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"State of the State" -- September 6, 1984

**GOVERNOR'S TRADE MISSIONS**

(This is intended for use as a column, but may also prove useful for editorial ideas or news stories.)

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By Governor Vic Atiyeh

"Governor, where's the beef?"

That is the sort of question Oregonians ask -- and should ask -- when they talk to me about results of my overseas trade missions.

The objective of these missions is to generate increased trade for Oregon, a state in which one in seven manufacturing jobs already is tied to world trade.

On my current Sept. 7-27 trade mission to Japan and the People's Republic of China, I am accompanied by a diversity of Oregon business leaders whom I will join in meeting with business and government executives in both countries.

(MORE)

I believe this mission has the potential to be the most productive of the three missions I have led this year.

But the best way to answer the question -- "Governor, where's the beef?" -- is to tell you a little about the success of the two earlier missions this year.

First, it is important to understand these are not order-writing trips. Instead, their goal is to develop contacts, to identify leads and to increase Oregon's visibility in international trade.

Nevertheless, these trade missions (to the Mideast last spring and to Taiwan and the Republic of Korea in May) have produced gratifying results.

In every country, we met with the highest levels of business and government officials.

In Korea, members of our party met with the chairman of the board of Hyundai, a conglomerate that accounts for 10 percent of that nation's gross national product. A representative of the Corvallis-based engineering firm, CH2M-Hill, met with the engineering arm of one of the largest companies in Korea. In Seoul, a port district manager said the success of any of four appointments he had in one day would have justified the trip from Oregon.

(MORE)

As a result of one meeting in which I helped a Portland company negotiate an import license, the firm won a \$42-million contract with Korea. That is especially significant because, typically, \$42,000 in exports generates one job for an Oregon worker.

A Hood River company that already does \$1-million in trade with Saudi Arabia estimated it would triple those sales in two years.

One businessman on the Mideast trip returned with \$150-million in projects on which Oregon companies could bid. A large Saudi Arabian trading and contracting company appointed one member of our party as United States liaison officer. And a representative of CH2M-Hill told me it would have taken him three to six months to make the contacts he was able to make in several days as a part of our trade mission.

In addition, I am using these trade missions to unlock increased trade through Oregon's ports, which already account for billions of dollars in trade and tens of thousands of jobs.

On the trade mission to Korea and Taiwan, we solidified Oregon's position in wheat sales, gained a better understanding of these nations' shipping schedules for the next decade, and developed new calls by ships from both countries.

We also identified prospects for joint ventures with Oregon companies and for sales of building and energy-conservation materials made in our state.

(MORE)

For a state to identify markets that will produce new jobs is worth a great deal, yet the cost to Oregon has been relatively small.

For the four-week, four-nation Mideast mission, for example, the total cost to the state was \$31,322 for myself and four working staff members.

That is an investment that will produce many times that figure in exports of Oregon goods and services that will maintain jobs for Oregonians who are working and will create jobs for Oregonians who want to.

This month, I am visiting Japan, which already is Oregon's leading international trading partner, and the People's Republic of China, whose size, population and industrial ambitions give it virtually limitless trade potential.

From this trade mission, too, I intend to return with plenty of the "beef" -- the results -- that Oregonians have a right to expect.

# # #



**Fact Sheet on International Trade  
April 16, 1984**

**World trade is important to Oregon:**

- Today, one in every seven jobs in Oregon is directly tied to exports, compared with only one in nine as recently as 1977.
- Oregon now ranks eighth among the states for manufacturing jobs tied to exports.
- It is estimated that one job is created for each \$42,000 in exports.
- International trade through the Oregon Customs District increased from 12.5 percent of Gross State Product in 1970 to 21.5 percent in 1980.
- Oregon consistently runs an international-trade surplus.

**The recently completed trade mission to the Mideast by Governor Atiyeh and several Oregon business leaders was an economic milestone for Oregon:**

- It was the first Oregon trade mission to the Mideast.
- Oregon was able to open many doors because the Governor was billed as the highest-ranking U.S. official of Arab descent.
- Oregon's trade mission started at the top, with meetings including those with Egyptian President Hosni Mubarek, Syrian President Hafez Assad, Israeli Prime Minister Yitzhak Shamir, and three Cabinet-level ministers in Saudi Arabia.
- Opening up the Egyptian, Saudi Arabian, Israeli and Syrian markets (population: 65 million) is like opening up our four largest states -- California, New York, Texas and Pennsylvania (population: 67 million). Or it is like opening up the Oregon market 24 times.

