

S. HRG. 109-472

**THE ECONOMIC IMPACT OF THE 2010
VANCOUVER, CANADA, WINTER OLYMPICS ON
OREGON AND THE PACIFIC NORTHWEST**

FIELD HEARING

BEFORE THE

SUBCOMMITTEE ON TRADE, TOURISM, AND
ECONOMIC DEVELOPMENT

OF THE

COMMITTEE ON COMMERCE,
SCIENCE, AND TRANSPORTATION
UNITED STATES SENATE

ONE HUNDRED NINTH CONGRESS

FIRST SESSION

—————
AUGUST 5, 2005
—————

Printed for the use of the Committee on Commerce, Science, and Transportation



U.S. GOVERNMENT PRINTING OFFICE

28-349 PDF

WASHINGTON : 2006

For sale by the Superintendent of Documents, U.S. Government Printing Office
Internet: bookstore.gpo.gov Phone: toll free (866) 512-1800; DC area (202) 512-1800
Fax: (202) 512-2250 Mail: Stop SSOP, Washington, DC 20402-0001

SENATE COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

ONE HUNDRED NINTH CONGRESS

FIRST SESSION

TED STEVENS, Alaska, *Chairman*

JOHN McCAIN, Arizona	DANIEL K. INOUYE, Hawaii, <i>Co-Chairman</i>
CONRAD BURNS, Montana	JOHN D. ROCKEFELLER IV, West Virginia
TRENT LOTT, Mississippi	JOHN F. KERRY, Massachusetts
KAY BAILEY HUTCHISON, Texas	BYRON L. DORGAN, North Dakota
OLYMPIA J. SNOWE, Maine	BARBARA BOXER, California
GORDON H. SMITH, Oregon	BILL NELSON, Florida
JOHN ENSIGN, Nevada	MARIA CANTWELL, Washington
GEORGE ALLEN, Virginia	FRANK R. LAUTENBERG, New Jersey
JOHN E. SUNUNU, New Hampshire	E. BENJAMIN NELSON, Nebraska
JIM DEMINT, South Carolina	MARK PRYOR, Arkansas
DAVID VITTER, Louisiana	

LISA J. SUTHERLAND, *Republican Staff Director*

CHRISTINE DRAGER KURTH, *Republican Deputy Staff Director*

DAVID RUSSELL, *Republican Chief Counsel*

MARGARET L. CUMMISKY, *Democratic Staff Director and Chief Counsel*

SAMUEL E. WHITEHORN, *Democratic Deputy Staff Director and General Counsel*

LILA HARPER HELMS, *Democratic Policy Director*

SUBCOMMITTEE ON TRADE, TOURISM, AND ECONOMIC DEVELOPMENT

GORDON H. SMITH, Oregon, *Chairman*

TED STEVENS, Alaska	BYRON L. DORGAN, North Dakota, <i>Ranking</i>
JOHN McCAIN, Arizona	DANIEL K. INOUYE, Hawaii
CONRAD BURNS, Montana	JOHN D. ROCKEFELLER IV, West Virginia
JOHN ENSIGN, Nevada	JOHN F. KERRY, Massachusetts
GEORGE ALLEN, Virginia	MARIA CANTWELL, Washington
JOHN E. SUNUNU, New Hampshire	FRANK R. LAUTENBERG, New Jersey
JIM DEMINT, South Carolina	BILL NELSON, Florida
DAVID VITTER, Louisiana	E. BENJAMIN NELSON, Nebraska
	MARK PRYOR, Arkansas

CONTENTS

Hearing held on August 5, 2005	Page 1
Statement of Senator Smith	1

WITNESSES

Burnes, Jane, Director, British Columbia 2010 Olympic Winter Games Secretariat	2
Prepared statement	4
Davidson, Todd, Director, Oregon Tourism Commission	8
Prepared statement	10
Mahalic, Drew, CEO, Oregon Sports Authority	18
Prepared statement	20
Riley, Dave, Vice President/General Manager, Mt. Hood Meadows Ski Resort ..	13
Prepared statement	16
Wilgus, Carl, State Tourism Director, Idaho Division of Tourism Development	24
Prepared statement	27

**THE ECONOMIC IMPACT OF THE 2010
VANCOUVER, CANADA, WINTER OLYMPICS
ON OREGON AND THE PACIFIC NORTHWEST**

FRIDAY, AUGUST 5, 2005

U.S. SENATE,
SUBCOMMITTEE ON TRADE, TOURISM, AND ECONOMIC
DEVELOPMENT,
COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION
Portland, OR.

The Subcommittee met, pursuant to notice, at 10 a.m. at the Oregon Sports Hall of Fame, Hon. Gordon H. Smith, Chairman of Subcommittee, presiding.

**OPENING STATEMENT OF GORDON H. SMITH,
U.S. SENATOR FROM OREGON**

Senator SMITH. I'll call to order the official hearing of the U.S. Senate Commerce Committee, and I chair the Senate Subcommittee on Trade, Tourism, and Economic Development.

This is a field hearing. Obviously, it is official, but we will keep it somewhat informal because we are focusing today on an opportunity that Oregon has, because our neighbor, Canada, specifically British Columbia and Vancouver, will be hosting the 2010 Winter Olympics, and the Paralympic Winter Games. It will have an enormous impact on the larger region, which is obviously the states of Washington and Oregon.

Today we'll hear testimony regarding the economic and tourism potential that benefits Oregon and what it's likely to derive from these Games.

The testimony will also include suggested recommendations for promoting a cooperative relationship between Oregon and British Columbia in preparation for these Games.

We will learn how past international sporting events, including the 2002 Salt Lake City Winter Olympics, allowed neighboring cities and states to capitalize on the tourism industry and how the State of Oregon can help mobilize on its efforts to attract visitors to Oregon before, during, and after the Games.

Host cities of Olympic Games have experienced large increases in revenue as a direct result of the Games. The exposure of these cities has resulted in positive economic impacts, not only to the host cities, but also to the surrounding areas. It is expected that the 2010 Winter Games will result in increased revenues for all of our neighboring states, including Idaho, which I think was a significant beneficiary of the Salt Lake Winter Olympics.

Oregon is in a unique position to increase its exposure to tourists and corporate investors notably during the Games.

But in the few years to follow, I want to make sure we take full advantage of any potential tourism boosts to our state. Tourism is the third fastest growing industry in Oregon. This is due, in part, to the nonstop air service to Germany, Japan, Mexico, and Canada.

In 2004 alone, tourism generated \$6.9 billion to Oregon. So with Vancouver, British Columbia, just 300 miles away, Oregon and Portland are in a very positive place to reap the benefits of economic and tourist activity from these 2010 Games.

I would like to especially welcome Consul General Jeffrey Parker, who is here today on behalf of the Government of Canada as our special guest.

I thank you for your interest. In today's hearing I hope Canada will continue to work in close partnership with Oregon and its other Northwest neighbors as you prepare for the 2010 Games.

I would also like to thank all the witnesses for being here today. Your comments are very important to the U.S. Senate and to the state of Oregon, and your full statements will certainly be included in the record.

Again, this will be somewhat of an informal hearing, but we will learn much from your experience and help focus Oregon on the opportunities that you and your 2010 Games will make available to us.

So we will first hear from Ms. Jane Burnes, Director, British Columbia 2010 Olympic Winter Games Secretariat. She is from Victoria, British Columbia, and I thank you very much, Jane, for your presence here.

We'll hand you the mike first and hear from you.

**STATEMENT OF JANE BURNES, DIRECTOR, BRITISH
COLUMBIA 2010 OLYMPIC WINTER GAMES SECRETARIAT**

Ms. BURNES. Thank you very much, Senator, and good morning everyone. I really appreciate the opportunity of being here today and talking about both the Olympic and Paralympic venture that our entire region has embarked upon.

For me it's been almost five years that I've been working on this project. It's been exciting and very much a learning experience for myself, for all of the members of our team, all of the government partners, and the many businesses and organizations that we've worked with in putting our successful bid together.

From the outset, Vancouver's bid for the 2010 Winter Games was based on creating legacies: economic and tourism legacies, sports and health, social and sustainability legacies.

The official support for our bid from all the states in the Pacific Northwest and the Pacific Northwest Economic Region, the PNWER organizations, were really important for us to demonstrate just how important their shared legacies would be.

First of all, I want to just give you a quick update on the Vancouver 2010 Games and then an update on a couple of the business activities that the Province is undertaking and then a comment on the tourism impact for the Pacific Northwest.

I don't think I'll ever forget that day in Prague, July 2, 2003. I was seated right behind Wayne Gretzky as the announcement was

made that we were to win the Games. And it was just an outpouring of celebration, of course, from the team over in Prague, and also in Vancouver.

