



Clockwise from back row:
Ron Fox, Executive Director
Lori Mitchell, Office Manager
Charlie Mitchell, Business Development Manager
Reg Powell, Business Development Specialist
Colleen Padilla, Business Development Manager
Not Pictured: Troy Fretwell, Marketing and Research Assistant

Photo by David Gibb Photography

Southern Oregon Regional Economic Development, Inc. (SOREDI) is a nonprofit agency dedicated to increasing the long-term prosperity of Jackson and Josephine counties. We serve as project managers for expanding and relocating companies, without fees or obligation; act as a liaison between private and public sectors to promote business; and operate a \$6.6 million business development fund for private business. SOREDI can assist with local site selection, workforce fulfillment, utility requirements, financing, and economic incentives.

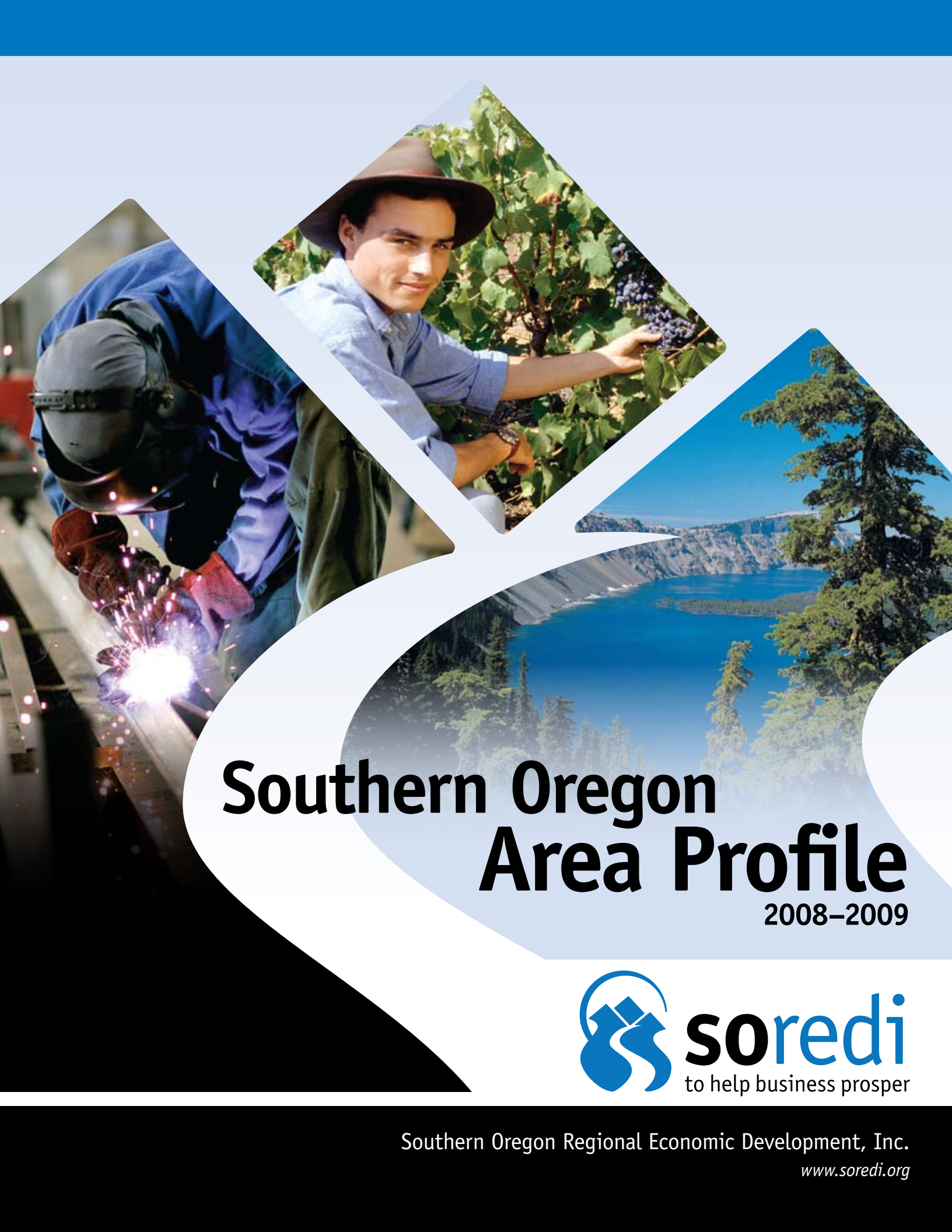


soredi
to help business prosper

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Southern Oregon Regional Economic Development, Inc.

www.soredi.org



Southern Oregon Area Profile

2008–2009



Southern Oregon Regional Economic Development, Inc.
www.soredi.org

20 Reasons to Grow Your Business in Southern Oregon

“SORED I has played a crucial role in our start-up and growth. They are a valuable source of options and expertise that can make all the difference to a growing business.”

