FALL 2009

A Port of Portland publication featuring news and information about airports, marine terminals, industrial parks and environmental programs.



Mighty Columbia

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Corporate News

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Community Connections



GULUNBIA COLUMBIA

onestly. How many company chairmen would allow themselves to be publicly referred to as an "overbearing tyrant," "a wicked witch," or "old as the hills" in their own advertising? Or be photographed sporting a spiked punk hairdo, invoking the image of Mao Tse-tung, or flexing a bicep tattoo alongside a motorcycle gang? Columbia Sportswear's original "tough mother," Gert Boyle, has.

How many company presidents would let their mother strap them to the roof of an SUV and go plunging through snow-covered mountains to demonstrate their product? Or get dragged behind a pack of sled dogs? Or walk through a car wash; or get run over by a Zamboni? Columbia Sportswear's president, Tim Boyle, has.







Columbia's newest brand campaign, launched in 2008, leverages that same pioneering spirit and endearing sense of humor, encouraging people to experience the greater outdoors on their own terms and in ways that are decidedly unique – even quirky – including an off-road unicyclist, Gulf Coast tanker surfers, guerrilla gardeners, tundra golfers, and an inspirational blind sled dog musher.

One look at the advertising – or the products they sell – and one can immediately recognize Columbia Sportswear. Call it the American dream, or call it a home-grown success story, but with business savvy, innovative concepts inspired by nature and über-creative marketing, Columbia has grown from a small Portland hat company to a billion dollar outdoor apparel and footwear industry leader selling products in more than 13,000 stores in 100 countries.

Back in the Day

In 1792, American trader Capt. Robert Gray dared to sail over churning seas and into the mouth of a river that some used to call one of the world's most treacherous. His trusted ship, the Columbia Rediviva, became the first to successfully travel the waterway and would give the river the name we know today – the mighty Columbia.

Since 1938, when the newly founded, family-owned company adopted the name Columbia, the business has had to navigate through some rough waters of its own. The story began with a family of Jewish immigrants who fled Hitler's Germany in the 1930s – the family of now company chairman of the board Gert Boyle. Arriving in Portland with little more than some furniture and clothing, Gert's father, Paul Lamfrom, borrowed money to purchase a small business that sold men's hats.

They say, from problems spring opportunities. When suppliers proved unreliable, the family started making their own products. The line expanded to include jackets, fishing vests, raincoats and shirts. This "do it better ourselves" mentality and high standards for quality remain ingrained in the company today.

Gert's husband, Neal, joined the family business and later took the helm. With his death in 1970, Gert was left to assume control of the company and its recently acquired loans. Despite her lack of business experience and prompts from bankers to sell out, within just a few short years, she and her son, Tim, had trimmed debt and led the company to profitability. Their work force of just 40 has since grown to more than 3,000 employees, and their marketing has been successfully driven by Gert Boyle's tough mother persona.

Global, But Still Local

Columbia's outerwear can be seen and found everywhere – from local newscasts to Hollywood movies; from the Olympics to Survivorman; from online retailers to big box stores and small boutiques. As a global brand, its products have achieved celebrity status of their own through sponsorships and product placement.

For years, Columbia has fostered innovation: making their parka shells and inner jackets interchangeable, introducing waterproof breathable fabric, and creating clothing with enhanced UV ray protection. Besides functionality, people also want to look good in their gear, and Columbia designs fit that bill as well.

Today, an extensive product line outfits customers from head to toe with a wide variety of outerwear, sportswear, footwear and accessories. Licensed products even include camping gear, eyewear, home furnishings, watches and bicycles. The family of brands has grown to include Montrail, Mountain Hardwear, Pacific Trail and Sorel. Columbia now owns and operates sales offices through wholly owned subsidiaries in Canada, Europe, Japan and Korea.

The homegrown family business may have grown to become a worldwide company, but its corporate headquarters remains rooted in Portland. "This has been our home since the company was founded in 1938," said Tim Boyle. "Over the past 30 years, Portland has successfully incubated a rich active footwear and apparel industry cluster, providing us access to a deep pool of innovative design, marketing and supply chain talent. During that same time period, Portland's proximity to our Asian development and manufacturing partners has also proven to be an invaluable asset. Beyond those pure business factors, it only makes sense that a leading outdoor company would be based in a region that offers an endless variety of easily accessible outdoor activities for our employees to enjoy and for us to gain valuable insights about the needs of outdoor consumers."

The industry cluster that Tim Boyle talks about includes companies such as

Nike, Adidas, Keen, Lacrosse/Danner, and Dr. Martens. And last year, Chinese footwear company Li Ning established its North American office in Portland. This kind of in-migration is a good trend, considering the companies typically provide well-paying jobs and help strengthen the economy.

Commitment to Community

Beyond providing local jobs and economic vitality, Columbia has a track record of participating in and giving to community causes, including the Forest Park Conservancy, Oregon Zoo, Outdoor School, Mount St. Helens Institute, Portland Parks Foundation, and Mercy Corps. Groups of Columbia employees annually volunteer for Start Making a Reader Today, the American Diabetes Association Tour de Cure, and the Susan G. Komen Race for the Cure. In addition, Columbia's Rethreads program provides garments that are returned or slightly flawed to people in need throughout the metropolitan area.

Columbia has partnered with local organizations to provide support to communities following Sept. 11, Hurricane Katrina, the Sichuan Province earthquake, Southeast Asia tsunami, and the recent floods in Fargo. The company's breast cancer awareness campaign, Tested Tough in Pink, has raised more than \$300,000 to provide free mammograms to low-income women. And Gert Boyle donates the proceeds of her book, One Tough Mother, to Special Olympics and CASA for children of Multnomah and Washington counties.

The company has exhibited a commitment to the environment as well. Columbia worked with Tanner Creek Energy to install a 100-kilowatt grid-tied solar electric system atop its headquarters. Columbia is also a member of the Conservation Alliance, a group of specialty outdoor businesses that has become a powerful source of grass roots conservation and environmental funding.