**Governor Atiyeh's trade mission to Taiwan and Korea offers special opportunities for creation and preservation of Oregon payrolls:**

- The Republic of Korea already is Oregon's No. 2 trading trading partner; Taiwan is Oregon's No. 4 trading partner.
- The Republic of Korea boasts the world's fastest-growing economy, with 9.2 percent real growth in 1983 and projections of 7-8 percent real growth for the next three years.



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"State of the State" -- September 20, 1984

**OREGON'S JAPAN CONNECTION**

(This is intended for use as a column, but may also prove useful for editorial ideas or news stories.)

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By Governor Vic Atiyeh

When we think of Japan, we think of household words such as Sony, Honda and Mitsubishi.

The U.S. consumer connection with this East Asian nation has become so great that Japanese products are even more ubiquitous than the fabled golden arches.

For Oregon, located on the 45th parallel directly across the Pacific from the Japanese city of Hokkaido, this represents an uncommonly rich opportunity.

(MORE)



Japan, an economic miracle worker in the region of the world's fastest-growing economies, is both a reliable customer for Oregon products and a promising investor in Oregon's manufacturing potential.

The most recent evidence was in the decision by Fujitsu Ltd. of Japan to build two electronics plants in the Portland area. These plants will represent an investment of \$170 million and will employ 1,000 people by 1987.

Fujitsu Ltd. is the third major Japanese company to announce Oregon investment plans so far this year.

Although our nation's leading international trading partner is Canada, Oregon's number-one trading partner is Japan.

We export such products as wheat, logs, lumber and chips to Japan, and import goods such as Japanese automobiles, steel, tractors and wire.

My September trade mission was part of Oregon's strategy to advance our state's visibility and attractiveness in Japan, a nation of 120-million consumers.

We also are opening an Oregon trade office in Tokyo so we can work directly with Japanese prospects and assist Oregon business people wishing to trade with the Japanese.

Only recently, a production crew from Fuji Telecasting was in Oregon filming a 13-week family-oriented series, "From Oregon With Love," to be broadcast on Japanese television.

(MORE)

Television exposure in Japan can help focus Oregon in the minds of the nearly 400,000 Japanese who visit our country annually.

Several weeks ago, Oregon was fortunate to be host to a business team representing the Japanese Federation of Economic Organizations, or Keidanren, which represents Japan's largest industries and most influential trade organizations.

We showed them Oregon plays in the major leagues.

Besides rolling out the usual state functions for visiting dignitaries, we also did what any good Oregonian would do to impress out-of-state guests: We took them to various parts of our state to show them what Oregon has to offer companies looking for plant sites.

We also have been aggressive in making personal contacts, following up leads and conducting trade shows in Japan. In mid-September, I ate dinner at a restaurant in Osaka that serves Oregon lamb, Oregon crab and Oregon vegetables as a result of our successful agricultural promotions in Japan.

Oregon offers many advantages to Japan -- both as a result of an accident of geography and as a result of Oregon's attractive business climate, which is no accident.

As a West Coast state, Oregon is a port for a variety of products. We have direct air connections between Portland and Tokyo. Our proximity results in an overlap in the Japan and Oregon business days, making it easier for executives to communicate by phone.

(MORE)



Our repeal of the unitary tax formula on July 30 was big news in Japan, and won Oregon many friends in the Japanese industrial community. But we also offer Japan an attractively low population density, while giving companies that locate here proximity to California's vast markets without asking them to pay the high price of crime, congestion and air pollution.

Oregon's position on the Pacific Rim holds great promise.

Now that American trade with the nations of the Far East exceeds that with the Common Market nations of Western Europe, this is being called "the Pacific Century."

Forecasters believe that by the year 2010, the Pacific Rim will be home to 4.5-billion people -- half the world's population and 60 percent of the world's consumers.