—Cary Cound, Founder
Cary's of Oregon, LLC
Grants Pass

- 1. Sunshine on your shoulders—** more than 210 days of sunshine annually and only 18 to 32 inches of rainfall
- 2. Strong and steady growth—** 25.8 percent (1990–2007)
- 3. Educated workforce—**22.3 percent of population over 25 years old in Jackson County has a bachelor's degree or higher
- 4. Higher-education exposure—** Southern Oregon University and Rogue Community College
- 5. Affordable workers' compensation rates—**Oregon has the eighth-lowest rates in the nation (September 2006)
- 6. Transportation corridor—**regional hub on Interstate 5, with numerous truck brokers and trucking companies based here
- 7. Reliable, low-cost energy—**rates among the lowest in the nation
- 8. Pure, pristine water—**21 million gallons daily
- 9. Business-friendly climate—**Oregon ranks tenth best in overall tax burden by the Tax Foundation (April 2007)
- 10. Cultural excellence—**home of the Oregon Shakespeare Festival, Ginger Rogers Craterian Theater, Rogue Theatre, and Britt Festival

- 14. Grand gateway—**to Crater Lake National Park, the Oregon Caves National Monument, and Redwood National Park
- 15. Outstanding medical services—** with nearly 700 beds and one of the nation's 100 Top Cardiovascular Hospitals
- 16. No sales tax—**or inventory, excise, or unitary tax
- 17. Workforce training partnerships—** collaborative training programs with Rogue Community College, Southern Oregon University, and the Job Council
- 18. Less time to work, more time to live—**average commute time is only 18.9 minutes
- 19. Recreational rendezvous—**more than 15 public golf courses, numerous local parks, waterslides, Kalmiopsis Wilderness, and Mt. Ashland ski and snowboard resort
- 20. Close to your market—**centrally located between San Francisco and Portland

Topography and Climate

Southern Oregon enjoys a mild Mediterranean climate with four distinct seasons. The summer is hot and dry, with temperatures averaging around 90 degrees F and stretches of higher temperatures from 90 to 100 degrees F. The average growing season of 170 days is late April through mid-October. Cooler temperatures in late October mark the beginning of the rainy season. Community elevations range from 960 to 2,535 feet above sea level.

Annual Average Rainfall

Jackson County	18–20 inches
Josephine County	30–32 inches

Average Day/Night Temperatures

January	High 46	Low 32
July	High 90	Low 54

Source: Western Regional Climate Center

- 11. Regional retail center—** spectacular shopping opportunities, serving southern Oregon and northern California
- 12. Fabulous flights—**direct to eight major cities
- 13. Wonderful waterland—** dozens of lakes for waterskiing, fishing, and more within 45 minutes, plus the Wild and Scenic Rogue River





Face time with local agencies (on a Saturday no less) and a pervasive West Coast entrepreneurial spirit combined with lower operating costs proved the ideal combination for this high-tech silicon wafer foundry established in 2003. Founders Jessica Gomez and Patrick Kayatta brought with them a diverse background of similar business experience from the East Coast and southern California. The company of eight is currently experiencing a 25 percent growth rate.

Although being near family and finding a central location between Portland and the Silicon Valley were important factors in their decision to be based in Medford, the absence of adversarial business relationships was an eye-opener for both. “We were well received by people of influence here who were willing to listen and learn,” Jessica notes emphatically. “It made all the difference.” In addition, Jessica adds that southern Oregon offers substantially lower operating costs—particularly lower workers’ compensation rates and less costly regulations—that make it a sustainable place to do business and raise a family.

The owners of Rogue Valley Microdevices are especially keen on the opportunity they have in southern Oregon to create a positive environment they can be proud of. The company is big on giving back and being supportive

of creativity and growth, which it says is critical to maintaining its innovative edge. “Culture in the company must start from the top, be defined, and be enforced,” Jessica states. Sharing the same goals and vision makes it much easier to manage the day-to-day tasks, which the owners insist will lead them forward during their current expansion project and into the future. The expansion will add an additional 2,500 square feet of manufacturing space. The current facility includes a 1,000-square-foot class 100 clean room, a rarity in the region.

The owners’ expectations for the next five years include additional facility build-out to the point of owning their own full fabrication operation, owning their own intellectual property, and securing substantial new investment, which will aid them in reaching \$5 million in revenue by 2010. To help get them there, Rogue Valley Microdevices will continue to seek out creative employees who can multitask, focus, and treat everything as important—team players who are willing to take responsibility for their part in the company’s success.

“We were well received by people of influence here who were willing to listen and learn.”

—Jessica Gomez

Rogue Valley Microdevices

High tech start-up carves a niche as the region’s first microelectronics manufacturer

Location: Medford

Employees: 8

Why southern Oregon? Sustainable operating costs and supportive community

www.roguevalleymicro.com

Distances to Nearest Major Cities

From Medford, in ground miles

Boise	497
Los Angeles	691
Portland	273
Sacramento	307
San Francisco	361
Seattle	445
Reno	305
Salt Lake City	815

Air Travel

The Rogue Valley International-Medford Airport currently operates with approximately 60 arriving and departing flights daily, with direct flights to Seattle, Portland, San Francisco, Los Angeles, Las Vegas, Phoenix, Denver, and Salt Lake City. Air carriers include Allegiant, Delta, Sky West, United, United Express, and US Airways.

The airport is currently undergoing a \$35 million renovation that includes the construction of a new terminal, a new control tower, and additional parking. Construction began in July 2005. The new terminal should be in operation by spring 2009, with the final phases slated for completion by summer 2009. A new 35-hanger complex was recently developed at the north end of the field.

Three fixed-base operators provide full-service general aviation needs. www.jacksoncounty.org

Transportation

Southern Oregon is strategically located midway between Portland and San Francisco on Interstate 5, with convenient connections to the Oregon coast via Highway 199 and to eastern Oregon via Highways 62 and 140. The region is a major commercial motor freight transportation hub, with more than 30 interstate, intrastate, and less-than-truckload (LTL) carriers based locally, along with numerous truck brokers. Rail freight service is available through Central Oregon and Pacific Railroad, connecting the region north to Eugene and south to California. Air freight services are provided by Airborne Express, DHL, FedEx, H&S Packing, Pony Express, UPS, and others.



“Southern Oregon is an ideal place to locate a high-tech business. Technology changes in the past 10 years have made it possible to locate businesses away from the major metropolitan areas, and southern Oregon provides a qualified talent pool, lower overall cost of operation, and a great lifestyle for our employees.”

