

APPENDIX 1: INTERVIEW PARTICIPANTS

This appendix summarizes the range of interview and focus group participants.

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1. INTERVIEW PARTICIPANTS

The business descriptions in Section 1 relate how participants described the businesses in the interviews, including their operations in the harbor area, company history, number of employees, and similar information.

MARINE TERMINALS / PORTS

Columbia Grain

Columbia Grain is a grain exporter, handling mostly wheat through T-5 in Portland and 40 other grain elevator facilities in the western U.S. Our headquarters is in Portland. Columbia Grain handles 14 percent of the U.S. market share of wheat exports. The T-5 operation handled 3.5 million tons of grain last year, unloading 25,000 rail cars and 350 barges, and loading 120 ocean-going vessels. The business is somewhat seasonal with peak periods following August harvests and extending through March. Columbia Grain has 10 employees working at the Portland office and facility, plus 20 ILW dock workers.

KinderMorgan

Kinder Morgan Energy Partners, LLC, is a leading North American energy transportation and distribution company based in Houston, Texas. Kinder Morgan has approximately 40,000 miles of natural gas and petroleum transportation pipelines, 1.1 million natural gas distribution customers, and 150 terminals spanning the United States and beyond. In Portland, Kinder Morgan has dry bulk terminal, petroleum terminal, and pipeline operations. The company purchased their two Portland petroleum terminals as part of a stock purchase in 2001, buying out GATX Terminals. The larger terminal is located next to the Metro dump in Willbridge, and the smaller one is located north of Linnton. Kinder Morgan's terminals have approximately 30 percent of the total 210 million gallon capacity of the 9 terminals in the Willbridge energy cluster. Kinder Morgan also has a 114-mile pipeline that runs from Willbridge to Eugene, with 8 gathering lines from the terminals.

Port of Portland

The Port of Portland operates four marine terminals on Portland Harbor, leases other industrial land in the harbor districts, and implements dredging, rail, and road improvement projects in the harbor districts.

Port of Vancouver

The Port of Vancouver, USA has 600 acres of developed marine terminals and industrial property. We have a 3-member board of commissioners that are elected by the residents in our tax district, which consists of 300,000 people. All ports in Oregon, except Portland and Coos Bay, are also elected. Bulk products are the primary cargo type handled at the Port. Our main export is wheat. We have the largest wheat terminal on the Columbia River, and probably on the West Coast. We also have a large malting facility. Bulk mineral terminals here export copper concentrate and bentonite clay. Valero operates a liquid bulk terminal for petroleum imports. We handle a variety of break bulk cargo (products that don't go in containers) - steel, pulp, lumber, coils, pipe, etc. And Subaru operates a large auto import terminal. Combined with the Port of Portland, we are the largest auto importer on the West Coast. In addition to marine terminals, we also lease industrial space north of the railroad tracks, for example to Panasonic, Boise Cascade, and Glacier NW.

Panasonic here operates one of the last manufacturer plants for television sets in the U.S. The Port of Vancouver is located directly across the Columbia River from Portland Harbor

Toyota

Toyota operates an auto-import terminal on 102 acres at T-4. We service the Pacific Northwest and Midwest markets from this facility. We unload a vessel every 2-3 days with about 1,500 cars. We also install post-production options onto the cars at this facility, such as security systems, audio upgrades and drop hitches. We experiment with certain add-ons and accessories to customize a car and then, if it catches on, they'll take on the engineering at the plant. Accessorization accounts for 75 percent of our employees. We currently employ 177 production associates and 23 salaried employees. Additionally, we are the source of 25 fulltime longshore jobs.

RAILROADS

Union Pacific

Union Pacific Railroad is the largest railroad in North America, with over 32,000 route miles covering 23 states across two-thirds of the United States. The railroad has almost 50,000 employees and an annual budget of \$3.3 billion. In Oregon, the railroad has over 1,000 route miles of track and over 1,800 employees. The Union Pacific operates a line from the east that follows the Columbia River as it enters Portland, as well as routes south into California, including one along I-5 that originates in Portland.

Burlington Northern Santa Fe

The Pacific Northwest—which includes Vancouver B.C., Seattle, Everett, Pasco, Spokane, and Portland—is the biggest division of our railroad, in large part because the ports are here. We have approximately 600 employees in Portland/Vancouver. Four significant components of our operations intersect here. (1) This area is an important industrial complex, including the ports and the interchange with the other railroads. (2) There are lines here that run north to British Columbia, south through the Willamette Valley, and east for our line haul operations. (3) We have a major intermodal presence. (4) And heavy bulk traffic coming by unit trains is exported from here – grain, potash, clay (going from Wyoming to India and China), and copper (from Utah to China).

