market Brunch features a value-priced buffet selection of Northwest fresh cuisine every day in Timberline's main lobby from 11 a.m. to 3 p.m. The brunch format, which depends on partnerships with area growers and producers, was so successful that lodge managers expect to continue it as a regular feature.

"It helps the people who come to Timberline, many of whom are from out of state, put eyeballs on Oregon's local products," says Jeff Kohnstamm, manager of Timberline Lodge. "They're eating this pear salad with an understanding that those pears are grown here in Hood River. I think people really appreciate that."

Oregon-grown libations and cuisine are adding to the value of outdoor activities, from dinner canoes to ski lodge brunches.





Sacred Heart Medical Center's lodge-like design embodies the active Northwest lifestyle—and helps patients heal faster.

HEALTHCARE: Showcasing the Oregon lifestyle

The majestic lobby of the Willamette Valley's newest hospital feels more like a grand lodge than it does a cutting-edge medical facility. A massive three-story stone fireplace anchors a wide open space with hardwood floors, a beam-and-skylight ceiling and comfortable chairs scattered in intimate groupings. The custom hardwood staircase is made with salvaged Douglas fir trees, original Northwest art adorns the hallways, and patient rooms look out to either the mountains or the river.

The rustic Pacific Northwest lodge-like feel was constructed deliberately, on the principle that comfortable surroundings help patients heal faster. "When you design the building so it's more like a four- or five-star resort, suddenly patients are at ease," says Kate Kloos, marketing director for PeaceHealth, the owner and developer of Sacred Heart Medical Center in Springfield. "We've created an entire environment that helps healing take place; the timbers, the beams, the all-natural materials—they are all integral to the design of the building."

The hospital's evidence-based design has drawn a lot of attention as it adds to the Eugene area's international reputation for world-class physical activities and healthy lifestyles. "There are a lot of connections between healthcare in the Willamette Valley and the reasons people come to this area," says Kari Westlund, CEO of Travel Lane County. "It doesn't take much of a leap to figure out what healthcare has to do with travel and tourism."

One of those reasons has to do with the highly competitive recruitment process for medical professionals. "The quality of life for

people in the medical field is incredibly important," Kloos says. "I think Oregon offers a rich assortment of activities for them and their families that aligns with the way they want to live. In order for us to recruit nationally, against the Mayo and the Cleveland clinics, we have to showcase Oregon's lifestyles and recreation."

The new Springfield complex is a 1.2-million-square-foot facility that includes the Oregon Heart and Vascular Institute, 125,000 square feet of medical office buildings connected to the main tower with sky bridges, and parking for 1,000 cars. As a regional referral center, it draws patients from all over the West Coast, along with their families and caregivers. "We have an unusually high number of subspecialists that people consult for treatment," Kloos says, "and they are simply delighted when they get here. This is such a special place."

The hospital's commitment to wellness is reflected throughout the hospital: walking and running trails along the river, an indoor track, cooking classes, outdoor gardens. It all helps solidify Eugene's reputation for fostering a healthy, active lifestyle. "This was most apparent during the Olympic Trials last year," Westlund says. "The health care sector in general was very generous in donating untold hours of time, from planning for the care of athletes to provisioning of services."

Kloos agrees. "The Olympic Trials and all of the interactive health activities that went on there just made a huge statement for Eugene and Springfield as far as our commitment to health and wellness involvement," she says.