Just as Columbia Sportswear has shown its commitment to the community, this region will continue its relationship with Columbia, whether skiing Mt. Hood, hiking the Pacific Crest Trail, fishing the Deschutes, climbing Smith Rock, playing 18 at Pumpkin Ridge or reporting on a windstorm at the coast.

The active outerwear, sportswear and footwear segments of the apparel industry are highly competitive, and company executives expect this competition will only increase. However, with the same innovation, perseverance and work ethic that got them to where they are today, Columbia Sportswear will continue to make Mother proud.

by Josh Thomas

For more information about the Columbia Sportswear story, visit www.columbia.com or read One Tough Mother by Gert Boyle and Kerry Tymchuk.

A Partner with the Port

The Port of Portland's Terminal 6 offers Columbia Sportswear vital connections to major Pacific Rim markets and easy access to dependable regional transportation networks. The majority of the manufactured apparel and footwear today is produced in Asia. Not incidentally, apparel and footwear are two of the Port's largest volume containerized import commodities – together, they comprise about 18 percent of containerized imports.

Besides having one of its two U.S. distribution facilities located in the Rivergate Industrial District near Terminal 6, Columbia Sportswear is the third largest container importer in Portland. All of its apparel for the U.S. goes through Portland. The company loads approximately 3,500 containers per year, which accounts for roughly 80 percent of its cargo moves.

Columbia has long been a major supporter of local container services, using Yang Ming, Hanjin, and "K" Line over the years. It has also partnered with the Port on other key initiatives, including the Columbia River channel improvement, ConnectOregon transportation funding, and contributing to a regional logistics road map for the future.

Earlier this year, Jeff Tooze, director of global customs and trade for Columbia, was instrumental in bringing industry leaders with the American Apparel and Footwear Association's national sustainability conference to Portland. He also organized a group called Importers Anonymous for Portland logistics professionals to exchange ideas.

Bill Wyatt, executive director for the Port of Portland, said, "We're grateful to our friends at Columbia Sportswear for helping support our public mission to provide cargo and passenger access to markets here and abroad. It is a mutually beneficial relationship, and by nature of what the Port does, we

are supporting their business interests as well."

On the aviation side, Columbia joined the effort to secure international air service to Europe and Asia via Portland International Airport and has been a significant user of nonstop flights overseas. The company also uses the U.S. Customs and Border Protection facility at Hillsboro Airport and ships air cargo via Expeditors and OIA Global Logistics.

Late last year, the Oregon Market in the PDX terminal added a new Columbia Sportswear retail store just in time for holiday shopping. It joined Nike, Made in Oregon, Beaverton Bakery and many other local companies that cater to travelers.

Perhaps no one understands better the many connections between the Port and Columbia Sportswear – or relies upon them more – than Columbia's chief operating officer, Bryan Timm.

"Columbia's revenues have grown to more than \$1.3 billion from less than \$450 million 10 years ago," Timm said. "Columbia's reputation for timely delivery to our retail customers is a competitive advantage that the Port of Portland helped us establish and maintain throughout that growth period. By investing in relationships with container lines that serve Portland and in critical land transportation infrastructure, we're able to receive our finished products from our Asian manufacturing partners and distribute them to customers across North America in a timely and efficient manner. The Port's efforts to secure nonstop airline service to key Asian and European gateways have also helped us manage our growing global business. Those same investments have benefited other importers and supported growth across the broader regional economy."

NORTH RUNWAY WORK FINISHES FOR THIS YEAR

Giant lighted yellow crosses at either end of the north runway at Portland International Airport made it clear the runway was not open for business. For about six months, from spring through the fall of 2009, workers and what seemed like a constant parade of construction equipment were visible rebuilding the runway. As Portside goes to press in October, the construction is nearly complete for the year, and the runway is about to re-open.

Between spring and fall of 2010, the north runway will close again to lengthen it from 8,000 feet to 9,827 feet. Andy Priebe, project manager with the Port of Portland, said, "Most runway rehabilitation projects are done at night, typically between 4 p.m. and 5 a.m., when the largest planes are not normally taking off. Closing the north runway for the entire summer, rather than nights only, allows the work to be done in longer shifts and during more daylight hours, and that saves time and gives us a superior product."

Driving the north runway extension is the need for the south runway to be closed for six months in 2011 for its own repair and rehabilitation. A longer north runway is essential to accommodate international and long haul domestic carriers when the south runway is closed.

OWNERSHIP CHANGES AT MULINO AIRPORT

In July, ownership of Mulino Airport transferred from the Port of Portland to the Oregon Department of Aviation. The Port had owned the airport, located in Clackamas County, about 20 miles southeast of Portland, since 1988. At that time, it was a small private airstrip with two grass runways. The Port developed the airport, building a 3,425-foot lighted runway, full parallel taxiway, visual approach instruments, lighted navigation beacon and paved aircraft parking ramps.

Because Mulino is a better fit with the state's airport portfolio, and because the Port is geared more toward managing larger airports with a higher level of activity, the two entities have talked for some time about a change in ownership. In 2007, they initiated a management and transfer agreement that culminated in the permanent transfer this summer. In the last two years, the state and Port worked together to accomplish many additional improvements to the airport, including the installation of a new self-service card lock fueling system for aircraft, completion of an airport master plan, construction of two rows of T-hangars, and the establishment of a fixed base operator.

Steve Schreiber, director of aviation for the Port, said, "The additions and improvements to Mulino have been a benefit to the general aviation community. The transfer to the Oregon Department of Aviation will ensure that Mulino Airport continues to grow and play an important role in Oregon's aviation system."



PDX AIR SERVICE EXPERIENCES RECENT PEAKS, VALLEYS

The only constant in business today is change, and that is certainly true for PDX.

Air Canada adds Calgary

Air Canada inaugurated daily nonstop service June 15 linking PDX and Calgary. The flight departs PDX at 2:10 p.m. and arrives in Calgary at 4:45 p.m. The flight departs Calgary at 1 p.m., arriving in Portland at 1:37 p.m. Flights are operated by Air Canada Jazz onboard 50-seat CRJ aircraft.