We operate several yards in this area. Vancouver Yard is our biggest. Auto freight is handled at our yard at T-6 as well as in Vancouver. Hyundai and Honda are large customers. Our domestic Intermodal Hub Center is in NW Portland (west of Lake Yard). We also use intermodal facilities at T-6, which the Port operates. We run two intermodal trains (two inbound and two outbound) per day between Portland and Chicago. Our biggest intermodal customers are UPS and Hunt. We also have Portland Yard, which is the old Willbridge Yard and Lake Yard, which is jointly owned with Union Pacific. What we call Willbridge today is on the west side of Highway 30. We carry a lot of lumber products from transload activity and mostly from interchange traffic with the short lines, such as the Portland and Western line out to Astoria and the Puget Sound Pacific line to Centralia.

Portland and Western

Portland & Western Railroad (P&W) is a wholly owned subsidiary of Genesee & Wyoming Inc. P&W is a short line railroad that operates a 520-mile regional system serving 135 customers in Northwest Oregon. We are located in Salem. We are the retail arm of the railroad, and we provide flexible, responsive rail transportation service to the Portland metropolitan area, the Willamette Valley, coastal Toledo, and the Port

of Astoria. We take cars from small shippers, consolidate and sort them, then hand them over to Burlington Northern Santa Fe (BNSF) and Union Pacific (UP), who treat them as unit trains, not as small individual companies. About half of our line is leased from UP.

TRUCKING AND WAREHOUSING

Columbia Sportswear

Columbia Sportswear started in 1938. Today it is one of the world's largest outerwear brands and has other product lines in sportswear, footwear, and accessories. We have two U.S. distribution centers, this facility in Rivergate and one in Kentucky. We also have distribution centers in France, Canada, Korea and Japan. The rest of the world market is handled through external distribution networks. Our products are shipped via container from factories in about 40 different countries. Most of our product handled at this facility comes through the port in Seattle or sometimes through the Port of Portland. The product at the Kentucky facility comes through either the Seattle or Long Beach ports—which one might depend on whether mudslides wash out the rail lines in the Northwest, or if Long Beach unions are on strike. If we ship direct to the retailer, the containers are broken down in Long Beach and the cases are sent directly to our customers' distribution centers—instead of going through our facility here. Our big customers are the larger retailers, like REI, Kohl's, Cabela's and Gart. We ship cases, not pallets. We peak out at well over 500 permanent and temporary workers at this facility.

Harris Transportation

Harris is a bulk petroleum hauler – this is our only cargo. We get product from all the Portland terminals and sometimes the fuel terminal in Vancouver. Our customer base is fuel retailers (e.g., Shell, Albertsons, Safeway) and ultimately the general public. We don't need to sell our product, it's a commodity that everyone needs. We are the #1 carrier in the Pacific Northwest and serve the Seattle, Portland, and Washington areas. We also just opened an office in Phoenix. We are dependent on the refineries and the pipeline here, as well as the terminals in Washington. Harris has been in business since 1929. For many years we were also involved in the distribution of petroleum, but the transportation part of the business spun off in 1991, and is now Harris Transportation. In 1991, Harris Transportation only consisted of 4 trucks; we now have 95. We brand some of our tankers, so the Shell and Safeway tankers you see may be ours too. Harris Transportation employs 200 people company-wide at 8 terminals in Washington, Oregon and Arizona, including 85 in Portland. About 175 of the employees are drivers.

Oregon Transfer

Oregon Transfer is a regional grocery distribution business. We deliver to Seattle, Spokane, and sometimes Northern California. The company was founded in 1868 as Portland Hack & Dray Co. by some famous Portlanders, including Corbett, Failing and Ladd. It is one of the oldest firms in the state—there are only six or seven firms as old as we are. The Radio Cab building in NW Portland was our old barn where we kept horses and wagons. One of our old warehouses was at NW 12th and Glisan. In 1925, Marcile Cowlin purchased the company. She sat on the Board and was a very instrumental force behind company—a matriarch and spiritual leader. She just died two years ago at age 102. The stock is still held in her family. Today we have about 125 employees and a fleet of 20 power units. We have roughly a 500,000 sq. ft. warehouse facility in Rivergate, 150,000 sq. ft. at Swan Island, and 350,000 sq. ft. in Milwaukie. We had a building in Guilds Lake that we sold only a few years ago.

