

## Northwest Food Processors Association (NWFPA) Cluster Submission

- **Key Cluster Participants:** An organized, emerging three-state private-public cluster includes (1) *Primary* – \$17 billion food manufacturing industry employing 74,000 workers and a \$2 billion payroll in OR, WA and ID; (2) Suppliers -- thousands of firms from throughout the nation provide goods and services to Northwest food processors in the region, and (3) other stakeholders include education, labor, and government (local, state, and federal) all of which play a vital role in maintaining “lubrication of thought.”
- **Contact:** Dave Zepponi, President, NWFPA, 503.327.2208, [dzepponi@nwfpa.org](mailto:dzepponi@nwfpa.org)
- **Geographic Location:** Oregon, Washington and Idaho
- **Structure:** Non-profit Northwest Food Processors Association is the driving force for the three-state cluster. Business affairs are managed and controlled by an 18-member industry Board of Directors. Guiding the daily activities is a professional staff of 20, including contracted lobbyists, consultants, part-time workers, and interns.
- **Mission:** “To be an advocate and resource for enhancing the competitive capabilities of members.” Industry leadership is driving a macro-level goal to “reposition the three-state industry to compete globally” and then to laser focus on accomplishing the mission.
- **Background:** In 2003, NWFPA committed to a tri-state cluster strategy. Industry has contributed nearly \$200,000 and FTE’s. Tri-state political support encouraged the project. A national search yielded a qualified consultant team (Applied Development Economics/Advanced Research Technologies). Federal and tri-state agency commitment led to funding of a competitive assessment that will provide an industry road map by May 2006. Clustering and bundling clusters of hundreds of small to large innovative businesses in the Northwest could create a strong, sustainable economic foundation. The approach is to work smarter and share knowledge by building a knowledge community. Innovation leads to productivity gains, which leads to global competitiveness, which results in profitability. New collaborative strategies and multi-million dollar initiatives are already driving change and energizing the region’s third largest manufacturing employer.

### Perception of Oregon’s Overall Business Climate

*Best Ranking:* Quality Communities, Environmental Quality, Recreation, Infrastructure

*Worst Ranking:* Business Costs, Regulatory Environment, and Personal Taxes

### Top Core OBP Initiative Priorities

Simplify and Streamline Regulation and Permitting (especially with DEQ), Expand Oregon’s Capacity for Economic Innovation, Control Health Care Costs

*Suggested New Initiatives:* Water policy -Columbia River Operations, Energy

### Specific Cluster Priorities:

1. Work Force Development and Stability - Replacement of a soon-to-retain workforce
2. Innovation and Technology - Rural Oregon connectivity to high-speed communication with the rest of the world
3. Low-cost Energy and energy efficiency programs
4. Adequate Water: An appropriate Columbia River operation management plan to supply low-cost hydropower, water for irrigation and salmon recovery
5. Integration of Sustainability into Agriculture