Assuming we in Oregon continue our effective marketing, and build aggressively upon our successes, our state stands to reap more than its share of the growing Pacific Rim prosperity.

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"State of the State" -- April 4, 1985

**CULTIVATING NEW MARKETS**

(This is intended for use as a column, but also may prove useful for editorial ideas or news stories.)

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By Governor Vic Atiyeh

Just as Midwest farmers recently won national news coverage for their marches on the nation's capital, Oregon agriculture is gaining attention worldwide.

Oregon's campaign to open up new markets at home and abroad is being waged with far less fanfare than the battle to stem America's growing "farm crisis."

Nevertheless, we are getting results that are putting dollars into the pockets of Oregon farmers.

(MORE)

Oregon farmers, who grow 170 different commodities, realized long ago that success results not from producing more for market, but instead in marketing more of what they produce.

With that in mind, our state Department of Agriculture is assisting with an ambitious schedule of sales missions, trade shows and other marketing initiatives.

Our work ranges from promoting Oregon-grown foods in Japanese supermarkets, to helping Oregon growers sell Christmas trees in Singapore for the first time, to conducting trade shows in Europe, the Orient, and Mideast.

In fact, Oregon is the only state that regularly conducts its own food shows in Taiwan and the Republic of Korea.

Our worldwide marketing efforts were recently recognized by President Reagan, who singled out our agriculture department to receive a prestigious award for "excellence in export."

Only a few days ago, three agriculture staff members were promoting Oregon farm products to about 400 specially invited guests at a third all-Oregon agricultural products show in Seoul, Korea. Later this month, Oregon firms will occupy 10 food booths at a Kansas City food show that is America's largest.

We participated in Tokyo's world-class Foodex '85 show in March.

At the Foodex show, where Oregon wines made their Japanese debut several years ago, we obtained more than 150 trade leads for Oregon firms. Japanese buyers were especially interested in Oregon berryfruits.

(MORE)

In January, we were scouting agricultural-market information in Australia and New Zealand.

We found, for example, that the Australians' greatest interest was in Oregon's frozen strawberries, canned salmon and hazelnuts. New Zealand buyers wanted to know more about hazelnuts, prunes, cherries and frozen berryfruit.

We conduct frequent seminars in Japan, Taiwan and Korea to show local bakers how to use Oregon wheat and caneberries.

One of the most exciting developments is our ability to adapt the produce of our farms to the demands of our customers.

In February, we held a productive meeting in Albany with representatives of Japan's Mitsubishi Corporation, which is interested in buying Oregon-grown rapeseed. Rapeseed, which could be used to produce cooking oils and lubricants, could eventually be grown on thousands of acres in Oregon.

Likewise, the Japanese are interested in northeastern Oregon's ability to grow a specialty melon that sells for \$75 each in Tokyo.

The bottom line is this: We are in a position to help market the quality produce of Oregon agriculture in a variety of ways.

I encourage farmers, processors, wholesalers and distributors to take advantage of our services.

(MORE)

Among these services are agricultural-marketing updates on 75 nations, chances to participate in cost-effective sales missions and food shows, and availability of an annually updated Agricultural Suppliers Directory (available for \$10 from the state Department of Agriculture, 635 Capitol St. NE, Salem 97310).

By cultivating new markets, and strengthening old ones, together we can ensure the profitability and growth of Oregon agriculture.

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"State of the State" -- November 14, 1985

OREGON'S CHINA POLICY

(This is intended for use as a column, but also may prove useful for editorial ideas or news stories)

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By Governor Vic Atiyeh

At a special ceremony recently in the historic Taiwanese city of Taichung, I signed a proclamation adopting the province of Taiwan as a "sister" of the state of Oregon.

This was another unusual milestone in Oregon's successful forging of profitable trade, cultural and educational partnerships with all of China.

The Chinese are important to Oregon not only as custodians of one of the world's oldest and richest civilizations, but also as significant business partners.

(MORE)

Taiwan is Oregon's No. 3 trading partner. Prospects are good for growing trade with the People's Republic of China (PRC).

Although relations with China are among the most ticklish foreign-policy questions that our U.S. government handles, Oregon has avoided these problems.

We talk frankly about our motives of increasing trade and of extending our long-standing friendship with the Chinese people.