And that weekend we counted the border visitors across from the U.S. It was the highest number of border visitors that we ever had on a Dominion Day, Canada Day, and the July 4th weekend, so that in itself was a remarkable demonstration of just how important this is to tourism and for the common things that we share.

Since July 2, 2003, we've put together a team. The Vancouver Organizing Committee now has about 120 people working on staff, and it's focused on the planning, venue construction, and the sponsorships. The venues we plan to have ready 2 years in advance of the Games so that we'll be able to test them all out and make sure that they're running on schedule.

Our sponsorships are going well, and we've signed up five major national partners, to date.

Many of the lessons that we learned in terms of being ahead of the curve we picked up from people who had run the Games in the past, and especially the wonderful opportunity we had to benefit from the people working on the Games in Salt Lake. That was just very, very fortunate for us, and we're most grateful for the information shared generously, not just during the Games, but after as well, as people took time out to share their experience and help make sure that ours was going to win and succeed in the end.

So I would say that Vancouver 2010, although in the formative stages, is right on schedule.

In the government, we're very focused on ensuring that the investment that we've made, both the provincial and federal investment, is going to result in legacies for all Canadians, all British Columbians, and, of course, the accelerated legacies that we hope to have for the entire region.

In British Columbia, once again, the lessons that we've picked up from places like Salt Lake and Sydney show that the sooner you begin your business activities, the better off you are. And that's why we began during the bid phase in the anticipation of winning and being able to leverage those further.

We've set up a website—and that's really our main center of activity now for business—which talks about direct opportunities that come from the Games and venue construction, and the actual operations and sponsorships, and from looking at venue opportunities. Talking about the experience that you've had working with the Olympics means that you're qualified, then, to carry on and work with other ones in the future.

Major infrastructure projects, which as you know from your country's experience in Games that you've hosted, always go hand in hand with the Games that you've put on.

We're going to be expanding our highway to Whistler—I hope lots of you have had the opportunity of driving on it and taking a ski or golf trip up to Whistler—and also the expansion of some of our rapid transit up to the airport to ensure that we are ready to welcome the rest of the world and the infrastructure is in place.

It's major sporting events, too. Just as athletes and officials gathered around the Salt Lake Games, we're finding that they're com-

ing to Vancouver to look at those venues and in advance get used to what it is that we have to offer.

On our website we have information about all of this that we share with businesses so that they'll be able to take advantage of those.

Now, just a quick comment on the tourism impact on the Pacific Northwest. Earlier today, before this hearing began, a reporter was in and said he wasn't able to stay for long and could I talk about what the biggest impact would be. It's tourism. It really is. I mean, we can talk about how important sustainability in the environment is, how critical it is for sports and our community, education, volunteers, all of those opportunities and legacies that we'll be building.

But tourism for our region is really key, as the Senator referred to in his opening remarks. We expect that there will be incremental spending in addition over the 4-year period of \$1.5 billion. We're expecting that the Pacific Northwest and the other parts of the U.S. are going to be sending well over 50 percent of the visitors to our Games themselves. Yes, we'll be welcoming overseas visitors, but our neighbors will be coming. And we expect that to be a two-way process.

We've always talked about the Circle Tours and the Hands Across the Border. It's transparent, as we know, in our region. And through the Pacific Northwest Economic Region we hope to be capitalizing on this and working together to help us all benefit.

The Games are huge. I've been so fortunate to be involved in this adventure, to meet the wonderful people in other countries that have put them on.

And we're really creating for our entire region a glass that's half full. It's up to all of us, through our respective organizations, jurisdictions, and our commitments, to work together to fill that glass up to the top, to create legacies, opportunities, and an international profile that will last for years and years to come.

I think the most inspiring remarks I've ever heard—and I've listened to a lot of politicians, Senator—came from Governor Leavitt after Utah hosted the Games. He was kind enough to come up to Vancouver and address a business crowd of over a thousand people. There wasn't a dry eye in the house at the end of it, as he told us about his Olympic adventure and what it meant to the future of his state and the city of Salt Lake.

That's what we want to create with these Games, and we want to do it with the entire region, so thank you so much for including us today.

[The prepared statement of Ms. Burnes follows:]

PREPARED STATEMENT OF JANE BURNES, DIRECTOR, BRITISH COLUMBIA 2010
OLYMPIC WINTER GAMES SECRETARIAT

Update on Vancouver 2010 Games

From the outset, Vancouver's bid for the 2010 Winter Games was based on creating legacies—economic and tourism, sports and health, social and sustainability. The official support for our bid from the Pacific Northwest states, and the Pacific Northwest Economic Region (PNWER), was very much appreciated and helped us realize the legacies we achieve will be shared beyond our borders.

Since July 2, 2003, when the IOC awarded Vancouver the right to host the 2010 Games, the Vancouver Organizing Committee (VANOC) has been, a 20-member board was appointed, and Jack Poole has been appointed chair of the board.

Led by president and chief operating officer John Furlong, the VANOC team now numbers 120 people and is organized into eight key areas:

- Services and Planning
 - Sport
 - Finance
 - Venue Development
 - Revenue, Marketing and Communications
 - Legal
 - Human Resources
 - Technology and Systems
- The main focus now is Games' planning, venue construction and sponsorships.
 - VANOC's goal is to deliver the venues two years ahead of the Games in order to allow for testing the venues in advance of the Games and providing athletes with training opportunities. This goal is supported by diligent planning, comprehensive environmental approvals, and an early start to construction.
 - Overall, domestic sponsorships, merchandise and supplier programs are to generate about 40 percent of the Games Operating Budget. The rest of the budget comes from the sale of television broadcast rights, international sponsorships and ticket sales.
 - VANOC's marketing efforts have resulted in five major National Partners to date: Bell Canada, RBC Financial Group, Hbc, RONA and Petro-Canada.

Update on Province of British Columbia 2010-Related Business Activities

British Columbia's investment in the 2010 Games has led to a concerted effort to build upon lessons learned from past experiences, such as the Salt Lake Games in 2002, in an attempt to leverage this unique opportunity for our region. It has been widely acknowledged that starting early increases the chance of achieving a significant economic impact.

The Province's main vehicle to help business participate in the 2010 Winter Olympic and Paralympic Games is the 2010 Commerce Centre, which can be found at www.2010CommerceCentre.gov.bc.ca.

While economic impact studies have shown the Games will bring an estimated \$4 billion of business activity, related activities will add much more to the equation. The 2010 Commerce Centre will aggregate and display all 2010-related business opportunities including:

- Direct Opportunities such as venue construction (\$470 million+), VANOC Operations (\$1.3 billion), BC Secretariat and 2010 Legacies Now;
- Olympic Family Opportunities such as procurement from sponsors like Bell Canada \$200 million, Royal Bank \$110 million;
- Major Infrastructure Projects such as the Vancouver Convention Centre Expansion Project (\$565 million), new Rapid Transit Line (\$1.7 billion), YVR expansion (\$1.4 billion); and
- Major Sporting Events and Sports Venue Construction: World Junior Hockey 2006, North American Indigenous Games 2008, World Police and Fire Games 2009, Northern Sports Centre Prince George, Paralympic Training Centre Kimberley, Speed Skating Oval Fort St. John.

Registration at the 2010 Commerce Centre site is free and it allows one can:

- Browse and search current business opportunities
- Procedures for bidding on Olympic projects
- Complimentary registration for e-mail notification of procurement opportunities that fit your profile
- Listings of 2010-related bid winners
- Steps to becoming a sub-contractor to winning suppliers
- Strategies for potential product licensees
- Online procurement workshop material and calendar of events
- Success stories and best practice advice
- Business planning, Olympic logo use and guidelines
- 2010 business news
- Sign-up for 2010 Commerce Centre electronic newsletter

Future Provincial plans include a 2010 Business Network, anticipated to be operational later this year. It will include:

- A database of companies that want to do Olympic business.
- An opportunity for companies to build new business relationships—to find potential partners, suppliers and new clients.
- Ability for companies, including international firms, to post a detailed business profile and search listings to find the business relationships they need to do business around the Games.