Alaska says Aloha

Alaska Airlines launched nonstop service July 3 connecting PDX and Maui, and is now operating the flights daily. Flights from PDX depart at 9:50 a.m. and arrive at 12:45 p.m. Return flights depart at 1:45 p.m. and arrive at 10:15 p.m. The new flights are operated with Boeing 737-800 aircraft, accommodating 16 passengers in first class and 141 in the main cabin.

Delta retains Tokyo

In July, the Port approved a service retention fee of \$3.5 million to Delta Air Lines to help assure the continuation of the Portland-Tokyo flight through at least May 31, 2010, and waived landing fees for all international carriers.

Delta recently announced suspensions of nonstop international service from several U.S. airports, and the airline had informed PDX its international gateway flights were also at risk. In consultation with the International Air Service Committee, the Port recommended, and its commission approved, the unprecedented move to help retain that service.

"When times get tough for the airlines, we must be

that much tougher to remain competitive," said Bill Wyatt, Port executive director. "Delta's Tokyo flights alone have an annual economic impact of \$61.2 million for our region, and they provide vital local and regional jobs." He went on to say, "If there weren't a reasonable prospect that this service could return to stand-alone profitability and succeed, I would not have made such a recommendation."

The International Air Service Committee is currently conducting a campaign to generate support for the PDX flights to Tokyo and Amsterdam. Dubbed "I Fly Nonstop," the campaign uses a Facebook fan page and a blog at www.iflynonstop.com.

Lufthansa suspends Frankfurt

Lufthansa suspended nonstop service from Portland to Frankfurt on Sept. 12. "The suspension of this service is very sad news for all of us for a number of reasons, not the least of which has been our excellent working relationship," Wyatt said. "We greatly appreciate Lufthansa's outstanding service to Oregon and southwest Washington, and we fully understand the challenges that all airlines face in the current global economic climate. Our hope is that as the economy improves, Lufthansa will resume its service to PDX."

Guided by the International Air Service Committee, the Port, businesses and governments have creatively worked together to support international air service, from the initial recruitment strategy, which helped bring Lufthansa to PDX six years ago, to more recent service retention strategies.

CONCESSIONS ADD LOCAL FLAVOR TO TERMINAL

In the coming months, visitors to Portland International Airport will have several new choices when it comes to food and services. The Dragontree, a holistic day spa, will open this winter with seated and full-body massages, foot care, facials and manicures, and products geared to relaxation and wellness.

Chris Madsen, general manager of business and properties with the Port of Portland, said, "For an airport setting, this is a 'beyond the expected' offering and it's just the kind of local business we want to bring to PDX."

Elephants Delicatessen has been a favorite among Portlanders since 1979 with its specialty and artisan foods and premier catering. The company will open its new airport location toward the end of this year. Elephants takes pride in the fact that its chefs prepare local foods from scratch every day, including deli and hot foods, hearth breads and desserts.

Opening next spring in the airport's Oregon Market is Beaches Restaurant & Bar. Well-known in Vancouver, Wash., Beaches will serve breakfast, lunch and dinner, and will offer sushi and a full bar experience. Besides a varied menu, the restaurant, known for its support of local children's causes, will also feature activities for kids and, for the grownup traveler, power for laptops.



FACULTY FROM IRAQI UNIVERSITIES VISIT PDX

They made sketches and snapped pictures of what interested them – and what interested them most were exposed pipes and beams, heating and cooling infrastructure, and especially sustainable building features.

In August, a group of engineering professors, lecturers, department heads, directors and deans from universities all across Iraq spent time touring construction of the new parking garage and Port of Portland headquarters at PDX.

The 15 men and four women were in the United States on an engineering faculty exchange program made possible by Oregon State University, the Oregon Built Environment & Sustainable Technologies Center – or Oregon BEST – and the Michael Scott Mater Foundation. The goal of the two-week trip was to share with the Iraqis the research and applied expertise

of O.S.U. engineering faculty in new green building materials testing, design and construction techniques. The group also visited projects and spoke with officials at the University of Oregon, Portland State University, Oregon Institute of Technology, Oregon Department of Transportation and several engineering firms. The busy itinerary included some time to see the state capitol and the Oregon coast.

Port of Portland and Hoffman Construction hosted the tour at PDX, pointing out sustainable features of the new construction, including eco-roofs; high-efficiency energy and plumbing systems; and geothermal heating and cooling — with more than 17 miles of geothermal wells.

It is hoped the exchange will benefit Oregon universities and businesses and help the country of Iraq repair and replace its damaged buildings.

thanks to the Wright Brothers. The effort included

essay and costume contests, lots of ice cream, and

several appearances by the Wright brothers.





2009 OREGON AIR SHOW

Once again, the Oregon International Air Show dazzled crowds at Hillsboro Airport in August. Exhibits, activities and fireworks fascinated some 75,000 visitors in between appearances by the U.S. Air Force Thunderbirds, the U.S. Army Golden Knights Parachute Team and many other performers from around the country and Canada.

This was the 21st year for the show. Its mission is to provide a quality event, to educate people about aviation, and to provide contributions to nonprofit organizations in the state of Oregon. More than \$1 million has been donated to about 550 community projects. In addition, many performers arrive early and spend time with local organizations, nonprofits, hospitals and schools.

The Port of Portland owns Hillsboro Airport and is one of the sponsors of the air show. The airport is an integral part of the region's transportation system, providing top-quality, financially viable general aviation facilities to businesses and residents of Washington County and beyond.

ORVILLE AND WILBUR CAMPAIGN TOUTS AIRLINES

Throughout the summer, two fellows who looked a lot like Orville and Wilbur Wright were spotted at several events around Portland. KGW-TV, KINK Radio, The Oregonian and the 14 airlines at Portland International Airport participated in and supported a campaign conducted by the Port of Portland called "Thank you, Orville and Wilbur. Because of you, I can fly."