Under our federal constitution, a state cannot recognize foreign governments or otherwise interfere in foreign policy. But we can sign trade, cultural and educational partnerships.

This is what we have done in our so-called "sister-state" agreements with Fujian province in the People's Republic of China (PRC), which I signed last year, and with the province of Taiwan, which I initiated during my October visit.

Some have called ours a "two-China policy." But it is instead a policy whose interest is solely in our friendship with Chinese people, not with their politics.

These are the key issues I addressed before signing the recent proclamation in Taichung:

(MORE)

-- PRC officials do not recognize Taiwan as a separate nation, and therefore object to calling it the Republic of China. Oregon's proclamation, which I wrote, refers only to the province of Taiwan.

-- I signed the agreement with Taiwan not in Taipei, but in the provincial capital of Taichung. The agreement now awaits ratification by Taiwan's provincial assembly (whose powers are similar to those of our state legislature).

-- On my visits to China, I discussed these issues fully with both PRC and Taiwanese leaders. Not only have I found understanding among PRC leaders in Fujian province, but also from Chinese Premier Zhao Ziyang.

These Chinese understand -- and respect -- our unwillingness suddenly to abandon our friendship with the people of Taiwan.

The Chinese want to do business with people whose friendship is based on mutual respect, not on politics.

It is my responsibility as governor to put our state in a position to do business internationally.

Already, Oregonians enjoy a diverse business with the Chinese.

Our trade with the PRC is small but growing.

(MORE)



Last year, Oregon exported \$107 million worth of logs, aluminum, kraft liner board, lumber and other products to the PRC; at the same time, we were importing \$16 million worth of gasoline, footwear, mushrooms, gloves, radios and other PRC goods.

Our trade with Taiwan, meanwhile, is large and flourishing.

Last year, trade with Taiwan exceeded \$299 million, a volume led only by our trade with Japan and Korea.

Our exports to Taiwan (such as wheat, particle board, lumber and chemicals) grew nearly 57 percent; imports from Taiwan grew more than 64 percent.

In fact, Taipei-based Evergreen ship lines now is the largest volume trans-Pacific carrier out of the Port of Portland's Terminal 6 complex.

These two sister-province agreements with Taiwan and Fujian provinces are important to Oregon's future.

Combined with Oregon's increasingly high profile around the world, they should pay Oregonians dividends in trade, jobs and international understanding for generations to come.

# # #

VICTOR ATIYEH  
GOVERNOR



OFFICE OF THE GOVERNOR  
STATE CAPITOL  
SALEM 97310

SISTER STATE PROCLAMATION

WHEREAS, Taiwan has been a long time trusted friend and important trading partner with the State of Oregon; and

WHEREAS, the commercial, cultural and other non-governmental relations between the people of Taiwan and the people of Oregon are now and have always been excellent and mutually beneficial; and

WHEREAS, the guiding principles of leadership in Taiwan of nationalism, democracy and social well-being are much admired by Oregonians; and

WHEREAS, the island of Taiwan is a beautiful land, sweetened with warm and friendly people very much like the Great State of Oregon; and

WHEREAS, the freedom and industry of Taiwan has enriched the lives of the people of Taiwan to the joy of Oregonians; and

WHEREAS, it is the strongest desire of the Governor of Oregon to both recognize the leaders and people of Taiwan and to bring us even closer together; now, therefore

BE IT KNOWN, by virtue of the authority vested in me as Governor of the State of Oregon, that the Province of Taiwan is hereby adopted as a sister, binding us in a filial relationship to bring us even closer together; and

BE IT FURTHER KNOWN, it is the sincere wish of the Governor of Oregon that the Province of Taiwan will likewise adopt the State of Oregon in Sister relationship officially cementing a long standing and mutually respectful association; and

BE IT FURTHER KNOWN, that I have caused copies of this proclamation to be forwarded to the President of the United States of America; to the President of the United States Senate; to the Speaker of the House of Representatives of the United States; to the Chief Executive Officer of the

Government of Taiwan; and to the Speaker of the  
Provincial Legislature of Taiwan.