Comment on Tourism Impact for Pacific Northwest

The economic impact studies conducted in 2002 and 2003 estimated:

- Approximately 1.1 million additional international (U.S. and Overseas) visitors to British Columbia during 2008–2012.
- Approximately \$1.5 billion incremental spending by additional international (U.S. and Overseas) visitors to British Columbia during 2008–2012.
- Approximately \$3.3 billion incremental GDP to 2015, including construction investment.
- Approximately 25 percent of incremental visitors will be from overseas, 35 percent from the Pacific Northwest and 40 percent from other parts of the U.S. (Source: Tourism BC)
- Currently about 40 percent of visitors from other parts of the U.S. to British Columbia travel through the Pacific Northwest, about 30 percent of British Columbia's overseas visitors also visit the Pacific Northwest. Thus, the Pacific Northwest can anticipate a significant number of additional visitors due to the 2010 Games. (Source: Tourism BC)
- The Pacific Northwest will be able to increase this through tourism marketing and an effective media relations strategy.
- Other potential benefits to the Pacific Northwest will include investment and supplier (export) opportunities.
- Benefits will extend beyond 2012 as British Columbia capitalizes on increased awareness of British Columbia as a destination and increased capacity due to 2010 infrastructure investments and new tourism businesses.

Thank you for the opportunity of speaking to your Subcommittee.

Senator SMITH. Well, Jane—if I may call you Jane?

Ms. BURNES. Please do.

Senator SMITH. I attended one event at the Salt Lake Games, and it was something never to be forgotten. It was a spectacular success. And we wish that, also, for Vancouver, British Columbia.

And I know your facility there, and they are superior by every measure. I think you have all the makings of hosting a great international event.

Obviously, we're looking for ways where we can—without complicating your Games, best work with you to complement those Games, and I assume you would welcome advertising from the States of Oregon, Washington, and Idaho out there, as well as their Winter Wonderland attractions.

Have you thought about advertising for tourism on this side of the border at your Games?

Ms. BURNES. Well, we thought about it in terms of the rest of the country. I mean, this is—you know, you tend to—I'm a Vancouver native, so you sort of tend to be egocentric about getting the Games, and then you take a breath and realize, you know, everyone's investing in this, every Canadian, every British Columbian.

And the opportunities that we see for involving the rest of our huge Province are the same way that we see in involving the States of Oregon, Washington, Alaska, and Idaho. It's talking about the whole region.

Yes, you're coming to Vancouver; why don't you come through Seattle. You're coming to the Vancouver Games. It's busy; why don't you go skiing in some other resort, be it in British Columbia or somewhere in the States.

I think that working together as we are through PNWER and working together at a working level in the economic development organizations is really going to be the key for both of us, because, as I said, so many of the visitors are coming from south of the border, and they're bringing that experience and expectation with them.

Senator SMITH. You know, given the day and age we live in of international terrorism, I'm sure the thought is being given to that. I mean, going from Oregon or Washington to Canada, we're going into another nation, and obviously there are visa issues. It's not like going from Idaho to Utah. You've got to clear customs, and I suppose there will be, as with all of these international events, heightened security.

Have you thought about how you're going to reconcile the convenience with security and making sure your country is safe, and ours as well? Is there a way to have efficiency and security at the same time?

Ms. BURNES. Well, in order to win the bid, we had to demonstrate to the IOC that we had a good security plan in place, and our security in Vancouver are working very closely with British Columbia and Federal, and it's all led by the RCMP. And it is working through our customs and visa, and all of that stuff is being done through the Federal Government.

But I have every confidence that there are any number of committees meeting and also taking advantage of the Athens and Salt Lake experience.

We're in a different country, but we're welcoming the world, so we are welcoming all of the challenges that come with that, and I'm pretty confident that it's being looked after by the RCMP.

Senator SMITH. Well, in asking the question, I know every precaution will be taken to provide security, to protect your sovereignty, and also to protect your people and ours who come to visit.

And I have—I recall at the Salt Lake Olympics, which were held right after 9/11, the security was incredible, but the efficiency wasn't compromised. And people were able to move quickly and without any inconvenience, that I could detect.

And I'm sure that's a model that you'll benefit from, as will visitors from Oregon benefit from, as you implement something I'm sure quite similar.

Ms. BURNES. There were Canadians that worked as volunteers in security in Salt Lake and absolutely learned some good lessons.

Senator SMITH. Well, very good. Thank you so much.

We'll next go to Todd Davidson, who is the Executive Director of the Oregon Tourism Commission. And I know that Todd is already working on this issue, and I've shared with Todd my experience on a couple of radio programs in Oregon yesterday about this hearing today, and they were incredulous as to how this could have anything to do with Oregon.

And I think that we're going to find out that it does, and the sooner we recognize that it does, the better prepared we will be to complement, supplement, and help to facilitate a successful game in Vancouver, to the profit of our own state as well.

So, Todd, the mike is yours.

**STATEMENT OF TODD DAVIDSON, DIRECTOR, OREGON
TOURISM COMMISSION**

Mr. DAVIDSON. Thank you, Senator, and good morning.

For the record, my name is Todd Davidson, and I have the privilege and pleasure of serving as the Director of the Oregon Tourism Commission, and I'm before you today at both your invitation, as well as on behalf of Oregon Governor Ted Kulongoski.

As you mentioned in your opening remarks, Senator, this is truly an amazing time to be in Oregon and to be part of the tourism and hospitality industry.

In addition to some of the facts that you mentioned and as evidence of the increasing importance of tourism and hospitality in Oregon, Oregon Business magazine ran a series of surveys back in December 2004, and the questions that they asked of Oregon business leaders, Oregon residents, and the Oregon Employment Department was who would be the major employer in Oregon within 10 years. Fifty-one percent of Oregon's business leaders picked tourism and hospitality as the major employer in the state within 10 years. That was the number two ranking, second only to health care.

When they asked Oregonians, 75 percent of Oregonians said tourism and hospitality would be a major employer in the state within 10 years. That was number one over all other industry sectors.

And the Oregon Employment Department also said that the tourism and hospitality industry would be a major employer in the state.

So it's significant that we're here today talking about the 2010 Olympics, because as you very aptly pointed out, and as Ms. Burnes mentioned, their success can also mean our success, that the more successful they are in Vancouver with the hosting of this Olympics, the more opportunities there are for us here in the Pacific Northwest and the State of Oregon to really draft off of that success.

Today we've got over 88,000 Oregonians who owe their jobs to visitors who are traveling the state, spending dollars, euros, the yen, and other currencies in our state. So we really see our objective as sustaining this momentum.

So the question before the Committee today is, is there an opportunity here with the 2010 Olympics, and my answer is yes.

So what we have done at this point at the Oregon Tourism Commission is tendered into preliminary conversations with both the Washington and Idaho tourism offices to look at some potential joint promotional opportunity that we could undertake in conjunction with the 2010 Olympics.

We do believe that there's potential, and we think that there are some opportunities—again, on a preliminary basis, I just would like to articulate for you and for the record here this morning, one,

we think there's an opportunity to position the Pacific Northwest here in the United States as a training site for the Olympic athletes so that they have an opportunity to acclimate to the Pacific Northwest.

And oftentimes with the celebrity status that comes with those athletes, you can also then begin to get other consumer interests because this is where our team trained. So we think there's an opportunity there to leverage the Pacific Northwest as a training site for Olympic athletes.

We think there's an opportunity to reach out to the thousands of noncredentialed media. Obviously, there will be thousands of credentialed media there to cover the sporting events themselves, but there will be literally hundreds, if not thousands, of, quote, noncredential media that will be in Vancouver to write about the lifestyle of the Pacific Northwest.

So we think there's an opportunity there as well to help generate not only the impact during 2010 but beyond as these kinds of stories are written.

We think there's an opportunity to explore opportunities to build travel packages with international tour operators, to utilize the international air service that you mentioned in your opening comments, PDX's air service out of town here, German Airlines out of Frankfurt, Northwest Airlines out of Tokyo, and Mexicana Airlines out of Guadalajara and Mexico City to bring contestants and attendees alike to the Northwest and encourage them to spend some of their discretionary time here, either before or after the competitions.

And then we think there's an opportunity to actually look at the Games themselves and see what the three states here in the Pacific Northwest might want to do together to influence consumers that are there at the Games to also visit the Pacific Northwest, whether this is distribution of collateral material, presence of a kiosk, and the kinds of advertising opportunities that I'm confident are being developed in Vancouver that we need to explore at the Games closer.

As I mentioned, all of these discussions are in a preliminary phase, and we'll be exploring these and other opportunities that will help us capitalize on the Olympics' proximity to Oregon and the Pacific Northwest.

There are a couple of challenges that are on the horizon that make it somewhat difficult to adequately forecast the impact the Olympics could have on Oregon, many of which you mentioned in your questions to Ms. Burnes about security concerns and facilitating that international travel.

So just for the sake of expediency, the two I would like to mention this morning, just again for your information as we move forward, one is the visa processing requirements. In August 2003, we implemented a requirement that all of these applicants need to appear in person at a U.S. Embassy or a Consulate in order to have an in-person interview to receive a visa.

Obviously, this is for countries that are not part of our very aggressive Visa Waiver Program in which 27 countries are currently involved in. But for non-Visa Waiver countries, they need to do an in-person interview before they can receive their visa.

