



# OREGON IH

## OCEAN INNOVATION HUB

Discovering and Linking Oregon's Coastal Blue Economy Assets for a More Vibrant Future

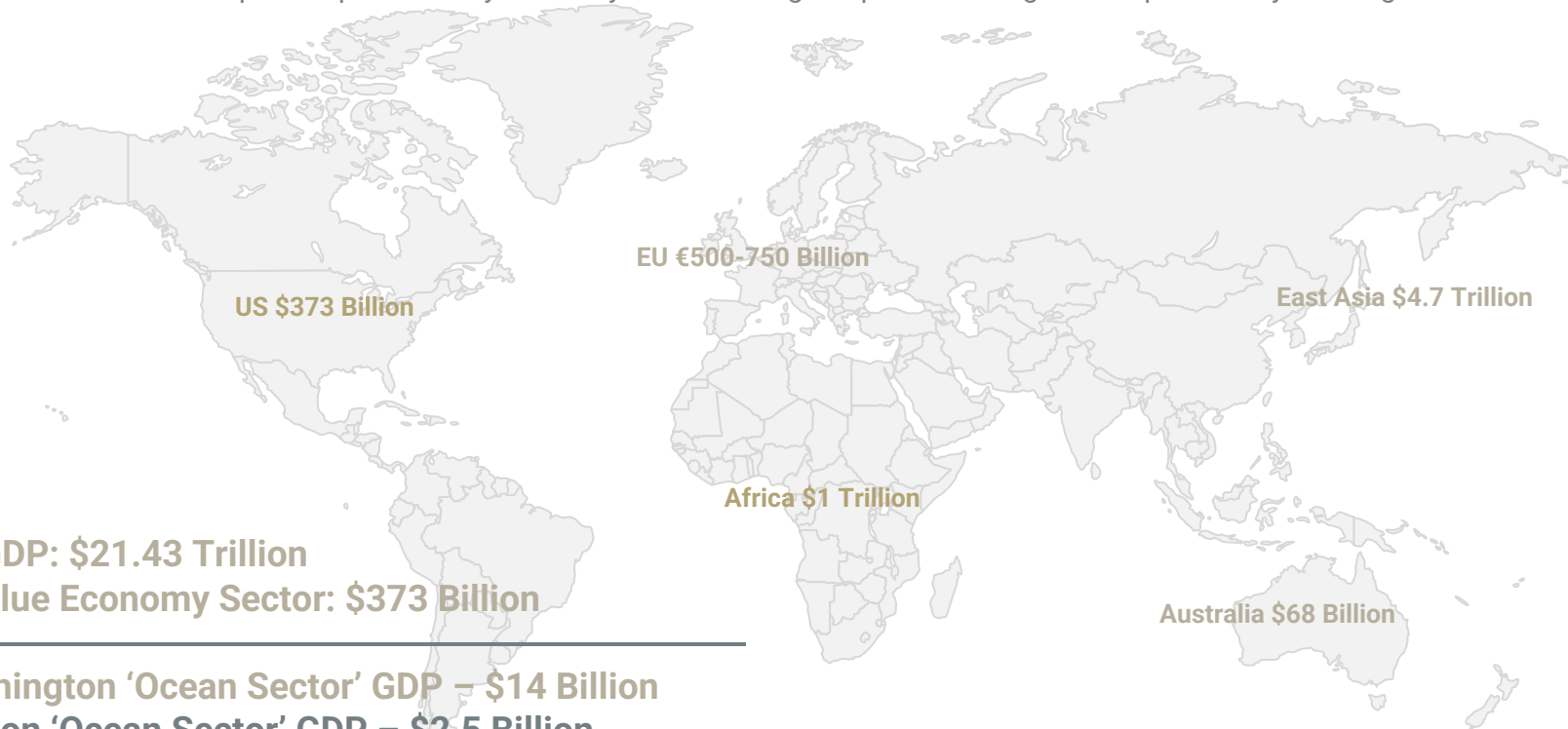
# What is the Blue Economy?

The Blue Economy encompasses **all** economic sectors that utilize and affect water-related resources. This notion of a Blue Economy underscores the importance of **sustained development** and **care** of coastal regions and marine life. **The Blue Economy is more than the Maritime sector.**



# Size of the Opportunity

The blue sector is an important part of every economy. The US has great potential for growth – particularly for Oregon.