IN WITNESS WHEREOF, I have hereunto  
set my hand and caused the Great Seal  
of the State of Oregon to be affixed  
at Salem on the \_\_\_\_\_ day of \_\_\_\_\_  
1985.

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GOVERNOR

ATTEST:

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SECRETARY OF STATE



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"State of the State" -- July 24, 1986

OREGON'S TOKYO OFFICE

(This is intended for use as a column, but also may prove useful for editorial ideas or news stories)

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By Governor Vic Atiyeh

Oregon's 15th-floor office in Tokyo's downtown financial district is small, with no more than 800 square feet of floor space.

But after less than two years in business, it already is producing big results.

Let me give you an example: Recently, the office worked with a Japanese home-center chain that is Japan's fourth largest. The stores wanted to buy moldings, millwork and modular furniture.

(MORE)

Our Japan office invited them to visit Oregon, and when they arrived we took them to meet four Central Oregon manufacturers.

The last I heard, this company was ready to begin placing orders of Oregon-made products that will produce jobs for Oregonians.

Oregon manages an office in Tokyo for the same reason companies such as IBM and General Motors have offices spotted around the country: If you want to sell your product, you must go where the customers are.

For Oregon, which does more than half of its international trade with Japan, being represented in Japan and Korea is a must: 26 other states also operate offices in Japan.

Our Japan office works with trade, tourism, education, and with companies interested in investing in Oregon jobs.

For example, if a Japanese company contacts our Tokyo office about buying a particular Oregon-made product, we then contact Oregon suppliers to help them get in touch with the prospective buyer.

Some successes:

- o A Japanese lumber company that never had imported from the U.S. now buys two containers of dimension lumber and other building materials from a Portland exporter every month.

(MORE)

- o A Tokyo fish importer is buying its fourth 40-foot container of black cod from an Oregon supplier.
- o A building-maintenance company is importing time-management software from a Corvallis company.
- o A chemical company is buying recycled plastic beverage containers from a Portland company to be used for making synthetic fiber carpeting.

Likewise, when Oregon manufacturers want to sell a product in the Japan or Korea, personnel in our Tokyo office help them scout the market.

At the moment, the Tokyo office is investigating the market potential for Oregon products ranging from pork jerky, snow crab and matsutake mushrooms to lamb, log homes and dimension lumber.

Oregon companies already sell the Japanese products such as frozen processed potatoes, specialty building materials, fish products, auto accessories, dog food, and furniture.

All of the examples above, and more, constitute the "bread and butter" of our international trade with Japan which amounted to \$4.3 billion last year. Of equal importance is our continuing contact with major companies such as NEC, Fujitsu and Epson--all of whom are now Oregon businesses--as well as our contact with Japanese financial institutions, trading companies and chambers of commerce.

(MORE)

I opened this office in September 1984, and it has clearly given us an edge in the Japanese and Korean markets.

The staff of three full-time employees and one part-time person include the director who has 14 years' experience in working with a Japanese trading company and with the state's International Trade Division in Portland; a trade-development manager who spent 30 years promoting trade and developing markets for the U.S. government and Japanese companies, and a special adviser who spent 30 years in diplomatic service, including working as the Japanese consul-general in Portland.

As a liaison, the Tokyo office maintains a library of videotapes, slides, photographs, and Japanese-language business information (such as taxes and land costs) about Oregon.

I encourage Oregonians to use this office when they desire help in trading with Japan or Korea.

If you want further information, or wish to visit the office while in Japan, please contact Chris Carlson of the Oregon Economic Development Department, International Trade Division office, 1500 S.W. First Ave., #620, Portland 97201. Or call him at 229-5625.

# # #

Gov. Vic Atiyeh  
State Capitol  
Salem, Oregon  
378-3121

Sept. 11, 1986

The National Governors Association has requested that Gov. Vic Atiyeh lead a group of Governors on a trade mission to Japan Sept. 27- Oct. 4.

The Governor will then extend his trip until Oct. 9 to lead a delegation of local officials and business representatives for a series of meetings with Japanese companies interested in investing in Oregon. That portion of the trip will be coordinated by the Oregon Economic Development Department.

The NGA portion of the trip will be hosted by the Liberal Democratic Party (LDP), the ruling party of Japan. While in Japan, the Governors will meet with Japanese political and business leaders in order to increase ties between the two countries.