What this sometimes means in large countries where we may have a limited State Department presence is that they almost have to take a vacation in-country before they can take a vacation out of the country, because everybody in the family who is going to be taking the trip needs to go in for that interview in order to receive their visa in advance.

So concerns about that—the need to take that additional trip and being adequately staffed, of course, to handle the influx that could come as a result of the proximity of the Olympics is something that I hope we're able to keep in mind as we move forward.

The second challenge I wanted to bring to your attention is one requiring biometric passports. These are the electronic scans of the eyes, face, or fingers that were being discussed.

And I need to say, obviously, for the record, biometric passports are an important element in securing our borders. Definitive identification of international visitors through biometrics will allow U.S. Inspectors to admit legitimate travelers with greater confidence. This will increase security, as well as lessen the wait time, both of which are critically important to us in the tourism and hospitality industry.

There was a deadline, as you may be well aware of, October 26, 2005, for our Visa Waiver Program participating countries to have biometric passports in place. However, only a handful of those countries might have been able to meet that deadline, so Congress has agreed to extend that deadline, and we applaud that decision.

They also allowed an additional biometric identifier that would be using a digital photograph. Both of these decisions are helping create greater certainty in our international marketplace and amongst the international travel trade, and so, Senator, I applaud your work and Congress' work on extending the biometric passport deadline as we move forward, because it does mean a great deal to the 13 million Visa Waiver Program visitors who travel to the United States every year.

In closing, Senator, I guess I would like to say that America is still an incredibly special place, and it is the special place it has always been. We remain a premier destination with more things to see and do than probably any other single country.

And I would like to believe that when visitors have visited here and they travel home that they've been enriched and enraptured by our culture and who we are, and the 2010 Olympics will afford us another such opportunity.

I remain eager to explore the opportunities that the 2010 Olympics will afford us and our partners here in the Pacific Northwest.

And I'm grateful for your leadership, Senator Smith, in bringing us here together today. Thank you very much.

[The prepared statement of Mr. Davidson follows:]

PREPARED STATEMENT OF TODD DAVIDSON, DIRECTOR, OREGON TOURISM
COMMISSION

Good morning, Senator Smith and Members of the Committee. For the record, my name is Todd Davidson and I have the privilege and pleasure of serving as the Director of the Oregon Tourism Commission. I am before you today at both the invitation of the Committee and on behalf of Oregon Governor Ted Kulongoski.

The statutory mission of the Oregon Tourism Commission is to encourage the economic growth and to enhance the quality of life in Oregon through a strengthened economic impact of tourism throughout the state.

To accomplish this mission, the Tourism Commission and staff identify and promote an image of Oregon that is unique, exciting, natural and friendly. Throughout its activities, the Oregon Tourism Commission follows these marketing goals and performance measures as set forth by the Oregon Legislature:

1. Maximize the return on investment in tourism.
2. Encourage longer stays by visitors to Oregon and reduce seasonal fluctuations in travel related industries.
3. To encourage visitors, including Oregonians, to be destination-oriented in this state.
4. To encourage international visitors to come to Oregon.

And, with these objectives firmly in hand, there has never been a more amazing time to be in Oregon and to be part of the tourism and hospitality industry.

Visitor expenditures directly generate over 88,000 jobs for Oregonians.

But the broader, collective tourism and hospitality industry supports over 150,000 jobs! And when we take into account the secondary jobs this industry supports, we surpass 200,000 jobs!

This means that one out of every nine Oregonians is employed, either directly or indirectly, by the tourism and hospitality industry.

As evidence of the increasing importance of the tourism and hospitality industry in Oregon, Oregon Business magazine ran a series of surveys in their December 2004 issue. The question they asked was one of major employers in Oregon in the future.

Subscribers to the magazine, business leaders in Oregon ranked tourism/recreation #2 with 51 percent respondents agreeing tourism/hospitality would be a major employer in Oregon within 10 years.

Then, Oregon Business did a random sampling of Oregonians. Seventy-five percent of respondents ranked tourism and recreation (#1) as the major employer within ten years.

And then the magazine asked the Oregon Employment Department who the largest employers would be in 2012 and they named eating and drinking establishments and accommodations #2.

Through every program, great idea and minor tweak the Oregon Tourism Commission implements—we strive to never take our eyes off the prize—and, as you can see, it's about jobs. Good jobs for Oregonians.

Jobs where they can learn work maturity skills and jobs where they can establish their careers.

Jobs where they can become part of a major multi-national corporation and jobs where they are the proprietor—showing up every morning to unlock the door.

Today, over 88,000 Oregonians owe their jobs to visitors traveling and spending dollars, euros, yen and other currencies in our state.

And we have watched these expenditures grow—not only during the last decade—but especially during this last year when we experienced 6 percent growth—our fastest rate of growth in the past 5 years. And I am thrilled to stand before you today and celebrate the fact that visitor spending reached nearly \$7 billion last year!

So, our objective must be to sustain this momentum.

To accomplish this, the Oregon Tourism Commission has three primary audiences that we serve:

1. Potential and actual visitors who are served through our advertising programs, publications, welcome centers and website.
2. Travel agents, tour operators and travel media who are served with publications, trade shows, sales calls, hosted itineraries, slide library and website.
3. Industry partners—private businesses, local chambers of commerce, visitor bureaus and governmental organizations that benefit from research, education and training, workforce development and cooperative partnerships.

To reach these audiences, the Oregon Tourism Commission implements several key programs designed to better position Oregon in the mind of the traveling public. The results of these programs and partnerships are impressive.

- The Commission's recent advertising campaigns generated 220,000 new trips—185,300 new overnight and 35,000 new day trips between March 2000 and February 2002. It is important to note that 84 percent of the trips generated by the Commission's advertising campaigns included at least one overnight and only 16 percent were day trips.
- These visitors spent more than \$40 million in Oregon.
- The cost of generating one trip to Oregon is only \$1.69, and every marketing dollar invested by the Tourism Commission results in \$114 in new visitor spending.
- Every dollar the Commission spends on advertising generates \$3.40 in state tax revenue and \$1.60 in local tax revenue (a return of 5:1).

The Tourism Commission has strived to run effective programs maximizing the return on investment to Oregon. This research indicates that we have been successful.

So, the question before the Committee today is, "Is there an opportunity to garner economic return from the 2010 Olympics being held in Vancouver, British Columbia? And my answer would be "yes."

The Oregon Tourism Commission has entered into preliminary conversations with both the Washington and Idaho tourism offices to discuss potential joint marketing programs in conjunction with the 2010 Olympics.

We feel there is potential opportunity in several key areas, most notably,

1. Positioning the Pacific Northwest as a training site for the Olympic athletes seeking to acclimate to the Pacific Northwest.
2. Reaching out to the thousands of non-credentialed media that attend the Olympics to generate lifestyle stories.
3. Exploring opportunities to build travel packages with international tour operators to utilize our international air service—including PDX's air service on Lufthansa German Airlines from Frankfurt, Germany; Northwest Air Lines from Tokyo, Japan; and Mexicana Airlines from Guadalajara and Mexico City, Mexico—to bring contestants and attendees alike through the Northwest and encouraging them to spend some discretionary time here either before or after the competitions.
4. Having some type of presence at the Olympic venues to reach the international consumers and build awareness of travel opportunities in the Pacific Northwest.

As I mentioned, these discussions are in a preliminary phase and we will be exploring these and other opportunities to capitalize on the Olympics proximity to Oregon and the Pacific Northwest.

There are some challenges on the horizon though, that make it difficult to adequately forecast the impact the Olympics could have on Oregon, the Pacific Northwest and the United States.

The first of these challenges is found in our visa processing requirements. The August 2003 requirement that nearly all visa applicants appear in person at a U.S. embassy or consulate has increased the workload at many visa-issuing posts. While additional staff have been deployed since then, in some locations major delays continue to occur due to shortages of personnel or office space. I am concerned that delays in visa issuance are acting to deter prospective international visitors.

The second challenge is found in our requirement for biometric passports (electronic scans of the eye, face, or finger). Biometric passports are an important element in securing our borders. Definitive identification of international visitors through biometrics will allow U.S. inspections to admit legitimate travelers with greater confidence. This will increase security as well as lessen wait times at inspection.

However, there was a looming deadline of October 26, 2005, for the VWP participating countries to begin issuing these new, high-tech passports containing biometric identifiers. It was believed that, at best, only a handful of the 27 Visa Waiver countries would be able to meet the October 26, 2005 deadline. It was also questionable if the U.S. State Department would be ready to start issuing biometrically enabled U.S. passports by that time. This deadline has now been extended by one additional year and an additional biometric identifier—a digital photograph—has been added to the choices.