—Jorge A. Yant
CEO and President
Plexis Healthcare Systems
Ashland

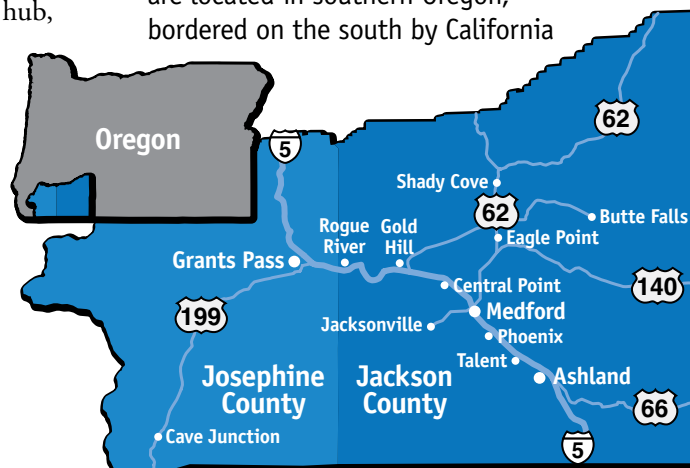
Community Populations

Southern Oregon’s population has experienced steady growth—nearly 26 percent since 1990—and is one of Oregon’s most economically viable regions.

Community	Population	Contact
Jackson County	202,310	www.jacksoncounty.org
Ashland	21,630	www.ashland.or.us
Butte Falls	445	www.upperrogue.org
Central Point	17,025	www.ci.central-point.or.us
Eagle Point	8,565	www.cityofeaglepoint.org
Gold Hill	1,080	www.ci.goldhill.or.us
Jacksonville	2,635	www.jacksonvilleoregon.org
Medford	75,675	www.ci.medford.or.us
Phoenix	4,845	www.phoenixoregon.net
Rogue River	2,085	www.rogueriver.org
Shady Cove	2,820	www.shadycove.net
Talent	6,525	www.cityoftalent.org
Josephine County	82,390	www.co.josephine.or.us
Cave Junction	1,685	www.cavejunction.com
Grants Pass	31,740	www.grantspassoregon.gov

Source: Portland State University
Population Report, 2007 Estimates

Jackson and Josephine counties are located in southern Oregon, bordered on the south by California





“Southern Oregon offers the perfect setting for creating your own life.”

—Sky

Sky Research

Gold standard technology merges with intentional lifestyle

Location: Ashland

Employees: 34 to 40

Why southern Oregon? Diversity, richness, and lifestyle!

www.skyresearch.com

If you expect to find discipline at Sky Research, you will find it—but not because it is something you acquire there as an employee but because it is something you bring with you. In fact, Sky Research builds its performance by cultivating “a culture of discipline.”

Sky Research was founded in Cave Junction and, with a SOREDI business loan of \$150,000, in 1997 relocated to Ashland. Today, with annual revenues of \$12 million, the company is headquartered at the Ashland Airport and has satellite offices in Boston, Denver, and Vancouver, British Columbia. Sky Research was one of the first companies in Oregon to operate its own Light Detection and Ranging (LiDAR) sensors, which produce incredibly accurate models of the earth’s bare terrain, even under vegetation. The use of LiDAR and other advanced technologies has enabled Sky Research to become the technology leader in the assessment and the detection of unexploded ordnance.

According to “Sky,” owner of Sky Research, establishing the company in southern Oregon was a personal move toward an intentional lifestyle woven with clean air, culture, and diversity in political and philosophical values. Sky notes in particular the number of self-motivated people in the region, adding, “We are limited only by our own limitations.”

The company’s business culture is simply to do good—to take their beliefs and create an environment that will influence millions. Sky Research aims to become a champion by choice in a work setting that is fun, enjoyable, challenging, and integrated with personal philosophy. The 82-member Sky Research team comprises leading scientists and professionals and is a testimony to the success of their approach.

Although Sky Research is passionate about being the best, Sky’s wife, Anne, adds that the company wants to be different and stay on the leading edge. Both agree that it is time to change it up a bit, as Sky and Anne plan to be less active in day-to-day management. Yet in their world of constant change and development, southern Oregon remains home for themselves and their company.

“*SORED*
assisted us in
our sustainable
approach to
business by helping
in our expansion of
both cold storage
and packaging so
we could remain
focused on making
the world’s finest
handmade cheese
and expanding
our distribution
nationwide.”

—David Gremmels
 Owner/Cheesemaker
 The Rogue Creamery
 Central Point



Workers' Compensation

	Rates per \$100 payroll
Sheet metal shop (class code 3066)	\$2.24–\$3.45
Machine shop (class code 3632)	\$2.92–\$4.50
Office/clerical (class code 8810)	\$0.15–\$0.23
Office sales (class code 8742)	\$0.25–\$0.39
Maximum weekly benefit (effective July 2008)	\$1,051

Source: SAIF Corporation, May 2008

Unemployment Insurance

Taxable base	\$30,200
Tax rates	0.7%–5.4%
Statutory amount for new employers	2.10%
Maximum weekly benefit	\$463

Source: Oregon Employment Department, 2008 Rates

Education

Eleven school districts serve more than 30,000 students in the region, comprising 50 elementary schools, 20 middle schools, 15 high schools, and 22 private schools.