Other Governors on the NGA trip will include Martha Layne Collins of Kentucky and George Ariyoshi of Hawaii. Additional Governors may join the mission.

(more/over)



During the extended portion of the trip, the Governor will participate in three investment seminars organized by Nomura and Daiwa Securities, two firms which work with the Economic Development Department to establish relationships with Japanese companies. Those attending these seminars will be from the high technology and food processing sectors.

Accompanying the Governor during the local portion of the mission will be representatives of the Portland Development Commission; the Sunset Corridor Association; the City of Tualatin; the City of Salem; the Eugene-Springfield Metro Partnership; Grubb and Ellis, a real estate firm; Stoel, Rives, Boley, Fraser and Wyse, a law firm; BOOR/A, an architectural firm; Plan Tek, Inc., a planning and development firm; the Oregon Graduate Center; and Eastern Oregon Farming Co.

A highlight of the Governor's schedule is a reception on Oct. 8 for the Oregon Tomonokai, a recently formed association of businessmen in Japan with an interest in Oregon. The inaugural reception for the Tomonokai in May drew more than 400 businessmen, government officials, and Oregonians now living in Japan.

During the NGA portion of the trip, the Governor's expenses will be paid by the LDP. The state will pay his expenses during the extended part of the trip.

Mrs. Atiyeh will accompany the Governor during the NGA segment of the trip. The LDP will also pay her expenses.

# # #



Gov. Vic Atiyeh  
State Capitol  
Salem, Oregon  
378-3121

Mar. 7, 1986

Gov. Vic Atiyeh will host a delegation of Japanese businessmen Mar. 11-13. Members of the Federation of Economic Organizations in Japan, called Keidenren, will be in Oregon for the second time to learn first-hand about the state's investment climate.

The 21-member Keidanren delegation, led by Yoh Kurosawa, deputy president of the Industrial Bank of Japan, Ltd., will arrive in Oregon on the evening of Mar. 11 and depart the afternoon of Mar. 13. In between, the group will tour investment sites both in the Portland metropolitan area and around the state.

On Mar. 12, the delegation will be divided into four groups for visits to Salem/Albany, Eugene/Corvallis, Medford/Ashland and Bend/Redmond. In addition, three representatives of heavy industry companies in Japan will visit the Rivergate area of the Port of Portland.

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Representatives of Oregon's Economic Development Department will escort the groups on the local tours, accompanied by members of local economic development organizations. At the request of Keidanren, the focus of the community visits will be on touring existing plants or facilities in the communities.

The Keidanren delegation will meet with Gov. Atiyeh and other business leaders shortly after they arrive in Oregon on Mar. 11. The next day's schedule features a briefing on Oregon as an investment location, followed by tours around the state.

The day ends with a state dinner back in Portland at Jantzen Beach. Business leaders, government officials and economic development representatives from throughout the state are expected to attend.

On Mar. 13, the delegation will meet with representatives of the Japanese community in the Portland area and tour industrial sites before departing in the early afternoon for the State of Texas.

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The Keidanren, a private, non-profit organization, was established in 1946. Members represent all branches of economic activity in Japan with more than 800 corporate members and 100 association members.

Delegations from Keidanren are touring 11 states which are viewed as positive U.S. investment locations. Keidanren visited Oregon in 1984 at the request of the governor. This time, Keidanren chose Oregon as part of its itinerary in the U.S.

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(For more schedule information, call Douglas Frengle, manager of the International Trade Division, Economic Development Department (299-5625), or David Fiskum, deputy director of EDD (373-1205).