The purpose of the campaign was to spotlight the air carriers that serve Portland International Airport and to remind people that Portland is lucky to have nonstop service to 49 domestic and international destinations; that airlines are facing tough decisions; and that the service can't be taken for granted. PDX airlines generate a total airport/visitor direct business revenue of \$4.9 billion for the region, \$176 million in state and local taxes, and more than 59,000 local jobs.

The campaign was also about celebrating the wonder and joy of flight and the benefits that people today enjoy,

United Airlines' Askia Phillips, center, with Tom Hendricks (aka Orville), left, and Doug Righter (Wilbur).

PORTNEWS

DAN PIPPENGER NAMED TO LEAD MARINE OPERATIONS

A top post in the marine and industrial development department was filled from within the Port of Portland in June when Dan Pippenger, marine security manager since 2006, was selected as the new general manager of marine operations.

Pippenger came to the Port following a 24-year career with the U.S. Coast Guard. A 1986 graduate of the U.S. Coast Guard Academy, Pippenger earned a B.S. in naval architecture and served at sea aboard a polar icebreaker and as commanding officer of an 82-foot patrol boat. In 1995, he was awarded an M.S. in naval architecture and an M.E. in ocean engineering from the Massachusetts Institute of Technology. Assignments at Coast Guard headquarters in Washington, D.C., and the Marine Safety Office at

Los Angeles-Long Beach led to his deputy commander appointment in Portland in 2001.

Since assuming the role of marine security manager based at Terminal 6, he has made lasting contributions to the Port's public safety and security program, including the completion of \$4.5 million in security enhancements, contract negotiations, and the implementation of the Trait



the implementation of the Transportation Worker Identification Credential program.

The general manager of marine operations is a vital leadership position within the marine and industrial development department. Pippenger fills the post left vacant by the retirement of Lee Roundtree. Roundtree's career with the Port spanned 25 years, during which his operational knowledge, coupled with extensive waterfront labor expertise, yielded long-term benefits to the marine division of the Port.



Officials break ground for the new Ramsey Rail Yard. Left to right, Bill Wyatt, Port of Portland; U.S. Rep. Earl Blumenauer; Rollin Bredenberg, BNSF Railway; Scott Moore, Union Pacific; and Kelly Taylor, Oregon Department of Transportation.

PARTNERSHIPS PUT RIVERGATE ON TRACK FOR THE FUTURE

In June, in the heart of Rivergate Industrial District, Congressman Earl Blumenauer joined port and rail leaders for groundbreaking on a \$14 million rail project that will benefit users of the regional rail system, including businesses, and future development in the area.

Years in the making, the new Ramsey Rail Yard will increase freight rail capacity and help to decrease rail system congestion. Currently, only one track connects north and south Rivergate, creating a bottleneck for the two Class 1 rail carriers serving Portland. Adding a second main lead and three storage tracks will allow one track to remain open for rail travel while adding the capability to store long unit trains.

Evolving in scope over the past few years, the project was made possible by a collaborative public-private effort. "If you chose one word to describe what brought us here today, it would be partnership," said Bill Wyatt, executive director for the Port of Portland. This was reflected in the mix of project funding, including federal appropriation, a state ConnectOregon grant and loan from the state, and financial support from the Port and the railroads.

Alongside Blumenauer and Wyatt at the podium were Kelly Taylor, rail division administrator with the Oregon Department of Transportation; Rollin Bredenberg, vice president, service design and performance for BNSF Railway; and Scott Moore, vice president of public affairs for Union Pacific. Each underscored the importance of investing in transportation infrastructure for future freight mobility, job generation and economic vitality.

Scheduled for completion in late summer of 2010, the project is expected to create and retain more than 200 jobs – including both construction-related and nonconstruction-related positions. It is one of nearly \$500 million in capital projects with which the Port is currently engaged, and one of several major road and rail improvements the Port has announced for Rivergate Industrial District.

PUBLIC, PRIVATE PARTNERS COMMIT TO CLEAN AIR

In July, approximately 50 representatives of organizations involved with the Columbia River Clean Diesel Project gathered at Terminal 6 for a Declaration of Cooperation ceremony. The project involves a bi-state, public/private group that is focused on reducing emissions from diesel engines through management of multimodal freight transport emissions along the Columbia River and Interstate 5 corridors.

Last year, Oregon Gov. Ted Kulongoski and Washington Gov. Christine Gregoire designated the Columbia River Clean Diesel Project as a priority for action, and they appointed Jim Jacks, a Washington state legislator, and Jay Waldron, an environmental attorney at Schwabe, Williamson & Wyatt and the former president of the Port's board of commissioners, as co-conveners for the group. Collaborators on the bi-state project include a mix of agencies, freight transportation companies and local ports.

Team members signed the declaration, which includes commitments specific to their respective areas For example, the Port of Portland made the following commitments:

• Retrofit exhaust controls on select pieces of nonroad, Port-owned cargo-handling equipment at the Port's Terminal 6. (This commitment is dependent on the award and Port's acceptance of grant funding.)



Oregon's Gov. Ted Kulongoski speaks at Terminal 6.

- Set on-going air quality targets through the Port's environmental management system to minimize or reduce impacts to air quality.
- Work in cooperation with Cascade Sierra Solutions to develop educational and outreach programs to reduce emissions from trucks serving the Port.
- Investigate the feasibility of a lunch hour antiidling program.
- Continue to participate in, and provide meeting facility resources to, the Columbia River Clean Diesel Project, Phase II meetings.

Speakers at the event included Larry Paulson, Port of Vancouver; Bill Wyatt, Port of Portland; Gov. Ted Kulongoski; Jay Waldron, Schwabe, Williamson & Wyatt; and Rep. Jim Jacks.