**US GDP: \$21.43 Trillion**

**US Blue Economy Sector: \$373 Billion**

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**Washington 'Ocean Sector' GDP – \$14 Billion**

**Oregon 'Ocean Sector' GDP – \$2.5 Billion**

**California 'Ocean Sector' GDP – \$45 Billion**

# Low investment in the heart of the sector



## Low-investment

- Federal Funding for R&D per capita in Oregon is behind WA and CA, and ranks 22/50 overall
- **Only 3% of the State's accelerators and incubators are located on the coast**
- Of the Small Business Innovation Research and Small Business Tech Transfer grants made in Oregon in 2016/2017, only **1/142 grants were made to the coast**, totaling just \$650k/\$61M invested.
- Between 2014-2017, the **Coastal region received .003% of total equity investments** in Oregon

## Struggling Workforce

- Private industry struggles to find qualified, local workers from basic deckhands to high-tech sectors
- Oregon's maritime sector (a sub-sector of BE) has a greying workforce, with 27% of jobs held by workers 55+
- The maritime sector workforce is expected to expand 5% (approximately 400 jobs) by 2027, per Oregon Employment Department projections. Additionally, it is projected that 16 replacement openings will need to be filled for every 1 new job in the maritime sector workforce (nearly 6,600 replacements) through 2027
- Limited training programs for Blue Economy Workers
- Coastal economies are generally extraction and tourism based, with the latter representing low-wage jobs that do not provide a pathway out of poverty.

## Economically-Challenged

- The percentage of coastal families struggling financially ranges from 46-49% (poverty level and Asset Limited, Income Constrained, Employed)
  - The Oregon Coast has a lower average income (**\$24,221**) per capita than the state average (**\$32,812**)
  - % of Traded Sector employment in strong clusters rank is 46/50
  - Children growing up in Lincoln County on average earn 6% less than the national household income.

# What's the solution?

- Form the **Oregon Ocean Innovation Hub** — a central solution to growing the Oregon's Blue sector.
- Building on the success of WA and CA, we're putting together a hub that will combine Blue Sector workforce development, Innovation and Entrepreneurial support, and Research and Development. This is a unique configuration among our peers.

## US Hubs



## EU Hubs



# Built Upon Strong Previous Work

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## SB 867

Senate Bill 867 established the Task Force on Maritime Sector Workforce Development. Directs task force to study and develop description of maritime sector and maritime sector workforce in Oregon and develop recommendations for State Workforce Investment Board to incorporate consideration of maritime sector into statewide workforce investment system plan

## THREE RECOMMENDATIONS FROM TASKFORCE

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- ✓ 1. Accept Oregon's Maritime Workforce Sector Report [Oregon's Maritime Workforce Sector Report](#) including the *"description of the scope and extent of the maritime sector and the maritime sector workforce in Oregon. (SB 867)"*
- ✓ 2. Modify the existing Unified Plan for a Statewide Workforce Investment System (ORS 660.324) to include a new sector of maritime, as defined in Oregon's Maritime Workforce Sector Report.
- 3. Prioritize current workforce development funding (federal and other) to support the maritime workforce sector**



# Built Upon Strong Previous Work

## SB 867

Senate Bill 867 established the Maritime Sector Workforce Development Task Force. It directs the task force to study and provide a description of maritime sector workforce in Oregon and make recommendations for State Investment Board to incorporate maritime sector into state investment system plan.

## THREE RECOMMENDATIONS FROM TASKFORCE

- 1. Conduct a study of Oregon's Maritime Workforce Sector and provide a [Maritime Workforce Sector Report](#) that includes a description of the scope and scale of the maritime sector and the maritime workforce in Oregon. (SB 867)"
- 2. Review the existing Unified Plan for a State Investment System (ORS 305.000) and recommend a new sector of maritime, to be added to Oregon's Maritime Workforce Development Plan.
- 3. "Recommend **current workforce development programs (and other) to support the maritime workforce sector**

# Who is Driving the Bus?



**Mark Farley**

Strategic Initiatives Manager  
Hatfield Marine Science Center



**Paul Schuytema**

Executive Director  
Economic Development Alliance of Lincoln County





# Who is on the Bus?

Columbia Pacific Economic Development District  
Cascades West Economic Development District  
CCD Business Development Corporation  
Economic Development Alliance of Lincoln County  
South Coast Development Council  
Lincoln County School District  
Clatsop Community College  
Tillamook Bay Community College  
Oregon Coast Community College  
Lane Community College  
Southwestern Oregon Community College  
Oregon State University  
Hatfield Marine Science Center  
OSU Advantage Accelerator  
Oregon Coast STEM Hub  
Northwest Oregon Works  
Lane Workforce Partnership  
Southwestern Oregon Workforce Investment Board  
Port of Astoria  
Port of Tillamook Bay  
Port of Newport  
Port of Toledo  
Port of Coos Bay  
Port of Port Orford

Clatsop SBDC  
Tillamook Bay SBDC  
Oregon Coast SBDC  
Lane SBDC  
Southwestern SBDC  
Oregon RAIN  
Startup Blue  
Sequoia Consulting  
Local Ocean  
NearSpace  
Pacific Seafood  
Rondy's Inc.  
Women's International Shipping and Trade Association  
Yaquina Boat Equipment  
Business Oregon  
Oregon SeaGrant  
Washington Maritime Blue  
Oregon Manufacturing Innovation Center  
Oregon Manufacturing Extension Partnership  
Oregon Coast Visitors Association  
NOAA  
Technology Association of Oregon  
Fitzsimmons CPA



# O2IH GOAL: Make Oregon a Leader in the Blue Economy



# You Can't Eat an Elephant in One Bite!



# Asset Quilting and Discovery



What *ARE* Oregon's unique Blue Sector assets? How can we help them to "tip" towards success sooner? How can they connect together?