Rogue Community College (RCC) offers five degrees and 38 professional technical programs in a wide variety of fields. RCC provides day, evening, weekend, and online classes to approximately 14,000 full-time-equivalent students. RCC operates on three primary campuses: the Redwood Campus in Grants Pass, the Riverside Campus in Medford, and the newly acquired and renovated Table Rock Campus in White City, which houses professional technical programs such as diesel technology, construction, manufacturing, electronics, public safety, and apprenticeships. RCC’s Workforce Training provides a variety of work-based training and employment development services, including support to regional economic development and local manufacturing. Customized training plus workforce and management workshops are available. www.roguecc.edu

Southern Oregon University (SOU), a four-year public university specializing in liberal arts, sciences, and select graduate and professional programs, serves approximately 5,000 students from around the world on its 175-acre parklike campus, offering nearly 100 areas of study in 37 majors. Located in Ashland, SOU is surrounded by national forests, mountains, and lakes. Its average class size is 25 students, with a faculty-to-student ratio of 19:1. In addition, 93 percent of its faculty members have a PhD or the highest-level degree in their respective field. SOU is the first campus in the state to offset 100 percent of its electricity use and natural gas emissions with renewable energy. www.sou.edu

Medford Higher Education Center, a joint SOU and RCC educational center in downtown Medford is currently under construction. This 68,700-square-foot, \$22.2 million facility will be operated by both institutions, provide shared services, and foster valuable community partnerships.

Oregon’s Minimum Wage: \$7.95/hr

For calendar year 2008

Wage Ranges for Selected Occupations	Low	High
Healthcare		
Registered nurse	\$23.07	\$36.34
Nurse’s aid	9.39	14.77
Medical assistant	11.05	17.24
Sales and Related		
Retail sales	8.06	21.06
Cashier	7.95	13.95
Travel agent	9.57	20.61
Transportation and Materials Moving		
Forklift operator	9.40	18.18
Truck driver (heavy)	11.71	24.61
Delivery driver	8.02	25.88
Service		
Customer service representative	8.35	15.89
Waiter	7.95	13.65
Cook	12.49	22.04
Installation, Maintenance, and Repair		
Electrician	12.66	30.48
Millwright	15.83	23.74
Maintenance worker (machinery)	9.29	17.26
Management, Business, and Financial		
Purchasing agent	15.12	40.26
Accountant	15.72	37.04
Human resource manager	28.30	36.30
Office and Administrative Support		
Data entry clerk	8.04	17.21
Executive secretary	11.57	23.04
Billing clerk	10.19	17.86
Production		
Machinist	12.51	23.03
Tool and die maker	11.83	21.31
Machine operator	10.36	21.06
Computer Science and Related		
Computer support specialist	11.86	23.71
Graphic design specialist	11.97	29.65
Software engineer	16.83	42.15
Life Sciences and Forestry		
Logging equipment operator	15.20	17.96
Biological technician	11.43	20.72
Forester	19.02	37.44

Source: Oregon Labor Market Information System



Many small businesses get started when the owner or founder has a need and cannot find a resolution within the current market—so he or she invents a better product or service than what’s currently available. And just like that, a new business is formed. Such is the case with SOTAR, maker of world-class river rafts, located in the small, unincorporated community of Merlin, north of Grants Pass. While location, location, location is important to retailers, sometimes it’s also important for manufacturers. If the business is building top-notch whitewater rafts and accessories, it makes good sense to be near the Wild and Scenic Rogue River, one of the best rafting rivers in North America.

SOTAR (legend says it’s an acronym for *state-of-the-art rafts*), also known as Whitewater Manufacturing, began life in 1980, when owner and founder Glenn Lewman Jr. couldn’t find a good enough river raft on the market so he began designing his own. Glenn started as a river rafter and guide, making rafting accessories out of a log cabin he built in the southern Oregon wilderness. One of his first innovations was the concept of a self-bailing raft design, and the first production model was sold in 1984.

Glenn credits SOTAR with leading the rafting industry with every major breakthrough. Besides self-bailing, another key SOTAR innovation is radio-frequency or thermo-welded seams and special fabric. After all, making a raft that is durable and puncture-resistant is key to a good time on the river. Glenn says that every major innovation in the industry was a brainchild of SOTAR, making it one of the true industry-leading innovators founded and continuing to operate in southern Oregon.

Innovation and creativity don’t just come by accident at SOTAR; they are philosophies that are deeply imbedded in the company’s culture. “Good ideas can come from anywhere,” says Glenn. “You need to have the willingness to try something new, something crazy; and don’t be afraid to make mistakes. Most of our breakthroughs came on the third or fourth attempt, not the first. We have the attitude that we can do anything. Everyone has a free hand to try something new.”

Glenn credits southern Oregon with offering his business great access and proximity to worldwide markets, especially Seattle and the San Francisco Bay Area. He says there is a unique can-do spirit in southern Oregon that provides a great labor pool with a good work ethic. SOTAR has become an international company, and Glenn spends much of the year overseas. “I get to travel all over the world and meet great people,” he says. “This business has opened up the world to me. Anywhere on the planet, I have great friends.”

The company has been growing at 5 percent to 10 percent per year, and Glenn expects to sustain that growth, as SOTAR continues to develop new products and improve existing ones in what he calls a “recession-proof” market.

“Our business is to provide the experience of a lifetime.”

—Glenn Lewman Jr.

SOTAR

What’s better than to have a customer say, “This is the best day of my life!”?

Location: Merlin

Employees: 25

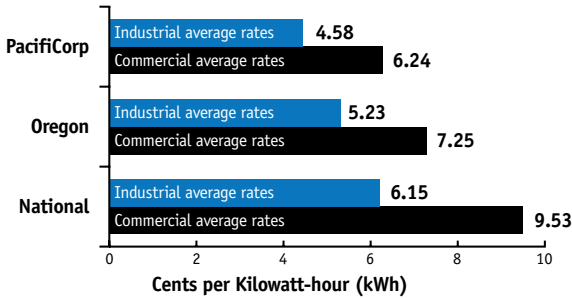
Why southern Oregon? Lifestyle, the river, and the climate

www.sotar.com

Energy Utilities

Electricity: PacifiCorp. Southern Oregon's electricity rates are among the country's lowest. Average residential utility cost for 1,000 kilowatts per month is \$84.43 (excluding the City of Ashland).

