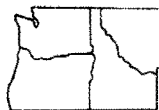


# Marple's Business Newsletter



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The Portland metropolitan area suddenly has become one of the hottest spots in the U.S. for new investment in high-technology manufacturing. The last two weeks alone have brought announcements of two major factories. By conservative estimate, projects announced since May will pour \$500-million of new investment into the area and create upwards of 5,000 jobs in the next two or three years.

If there is another area of the U.S. that has done as well attracting new plants and jobs the past six months, "I'm not aware of it," says John C. Anderson, Oregon's economic development director. And more good news is on the way. The department is working on 81 active "cases," each involving the potential for fresh investment in the state's economy.

Here's a rundown, in reverse chronological order, of the largest developments:

Oct. 3: National Semiconductor confirms plans to build a semiconductor factory at Hillsboro on the outskirts of Portland. Initial investment could reach \$150-million, employment 300-500. At completion in the 1990s, the plant could employ 2,000. Hillsboro won out over Tampa, Fla.

Oct 1: Wacker Siltronic announces it will build the world's largest factory for producing polycrystalline silicon, the raw material for computer chips, near its Portland silicon-wafer factory. Investment: \$80-million; additional employment 200. This is in addition to expansion of wafer capacity announced a year ago. By 1990, Wacker employment in Portland, now 700, could reach 2,000.

Sept. 12: Two separate subsidiaries of Japan's Fujitsu unveil plans for factories to produce disk drives and integrated circuits. The investments will total \$170-million; employment by 1987 may reach 1,000. Sites are not yet chosen.

Aug. 27: Epson Corp., a subsidiary of Seiko of Japan, announces in Tokyo it has agreed to purchase land near Portland for a plant to manufacture computer printers. Details should come out today (Oct. 10) at a press conference in Los Angeles. The initial investment could exceed \$30-million, employment 500.

Aug. 6: Kyocera International says it will begin construction immediately on a \$30-million plant in Vancouver, Wash., for the manufacture of electronic components. Employment should reach about 300 before the end of 1985; by 1992 the payroll could reach 2,100.

May 21: Nippon Electric Co. becomes the first major Japanese company to set up shop in Oregon. It buys 210 acres in Hillsboro for a plant that will manufacture fiber-optics communications equipment. Investment: \$25-million, initial employment 250.

Although it has not announced specific expansion plans, officials of California-based Intel Corp. have said that by the end of the decade the company will employ more in Oregon (the total is now 4,400) than in the Bay area (6,000). A spokesman tells the newsletter the company will have capacity for 12,000 employees in Oregon by 1990. Whether the total goes this high obviously depends

on how well the overall economy does.

The surge of new investment in Oregon is no accident. Anderson, a former officer of the Economic Development Council of Puget Sound who has been running Oregon's economic-development effort a year, says the forest-products recession was like "a cold shower" for a state that at one time was self-satisfied and didn't see the need for diversification and expansion.

Says Anderson: "We went through a painful period of deliberation and debate, Oregon-style, with lots of night meetings and so forth, on what we wanted to do in economic development. It has taken time, but we've got our act together."

Today a computer in Anderson's department can spit out instantly an economic profile of every industrial parcel in the state. The decade-long debate over land use in Oregon is "wrapped up," Anderson says, "and we have a more predictable situation with respect to industrial investment than you'll find elsewhere." The repeal of the unitary tax earlier this year gives the state a "highly competitive tax environment, particularly in comparison with California."

Beyond this, Anderson cites teamwork. Gov. Victor Atiyeh has been involved in face-to-face negotiations with every major investor, and "far more than in a public-relations sense." An "economic action council" representing departments of state government concerned with new-plant investments meets on a moment's notice if necessary. During talks with National Semiconductor, members were asked for written responses on certain issues within 24 hours. The results, presented to National's president at a short-notice meeting in California, helped clinch the company's decision.

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