KEIDANREN INVESTMENT EXPANSION MISSION MEMBERS

Leader:

1. Yoh Kurosawa Deputy President  
The Industrial Bank of Japan, Ltd.

Members:

2. Naozo Mabuchi Managing Director  
Sony Corporation
3. Hisao Kudo Managing Director  
Aoki Corporation
4. Kazuo Nukazawa Director  
(Coordinator) International Economic Affairs Dept.  
Keidanren
5. Hiroshi Nagakubo Senior Manager  
Finance Department  
Ishikawajima-Harima Heavy  
Industries Co., Ltd.
6. Shigeo Watakabe General Manager  
Sales, Overseas Business Division  
Takasago Thermal Engineering Co., Ltd.
7. Masanobu Ichiyoshi Executive Vice President  
Nippon Steel USA Inc.
8. Yoshio Hiramoto Chairman  
Showa Denko America, Inc.
9. Hiroshi Miyamoto Senior Representative  
Hitachi Ltd.  
Washington Office
10. Shinichi Sugiyama Executive Vice President & Gen. Mgr.  
Kikkoman Foods Inc.
11. Junichi Yoshioka General Manager  
The Kyowa Bank, Ltd.  
New York Branch
12. Masahiro Kawase General Manager  
The Daiei, Inc.  
Los Angeles Liaison Office

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13. Mitsuo Tada  
(Oregon only) Executive Vice President  
Fujitso America, Inc.
14. Keisuke Mizukami Senior Manager  
Corporate Planning Department  
Mitsubishi Chemical Industries Ltd.
15. Kunio Kudo Deputy General Manager  
Finance Division  
Mitsui & Co., Ltd.
16. Mitsuro Misawa Joint General Manager  
International Investment Services Dept.  
The Industrial Bank of Japan, Ltd.
17. Yoshiyuki Suga Deputy General Manager  
Coordination Division  
Mitsubishi International Corp.
18. Tomoo Yukawa Deputy Vice President, Marketing  
Nissan Motor Corp. in U.S.A.
19. Kazuyuki Kinbara  
(Secretariat) Staff Economist  
International Economic Affairs Dept.  
Keidanren
20. Yutaka Iwasaki  
(Secretariat) Assistant Manager  
Sales Department No. 2  
International Travel Division  
Tokyo Air Service Branch  
Nippon Express Co., Ltd.
21. Tomoko Kempf Interpreter

# Office of the Governor State of Oregon



Gov. Vic Atiyeh  
State Capitol  
Salem, Oregon  
378-3121

May 21, 1984

Gov. Vic Atiyeh announced today that NEC America, Inc. will build a new facility to manufacture and assemble equipment for fiber optic communications, radio communications and other telecommunications systems.

The plant will be located in the city of Hillsboro, about 20 miles outside of Portland. Initial plans call for an investment of some \$25 million. The plant will employ about 300 people when operations are fully underway in 1987.

NEC America, Inc. manufactures, sells and services advanced telecommunications equipment and systems for the United States market. Established in 1963, NEC America is headquartered in Melville, New York, and has manufacturing facilities outside Dallas, Los Angeles and Washington, D.C. The company also has a nationwide network of sales and service outlets and employs about 1,400 people throughout the United States.

NEC America, Inc. is a wholly owned subsidiary of NEC Corporation, based in Tokyo, Japan. NEC Corporation is one of the world's leading manufacturers of computers, telecommunications equipment, electronic devices and home electronics. Established in 1899, the company has pioneered in the development of new technologies and in the integration of computer and communications technologies for new applications in both home and industry. Today, NEC's worldwide network of manufacturing, sales and service facilities offers more than 15,000 products to customers in 140 countries. NEC Corporation employs more than 73,000 people worldwide and had sales revenues exceeding \$6.1 billion in the fiscal year ended March 1983.

-MORE/OVER-

In welcoming NEC America to Oregon, Gov. Atiyeh said he was pleased that one of Japan's leading corporations had decided to invest in the state. He added that Oregon welcomes high technology investment like the planned fiber optic communications systems plant as this type of investment will help position the state for strong growth in the information age.

"The significance of the decision of NEC to locate in Oregon should not be underestimated. First, this clearly shows that Oregon can successfully compete in the intense competition around the United States. Second, it proves that there are demonstrated, positive reasons why Oregon is a good place to do business. And finally, this decision by NEC — a world-wide industrial leader — will reverberate throughout this country and around the world boding well for our economic future.

"I welcome NEC, which now joins the already mature and respected electronic industry of the Oregon 'silicon forest.' "

Oregon's current worldwide unitary tax structure does not necessarily affect local subsidiaries of large corporations, the governor said, although this issue remains of concern to both domestic and foreign firms wanting to invest in the state. "I have gone on record as opposing worldwide unitary tax and will make every effort to see that it is repealed in the next state legislature," he added.