The bottom-line is that uncertainty about these deadlines in the marketplace only discourages travel to the U.S. and could have a crippling effect on future travel bookings for this coming fall and beyond. Congress' recent action to statutorily extend this deadline was critically important to our tourism trading partners and the

more than 13 million Visa Waiver Program visitors that can continue to travel uninterrupted to the United States.

(The 27 Visa Waiver Program countries include: Andorra, Australia, Austria, Belgium, Brunei, Denmark, Finland, France, Germany, Iceland, Ireland, Italy, Japan, Liechtenstein, Luxembourg, Monaco, Netherlands, New Zealand, Norway, Portugal, San Marino, Singapore, Slovenia, Spain, Sweden, Switzerland, and the United Kingdom.)

America is still the special place it has always been and each of these challenges can be overcome. We remain a premier destination with more things to do and see than any other single country.

I like to think that when visitors leave, they have been enriched and enraptured by our culture and who we are. And the 2010 Olympics will afford us another such opportunity. I remain eager to continue to explore the opportunities that the 2010 Olympics afford us with our partners in the Pacific Northwest and am grateful for your leadership, Senator Smith, in convening this hearing this morning.

Thank you.

Senator SMITH. Thank you, Todd.

Jane, do you have a comment to his in terms of the biometric passports? Does that fit in with your thinking?

Ms. BURNES. I'd have to—I don't represent the Federal Government, and that's their responsibility. So I wouldn't be able to make a comment.

Senator SMITH. OK. Very good. Well, thank you.

Dave Riley is the Vice President and General Manager of the Mt. Hood Meadows Ski Resort. It's a very nice place.

Obviously, Dave, you represent a place that with the right kind of advertising would no doubt attract a lot of people who not only want to watch skiing at an Olympic level but perhaps afterwards try and reenact it on your slopes.

So with that, the mike is yours.

**STATEMENT OF DAVE RILEY, VICE PRESIDENT/GENERAL
MANAGER, MT. HOOD MEADOWS SKI RESORT**

Mr. RILEY. Thank you, Senator. A little background. I've spent my entire career, 20 years, in this business and have worked at other large destination resorts in Wyoming and Colorado and New Mexico before coming here for the past 12 years, so I have a little experience in the role of facilities and attracting national tourism.

The 2010 Winter Olympic Games will attract approximately 6,000 athletes and officials, 10,000 members of the media, and 14,000 volunteers.

Salt Lake City reported the 2002 Olympics attracted 220,000 total visitors during the 17 days of the event. Ninety thousand visitors were domestic, and a good portion of those visitors came from the Western United States.

But the legacy that Vancouver and Whistler will have created through their hosting of the 2010 Olympics will have an impact long into the future.

The key "win" for Salt Lake City's hotel industry was the massive international exposure. Whistler will benefit from this exposure for decades to come.

The Sea to Ski Highway that was mentioned earlier is a \$600 million construction project, and it will reduce the drive time from Vancouver to Whistler by 30 minutes.

The construction of world class winter sports training facilities and competition venues in Vancouver and at Whistler will attract

enthusiasts and spectators for training and competition long into the future.

However, studies indicate that the economic impact with the biggest payoffs will require an exemplary tourism marketing program both before and after the Games for the whole of British Columbia, in addition to Games marketing planned for by the Bid Corporation.

So what can Oregon do to take advantage of this Olympic opportunity? There are several things. First, capitalize on the skiers and snowboarders around the world who are avoiding Whistler during the Olympics, looking for other places to recreate.

It's interesting that in Salt Lake City the skier visits were actually down that year by 9 percent. The reason they did it was the next year they were up even higher, and they had set records in Idaho—

Senator SMITH. They were down in Utah?

Mr. RILEY. Yes, in Utah.

Senator SMITH. But they were up in Idaho?

Mr. RILEY. That's right, because the biggest ski clubs are in places like Texas and Florida and the Midwest and the Eastern Seaboard. Where are those people going to go? They're going to go to Whistler the following year in great numbers.

Senator SMITH. And that happened in Utah as well?

Mr. RILEY. Exactly.

Senator SMITH. Dramatically, I believe.

Mr. RILEY. Yes.

So, obviously, Travel Oregon should place TV and Internet ads during the Olympic coverage to reach those tuned in.

Senator SMITH. And what would you advertise on, like ESPN, that sort of thing?

Mr. RILEY. Yes, there's a number of their websites. There's television coverage that's going to be happening here domestically. Like when you were watching the Salt Lake City Games, those are expensive ads, but there are opportunities to expose Oregon to great numbers of people who fit the profile.

The Nagano Games website set a world record and Olympic record, receiving 646 million hits during the 15 days of the Games, peaking at 103,000 hits per minute on their website.

Travel Oregon should work closely with the ski areas to leverage international media that will travel here to profile and feature their athletes.

Basically there will be a great number of stories done on these athletes on Mt. Hood who are visiting here to train leading up to the Games.

Capitalize on the drive traffic through the I-5 and I-84 corridors of the spectators traveling to and from the Games.

And then establish, as you've mentioned earlier, Oregon-grown and manufactured products in Vancouver and Whistler.

And you can actually use the Welcome Centers here in Oregon to sell Olympic items. A lot of people did quite well selling items in Salt Lake City. I don't think you left without a shirt.

Senator SMITH. I've got a shirt. I've got lots of little pins.

Mr. RILEY. Right. And if we do all of that, we may see some increase in tourism, particularly during the 17 days of the Olympics.

It is interesting to note that the weather patterns and snowfall on Mt. Hood are no different from Whistler. We share the same Pacific zone conditions. We actually have a higher base elevation, too.

If Oregon really wants to increase the economic impact from winter tourism, amenities and event venues that meet the expectation of the international visitor have to be constructed on Mt. Hood.

Portland, Hood River, and Government Camp already have much of the infrastructure needed to host the Olympics or other large winter competitive events, like world class or world cup ski events.

Mt. Hood can provide the venues for the alpine and nordic events, but consider what is still needed: A village or villages constructed on Mt. Hood to be able to host a delegation of 6,000 athletes and officials. That may sound like a large number, but right now our resort hosts over 10,000 people a day on average on a given weekend. Mt. Hood is the largest ski mountain in Oregon, actually hosting twice the number of skiers as Mt. Bachelor. But because we're three areas, it divides up, and people look at us as if we're smaller.

We have over 20 chairlifts on Mt. Hood. We host over 850,000 visitors each year on Mt. Hood, so it's twice the number of Mt. Bachelor.

Winter sport competition venues constructed at Mt. Hood and in Portland, which will serve as venues during the large events, but also be used to train athletes on Mt. Hood year-round into the future. Mt. Hood is the only ski area in North America that skis into August. It's a tremendous opportunity that's not being capitalized.

Transportation improvements between Portland and Mt. Hood and between Government Camp and the major ski areas need to be improved.

The reality is that Oregon has not been able to capitalize on winter tourism at the level of California, Idaho, Utah, Colorado, or British Columbia because of Forest Service reluctance to approve the necessary amenities and facilities on Federal lands at the base of the existing winter sports areas.

Even if Oregon does not pursue an Olympic bid in the future, we can best take advantage of the displaced visitors who would have otherwise gone to Whistler, and into the future, after the Olympic games, by developing the amenities on Mt. Hood between now and 2010 that are necessary to influence their vacation destination choices.

We can use the exposure of the Olympics to—that the exposure will bring to the Northwest to expose the international tourists to these new facilities, but only if they're constructed by 2010.

I leave you with this: Until Forest Service policy and strategies change to allow for the construction and development of world class facilities and venues needed to present major winter events and meet the expectations of the winter tourists, we will never capitalize on winter international tourism. Even though we have spectacular mountains and ski slopes, we don't have the amenities and facilities that other winter destinations enjoy.

Oregon has a unique combination of a vibrant city in close proximity to a world class winter recreation area, but it is incomplete from an international visitor's point of view due to the lack of pe-

destrian villages at the base of the ski areas. One only needs to visit Whistler or Deer Valley to see what Oregon is missing.

Thank you, and I would like to answer any questions that you may have.

[The prepared statement of Mr. Riley follows:]

PREPARED STATEMENT OF DAVE RILEY, VICE PRESIDENT/GENERAL MANAGER, MT.
HOOD MEADOWS SKI RESORT

The 2010 Winter Olympic Games will attract approximately 6,000 athletes and officials, 10,000 members of the media, and 14,000 volunteers.

Salt Lake City reported the 2002 Olympics attracted 220,000 total visitors during the 17 days of the event. Ninety thousand of those visitors were domestic—a good portion of that from the Western United States.