UPS

The UPS facility on Swan Island is the regional hub for 200 miles in each direction. Portland is the hub location for Oregon and Washington. We are also a consolidation point, meaning that partial loads in Seattle, for example, are consolidated here. We started with one building here in 1970 and now own four sites on Swan Island. The main building, called the “Hub,” is a sorting facility for packages. This is technically a small package facility (up to 150 pounds)--bigger packages are handled in the freight division. We deliver the whole gamut of freight—including things like refrigerated fruit. We say “No live animals” but we find them sometimes. Also, we work with the police because people sometimes try to send drugs. We have a large part-time workforce. We employ four shifts with 400 people each, 200 package drivers, 200 tractor-trailer drivers, plus operations and administrative staff. Our drivers go out and back 200 miles in a day. On longer hauls, drivers change every 200 miles. In the last few years we’ve started some long haul, mostly with our air product—it goes on the ground if it’s close enough.

MANUFACTURING

Heavy manufacturing

ESCO

Founded in 1913 in Portland, ESCO Corp. now has 35 plants and businesses around the world. The world headquarters remain in Portland. ESCO has 3,800 people worldwide. The Portland facility employs 800 to 900 people, half shop workers and half office workers. The company is privately held. ESCO primarily manufactures equipment for the mining, construction, and mineral processing industries. We also make jet turbines for the aerospace industry and engineered metals. ESCO’s plants span six continents. Virtually all of the company’s production is for export.

Owens Corning

Owens Corning makes roofing products. We sell to distributors, not to the public directly. We ship 100 tons a year from Portland to customers in places like Montana and Northern California. Our facility in Linnton manufactures pure (not sticky) asphalt products. At our Yeon Avenue facility, we take that asphalt and combine it with other materials to make roofing products. We operate 24 hours a day, 7 days a week. We employ 85 people at this facility (Yeon), and 15 more in Linnton. This facility was built in 1937, and we acquired it in 1977. Owens Corning has 15 roofing plants in the U.S. The only other one on the West Coast is in Los Angeles.

Oregon Steel

Oregon Steel produces plate and coil steel from semi-finished steel slabs. We are the only steel plate producer on the West Coast. We have five components to our operations in Rivergate. (1) We operate a rolling mill, which supplies steel plate and coil to our customers and our other operations. (2) We own a joint venture with Feralloy (“Oregon Feralloy Partners”) called the Cut-to-Length Facility. The Cut-to-Length Facility makes strip cut plate out of our coil. (3) Columbia Structural Tubing (CST), one of our subsidiaries, is located on Harbortgate Blvd. – they make tubing out of our coil. CST leases their manufacturing equipment, but they own the land and building. In contrast to pipe, which is built to specifications, tubing is stock-based. (4) Our new spiral pipe mill under construction will make large diameter pipe used in oil and gas pipelines. Bredero Shaw (a ShawCor Company), an unreated entity, will have a coating facility here to coat the pipe. This facility will house their equipment in our building on our land. (5) We also operate a heat

treating facility on Columbia Blvd. that tempers our plate product and produces abrasion resistant grades for our customers.

From the 1940s to the 1970s we were located at Front Avenue. We bought our 153-acre site in Rivergate from the Port of Portland in the 1960s, and the mill became operational there in the early 1970s. We revamped the current mill in the 1990s. We currently have 500 employees here in our Rivergate facilities. The pipe mill will add 100 people - we will have three crews and operate 24-7 here. In addition to our headquarters and base of operations in Portland, we have a pipe facility in Alberta, Canada and another mill in Pueblo, Colorado. We are a publicly-traded firm – “OS” on the New York Stock Exchange.

Schnitzer Steel

Schnitzer Steel is headquartered in Portland. It is 100 years old this year. It represents the classic success story: a local immigrant starting a business carrying scrap on his back, then buying a cart, and eventually growing into a global company. In Portland, we have 150 employees at the yard and another 60-65 people at our corporate office. Globally we have about 1,500 employees. Schnitzer has four business lines. 1) Scrap metal recycling. We have 50 facilities associated with six marine deep draft terminals on the East and West coasts of the U.S. working in the collection, processing, and recycling of scrap metal. There has been a slight tilt toward the export side over the last few years to Europe, Mexico, and Asia. We are one of the largest U.S. scrap exporters. There are approximately 200 large-scale shredders nationally, and 8 of those belong to Schnitzer. We also broker scrap out of Russia and the Ukraine. 2) Steel manufacturing. Our steel mill in McMinnville produces concrete reinforcing bar, wire rod, steel rod, pipe, etc. 3) Used auto parts, similar to U-Pull-Its. We have fifty stores all over the U.S., both self service and full service. It's a growing business, which not only stands on its own but also feeds the shredders. 4) Various other ventures, including rail pickup and abandonment.