EILEEN MURCHE FEATURED ON PUBLICATION'S WEB SITE

When Logistics Quarterly sought exceptional women who have achieved significant success in the supply chain industry to be featured in a special interview series, it found a perfect match at the Port of Portland. With more than 22 years in the industry, Eileen Murche, senior manager of trade and carrier development, was a natural choice and is now featured in a video on the publication's home page.

For the second year in a row, Logistics Quarterly has involved several industry leaders for the Women in Supply Chain Management Executive Interview Series. With a degree in international business, Murche

started her career in logistics at American President Lines as a sales support representative. She has always felt that having a background working for a steamship line equipped her well for her work with the Port. During the interview, she talks about her career and lessons learned, perspectives on

working in Portland, and



industry insights and trends. She discusses her work with Dollar Tree, which is now one of the Port's top five import customers using Portland as a major gateway to the U.S.

"Three adjectives that I would use to describe working in the logistics business would be exciting, dynamic and rewarding," said Murche. "I've never had any regrets going into the logistics business."

Visit www.logisticsquarterly.com.

MILESTONE REACHED FOR TROUTDALE REYNOLDS

A key milestone for the Port of Portland's new Troutdale Reynolds Industrial Park was reached in May when Port commissioners approved an intergovernmental agreement allowing the city of Troutdale to accept an easement and ownership of a new public street, Swigert Way, and associated public infrastructure adjacent to the

The agreement also includes approval of a final plat for the first phase of development, which will allow the Port to proceed with the marketing of two lots adjacent to the \$100 million FedEx Ground regional distribution hub currently under construction. Plans for two future phases of development will result in a total of 11 lots on approximately 350 acres of the 700-acre site. Approximately half of the property will be preserved for wetlands, open space and recreation.

Construction of infrastructure for the development has quickly taken shape with new roads and water, sewer and storm water facilities now completed and operational. The site itself, adjacent to Troutdale Airport, is the former site of the Reynolds aluminum plant. It is a Superfund site and one of largest brownfield redevelopment projects in Oregon history. The intergovernmental agreement addresses concerns relating to potential environmental risks and liability from past contamination.

Federal stimulus grant funding is benefitting the Troutdale Reynolds Industrial Park, with approximately \$400,000 allocated for a needed transportation infrastructure enhancement at a nearby turn lane. The Oregon Legislature also approved a jobs and transportation measure that included a \$24 million project to revamp the Interstate 84 interchange at Troutdale; that project is now under way.



PORT CUSTOMER FINDS SOLUTION FOR UNIQUE CARGO

So, a company manufactures in Oregon and needs to deliver some oversized cargo to a customer in Portugal. Now what?

That is just the challenge that presented itself to Dean Robbins with ThermTec, Inc. A creative transportation solution offered by Hapag-Lloyd and the Port of Portland recently made life easier for this company headquartered in Sherwood, Ore.

Founded in 1973, ThermTec is one of America's oldest and most technologically advanced designers, engineers and manufacturers of special-use incinerators, cremators, heat recovery systems and air pollution control equipment. It designs, engineers and manufactures its units at a 41,000 square-foot facility in the Sherwood area. It has manufactured and installed

more than 2,000 units in 16 foreign countries.

Working with an out-of-state freight forwarder, ThermTec co-founder and co-owner Robbins had been experiencing difficulties moving his unique cargo and knew there had to be an easier way to get from point A to point B. It didn't make sense to him that his company was sending cargo through southern California when the largest port in Oregon was less than an hour from his offices.

With the assistance of Greg Borossay, senior manager of trade and carrier development for the Port, and contacts at Hapag-Lloyd, a local solution was devised. The first shipment of two pieces of equipment was a success, as units were delivered from factory to Terminal 6 to Portugal without incident.



VESSELS PLUG IN, SAVE FUEL

Commonly referred to as cold ironing or shore-side power, having the capability to plug in reduces fuel consumption and carbon dioxide emissions while vessels are docked and running on electric power. Within the past year, the Port of Portland has added new shore-side power infrastructure at three of its marine terminals.

At Terminal 2, the lower dock is home to the Essayons and the Yaquina, federal hopper dredges owned by the U.S. Army Corps of Engineers and used for navigation channel maintenance at West Coast ports from San Diego to Grays Harbor. Before these vessels moved to the terminal late last year, utilities were upgraded to allow them to plug in to shore-side electrical and fluid services so they can shut the engines down while docked.

In late June at Terminal 4, the ITB Baltimore docked at Berth 401, and Port electricians were able to hook it up to shore-side power. An electrical upgrade at the terminal allows a higher amp electrical service to better meet the ship's power needs. Besides reducing emissions and fuel consumption, the accommodation provides a source of temporary revenue for the Port.

Shaver Transportation Co. and the Port have worked together in recent years on plans to install electrical connections for tugs at their station near Berth 603 at Terminal 6. This year, those plans became reality with one of the newest locations where vessels can plug in to power their onboard systems. Besides plugging in, Shaver has retrofitted its boats with clean burn Tier II diesels in recent years.

Not all berths are capable of providing shore-side power, but in instances where it has been implemented successfully, such efforts to improve air quality are proving good for business and the environment alike.

FINAL MAJOR CHANNEL CONTRACT AWARDED

June was a good month for the longstanding Columbia River channel improvement project, which received \$26.6 million of American Recovery and Reinvestment Act funds toward bringing the project to completion. Another major milestone was reached in mid-July with the award of the final contract to J.E. McAmis, Inc. of Chico, Calif.

Worth \$51.9 million, the contract is funded by stimulus, appropriated and matching nonfederal sponsor funds. Work began in mid-August, and according to the contractor, it will create about 50 new jobs.

The contract includes the removal of 1.7 million to 2.5 million cubic yards of material to deepen Columbia River miles 65 to 67, near Longview, Wash There is also a one mile section of basalt between river miles 87 and 88 near St. Helens, Ore., that must be blasted and dredged. While most of the navigation channel has been deepened from 40 to 43 feet, the portions that are composed of more rock than sediment will be dredged to between 49 and 51 feet to allow for future maintenance.