But the legacy that Vancouver and Whistler will have created through their hosting of the 2010 Olympics will have an impact long into the future.

1. The key “win” for Salt Lake City’s hotel industry was the massive international exposure. Whistler will benefit from this exposure for decades to come.
2. Vancouver to Whistler—Sea to Sky Highway Improvements, the \$600 million construction project will reduce the drive time from Vancouver to Whistler by 30 minutes.
3. The construction of world class winter sports training facilities and competition venues in Vancouver and at Whistler will attract enthusiasts and spectators for training and competition long into the future.

However, studies indicate that the economic impact with the biggest payoffs will require an exemplary tourism marketing program both before and after the Games for the whole of British Columbia (in addition to the Games marketing planned for by the Bid Corporation).

So what can Oregon do to take advantage of this Olympic opportunity?

1. Capitalize on skiers and snowboarders around the world avoiding Whistler during the Olympics, looking for other places to recreate.
2. Travel Oregon should place TV and Internet ads during Olympic coverage to reach those “tuned in”.
 - a. Television ads promoting Utah tourism aired in select West Coast markets reaching 6.1 million people during closing week of the Games. This advertising resulted in nearly 50,000 visits to the *Utah.com* and *skiutah.com* website promotion pages and roughly 3,000 calls to the Ski Utah call center.
 - b. The official Nagano Games website set a World and Olympic record, receiving 646 million hits during the 15 days of the Games, peaking at 103,429 hits per minute.
3. Travel Oregon should work closely with the ski areas to leverage international media that travel here to profile and feature their athletes.
 - a. Profile packages should be produced and written weeks if not months in advance.
4. Capitalize on the drive traffic through the I-5 and I-84 corridors of spectators traveling to and from the Games.
 - a. There could be 15,000 or more spectators from the intermountain west and California traveling through Oregon on their way to and back from the games. Border crossing will have to be expedited for automobiles as well as air travel passengers.
5. Establish Oregon grown and manufactured products in Vancouver and Whistler restaurants and retail shops.
6. Oregon Welcome Centers should sell official Olympic merchandise (and Oregon businesses can offer discounts and incentives to those that show their Olympic merchandise to generate incremental repeat business).

And if we do all that, we may see some increase in tourism particularly during the 17 days of the Olympics.

It is interesting to note that the weather patterns and snow quality on Mt. Hood are no different from Whistler, British Columbia. We share the same pacific zone conditions.

If Oregon really wants to increase the economic impact from winter tourism, amenities and event venues that meet the expectation of the international visitor have to be constructed on Mt. Hood.

Portland, Hood River, and Government Camp already have much of the infrastructure needed to host the Olympics or other large winter competitive events. Mt. Hood can provide the venues for the alpine and nordic events. But consider what is still needed:

1. A village or villages constructed on Mt. Hood to be able to host a delegation of 6,000 athletes and officials.
2. Winter sport competition venues constructed at Mt. Hood and in Portland which will serve as venues during the large events, but also be used to train athletes on Mt. Hood year-round into the future.
3. Transportation improvements between Portland and Mt. Hood and between Government Camp and the major ski areas.

The reality is that Oregon has not been able to capitalize on winter tourism at the level of California, Idaho, Utah, Colorado, or British Columbia because of Forest Service reluctance to approve the necessary amenities and facilities on Federal lands at the base of the existing winter sports areas.

Even if Oregon does not pursue an Olympic bid in the future, we can best take advantage of the displaced visitors who would have otherwise gone to Whistler by developing the amenities on Mt. Hood between now and 2010 that are necessary to influence their vacation destination choice. We can use the exposure that the Olympics will bring to the northwest to expose the international tourist to the new facilities, if constructed by 2010.

I leave you with this—until Forest Service policy and strategies change to allow for the construction and development of world class facilities and venues needed to present major winter events and meet the expectations of the winter tourist, we will never capitalize on winter international tourism. Even though we have spectacular mountains and ski slopes, we don't have the amenities and facilities that other winter destinations enjoy. Oregon has a unique combination of a vibrant city in close proximity to a world class winter recreation area, but it is incomplete from an international visitor's point of view due to the lack of pedestrian villages at the base of the ski areas. One only needs to visit Whistler or Deer Valley to see what Oregon is missing.

Thank you for the opportunity to provide you with this input.

Senator SMITH. Dave, are we missing it because of Forest Service regulations or resistance to improvements?

Mr. RILEY. Yes. And the reason it's different in Oregon and Washington is that, unlike in Idaho, Utah, California, the base of the ski areas in Oregon and Washington are Federally owned. There is no private land at the base of the ski areas.

And so we're dependent upon the Forest Service's policies and vision for those areas, and historically, or up until now, their vision has been to utilize these areas as day-use areas only, whereas the rest of the country have created the facilities that attract international tourism, because they have villages and amenities at the base, exactly what they have at Whistler.

And you don't see that in Oregon and Washington, and it's because of the policy and strategy of the Forest Service.

Senator SMITH. Is that policy and strategy modified between Administrations at all?

Mr. RILEY. It's been very consistent between Administrations. It really hasn't changed. Mt. Hood Meadows is 37 years old, and what is amazing is we have 11 chairlifts with 22 acres of parking, but we can't get one acre for some overnight accommodations.

I couldn't even get approval to put it on top of my parking lot. It's just not—there is a lack of vision, and there is a disconnect between what is appropriate and what the opportunities are.

Senator SMITH. I'm sad that they have their policies, but I'm wondering if you have that many visitors to Mt. Hood, and the Federal Forest Service was in a position to divide up 99-year leases of land up there for such a thing, that policy change could be effected. Do you think that that would draw the capital necessary to turn it into a world class kind of place as opposed to just a day trip?

Mr. RILEY. Absolutely. We can raise the money. We don't need the Federal money. We just need the policy lifted—

Senator SMITH. What kind of lease or ownership opportunity do you have to have to attract the money?

Mr. RILEY. That's a very good question. There are two ways to do it: One is through land exchanges where the land becomes private. The other is through long-term leasing. It would have to be what you described in order to be able to attract the capital, because an investor is not going to give into a hundred million dollar investment that doesn't have the certainty that they will have the property for at least 99 years.

But in Hawaii or in Mexico, that's exactly how it's done, is that the government owns the underlying land, and they get 99-year leases.

Senator SMITH. Very good. You suggested some good ideas.

Mr. RILEY. Thank you.

Senator SMITH. Thank you very much, Dave.

We'll next hear from Mr. Drew Mahalic, who is the Chief Executive Officer of the Oregon Sports Authority.

And, Drew, we appreciate very much your time and your work.

STATEMENT OF DREW MAHALIC, CEO, OREGON SPORTS AUTHORITY

Mr. MAHALIC. Thank you, Senator Smith, for this opportunity to testify.

For the record, I'm the CEO of the Oregon Sports Authority. We're a private nonprofit organization with leaders representing the public and private side of the state of Oregon. Our mission is really to focus on economic development through sports tourism.

In the 10 years of serving as Oregon's sports marketing arm, we've secured two Women's World Cup events, the U.S. Figure Skating Championships, a World Sled Dog Championship, baseball championships. We've got a new Action Sports Tour coming this month, a new Lance Armstrong Ride coming next month, and dozens of other events that all have had more than a \$100 million impact on our state.

In December 2002, we obviously knew about Vancouver's interest in the Winter Olympics, and we provided an official letter of support to them that was incorporated into their bid package.

The letter simply stated that we will do whatever we could to support their Olympic and Paralympic Winter Games and do whatever it took to realize the enormous tourism potential, given that we're 300 miles south of Vancouver.

We obviously recognize that there's tremendous economic potential available to the entire Northwest region of the United States from these Games. Our plan is to really start with a State of Oregon plan and a Cascadia plan to do what we can to capture a part

of the multi-billion dollar projected economic impact that these Games will bring to Vancouver, British Columbia.

One of the main targets obviously will be the athletes. There are about 2,550 or more athletes that will be competing in these Games, and they'll want to acclimate themselves to the Pacific time zone or the culture, the terrain, the weather, and we feel that Oregon and Cascadia is really the perfect place for them to come.

Particularly, as we've just heard on the mountain slopes, there are 15 Olympic sports. Eleven of those are actually snow sports. Some of those we probably can't handle, like the bobsled or the luge. Ski jumping may be difficult. But there are seven strong snow sports that we can accommodate that would be perfect training sites here in Oregon and in the Northwest for these events.

We also have a number of ice rinks. There are four ice rink events in the Winter Olympics: hockey, figure skating, curling, and speed skating. We certainly will work with all the skating rinks in the area and southwest Washington, which also can become great training sites for the teams that need to train perhaps outside the media chaos that might be going on in Vancouver, and the teams I think could be very successful in utilizing these resources.