# Data Gathering and Validation



Define the sector for OR's lawmakers. Find the future opportunities. Identify and classify the career clusters. Scale the opportunity. Build from Oregon's Maritime Sector Workforce Report (March 2019). Business Oregon's Market Analyses for Oregon Emerging Industries - Ocean Resources and Blue Economy Sector. Coastal Blue Economy Workforce Analysis.



# Innovation, Entrepreneurship and Incubation



The  
**OREGON STATE UNIVERSITY**  
Advantage Accelerator



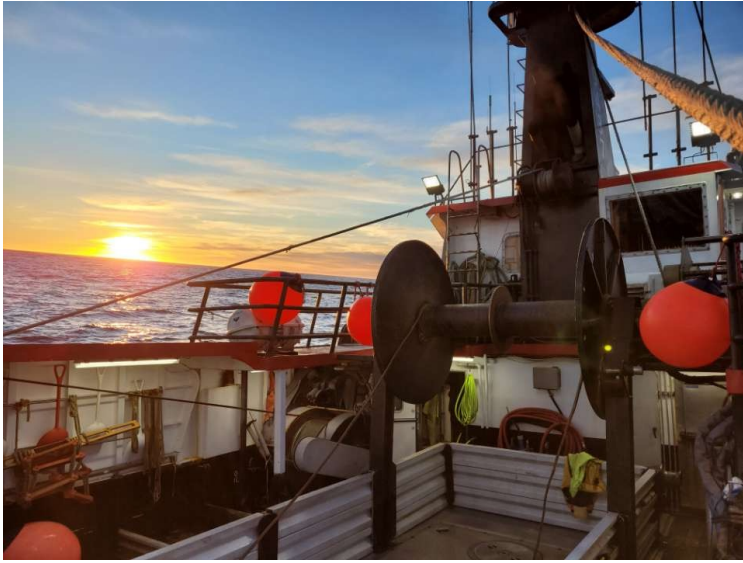
Bring OSU's Advantage Accelerator to the coast. Further engage the ILab.  
Engage the SBDCs. Locate and infuse "almost there" incubation sites.

# BRE and Business Attraction



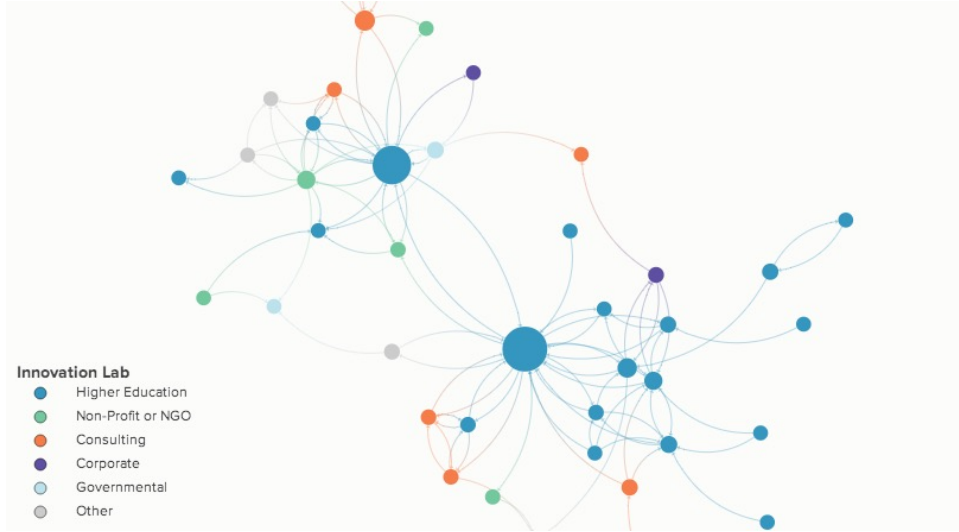
Define new BRE practices and data points. Engage existing businesses in the field. Define attraction and new business opportunities.

# Blue Career Pathways



Coastal DACUM process. Listen to industry. Define shared and needed skills. Engage coastal Workforce Investment Boards.

# Sharing the Data State Wide



Build the go-to web portal for Oregon's Blue Economy. Map the assets, resources and relationships. Share the data (freely) with all stakeholders.

# Other Powerful Efforts in OR's Blue Economy



Oregon Cluster Initiative (USDA)

Market Analyses for Oregon Emerging Industries - Ocean Resources and Blue Economy Sector

Maritime Certificate and Curriculum Development (CDS)

Start Up Blue (RAIN)



# Thank You for Your Time and Attention!



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