Blasting will occur between November 2009 and February 2010, and create between 250,000 and 500,000 cubic yards of material to dredge. The project should be complete by December 2010, closing out a two decade-long effort to deepen the 103-mile navigation channel so it can accommodate larger, deeper draft ships and more heavily-loaded vessels.

PORTNEWS

LEGISLATIVE ROUND-UP

Key to the Port of Portland's state legislative agenda this year was funding for transportation infrastructure investments that keep freight moving efficiently through the region. With the governor's July 29 signing of the \$1 billion Jobs and Transportation Act, the Port feels that Oregon is on track to keep its roads, rails, rivers and runways working as effectively as possible while creating jobs at a time when the state needs them most.

The Legistlature passed the Port Security Bill, which enables Port police officers to have jurisdiction over all Port properties, not just the airport, and adds a Class A misdemeanor to the Oregon Endangering Aircraft statute penalizing illegal possession of a weapon inside airport restricted areas.

Also during this legislative session, the Port joined with other Oregon ports in the first Ports Day at the State Capitol. During the one-day event, Oregon ports worked together to turn a spotlight on the maritime and aviation industries and explain what they mean for jobs and economic vitality in the state.

In addition to the Port of Portland, staff and commissioners from the ports of Toledo, Astoria, Morrow, Hood River, Tillamook, Garibaldi, Nehalem, Coos Bay, Bandon and Siuslaw were represented. All are members of the Oregon Public Ports Association, a group of 23 ports in the state. Many posted displays and provided information about their facilities, projects and legislative priorities.

LOCAL COMPANIES LAUDED FOR WORLDWIDE TRADE

Inspiration struck one person while traveling abroad, another in a room above her garage, and yet another while sitting on the couch drinking a beer. The founders of Leatherman tools, FITS equestrian wear, and Beer Chips may not seem to have a lot in common, but they each started homegrown Oregon companies now doing business worldwide. They were also among the honorees at the Mayor's International Business Awards during World Trade Week in Portland in mid-May.

Hosted by the city of Portland and the Portland Development Commission, the awards program was created to encourage more Portland businesses to develop or expand international trade opportunities as a means of increasing their profits. Given its mission and role in enabling international trade, the Port of Portland was a partnering sponsor.

Former Gov. Victor Atiyeh gave a keynote address about the importance of working together to maintain Oregon's connections with the rest of the world. Award winners included Leatherman Tool Group, Product Exporter of the Year; LRS Architects, Inc., Service Based Exporter of the Year; CH2M Hill, Global Trader of the Year; Pneu-Logic Corp., Best New Export of the Year; and FITS/Fun in the Saddle and Beer Chips, sharing Product Exporter of the Year honors. Honorable mention went to YoCream International, Isite Design, Zimmer Gunsul Frasca Architects, Viewpoint Construction Software/Coaxis, Tiba Medical, and Amfor Electronics.



Equipment cuts grooves in newly-paved surface of north runway to facilitate rapid drainage of rainwater. Rehabilitation of the north runway is one of several capital projects under way at PDX.

GLOBAL ECONOMIC RECESSION REFLECTED IN BUDGET

The Port's slightly leaner Fiscal Year 2009-10 budget, approved in June, reflects recent cost-cutting measures and declines in the Port's business lines as well as the continuation of a large, strategic capital investment program that will position the Port well as the economy begins to recover.

Total Port operating revenues and operating expenditures are budgeted at \$239.7 million and \$173.8 million respectively for FY 2009-10, compared to the Adopted FY 2008-09 Budget of \$263.4 million and \$188.7 million.

"This year's budget represents aggressive cost-cutting measures necessary for the short term, but a very strong focus on investments for the long term," said Port of Portland Executive Director Bill Wyatt. "We have nearly \$500 million dollars of capital construction activity under way on both the aviation and marine

sides of the business that will serve the region well in an improving economy."

Capital projects include the Portland International Airport north runway extension, a new baggage screening and detection project, a new deicing collection and treatment facility, and marine-related projects such as improvements to freight rail infrastructure serving the Port's marine terminals.

With only \$8.9 million coming from property taxes, the Port forecasts operating revenues of \$239.7 million and total resources of \$861.9 million, including transfers, grants and beginning balance. The budget is balanced with \$861.9 million in requirements including operating expenditures of \$173.8 million, \$224.1 million in capital costs (minus labor), and \$68.2 million in debt service.

The Port's fiscal year runs July 1 through June 30.

PORT STRENGTHENS TIES WITH KEY TRADING PARTNER

Japan is among the top three countries receiving Oregon exports, behind China and Canada, so, in June, Port of Portland staff members were honored to attend the Japan-America Society of Oregon annual



awards dinner featuring, as keynote speaker, His Excellency Ichiro Fujisaki, Ambassador of Japan to the United States. A native of Kagoshima Prefecture in southwestern Japan, Ambassador Fujisaki has ties to the Pacific Northwest, having spent a year as a junior high school student in Seattle, and having visited Portland.

Ambassador Fujisaki joined the Ministry of Foreign Affairs in 1969. He worked as political minister at the Embassy of Japan in Washington, D.C., directorgeneral of the North American Affairs Bureau, and was eventually deputy minister of foreign affairs. As a diplomat, he also served in Jakarta, Paris and London. Prior to his current post, he was ambassador to the International Organizations in Geneva.

Other dignitaries in attendance included Acting Consul General Hirofumi Murabayashi, consulate-general of Japan, Portland; former Oregon Gov. Victor Atiyeh, who was instrumental in building Oregon's trade ties with Japan; representatives of Oregon's consular corps; and Mayor Sam Adams, who serves as vice chair of Japan-America Society of Oregon.

of Oregon.

"Our region does about \$12.1 billion in trade with Japan each year, and 37 percent of the containers we ship from our facilities are going to Japan," said Greg Borossay, senior manager of trade and carrier development for the Port.

"It goes without saying that Japan is one of Oregon's key trading partners, and we enjoy opportunities like this to build upon those relationships."

