

## **Business Oregon Follow-up**

Date: June 5, 2025

To: Joint Committee on Ways & Means Subcommittee on Transportation and Economic

Development

From: Mark Gharst, Business Oregon

RE: Follow-up to June 3 Subcommittee Questions

Co-Chair Gomberg, Co-Chair Meek, and Members:

Please accept the following agency response to committee questions from Business Oregon's budget bill work session on June 3, 2025. The question/comments from the committee members below aren't exact quotes but rather are paraphrased from staff notes.

Mark Gharst

## 1. Rep. Nguyen: Global Trade

What is the difference between a trade mission and trade show?

ANSWER: Trade missions are outbound trips where the key participants are Oregon exporters that work to increase Oregon exports in international markets and generally include more than one industry sector. The key objective of a trade mission is to promote and increase sales of Oregon exports abroad. Agency staff work closely with U.S. Department of Commerce staff in key markets to set up business-to-business and distributor matchmaking meetings that often result in sales for participants. A trade mission can include one destination or multiple destinations, these can be Governor led, agency Director led, or even staff led. At each destination region, there will be multiple meetings, tours, and events, sometimes including a trade show. These missions may also include a foreign direct investment marketing component where Oregon is also promoted as a business location for certain industries. Additionally, critical government-to-government connections regarding trade are facilitated and maintained during trade missions, often resulting in an increase in future exports for both parties.

A trade show is a singular national or international event produced by a private enterprise, where Oregon businesses can showcase their products and services. Trade show participation serves one of the purposes of trade missions (namely a focus on increasing sales of Oregon exports) and are focused on a particular trade show and industry. Trade shows which Business Oregon leads for global trade are normally global shows with the majority of attendees coming from multiple nations. So, while a large trade show might take place in Germany, Singapore, Australia, or Las Vegas, many of the key customers or potential business leads may be from outside that market.

Do we have a best practices playbook and can the legislature get a copy?

Business Oregon has a trade mission playbook that we use to plan for trade missions. We will forward a copy to Rep. Nguyen and are happy to share it with other members upon request. Please note that this is a draft playbook and edits/updates will be made to the document this summer.

Is it appropriate to have legislators go on trips in addition to Governor?

Our department works very closely with the Governor's Office and state agency partners including Oregon Department of Agriculture, Travel Oregon, and Port of Portland to plan for the state of Oregon's trade missions. Legislators, elected official, partners and businesses are invited to share their interest in participation. Unfortunately, the department is unable to fund travel expenses for legislators, other elected officials, or partners. Some businesses may be eligible for funding supports through one of our state export promotion program.

## 2. Sen. Neron Misslin: Technical Assistance Program

I see on OBDD website this started with federal funds, what is the status of those funds?

The Technical Assistance for Underrepresented Businesses Program (TA program) was originally relaunched in 2020 with COVID funds, but that funding has ended. We would note that this program traces its original roots to the Oregon Small Business and Minority or Women Owned Business Development Act, passed by the Legislature in 1995. During the 2021-23 budget, the program received \$9M in state funding, and in 2023-25, the legislature invested an additional \$5M in the program. Our POP 106 included a total funding level of \$4.8M, and sought to make the program permanent as it has become an integral component of the agency's portfolio of small business resources.

Here is some additional information on the program:

- In 2023-2024 alone, TA providers served over 3,000 unique clients and nearly 30,000 hours of support. Here is the latest Impact Report.
- In the 2023-25 biennium, Business Oregon awarded \$5M in grants to <u>25 TA providers</u> across the state to offer various services, including business advising, capital access, mentoring, training, financial counseling, and specialized support in areas like marketing, accounting, legal, and human resources.
- The TA program was designed to ensure the availability of culturally responsive, linguistically appropriate, geographically aligned technical assistance resources to underrepresented or under-resourced small businesses. The TA program's objective is as simple as it is ambitious – a vibrant small business community all across the state that has access to the resources necessary to overcome barriers and contribute to thriving communities.
- Although other TA resources exist, this program is designed to fill gaps in the
  ecosystem by supporting providers who are embedded in their communities. TA
  program grantees fulfill a vital role by working with small businesses who are often
  overlooked or distrustful of more institutional providers or operate in rural and frontier
  regions of the state where existing resources are slim to none.