

A photograph of The Oregon Convention Center at dusk. The building's two prominent glass towers are illuminated from within, showing internal staircases and structural elements. The sky transitions from a deep blue at the top to a warm orange glow near the horizon. The building's base and connecting structure are also visible, with lights reflecting on the glass surfaces.

The Oregon Convention Center

2011-2012

ANNUAL REPORT

MAKING A
GREAT
PLACE





About the Oregon Convention Center

The mission of the Oregon Convention Center (OCC) is to maximize the economic impact of the convention and tourism industry for the Portland metropolitan region and state of Oregon. Since opening in 1990, business at the facility has catalyzed nearly \$5 billion in tourist spending, supported tens of thousands of jobs and distributed hundreds of millions of dollars in tax revenues to state and local governments.

As host to diverse events and individuals from all walks of life, the OCC serves as a unique gathering place in the heart of the community and

is dedicated to supporting the region's economic, environmental and livability goals.

The FY 2011-12 Annual Report provides the economic and fiscal impact data attributed to the conventions, meetings and events held at the facility as well as key accomplishments, milestones and updates that occurred during the year.

The Oregon Convention Center is owned and operated by Metro through its Metropolitan Exposition Recreation Commission. Metro, the regional government, crosses city limits and county lines to build a resilient economy, keep nature close by and respond to a changing climate. Representing a diverse population of 1.5 million people in 25 cities and three counties, Metro's directly-elected council gives voters a voice in decisions about how the region grows and communities prosper.





The center hosted 392 events and 554,500 attendees during 876,200 attendee days, generating \$451.2 million in spending for thousands of local businesses across the region. More than 4,440 jobs were supported and state and local governments received \$18.6 million in transient lodging and income tax revenues.

BOLD CHANGES NEW EXPERIENCES

A year marked by innovative capital projects and diversification into new markets was capped off with the appointment of Scott Cruickshank as executive director. After an exhaustive national search, Cruickshank, a respected and inspiring leader in Oregon's hospitality industry, was the unanimous selection by a community and stakeholder recruitment panel to lead the facility into its 23rd year of operation.

Creativity and flexibility pay off

Despite a persistently slow recovery in Oregon's economic climate, business at the OCC remained strong, due in large part to staff agility and tenacity to earn new clients and build upon customer loyalty. Nationally, meetings and conventions witnessed reduced attendance and diminished event size. Not to be deterred, the OCC sought out unconventional markets to maintain the center's maximum economic and fiscal impacts.



CAR RENTAL TAXES GENERATED
IN MULTNOMAH COUNTY

\$1.3
MILLION

GROWTH IN
CONVENTION/TRADESHOW
ATTENDEES OVER PREVIOUS YEAR

five
percent

\$266
MILLION

SPENT BY SPONSORING
ASSOCIATIONS, PLANNERS
AND PRODUCERS,
EXHIBITORS AND
THE FACILITY

4,400

LOCAL JOBS SUPPORTED
AND MAINTAINED

\$372

SPENT PER DAY BY OUT-OF-TOWN
CONVENTION ATTENDEES

VISITORS TO THE
CONVENTION
CENTER

554,500

\$451.2
MILLION

TOURISM SPENDING BY
CONVENTION CENTER VISITORS

From the Director



Scott Cruickshank
EXECUTIVE DIRECTOR

The OCC's mission has always been to generate economic benefits for the region and the state while protecting public investment in the facility.

In FY 2011-12, the OCC hosted 392 events that attracted approximately 554,500 visitors leading to an estimated \$434.1 million in local, regional and statewide spending. This business activity helped to support 4,350 full- and part-time jobs across the Tri-County region and has created approximately \$161 million in personal earnings. For the same period, business-related tax revenues were estimated to be \$18.1 million, with some \$5.8 million (or 32%) returned to the state.

Maximizing spending by out-of-town visitors, many of whom are attracted by the conventions and tradeshow we host, is as central to creating and sustaining these local jobs as it is to producing a crucial portion of the tax revenues our communities rely upon from year to year.

Having worked in the hospitality industry for many years, where I've observed the OCC from the outside, I've long been aware of its reputation for service excellence, culinary quality and its commitment to environmentally responsible business practices. Maintaining the OCC as a competitive, world-class venue and

ensuring that it continues to be a leader – and an innovator – in customer service, technology and sustainability will remain top priorities. The current market expects nothing less, and often demands even more.