Dr. Ko Muroga, president of NEC America, Inc., said the new facility will greatly expand the company's already large manufacturing capacity in the United States. This will help NEC America meet the rapidly growing demand for high quality, reliable telecommunications equipment.



"NEC America, and indeed NEC Corporation, is firmly committed to manufacturing products as close to our markets as possible. This not only allows us to better adapt products and services to customers' needs, but also enables us to participate fully as responsible corporate citizens in the communities in which we work and live," said Dr. Muroga.

Dr. Muroga explained that at the present time NEC America's plans for Oregon are somewhat modest but that the company's investment in Oregon might very well expand in the future. "The United States is the largest and fastest growing telecommunications market in the world. NEC America is committed to keeping pace with this market and to providing telecommunications products of advanced design, unmatched performance and outstanding reliability," he said.

Members of the public/private support team working on this project will be: the Oregon Economic Development Department; the Oregon Governor's Office; the Oregon Department of Revenue ; Coldwell Banker (realtor); Kell, Alterman and Runstein (attorneys); CH2M Hill (engineering); and Hill and Knowlton (public relations).

# # #



May 21, 1984

GOVERNOR'S STATEMENT

On behalf of the people and the State of Oregon, it gives me great pleasure to announce that NEC America, Inc., a subsidiary of one of Japan's leading corporations, has chosen Oregon as the site for a new manufacturing facility that will produce and assemble equipment for fiber optic communications, radio communications, and other telecommunications systems.

The new facility will be located in the City of Hillsboro and will employ some 300 people when operations are fully underway in 1987.

NEC America manufactures, markets and services a wide range of telecommunications equipment and systems for the U.S. market. It is a wholly-owned subsidiary of NEC Corporation, based in Tokyo, which is one of the world's largest and most advanced manufacturers of computers, telecommunications equipment, electronic devices and home electronics. In the field of telecommunications, NEC Corporation is the world's largest supplier next to Western Electric.

We in Oregon are very pleased that NEC America has decided to invest in our state. This investment will, of course, mean jobs for Oregonians. But equally important is the fact that these jobs will be in one of the leading high technology industries of the telecommunications field. The type of high technology investment that NEC brings to Oregon will help position our state for strong growth in the information age.

-MORE/OVER-

We are also pleased with NEC America's decision to locate here because it is one of Japan's leading corporations. We believe Oregon is a good location for Japanese firms wanting to manufacture in the United States. The state offers close proximity to Japan and has direct and convenient links for transportation and communications. In addition, Oregon has always had cordial relations with Japan as well as extensive cultural, social and trade relations. The city of Portland is in fact a sister city of Sapporo and over the years there has been a frequent exchange of visitors between the two cities.

"The significance of the decision of NEC to locate in Oregon should not be underestimated. First, this clearly shows that Oregon can successfully compete in the intense competition around the United States. Second, it proves that there are demonstrated, positive reasons why Oregon is a good place to do business. And finally, this decision by NEC — a world-wide industrial leader — will reverberate throughout this country and around the world boding well for our economic future.

"I welcome NEC, which now joins the already mature and respected electronic industry of the Oregon 'silicon forest.' "

As you know, the State of Oregon currently has a global unitary tax system that has caused considerable concern to both foreign and domestic corporations wanting to invest in this state.

I have gone on record as opposing global unitary tax and other groups, representing both government and business, have also favored repeal.

Fortunately, the unitary tax structure in Oregon is more flexible than it is in some other states. Under Oregon regulations, a company such as NEC can establish a separate subsidiary in this state and that subsidiary can choose either to file a separate or a combined return. Thus, NEC America's investment here may not be subject to unitary tax.

Nevertheless, NEC America has made it clear, in discussions with me, that they oppose the concept of global unitary tax in that it discourages the expansion of business in response to market conditions.

I have assured them that every effort will be made to have this global tax repealed when the state legislature next meets.

We are glad that NEC America has decided to invest in our state as this is a clear expression of confidence: confidence in this state and in its economic future.

Oregon offers its heartiest welcome to NEC America — which joins the many quality electronic firms of the Oregon silicon forest.

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