Southern Oregon Electricity Rates



Rate Comparisons with Major Cities

*Industrial usage, monthly cost (400,000 kWh)
Based on annualized rates effective January 1, 2008*

Pacific Power in Southern Oregon	\$19,656
Denver (Public Service Company of Colorado)	24,924
Portland (Portland General Electric)	29,439
Seattle (Puget Sound Energy)	30,484
Phoenix (Arizona Public Service Company)	31,047
Las Vegas (Nevada Power)	37,688
Reno (Sierra Pacific Power)	46,184

*Source: Edison Electric Institute
Typical Bills and Average Rates Report, Summer 2007*

Natural Gas: Avista Utilities. Avista is the eighth greenest utility in the U.S. The average cost per therm over their coverage area is \$1.35. The average residential customer pays \$968 per year. Avista continues to rank among the "100 Best Companies to Work For" in Oregon. *Oregon Business* magazine's 2008 report, which included 312 organizations, ranked Avista thirty-first, with high marks for its work environment.

Telecommunications

The region is served by numerous standard and wireless phone companies, including Cingular, Embarq, Nextel, Qwest, T-Mobile, US Cellular, Verizon, and Virgin. Cable and broadband services are provided by Charter Communications, Clearwire, Hunter Communications, Qwest, Rio Communications, Unicom, and the Ashland Fiber Network in Ashland.



"For our small family-owned and-operated business, moving to southern Oregon has been a breath of fresh air. Southern Oregon has been, and continues to be, a friendly and inviting place to bring our business and our family."

*—Duane and Belinda Marzi
Marzi Sinks
Grants Pass*

Media

The region is served by six television stations, including ABC, CBS, FOX, and NBC affiliates; 15 radio stations; and 11 newspapers, including the *Medford Mail Tribune*, *Grants Pass Daily Courier*, and *Ashland Daily Tidings*.

Healthcare

The region has four hospitals, with a combined total of nearly 700 beds. The Rogue Valley also has more than 40 retirement homes, assisted-living facilities, and nursing home rehabilitation centers.

Rogue Valley Medical Center is the flagship hospital of Asante Health System, a not-for-profit health system serving more than 530,000 residents in nine southern Oregon and northern California counties. It is governed by a volunteer board of directors composed of local physicians and community leaders. Rogue Valley Medical Center has been named one of the nation's 100 Top Cardiovascular Hospitals five times—the only hospital in the Northwest to be so honored.

Three Rivers Community Hospital offers a wide range of high-quality medical care to residents of Josephine County and beyond. The 125-bed Asante Health System hospital was designed paying careful attention to patient needs and offers a healing environment.

Providence Medford Medical Center is a 168-bed acute and outpatient medical center with private rooms, state-of-the-art technology, a newly expanded Emergency Department, and an associated primary and specialty care physician group. Because it is a part of Providence Health System, community members gain access to the expertise and the experience of more than 34,000 healthcare professionals. The southern Oregon care team comprises more than 325 physicians, 1,200 employees, and 350 volunteers.

Ashland Community Hospital is an independent, nonprofit hospital providing a wide range of primary and specialty services to residents of Ashland and surrounding communities in southern Oregon and northern California. It marked its one-hundredth anniversary in 2007.



Oregon is well known for its organic personality, so it may come as no surprise that one of the organic movement's leading pioneers hails from Phoenix. Rising Sun Farms' owners Elizabeth and Richard Fugas put down their roots and established a farm near Mt. Ashland in 1982. Originally from Maryland, Elizabeth was a chef and was continually seeking out fresh products at the various ports she visited on voyages all over the world. Soon enough she was receiving special requests from other yachts for her pesto recipes. Her passion for fresh, healthy food thrived. Elizabeth and Richard, who met on a yacht in St. Martin, soon enough fell in love with southern Oregon.

The region's mild climate and long growing season, coupled with culture and a community where everyone knows each other, were just a few of the ingredients in the perfect recipe that eventually led Rising Sun Farms to become one of the first vertically integrated organic farm and food processors in the nation. The goal was clear from the start: a heartfelt responsibility to take care of the seventh generation through development, promotion, and production of organic products that would not insult the taste buds. Today, Rising Sun Farms employs 30, continues to grow about 15 percent annually, and boasts more than 30 national and international awards for its cheese tortas, pestos, drizzles, and other tasty products.

Elizabeth notes that while some operation expenses are higher in southern Oregon, such as transportation, she feels blessed to be here, where she feels valued for herself and where women entrepreneurs thrive. Rising Sun Farms has twice been named among the top 30 woman-owned companies in Oregon.

"I love what I do," Elizabeth says with exuberance. "We make great products, and we love the families that this business helps support." Innovation in the company is driven by hearing every employee's voice, respecting every person, and looking for the person behind the résumé. Elizabeth adds that "We are not afraid of hierarchy. We are one team; we all want to be treated as equals."

Rising Sun Farms continues to invest in equipment and packaging that will answer the current demand for its products and drive future sales. With a warehouse in Wisconsin, the company has good distribution coverage for the nation, yet Elizabeth still tosses around the idea of an East Coast facility or a shared plant that might curtail her rising transportation costs. Whether this self-proclaimed lofty goal is realized, one thing will remain the same: the owners of Rising Sun Farms will seize the day and guide their business by living by what they believe.

"Live by what you believe, and never insult one's taste buds."