To retain repeat business and further distinguish ourselves in an extremely competitive market (and ours has never been more competitive) we have to let our customers know that we listened by delivering more than they expected. To appeal to new business and, in particular, to groups of a certain size who fill the hotels and spend the most money on entertainment and services, we must offer what they need and not merely what we have.

As someone who enjoys new challenges, I am excited to be joining the convention center team at such an important time in its history. It has become abundantly clear to me that the OCC staff is genuinely proud of this facility and the many ways it has served our region for more than two decades. Just as they have done, I will work hard to keep it the finest convention center on the Pacific Coast and help to write the best chapters yet of its great success story.

\$6.8
MILLION

SPENT IN LOCAL BUSINESSES
DURING SPECIALTY COFFEE
ASSOCIATION OF AMERICA
CONVENTION

TOTAL FOOTPRINT OF THE OCC IN SQUARE FEET

1,000,000

NUMBER OF
MEETING ROOMS

fifty

5,600

NUMBER OF OUTFITS VANNA
WHITE HAS WORN IN WHEEL
OF FORTUNE TAPINGS

SQUARE FEET OF
EXHIBIT SPACE

255,000

12,135

NUMBER OF
FACEBOOK FOLLOWERS

800

NUMBER OF
PARKING SPACES

**TOTAL ECONOMIC
BENEFITS
to the Tri-County
Region from OCC
Operations**

TRI-COUNTY REGION

Direct Spending	\$256,097,000
Indirect/Induced Spending	177,964,000
Total Spending	<u>\$434,061,000</u>
Total Jobs	4,350
Total Earnings	\$161,025,000

**ECONOMIC BENEFITS
BY COUNTY**

Clackamas County

Direct Spending	\$27,206,000
Indirect/Induced Spending	18,730,000
Total Spending	<u>\$45,936,000</u>
Total Jobs	470
Total Earnings	\$17,301,000

Multnomah County

Direct Spending	\$190,530,000
Indirect/Induced Spending	132,620,000
Total Spending	<u>\$323,150,000</u>
Total Jobs	3,230
Total Earnings	\$119,552,000

Washington County

Direct Spending	\$38,273,000
Indirect/Induced Spending	26,545,000
Total Spending	<u>\$64,818,000</u>
Total Jobs	650
Total Earnings	\$24,122,000

Tri-County Region amounts represent the sum of the three counties. There may be slight differences due to rounding. Earnings represent the salaries/wages earned by employees of businesses associated with or impacted by the facility.

Metro contracts with Crossroads

Consulting Services to conduct the

annual economic and fiscal impact

analysis of its visitor venues. Expendi-

tures generated from facility operations

from items such as personal services,

food and beverage, goods and ser-

vices, marketing, administration and

capital outlay, as well as spending by

attendees, sponsoring organizations,

event producers and exhibitors outside

the facility on items such as lodging,

restaurants, retail, entertainment and

transportation are included as the

initial measure of economic impact in

the marketplace. A calculated multiplier

is applied to the amount attributed to

direct spending to generate indirect and

induced effects. The sum of direct, indi-

rect and induced effects equals the total

economic impact, expressed in terms of

spending, employment and jobs.



MULTNOMAH COUNTY JOBS

3,260

**WASHINGTON
COUNTY JOBS**

570

430

**CLACKAMAS
COUNTY JOBS**

JOBS ARE CREATED
IN MANY SECTORS
OF THE ECONOMY,
WHICH BOTH
DIRECTLY AND
INDIRECTLY SUPPORT
THE INCREASED LEVEL
OF BUSINESS
ACTIVITY IN THE AREA.

LOCAL BRANDS

A symbiotic partnership with a local roasting company honors a commitment to sustainability

Coffee

Portlanders love their coffee and so do visitors to the Oregon Convention Center. The facility entered into a franchise agreement with local coffee company Portland Roasting to run two new upscale cafes inside the facility. Known for its dedication to small craft roasting and commitment to sustainability, the partnership was symbiotic from the beginning. The company is located within blocks of the facility and run as a carbon-neutral operation. At times, coffee can be seen delivered to the facility by bike!