Vigor Industrial / Cascade General

Vigor Industrial is a new company with diversifying business lines in ship repair, related heavy construction, industrial painting, and wastewater processing. Cascade General, which operated the ship repair facility on Swan Island since the 1970s, recently became part of Vigor, a parent firm that also operates ship repair facilities in Washington. Sixty percent of our ship repair work is now done at Port Angeles. Vigor owns the 60-acre Portland Shipyard site, which includes repair berths, dry docks, and 550,000 square feet of craft shops. We also do a lot of tenant services. Fabricators use our overhead cranes and large covered storage spaces. For example, Harris Thermals is building tanks on the site to store and transport Hanford wastes.

General manufacturing

Bay Valley Foods

Bay Valley is a new company. Until 1999 we were Steinfelds, which was then bought out by Dean Foods. Last June, Dean spun specialty foods off as separate firm called Treehouse Foods, and Bay Valley is a division of that. There are 11 Bay Valley plants around country, with our headquarters in Green Bay, Wisconsin. We have \$700 million in annual sales nationally. We are the largest maker of non-dairy creamers in the United States. We have six pickle plants. Steinfelds, Nalleys, and Farmans are the pickle brands made at our plant here in Portland. They are our most branded products. Mostly Bay Valley makes supermarket brands—our name is behind-the-scenes. We have 120 full time employees here, though our seasonal employment increases to 160 in the summer. During the 10 weeks of the cucumber harvest (mid July to mid September) we ramp up to 24-hour operations. Normally we just have one 10-hour shift.

Rejuvenation

Rejuvenation manufactures and sells period-style lighting and other hardware and household items. Many Portlanders know the retail end of our operations, but don't know what we really do. We are a light manufacturing business. Rejuvenation was started in 1977 as a store in North Portland at Skidmore and Mississippi. In 1980 we started building period-style lighting. In 1992 we bought the retail building on Grand Avenue and did manufacturing above the retail space. We bought this building on NW Nicolai in 1999 and moved our assembly, distribution, and office operations here. This is an 87,000 square foot building. We now have 250 employees, mostly in Portland, but about 20 people in Seattle.

PROPERTY OWNERS / REPRESENTATIVES

Advanced American Diving Service, Inc.

Advanced American Diving is listed as a property owner because they recently located onto a brownfield site on Portland Harbor and thus offer particular insight on brownfield redevelopment.

Advanced American Diving Service, Inc. has been in business for 22 years, headquartered in Oregon City since 1989. Fifteen years ago, they evolved into a heavy marine industrial general civil contractor, working on docks, dams, marinas, and other projects on or near the water. They do modifications of dams for fish passage for the Army Corps of Engineers, which is a big client. The COE has projects in the Columbia and Snake River systems. This company also worked on the East Bank Esplanade for the Portland Development Commission and City of Portland, handling outfalls, pipe crossings, and heavy civil construction on or near the water. They do a lot of work at the Port of Vancouver too.

OpCon

Since 1988 I've worked as a consulting engineer with a diverse group of businesses, not necessarily on all harbor or river-related projects. I now have a small industrial construction company, OpCon. My background is in industrial engineering and construction. I also worked at the Port of Vancouver for several years.

PDC Business Retention and Expansion Team

The Business Retention and Expansion Team works in the Economic Development Section of the Portland Development Commission. They meet regularly with businesses to assist on expansion, development, and retention issues. They also work as liaison's with target industries, including metals and transportation equipment manufacturing, distribution and logistics, and high tech manufacturing.

Time Oil

Time Oil owns a 50-acre vacant property on Portland Harbor. It is on Time Oil Road in Rivergate. Time Oil ended its operations there in September 2001. We also had another harbor property, the Linnton terminal, along the Olympic Pipeline, but that was sold to Shore Terminals in 1999.

INDUSTRIAL ASSOCIATIONS

Lower Albina Council (Glacier Northwest representative)

Glacier Northwest is a regional producer of cement, sand, gravel, rock, and building materials. Our cement importing and regional distribution facility is in Lower Albina, our sand yard is in Linnton, and our concrete batch plant and aggregate yard is in Guild's Lake. We need to be located on the harbor for ship, barge, rail, and truck access. A central location is also important to us for serving the regional construction market.