AIRPORT DEICING PROJECT BEGINS CONSTRUCTION PHASE

It seems a bit early to be talking about airport deicing, but in fact, the airport broke ground in August on a series of enhancements to its deicing storm water collection system.

Every winter, for safety's sake and to keep the airport functioning during very cold weather, deicing is applied to aircraft and airfields, and the airport has a system that captures the deicing runoff from those operations. Planned enhancements to the existing system are part of a six-year agreement with the Oregon Department of Environmental Quality to make sure deicing runoff is managed to help protect water quality.

Although the existing system has been effective at collecting runoff, it does not capture runoff from the western airfield, and occasionally, the amounts that flow into the Columbia Slough have exceeded

allowable limits. The enhanced system expands the collection area to capture runoff from the western portion of the airfield, including the south runway; it expands storage capacity of runoff; it adds a Columbia River outfall within permit limits; and it includes a new onsite treatment facility. The work to improve the deicing system was subject to the completion of an extensive environmental review and permitting process.

In June, DEQ granted a permit to the Port for outfalls into the slough and the Columbia River. By August, surveyors were out on the airfield preparing for outfall construction, which will occur during the fish migration window beginning in November, and construction of the treatment facility, scheduled for January 2010.

and include economic and community

past decade.

benefits. The Port's air quality team

has implemented numerous creative

projects of this nature over the

reported annually at

Progress on Port

environmental targets is

www.portofportland.com.



ENVIRONMENTAL GOALS ADDRESS NEW CHALLENGES The Port of Portland sets environmental targets each year to continuously improve the efficiency of and reduce impacts from aviation and marine operations and industrial lands. Over the past nine years, these goals have helped to make meaningful reductions in water and energy usage, waste streams and air emissions while enhancing natural resources around Port facilities. As the program matures, the goals become more challenging. Major reductions in energy use have been implemented in previous years, which makes this year's target to reduce energy consumption by another 500,000 kilowatt-hours that much tougher. Similarly, a Portwide program to recycle all mixed plastics is under way, and staff is busy determining how to make it easy for Port employees and tenants to participate. Perhaps the most ambitious is a target to reduce Port-controlled greenhouse gas emissions 15 percent below 1990 levels by 2020. Most emissions generated at Port facilities are outside of Port control, so the Port will work with tenants and partners to pursue strategies that reduce air emissions

Pour

Beverages

RECYCLER OF THE YEAR PRIZE The Port of Portland recently earned the

Association of Oregon Recyclers "Government Recycler of the Year" award. The honor was granted in June at the association's 31st annual conference.

The award recognized efforts from across the Port to reduce waste streams and increase recycling and composting rates. At Portland International Airport, new drain stations at security checkpoints allow travelers to dispose of liquids so they can more easily recycle bottles and cans before heading through security lines. In the airport food courts, food waste recycling has been expanded to the general public, and food waste volumes have increased steadily since the program was first initiated in 2003.

The award nomination also recognized efforts initiated Portwide, including those by our marine and industrial development department, which instituted "zero waste" events, all-plastics recycling, and increased efforts to send materials to be reused, salvaged or recycled before ever going to a landfill.

The Port was nominated by Portland State University's Community Environmental Services program, which partners with the Port's waste minimization team to help the Port and its tenants, partners and customers use less and reuse and recycle more often.

OREGON AIR GUARD AND ALASKA AIRLINES HONORED

The Port of Portland presented its Aviation Tenant Environmental Excellence Awards this year to Alaska Airlines and the Oregon Air National Guard. The awards are given each year for exemplary environmental efforts by tenants at Port-operated airports.

For the past three years, Alaska Airlines has worked with the Port and represented all air carriers during the technically complex design phase of a project to enhance the deicing storm water collection system at Portland International Airport. The airline was recognized for helping to reach a consensus among all parties that will further protect water quality while sustaining safe aviation operations.

The Port and the Oregon Air National Guard, located side-by-side at PDX, collaborate in a number of ways to enhance safety, including wildlife hazard management. The Guard worked with the Port wildlife team to successfully integrate the Guard's bird aircraft strike hazard program, which is an Air Force requirement, with the PDX wildlife hazard management plan, which is an FAA requirement. Their partnership is recognized nationwide as an example of how military and civilian aviation operations can work together to be effective stewards of natural resources.

in many forms. Whether hosting an informational booth at a Portland riverfront event or volunteering in local schools, Port of Portland employees are improving their neighborhoods and educating the public about the Port's role in the region.







CON ECTIONS









"We are constantly connecting with the communities around us in one way or another," said Tom Imeson, director of public affairs with the Port of Portland. "We want to get out there, get involved, and we enjoy telling people about the important things the Port is doing." Staff members lead Port project-related presentations at local civic club breakfast meetings, collect public input to inform development or planning projects, provide tours of marine and aviation facilities, and mentor young people. Much of the relationship-building focuses on neighborhoods impacted by Port operations and facilities.

The consistent outreach to the community is enhanced by employees who like to listen, reflect and interact with people. Port executive leadership; planners; and staff ranging from community affairs, environmental, media, properties and operations play a role in connecting to various stakeholders, depending on the project and audience.

CONNECTING WITH NEIGHBORS

The three-year Airport Futures project is a collaborative effort of the Port of Portland, city of Portland, and the Portland-Vancouver metropolitan community to create an integrated long-range development plan for Portland International Airport. Many Port departments are assisting in relaying project information to the public. Project managers from the Port and city have hosted several public forums as a means to educate and solicit feedback from airport users and the community.

At other public venues, such as river festivals, neighborhood fairs and environmentally themed events, employees in the community affairs department host informational booths throughout the year to educate the community about Port projects and operations, and to hear input about Port operations. "Our mission is to facilitate dialogue between parties that are affected by Port operations or development and Port decision-makers," said community affairs manager Chris White. "We do this as a part of certain regulatory processes but also to support good business development." This year alone, the Port has been at events such as Portland's Sunday Parkways, OMSI Science Pub, and the city of Portland's River in Focus brown bags and August 2009 RiverFest.