Soon after opening at the Oregon Convention Center, Portland Roasting was named Roast magazine's 2012 Macro Roaster of the Year, which made the coffee company's foray into the convention business a wise move



Big task – small footprint: Portland Roasting delivers coffee to the OCC.

with perfect timing. It served as a major organizer and host of the Specialty Coffee Association of America's international conference later that year held at the OCC. Roughly 10,000 industry executives and suppliers, baristas and coffee enthusiasts attended, creating a citywide economic impact of \$6.8 million and generating 7,700 room nights.

The OCC directly serves the industry sectors based in the Pacific Northwest, including hi-tech, sports apparel and health care, contributing to significant job creation and personal income earnings within the region. This connection helped the facility in attracting key national conventions,

HOYT STREET COMMUNITY CAFÉ

Recognizing the value of apprenticeship and on-the-job training, the OCC and pacificwild catering opened the Hoyt Street Community Café nearby to serve as a workforce development opportunity for individuals facing barriers to entering the food service and hospitality industries. The team renovated vacant property owned by the OCC's parent agency, Metro, and utilized local, minority and women-owned small contractors to rebuild an operational restaurant with primarily reclaimed and reused materials and furniture. A training program includes food preparation, customer service, inventory and accounting controls and management basics.



KEY NATIONAL CONVENTIONS AT OCC

- Open Source Convention (OSCON)
- Tektronix Sales University
- Grace Hopper Celebration of Women in Computing Conference
- Society for the Study of Reproduction 2011 Annual Meeting
- American Massage Therapy Association
- 68th Annual Convention of the National Congress of American Indians
- National Association of Counties Annual Conference and Expo
- Daughters of the Nile 2012 Supreme Convention

including the Open Source Convention (OSCON), Tektronix Sales University and Grace Hopper Celebration of Women in Computing Conference, as well as the Society for the Study of Reproduction annual meeting and the national convention for the American Massage Therapy Association.

The OCC was also honored to serve as host to the 68th Annual Convention of the National Congress of American Indians, the international gathering of the 2012 Justice Convention and the meeting of the Daughters of the Nile at their 2012 Supreme Convention, among others.

Partners in economy and diversity



BRIGHT LIGHTS, GREEN CITY

Hollywood took advantage of the center's vast open and easily adaptable space in several high profile film and television shoots.

The "Wheel of Fortune" television game show taped its annual Going Green week-long segment showcasing the facility's eco-friendly practices and highlighting destinations across Portland and beyond. Pat and Vanna were seen riding MAX light rail transit throughout the city, heralding Oregonians' strong reduce/recycle/reuse ethic.

TNT channel's hit series "Leverage" transformed exhibit halls, meeting rooms and pre-function areas in to the Boston airport for several episodes.

GLOBAL IMPACT





STEWARDSHIP

The first convention center in the country to earn LEED certification as an existing building

The Oregon Convention Center was the first convention center in the country to earn LEED certification as an existing building. Currently LEED-EB Silver certified, the facility is working towards Gold or higher recertification in 2013. Key upgrades will help to achieve this goal. In FY 2011-12, the building's cooling tower was replaced with a cleaner, more energy efficient system and electrical sub metering was installed to streamline energy use and savings. Efforts to educate and inspire guests continued as well, with the

The design of the OCC towers emanate an abundance of natural light to the vast corners of the facility's interior.

installation of high efficiency restroom hand dryers and addition of new and improved recycling containers and signage for the center's exhibit halls.

Material recycling remained a top priority for the convention center and its clients and contributed to a growth in the facility's landfill diversion rate over previous years, achieving a 69% diversion rate.

Partnerships with clients who share a commitment to the environment have meant significant rewards for local nonprofit organizations serving the less fortunate. By collaborating with organizers of key food events, including the NW Food Service Show, and clients, Foodservices of America and United

PACIFICWILD CATERING

The convention center's food and service provider, ARAMARK, rebranded its local team as **pacificwild Catering** dedicated to sourcing the nearby sustainable farm and field ingredients Oregon is known for throughout the world. Chef Allan Wambaa's relationships with local farmers and artisans translate into innovative dishes featuring top products of the Pacific Northwest, including wild salmon, Rogue Creamery blue cheese, Painted Hills beef and heirloom vegetables paired with Oregon wines and craft-brewed beer, spirits and coffee.