—Elizabeth Fugas

Rising Sun Farms

Pioneering the organic movement one herb at a time

Location: Phoenix

Employees: 30

Why southern Oregon? Pristine environment with culture, room to roam, and people who care about their lifestyle

www.risingsunfarms.com

“SORED I,
along with
local and state
governments, is
leading the way
to creating an
environment for
high-contribution
companies
to thrive.”

—Bob Hall, President
Biomed Diagnostics
White City



Taxes and Fees in Southern Oregon

- Ashland meal tax**—Ashland restaurants only
Corporate income tax—6.6 percent of net income
Department of Motor Vehicles tax—Vehicle registration fees for two to four years range from \$54 to \$108
Excise tax—none
Inventory tax—none
Sales tax—none
Personal income tax—9 percent maximum (personal income tax applies on single returns with a taxable income greater than \$5,000 and on joint returns greater than \$10,000)
Real property tax—Ranges by community from \$13 to \$15 per \$1,000 of assessed value; assessed values cannot increase by more than 3 percent per year
Rogue Valley Transit tax—Medford area only
Unitary tax—none

Business Incentives

Enterprise Zones. Qualifying businesses may be eligible for three to five years of property tax abatement for new capital improvement to specific properties. Grants Pass, the Illinois Valley, commercially and industrially zoned sites in Josephine County, Medford, Butte Falls, Rogue River, and some rural portions of Jackson County have designated Enterprise Zones. The City of Grants Pass and the City of Medford also have a designated E-commerce Zone overlay. Companies that do 51 percent or more of their business via the Internet may qualify for up to a 25 percent income tax credit.

Urban Renewal Districts. Assistance may be available for certain infrastructure improvements, such as water and sewer service, streets, storm drains, sidewalks, street lighting, and fees and permits. Jacksonville, Talent, and White City (through Jackson County) are Urban Renewal Districts.

Job Creation. Based on the number of jobs created and the level of wages paid, incentives may be available to fund employee training, equipment purchases, and eligible infrastructure improvements.

Other Incentives. Additional business incentives include: Foreign Trade Zone, business energy tax credit, pollution control tax credit, dependent care facilities tax credit, strategic investment program, and job training program.

Loan Programs. Programs include the SOREDI Business Loan Program, the Small Scale Energy Loan Program, the Oregon Business Development Fund, the Grants Pass Loan Program, and two loan programs through the Illinois Valley Community Development Organization.

Useful Web Sites

Business Referral Center	www.filinginoregon.com
State of Oregon	www.oregon.gov
Oregon Economic and Community Development Department	www.econ.oregon.gov
Oregon Employment Department	www.employment.oregon.gov
Oregon Labor Market Information System	www.olmis.org
Energy Trust of Oregon, Inc.	www.energytrust.org
The Job Council	www.jobcouncil.org
Oregon Small Business Development Center	www.bizcenter.org

Commercial and Industrial Facilities

Southern Oregon has numerous sites for commercial and industrial development, most of which are within 15 minutes of Interstate 5. These properties are mostly in private ownership with appropriate infrastructure in place. Developers can search for available industrial and commercial buildings or sites and generate site-specific demographic and business analysis reports via www.oregonprospector.com.

Oregon Certified Sites

The region is home to three Oregon certified sites, which have undergone comprehensive review and have current information about availability and capacity of water, sewer, electric power, and telecommunications; environmental, cultural, and land issues; transportation accessibility; and much more. Certified sites are ready for construction within six months after being chosen for development. Sites in Oregon are certified “project-ready” for a specific industry profile. www.oregonprospector.com



“Our employees love living here—they stick around.”

—Jeff Blum

Professional Solutions

Intuitive technology for small business and for Mom!

Location: Medford

Employees: 35

Why southern Oregon? No humidity and no fire ants—plus a reasonable cost of living

www.procaresoftware.com

How does a chemical engineer by education find himself the owner of a software company and processing more than \$0.5 billion in tuition charges for childcare centers nationwide? The simple answer, according to Jeff Blum, president of Professional Solutions, is “We understand the difference between software technology and the ability of the client. We are in the business of merging available and economical technology with the needs of our clients. We know our market, and we know that our software products need to be intuitive enough for Mom to understand.”

Professional Solutions was originally established in Ashland in 1992 and later expanded to Medford, becoming one of the region’s first E-commerce Zone applicants, which has provided numerous tax incentives. Jeff notes that he is motivated to problem-solve for the small business, and he loves to stay current on technology. He says his move from Texas to southern Oregon (during his chemical engineer days) was an easy decision. Not only was it a homecoming for Jeff, who was raised in Springfield, but it was a purposeful choice: the cost of living is reasonable, and both the natural and business environments are inviting. Moreover, there is no humidity and no fire ants!

Professional Solutions continues to thrive and will soon expand into an adjacent building. Currently, the company has tapped only 15 percent of the market and has lots of room to grow. Jeff’s preference, however, is to develop and maintain a single unified campus so that the team can focus on controlled growth, develop new products, and foster a work environment that is friendly, flexible, and nimble. “Innovative talent is the basis of success for any business,” Jeff says. “What we have to offer happens faster here because our employees can see their own ideas materialize immediately.”

Professional Solutions offers a full benefit package and average base salaries upward of \$65,000 per year. The fact that employees love working for the company and living in the region may contribute to their employment longevity as well—some have been with the company for as long as 15 years. Purposeful living and purposeful working seem to naturally yield success and fun, something the company aims to keep nurturing here in southern Oregon.