During an economic downturn, businesses and public agencies may retreat from expending resources on community support and outreach. Not so at the Port of Portland. "Reaching out to the community is perhaps more important in tough economic times," said Bill Wyatt, executive director of the Port. "Dollars are tighter; jobs are scarcer; and the communities around us are struggling more than ever."

Outreach in the form of marketing campaigns serves to inform the public and raise awareness. In the spring, a campaign spotlighted international flights at Portland International Airport, with the goal of explaining why using the nonstop air service overseas is so important to the region's economy. More recently, a campaign featured Orville and Wilbur Wright and called attention to the tough decisions that all airlines are making; it reminded people that the 14 airlines serving Portland International Airport can't be taken for granted.

CONNECTING WITH KIDS

"Studies say that businesses promoting volunteerism experience improved morale and productivity, but volunteering also just feels like the right thing to do," said Woodworth. Since 2006, approximately 130 employee volunteers have been participating in the Adopt A Class Program, which pairs businesses with Title I schools in Portland. Last year, 46 employees donated their lunch hours to mentor kids at two schools, James John Elementary and Humboldt Elementary. Both schools are in neighborhoods where Port facilities are also located.

Customer relations communications coordinator Jean Pratt described her volunteer experience with Adopt A Class. "When I arrived at the school, I'd often find the boy I was mentoring standing in the hallway just outside the classroom, eagerly waiting for me to arrive. It's hard to beat that kind of reception. It made me feel I was someone special in his life, and that I was making a difference."

The Port also provides classroom outreach and has identified 20 schools within a five-mile radius of Port properties in north Portland, northeast Portland, Hillsboro and Troutdale where they present an import-export informational series for children called "Where in the World?"

At the Oregon Museum of Science and Industry, the Port sponsored

"We are available to educate the public about our operations and our role and relevance in the Northwest. It's important for people to know what we do because we are a critical part of the region's infrastructure."

Tom Imeson, Port of Portland Director of Public Affairs

With more stringent federal, state and city security regulations, some Port facilities are off limits to the public. That's why the Port dispatches its people to local Lions, Elks or other club meetings to talk about Port operations. The Port's speaker's bureau was initiated several years ago. Imeson said, "As an example, a planner might talk about riverbank enhancements happening at one of the marine terminals, and another might discuss deicing enhancements planned for the airport. We are available to educate the public about our operations and our role and relevance in the Northwest. It's important for people to know what we do because we are a critical part of the region's infrastructure."

Open houses at Port facilities are usually a big draw. The Hillsboro Airport Open House, for instance, had its largest turnout ever this year, with 600 people attending. And although Seaport Celebration was put on hold this year due to cost-saving efforts, it has been a popular event at Terminal 6, showcasing container and other cargo operations.

Many of these efforts are an important part of the day-to-day job, but there are dozens of examples of Port employees who volunteer their own time to tell the Port's story and to do a variety of other good works. While volunteering isn't on everyone's agenda, for many, donating personal time to a favorite cause is a simple, gratifying way to give back. As part of an organized internal effort, employees volunteer in local schools where they read with and mentor elementary school age children. Outside of work, staff sign up to rehabilitate or build homes for low income residents, volunteer in their children's schools, and clean up riverbanks.

Each April, Port employees join the ranks of hundreds of Oregonians for the annual Rebuilding Together event in the greater Portland area to provide cosmetic repairs and cleaning of residences for low income homeowners.

"As the list of needs grows in our communities, many Port employees are donating time to causes that appeal to them," said Gail Woodworth, human resources director at the Port. "The number of after-work volunteers is growing. Individually, Port employees donate time to agencies such as Start Making a Reader Today, SOLV, Habitat for Humanity, and the Oregon Humane Society."

a crane exhibit, tiny in comparison to the mammoth cranes at the marine terminals, but mighty in its appeal to kids. The museum reports that the crane is so popular that parents have a tough time pulling their kids away from it.

In other youth-related efforts, the Port participated in the Multnomah County Youth Corps Initiative, a city of Portland-Multnomah County summer program, which identifies at-risk teens and enrolls them in a summer program to encourage them to stay in school. The students visit job sites to learn about different career options, and several made visits to the Port, which included tours of the airfield at PDX.

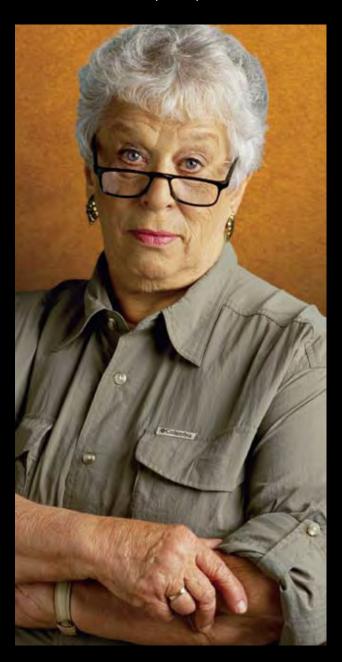
Also, this year, the Port partnered with Roosevelt High School, a local Title I high school in north Portland, to offer a nine-week job shadow program with Port public affairs staff. Roosevelt students toured marine and airport facilities to learn how the Port approaches community outreach, media relations and environmental stewardship. "We chose to partner with Roosevelt High because of relationships built during employee-led holiday charity drives and because of the school's proximity to our four marine terminals," said Chris White. "These students are getting close to graduation and deciding their future. We hope the knowledge gained through their job shadow experience helps when making big life decisions."

Bill Wyatt said, "I'm proud of the fact that employees are the face of the Port in the community. For every neighborhood that we touch in some way, we have people working to inform residents and answer questions. We recognize that reaching out to the public is only effective when the people doing the outreach are listening. That is our goal at the Port of Portland – to have a strong presence in the community and to use the feedback we get to guide our work."

by Molly McRoberts

PORTSIDE





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