SERVICE

Partnerships with clients who share a commitment to the environment have meant significant rewards for local nonprofit organizations serving the less fortunate.

National Foods, the OCC donated over 36,000 pounds of fresh, pre-consumed to the Blanchet House, a nearby homeless shelter. In addition, over 124 tons of organic waste was collected for composting, diverting carbon-emitting materials from local landfills.

Transforming the neighborhood

The convention center seized on an important opportunity to generate additional revenue in Portland's mild weather months. A long vacant lot directly adjacent to the facility housed a boarded-up former Sizzler restaurant, inviting graffiti and undesired activity for

police. Through a partnership with the Portland Development Commission the OCC developed an outdoor plaza complete with lush landscapes, 11,000 square feet of space for exhibition booths and utility hook-ups.

The Oregon Convention Center Plaza debuted during the Portland International Auto Show as a test drive station. Over the summer, the OCC launched its successful free, 8-week outdoor concert series, Plaza Palooza, a first for the Lloyd District neighborhood.



Portland Blues legend Curtis Salgado headlined the Plaza Palooza season opener on July 12.



GIVING BACK TO THE COMMUNITY

The OCC served as proud host of the Oregon Dental Association's annual Mission of Mercy event in November. Over the span of two days, the 2,023 uninsured patients received free dental care worth more than \$1.2 million. The temporary clinic also included meal vouchers and outreach from health and social service providers, connecting members of the community with important services.

**ESTIMATED FISCAL
BENEFITS FROM OCC
OPERATIONS
FY 2012**

MUNICIPALITY TAX	AMOUNT
State of Oregon	
Personal Income Tax	\$4,419,000
Transient Lodging Tax	897,000
Corporate Excise & Income Tax	524,000
Subtotal	<u>\$5,840,000</u>
Metro	
Excise Tax	\$1,351,000
Subtotal	<u>\$1,351,000</u>
Clackamas County	
Transient Room Tax	\$622,000
Subtotal	<u>\$622,000</u>
Multnomah County	
Transient Lodging Tax	\$8,059,000
Motor Vehicle Rental Tax	962,000
Business Income Tax	86,000
Subtotal	<u>\$9,107,000</u>
Washington County	
Lodging Tax	\$1,139,000
Subtotal	<u>\$1,139,000</u>
Grand Total	<u>\$18,059,000</u>

The fiscal impacts generated from ongoing operations are also included, considering revenues generated from transient lodging tax, excise tax, motor vehicle rental tax, business income tax and personal income/corporate excise taxes within Multnomah, Clackamas and Washington Counties, Metro and the State of Oregon.

The number of events and attendance, event mix, origin of attendees, facility financial operations, industry trends, economic conditions, direct spending categories used, per person spending amounts, distribution of spending, multipliers and specific taxes quantified are all variables

Although Multnomah County collects the Transient Lodging Tax, a portion of this tax is distributed to the City of Portland's general fund and to Travel Portland.



The Farwest Nursery Show showcases the diversity of one of Oregon's major exports to national and international buyers

**SUMMARY OF KEY
COMPARATIVE DATA**

CATEGORY	FY 2009	FY 2010	FY 2011	FY 2012
Utilization				
Events	521	424	469	392
Total Use Days	1,128	,050	1,134	948
Total Attendance	548,300	521,200	570,400	554,500
Total Attendee Days	854,100	953,200	866,100	876,200
Financial Operations				
Operating Revenues	\$15,194,000	\$16,645,000	\$19,007,000	\$18,054,000
Operating Expenses	24,171,000	24,983,000	29,039,000	27,961,000
Net Operating Results	(\$8,977,000)	(\$8,338,000)	(\$10,032,000)	(\$9,907,000)
Economic/Fiscal Impacts				
Direct Spending	\$236,803,000	\$305,658,000	\$261,451,000	\$256,097,000
Indirect/Induced Spending	184,554,000	220,221,000	188,128,000	177,964,000
Total Spending	\$421,357,000	\$525,879,000	\$449,579,000	\$434,061,000
Total Jobs	4,410	5,000	4,260	4,350
Total Earnings	\$165,747,000	\$195,319,000	\$167,618,000	\$161,025,000
Total Tax Revenues	\$15,228,000	\$19,085,000	\$15,489,000	\$18,059,000





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