Cost of Industrial Land

Varies by location and zoning, ranging from \$2.50 per square foot (s/f) to \$15.00 s/f

New-construction Costs

Warehouse and manufacturing space

Steel	\$34–\$43 s/f
Tilt-up	\$50–\$55 s/f
Wood frame	\$55–\$63 s/f
Commercial and office space	\$133–\$167 s/f

Lease Rates

Monthly

Warehouse/manufacturing	\$0.45–\$0.75 s/f
Office (Excluding medical use)	\$1.00–\$2.00 s/f

Labor Force Trends

Along with its robust population growth of 25.8 percent over the past 17 years, southern Oregon continues to report strong job growth as well. Since 2001 the labor force in Jackson County has increased slightly more than 9 percent, and employment has increased 9.83 percent. The Medford/Ashland metropolitan statistical area (MSA) was named the “Fifth-best City (MSA) for Doing Business in America” in a study of 274 metro areas based on job growth and diversification of industry. Josephine County has experienced a much greater labor force increase of 14.7 percent, with employment numbers growing by 16 percent.

Source: Inc. magazine, May 2005

Employment Information				
Jackson County				
Year	Labor Force	Employment	Unemployment	Rates
2007	102,142	96,338	5,804	5.7%
2006	104,308	99,195	5,113	5.1%
2005	99,845	93,726	6,119	6.1%
2004	99,143	92,141	7,002	7.1%
2003	97,071	92,141	7,066	7.3%
2002	94,121	87,416	6,705	7.1%
2001	92,779	86,867	5,912	6.4%
Josephine County				
2007	35,128	32,611	2,517	7.2%
2006	35,994	33,791	2,203	6.1%
2005	34,900	32,429	2,471	7.1%
2004	34,490	31,680	2,810	8.2%
2003	31,784	29,996	2,788	8.8%
2002	30,606	27,966	2,340	8.6%
2001	29,963	27,373	2,590	8.6%

Source: Oregon Labor Market Information System

Largest Private-sector Area Employers

Company	Product	Number of Employees
Harry & David Operations	Gourmet fruit and gifts	3,500
Asante Health System	Healthcare services	2,943
Providence Medford Medical Center	Healthcare services	1,271
Lithia Motors	Auto dealerships	800
Boise Building Solutions	Secondary woods manufacturing	750
Amy's Kitchen	Organic food manufacturing	715
Timber Products	Secondary woods manufacturing	650
Erickson Air-Crane	Heavy-lift helicopter services, manufacturing	561
MasterBrand Cabinets	Cabinet manufacturing	560
Fire Mountain Gems	Beads and gems distribution	510
Oregon Shakespeare Festival	Theatre entertainment	494
Regence BlueCross BlueShield	Healthcare insurance	460
Ashland Community Hospital	Healthcare services	450
Rogue Valley Manor	Retirement and healthcare services	436
Carestream Health	Medical imaging manufacturing	342
Costco	Retail	309
Cascade Wood Products	Secondary woods manufacturing	280
ECS Composites	Military container manufacturing	260
CDS Publications	Publishing house	260
Embarq	Call center	250
DCS Corporation	Call center	235
Carson Helicopters	Heavy-lift helicopter services, manufacturing	180
ESAM	Electronic assembly/manufacturing	170
Panel Products	Secondary woods manufacturing	163
Ascentron	Electronic assembly/manufacturing	160
Sabroso	Food products manufacturing	150
Pacific Crest Transformers	Industrial transformer manufacturing	145
Hach Ultra	Particle counters/instrument manufacturing	130
Core-Mark International	Convenience food distribution	125
Grayback Forestry	Wildland firefighting and fuels management	112
Comnet	Call center	102
Rogue Regency Inn	Hotel	100
Sterling Business Forms	Publishing house	100
Motorcycle USA	Motorcycle accessories e-commerce	98
Dutch Bros.	Coffee manufacturing, distribution	95
Alumaweld Boats	Aluminum boat manufacturing	90
International Commodity Carriers	Freight management broker	90
Batzer	Construction	88
Rough & Ready Lumber	Secondary woods manufacturing	85
Met One Instruments	Particle counters/instrument manufacturing	81
FTD Teleflora	Floral wire service	80
Murphy Veneer	Secondary woods manufacturing	80
Micro-Trains	Model railcar manufacturing	78
Herb Pharm	Organic dietary supplements	75
Krauss Craft	Playground equipment manufacturing	75
Pro Tool	Tool manufacturing	75
Rogue River Stone	Landscape product manufacturing	70
Medford Fabrication	Metal fabrication	70
CertainTeed Corporation	Building materials manufacturing	68
nSpired Natural Foods	Organic food product manufacturing	65

Source: SOREDI annual account calls and survey data 2006–2008 (estimates only)



Not everyone associates high technology with small businesses in rural southern Oregon. Certainly, there is no Intel or Hewlett-Packard presence; but despite the lack of heavy-hitters, there are more than a handful of businesses that not only are embracing high technology but are leaders in their respective industries. One example is Grants Pass–based Radio Design Group. President Jim Hendershot founded the company in 1992 in Josephine County as an evolution of his one-man consulting business. That same year he hired his first technician, and the new business took flight.

Jim’s company designs and builds high-end specialized radio frequency products for commercial and military applications. He says the business is innovative on purpose. “It’s one of our core reasons for existing; our whole job is to try to find innovative solutions to problems, to find unconventional ways of doing things.” Jim says he has a diverse staff who think outside the box, which drives the business. “We would not be in business if it weren’t for the creative and innovative ideas that go on around here all the time.”

When it comes to employees and the importance of key talent to the success of his business, Jim cites Southwest Airlines as a good example of Radio Design Group’s approach. Rather than rank shareholder value and profit as the key drivers, with employees somewhere farther down the list of priorities, Radio

Design Group, like Southwest Airlines, places employees at the top of the list. When you hire and care for good, talented people, says Jim, the rest—customer satisfaction and profits—takes care of itself.