We'll additionally develop partnerships with all the health club facilities. Oregon, as you know, is probably the best place for aerobic exercise. It's where all the world class runners come to train.

And to the extent that that's part of training for these athletes, we can certainly help facilitate their training here through running courses and facilitating relationships with health clubs, which we can make that happen.

Just within the last year, the Oregon Sports Authority's former Chair, Randy Miller, and our consul here, Jim Baumgardner, traveled to Seattle specifically to meet with the Vancouver Olympic Organization to forge a strong business relationship, whereby each agreed in principle to cooperate with each other for these Olympics.

And just really fueled in part by this Senate hearing today, there are plans for the city of Portland to create an Oregon delegation to go up to Vancouver, meet with the mayor of Vancouver, to further discuss how we can leverage each other's assets in a collaborative effort for these Winter Olympics.

We'll additionally build as many partnerships as we can. I believe it was you, Senator, that mentioned that we've got airlines that are flying directly in from Mexico, Europe, and Asia right into Portland, and we can certainly encourage tourism as they land here.

On the Board of the Oregon Sports Authority, we have solid representation from Nike, Columbia Sportswear, Adidas, and now I guess Adidas and Reebok, from the merger. And it's not insignificant that Oregon has this as its sports legacy—they can call it home to the three largest sports apparel companies in the world.

And to the extent that these companies have athletes and people interested in their sports, those are connections we need to exploit for people that come in here. They can certainly encourage athletes and teams that have been sponsored to train in Oregon, and it's another avenue for us to leverage as well.

Senator SMITH. Are you aware of whether Nike and Columbia, and I guess Adidas, are they in any way preparing for this 2010?

Mr. MAHALIC. Knowing the way they operate, they definitely are. But I would suspect that they're not thinking yet in the direction that we are, obviously. Their agenda is not tourism, but that is something that we can certainly introduce to them. And given that they're all interested in our particular agenda, we don't think it will be a hard sell to get them to include that as part of what they want.

You know, we've heard what the projected economic impact is going to be from the Vancouver Olympics, and if we can just capture a small percentage of that, you know, I think you're talking something in the range of \$50–\$100 million in economic impact for the Northwest, which is huge.

The other thing is that this may be—in terms of Olympic history, this may be our one shot for a long, long time at a Winter Olympics in this area. You know, we were fortunate to have it fairly close in Salt Lake City and in Vancouver, but the bids are becoming so competitive in the future, with other countries and other continents being more competitive, that we may not see another Winter Olympics close to us for decades to come.

And so it's really our time to seize this—and we certainly have enough time to do it—but the clock is ticking, and realistically, after the Olympics in Torino in 2006, this one will jump on us in a hurry.

We'll do what we can to realize this vision. You know, obviously we're a small nonprofit. Ideally, we'd like to look to partners, perhaps at this table and with the Federal Government, to see whether there's a way to help us, perhaps fund a specific staff person or to get a staff person on loan that could look and help organize this Cascadia effort to make sure that we really do capture all the potential that's out there, and I think the potential is huge.

You know, the Olympic motto is “Citius, Altius, Fortius,” which means “Swifter, Higher, Stronger.” The State of Oregon's motto is “She flies with her own wings.” So there's definitely a synergy within the ideals of the Olympics and the state of Oregon. So we hope to work with you in developing this synergy and capture that lucrative share of Olympic tourism.

Thanks for hosting this Senate Committee meeting. We think it's inspired us, and we look forward to helping in every way that we can.

[The prepared statement of Mr. Mahalic follows:]

PREPARED STATEMENT OF DREW MAHALIC, CEO, OREGON SPORTS AUTHORITY

Thank you for the opportunity to testify at this hearing on the economic impact of the 2010 Vancouver, Canada, Winter Olympics on Oregon and the Pacific Northwest.

I serve as the CEO of the Oregon Sports Authority, a private, nonprofit organization with a Board of Directors that represent both public and corporate leaders of the state of Oregon. Our mission is to promote economic development throughout Oregon via the cultivation of sports events that encourage sports tourism.

Our organization coordinates efforts to bid for, promote, and manage world-class sports events that make sense for the state of Oregon. During our ten years serving as Oregon's sports marketing arm, we've secured two Women's World Cup soccer events, the U.S. Figure Skating Championships, a World Sled Dog Championship, World Cup Qualifiers, Baseball Championships, a new Action Sports Tour, a new Lance Armstrong Ride, and dozens of other events which have had more than a \$100 million impact on the Oregon economy.

In December 2002, the Oregon Sports Authority provided an official letter of support to the Vancouver 2010 Bid Corporation. Our letter was incorporated into Vancouver's Olympic bid package. The letter stated that the Oregon Sports Authority would use our full resources to promote the Vancouver Olympic and Paralympic Winter Games and to help the Games realize the enormous tourism potential to Oregon given that our state is merely 300 miles from Vancouver, British Columbia.

The Vancouver Olympics and Paralympics will host 15 different winter sports for more than 2,500 athletes from more than one hundred nations. There will be 9,600 international journalists coming to the Northwest to cover the Games, 6,000 corporate sponsors, 3,300 Olympic officials, 650 judges, and 250,000 visitors attending these Olympics. Relying on reports from the Salt Lake City Olympics, the economic output of these Games is projected to be in the area of \$5 billion.

The Oregon Sports Authority recognizes the economic potential available to the entire Northwest region of the United States from the Vancouver Olympics and Paralympics. Our plan is to develop both a state of Oregon plan and to work with our border states to develop a Cascadia plan for the Northwest designed to capture a part of the multi-billion dollar economic impact these Olympic Games will bring to Vancouver, British Columbia.

One of the main targets of our Olympic plan are the 2,550 Olympians and Paralympians who will be highly interested in acclimating themselves to the Pacific time zone of our region, our altitude and weather, and the Northwest terrain and culture. For the snow sports, Oregon and Cascadia have a brilliant selection of mountain slopes that can serve as magnificent training sites for at least seven of the fifteen Olympic sports.

Oregon and southwest Washington also offer a strong selection of ice rink venues to accommodate training needs for figure skaters, speed skaters, hockey teams, and curling teams. The plan of the Oregon Sports Authority is to utilize its many relationships with the national governing bodies of specific Olympic and Paralympic sports so that they are aware of and encouraged to have their teams train in our ice rink facilities.

We'll additionally develop partnerships with Oregon's multiple health club facilities and sports medicine clinics that will present Oregon as an attractive place for additional athletic training. For those athletes interested in cardiovascular training for endurance in their sports, we will ensure that our magnificent running courses all over Oregon are well advertised to these elite athletes.

Within the last year, the Oregon Sports Authority's former Chair, Randolph Miller, traveled to Seattle specifically to meet with the Vancouver Olympic Organization to forge a business relationship whereby each entity agreed in principle to cooperate with each other for mutual benefit. And within the last month, fueled in part by this Senate hearing, the city of Portland and the Oregon Sports Authority have met to develop a plan to send an Oregon delegation to meet with the Mayor of Vancouver, B.C. to further discuss the economic collaborative opportunities offered to each city by the Vancouver Olympics.

The Oregon Sports Authority will additionally be building partnerships among airlines, Amtrak, bus coaches, and travel agencies to ensure that Oregon is marketed as a convenient tourism destination prior to and after the Vancouver Olympics. There are direct flights into Portland from Europe and Asia that will make for an attractive and convenient stop in Oregon for the Olympic tourists.

The Oregon Sports Authority will also utilize the power of its Board of Directors who are corporate leaders for the world headquarters of Nike, Inc., the world headquarters of Columbia Sportswear, and the U.S. headquarters of Adidas. All three of these giant apparel companies have a vested interest in the success of the Olympics and Olympic athletes. Strategic plans will be explored for athletes, coaches, judges, and tourists who have an affiliation with any of these corporations to visit Oregon as part of their Olympic visit.

The Oregon Sports Authority will be working collaboratively with Travel Oregon, the Portland Oregon Visitors Association and visitors bureaus from other regions and southwest Washington, city governments, and our state government to make sure that all economic opportunities made possible by the Vancouver Olympics are duly recognized and seized for the Northwest's economic advantage. We'll additionally work with our state to ensure that its Brand Oregon agenda includes marketing Oregon as a premier sports destination.

Given the economic potential offered by the Vancouver Olympics, there is every reason to believe that Oregon and the Northwest have the potential to capture up to 1 percent of the \$5 billion economic output from the Olympic Games which could equate to \$50 million for the Northwest economy. The Oregon Sports Authority will strive to realize this vision with the limited financial and human resources we have at our disposal. We hope to forge a partnership with the Federal Government and

all the above partners to fund a dedicated two-year position commencing in 2006 that would focus solely on developing the network and partnerships required to fully leverage the economic potential that is available from the 2010 Vancouver, B.C. Olympic and Paralympic Games.