Northwest Industrial Neighborhood Association (Madden Fabrication representative)

Madden Fabricators is a metal fabrication shop in Guild's Lake. We are a job shop, so we produce diverse products according to a customer's request. For example, we repair parts for Gunderson booms and Corps of Engineers dredges. We supplied materials for the St. John's Bridge project. The Pearl District has been a boon for our business, supplying ornamental handrails and other features for new construction.

Swan Island Business Association (Freightliner representative)

Freightliner is the largest heavy-duty truck manufacturer in North America and a leading producer of medium-duty trucks and specialized commercial vehicles. Its North American headquarters, design facility, and a truck plant are located on Swan Island. We have chosen to be located in Swan Island because it is the best location for our employees.

INDUSTRIAL BROKERS

GVA Kidder Matthews

Norris, Beggs & Simpson

Shafer Realty

Capacity Commercial

INDUSTRIAL DEVELOPERS

ProLogis

Wells Development

Capstone Partners

Pac Trust

HUMAN RESOURCE MANAGERS / WORKFORCE DEVELOPMENT REPRESENTATIVES

Manufacturing 21 Coalition

Roadway Express, HR Manager

Oregon Employment Department

Worksystems, Inc.

Siltronic, HR Director

2. INTERVIEW QUESTIONS

This section specifies how the interviews questions varied slightly between groups, mainly in that question 1 on investment opportunities asked business representatives about expansion plans and property representatives about site development plans. Also, question 4 was posed differently to human resource managers/representatives, since they specifically represent workforce objectives and not the other categories.

Businesses

1. What are the main opportunities you see for reinvestment and expansion by your business within the Portland Harbor industrial districts over the next 10 years?
2. What harbor area challenges or barriers are significant enough to prevent reinvestment or expansion or to consider relocation? Please share specific experiences as well as perceptions of the harbor area.
3. What are the primary advantages of the harbor area as an industrial location that should be reinforced?
- 4a. Assume that local governments have a hypothetical budget of \$100 to spend on the following types of public investments in the harbor industrial districts over ten years. If the priority is to encourage industrial retention, expansion, and development, how much should be spent on each type and why?
 - \$ _____ land development (e.g., urban renewal, marine terminals,
 - \$ _____ brownfield cleanup/redevelopment);
 - \$ _____ transportation (e.g., streets, highways, railroad);
 - \$ _____ utilities (e.g., sewer, stormwater, water);
 - \$ _____ workforce (e.g., education, training);
 - \$ _____ others. Please specify _____.
- 4b. What three specific projects from these categories do you think would be most effective catalysts for private industrial investment in these districts?
5. Do you have other experiences or suggestions to add that could help set priorities for public investments or actions in the harbor area?

Property owners / developers / brokers

1. What are the main opportunities you see for development and redevelopment on your site and in the Portland Harbor industrial districts over the next ten years? For example, types of new facilities, building reuse, locations, new space to rent or sell, speculative or build-to-suit construction.

2. What harbor area challenges or barriers are significant enough to prevent development and redevelopment? Please share specific experiences as well as perceptions of the harbor area.
3. What are the primary advantages of the harbor area as an industrial location that should be reinforced?
- 4a. Assume that local governments have a hypothetical budget of \$100 to spend on the following types of public investments in the harbor industrial districts over ten years. If the priority is to encourage industrial retention, expansion, and development, how much should be spent on each type and why?
 - \$_____ land development (e.g., urban renewal, marine terminals,
 - \$_____ brownfield cleanup/redevelopment);
 - \$_____ transportation (e.g., streets, highways, railroad);
 - \$_____ utilities (e.g., sewer, stormwater, water);
 - \$_____ workforce (e.g., education, training);
 - \$_____ others. Please specify _____.
- 4b. What three specific projects from these categories do you think would be most effective catalysts for private industrial investment in these districts?
5. Do you have other experiences or suggestions to add that could help set priorities for public investments or actions in the harbor area?

Human resource managers / representatives

1. How much employment expansion and turnover do you expect in your business within the Portland Harbor industrial districts over the next 10 years? What types of positions will be most effected?
2. What types of hiring challenges for industry in the region and specifically inner Portland are significant enough to prevent expansion or prompt a business to consider relocation? Please share specific experiences as well as perceptions of the area labor market.
3. What are the primary advantages of the harbor area as an industrial workforce location that should be reinforced?
4. What new workforce development resources or related public investments in the harbor districts do you think are the highest priority to stimulate private industrial retention, reinvestment, and expansion?
5. Do you have other experiences or suggestions to add that could help set priorities for public investments or actions in the harbor area?