One of the things that makes Radio Design Group special is the varied work environment. Jim says it’s “apples and oranges” when comparing his company with any of his competitors. Radio Design Group seeks out challenging work that others may turn away because a solution to a specific problem isn’t readily apparent. “There is a lot of variability in the technologies that we use and the challenges of daily tasks,” he says. “There are no boring jobs here; we are not a place that turns out widgets. You walk in the door, and there’s always something new every day.”

Radio Design Group has enjoyed exceptional business growth and looks to move into a brand-new facility in nearby Rogue River in a few years. The move will allow the company to add up to 15 employees, double its business volume, and have at least 50 percent growth within five years. Jim is quick to point out, however, that he has a good grasp on change and that it is difficult to predict the future: “Based on the past, we’ve learned that whatever you thought you had planned, it is subject to change.”

“Just because no one else has done it before doesn’t mean it isn’t doable.”

—Jim Hendershot

Radio Design Group

Groundbreaking high technology in a rural setting—on purpose!

Location: Grants Pass

Employees: 22

Why southern Oregon? Quality of life and an attractive, great place to live

www.radiodesign.com

“Here everything was less expensive—real estate, energy, and workers’ comp. Also, the spirit of support from the state, county, and city was incredible.”

—Debbie Russell
Encore Ceramics
Grants Pass



Median Home Prices

March 2008

Jackson County	\$233,250
East Medford	245,000
West Medford	190,000
Central Point	227,000
Eagle Point	261,000
Ashland	405,000

Josephine County	\$225,600
Grants Pass	250,000

Source: Roy Wright Appraisal Inc., Nancy Venuti, and Rapattoni Corporation

Rental Units	<i>Vacancy rate 3.35%–4.9%</i>
2- or 3-bedroom apartment	\$550–\$975
2- or 3-bedroom house	\$750–\$1,200

Source: Housing Authority of Jackson County (June 2006)

Per-capita Income and Home Ownership			
	Oregon	Jackson County	Josephine County
Owned households (2000)	64.3%	66.5%	70.1%
Per-capita income (2006)	\$33,299	\$31,785	\$26,224
Median household income (2004)	\$42,568	\$38,481	\$32,786

Sources: Bureau of Economic Analysis and U.S. Census Bureau

Oregon’s National Rankings

Eighth-lowest Workers’ Compensation Rates

Oregon has experienced 16 consecutive years of flat or declining rates and a cumulative savings to employers of \$12.8 billion in premium costs since 1990.

Source: Department of Consumer and Business Services (September 2006)

Tenth-best State Business Tax Climate Index for 2007

Source: Tax Foundation (April 2007)

Thirteenth-lowest in taxes per capita for 2007

Source: U.S. Census Bureau

Area Chambers of Commerce

Ashland	(541) 482-3486 www.ashlandchamber.com
Cave Junction	(541) 592-3326 www.cavejunction.com
Central Point	(541) 664-5301 www.centralpointchamber.org
Eagle Point	(541) 858-4343 www.eaglepointoregon.org
Grants Pass/Josephine County	(541) 476-7717 www.grantspasschamber.org
Jacksonville	(541) 899-8118 www.jacksonvilleoregon.org
Medford	(541) 779-4847 www.medfordchamber.com
Phoenix	(541) 535-1955 www.phoenixoregon.net
Rogue River	(541) 582-0242 www.rrchamber.cc
Talent	(541) 535-3837 www.talentchamber.com

Many may be unaware that southern Oregon not only has a budding bioscience industry but also has one of the most concentrated clusters of the very specialized high-end optics, electronic sensors, and particle counters industries. One small company at the center of it all is ICx Technologies, a local branch of a much larger corporation based out of Arlington, Virginia. The company has 25 field offices across the country in three major divisions: detection, surveillance, and solutions.



“Proximity to a highly specialized industry and technical talent make Grants Pass an ideal location.”

—Robert Beckius

ICx Technologies, Inc.

Taking sketches from the back of a napkin to a product installed in the Pentagon

Location: Grants Pass

Employees: 7

Why southern Oregon? Climate, quality of life, and access to technical talent

www.icxt.com

Originally started in 1997 as MesoSystems Technology, Inc., the company was acquired by ICx in 2005 under the Biodefense business unit based out of Albuquerque. In early 2006 ICx hired a noted top expert in the field, Dr. Richard DeFreez, who happened to live in southern Oregon, and a local research-and-development facility was launched. Later that year Robert Beckius relocated from Albuquerque to manage the Grants Pass operations and grow the business. Although ICx is a large company, each division is managed as a small business, with an entrepreneurial culture fostered and encouraged.

The proximity to others in this highly specialized industry and the wealth of technical talent in the region make Grants Pass an ideal location for this cutting-edge company, which has grown 200 percent in less than two years. Robert credits the location of other similar businesses, Southern Oregon University, and the Southern Oregon Bioscience Industry Consortium as key factors leading to ICx's decision to set up shop in southern Oregon and to grow and prosper here. The common denominator is creating a community of skilled local engineering and manufacturing talent.

Robert expects the company to continue to grow and expand in the areas of chemical detection and environmental monitoring. On innovation and creativity, he says, “Innovation is driven by the problems we face every day, and creativity is fostered by our inherent desire to solve those problems with the resources at hand.” Research locally has resulted in numerous security and defense products tailored to the detection of biological pathogens.

ICx has become the leader in the development of advanced sensor technologies for homeland security, force protection, and commercial applications. The scientists and the engineers of ICx are inspired by the challenge of applying cutting-edge technology to the critical needs of the day. Robert says he enjoys the opportunity to work with some of the most talented people in the industry, all of whom are endeavoring to solve problems directly related to national security.

“From the company's beginnings to the present day, our company has specialized in innovative research and development for the Department of Defense and the Department of Homeland Security.”