The Olympic Motto, "Citius, Altius, Fortius" which means "Swifter, Higher, Stronger" is very much compatible with the state of Oregon's motto, "She flies with her own wings." There is definitely a synergy within the ideals of the Olympics and the state of Oregon. We hope to work with you in developing this synergy to capture a lucrative share of Olympic tourism.

We thank and applaud your Senate Committee for recognizing this economic opportunity for the Northwest. Thank you for giving us the chance to participate in this hearing. I'll be delighted to answer any questions that you may have.

Senator SMITH. Do you think, though, that Oregon really is not prepared in terms of infrastructure or the size of our economy in this state to host an Olympics any time soon?

Mr. MAHALIC. Well, I know that there have been efforts in the past—in fact, there's one person in the audience that actually led a major effort about 25 years ago for Oregon to do it.

I would say, Senator, frankly, that we probably could finesse hosting the Olympics here, but in terms of the financial demands by the Olympic Committee, I just don't see the Oregon public government stepping up financially—

Senator SMITH. To make those investments?

Mr. MAHALIC.—yes to make those kinds of guarantees that it's calling for. You're talking something far beyond anything our state has ever considered.

Senator SMITH. Jane, can you refresh my recollection? Who were your competitor cities or nations for the 2010 Olympics?

Ms. BURNES. Well, when we got down to the last ballot, it was Korea and Salzburg, Austria.

Senator SMITH. Salzburg?

Ms. BURNES. Yes, and Korea was only a couple of votes behind us.

Senator SMITH. Was Denver, Colorado, pushing for—or you're not aware of it either?

Ms. BURNES. I'm not aware of it.

Mr. MAHALIC. I'm not aware of any.

Mr. WILGUS. Reno is looking seriously at it.

Senator SMITH. Reno?

Mr. WILGUS. And so is Idaho.

Senator SMITH. Well, there's some great skiing in Idaho. I guess my only thought is, if Nevada can pull it off, Oregon can pull it off, in terms of size of economy and attractiveness and facilities and all of that.

But, anyway, I'm not saying that it's something—

Mr. MAHALIC. Oh, it certainly would be something that would be great for Oregon—that's the absolute ideal in terms of securing a sports event. There is nothing greater than securing the Olympics in this business. It's the number one goal.

Certainly Oregon has the majesty in terms of its topography and facilities, but we would have to have a metamorphosis of change in the government to be able to step up financially for what that requires.

Senator SMITH. Yes.

Mr. RILEY. Senator, I think it's important to note, though, that there are many other steps you can take that can lead to that

which could be beneficial economically. There are smaller games. There are World Cup events. There are a number of national events that occur every year over and over again in Park City and Deer Valley and Sun Valley. All the resorts that are capitalizing on those events have this stream of income that is literally annual.

The Olympics is great. It's a one-time shot. It provides these facilities an infrastructure that are incomparable.

But absent going after the Olympics, there are still steps that we can take to improve our economy to leverage a winter recreation.

Mr. MAHALIC. And just to add on, there is no reason why Oregon can't become known in the future as one of the best Olympic training sites for Winter Olympics. As we've heard, we've got the mountains. There are 11, you know, snow sports. Certainly there is no better place to train than in Oregon.

So we may not be actually getting the Olympics, but to become home for training sites would really set us apart as well.

Senator SMITH. Well, typically the preparation for 2010 in British Columbia—because skiing in Oregon or the Pacific Northwest is a different sport than skiing in the Rocky Mountains. It's a whole set of different conditions of snow—I say this as a fairly accomplished skier myself. I've skied in both places.

Jane, was this an economic undertaking that frankly puts a lot of short-term strain on Vancouver, or does Canada as an entire nation feel vested in it and contributing to it?

Ms. BURNES. Well, the two major government partners, in terms of financial contribution, are the British Columbia Government and the Federal Government, and they both committed during the Bid Phase to something around \$250 million each toward the infrastructure, not the operating.

The British Columbia Government had to give the IOC a guarantee that they would cover any operating costs that weren't picked up by the sponsors or by the organizing committees not having the ability to raise the funds.

It was something that was started by a previous government. But when this government got elected, they looked at it really hard from an economic standpoint, because they came in with a mandate to sharpen their pencils on the books, and they felt that they wanted to kind of get a better hold on the financial picture there.

So that was when I joined this effort, and the first thing we did was look at the economic impact and do some really formal studies to prove that an investment of that nature was going to benefit all of British Columbia and all of Canada.

So it's the British Columbia government that is playing a major role in backing this up.

Senator SMITH. Well, I assume the whole project enjoys wide, popular support, locally and throughout Canada?

Ms. BURNES. It does now, but it had its rocky moments. And just to go back to the letters of support that we got from Pacific Northwest states, they were well-timed because we actually had a referendum in the city of Vancouver, and we had people in Whistler that were concerned that sustainability values that they held so closely were going to be overlooked, and they didn't rush to get the Olympics.

Just to speak to what some of my colleagues here have been saying—and you sound like you sort have got the Olympic fever a bit yourself—about why can't we host it here in Oregon.

If you want to do that, the best thing to do is to start hosting—like become a training center and to start hosting those World Cups. Those are the sorts of things that demonstrate to the IOC that you're serious and that you've got that ability, so those are the kinds of things that we did as a buildup. We held the World Figure Skating competition, for instance, a couple of years before we were awarded the bid.

So those sorts of things not only build your own capacity here, but they put you in a position that if and when you are ready to bid, that you've got that history that shows you're serious.

Senator SMITH. Well, it wouldn't be a democracy if there weren't some rocky moments.

Anyway, we're very, very privileged to have Carl Wilgus with us today. He is with the Idaho Tourism Division, I believe the Director?

**STATEMENT OF CARL WILGUS, STATE TOURISM DIRECTOR,
IDAHO DIVISION OF TOURISM DEVELOPMENT**

Mr. WILGUS. Correct.

Senator SMITH. And I think Idaho perhaps offers us the very best model of what can happen to Oregon because of what Idaho enjoyed from the Salt Lake Olympics.

So, Carl, we thank you for your concern, your interests, and your willingness to come here and share with us the Idaho experience.

Mr. WILGUS. Thank you. It's a pleasure for me to be here today to share with you the accomplishments of the state of Idaho as a result of implementing its 2002 Strategic Plan.

I feel compelled, though, on the outset to issue the following disclaimer: "I am not an Olympic expert." I have been fortunate enough, though, to have attended several Winter Games and have been given some time and resources to implement a comprehensive strategy to take advantage of the 2002 Games in Salt Lake City.

By all account, Idaho's efforts were successful. This was made possible by three very important actions: First, the creation of a ten-point Strategic Plan that helped lead our direction.

Second was the formation, via the Governor's Executive Order, of a statewide 2002 commission to oversee all levels of the state involvement with the Salt Lake Games.

And, third, a development of a revenue stream that through the passage of a specialty skier license plate bill in 1998 provided a half a million dollars of funds to support the implementation of that plan.

Now, before I talk about the specifics of the plan, I need to make one more acknowledgment. While a reported \$100 million in economic development was realized by the State of Idaho, it really was the social and cultural benefits that were gained by being involved in the Olympics that created an even greater return on investments for Idaho.

We had many accomplishments, most of which or all of which are detailed in the report here that I have for you as well.

But allow me to touch on a few of the most noteworthy, and some of my colleagues referred to them earlier. Nearly 1 in 10 athletes of the 3,500 athletes, 350 of the athletes who participated in the Salt Lake City Games competed or trained in the state of Idaho before or during the Games themselves.

Early marketing efforts were started by identifying and soliciting national Olympic teams to consider using Idaho as a training site and acclimation location. A comprehensive directory was created by the state that showed people where they could train and what they could do. We compiled the information, published it, and distributed it to national teams.

The Sun Valley area in particular became a true mecca for such training, which included the likes of the Ukrainian Biathlon and Nordic Men's and Women's Team, the Norwegian Nordic Men's and Women's Team, the Swedish Biathlon and Nordic Women's Team, the Italian Alpine Men and Women's Team, the United States Alpine and Snowboard Men and Women's Team, the Liechtenstein Nordic Men's Team, and the Slovakian Men's Hockey Team all spent time before and during the games in the Sun Valley area.

More than 200,000 Idahoans were directly exposed to the Olympic movement through the more than 20 events and exhibitions staged in and around the state. This allowed many families and youth to experience the drama of international competition.

Olympic fever hit a high pitch just weeks before the opening ceremonies with the nine community stops of the Olympic Torch and the recorded record crowd of nearly 6,000 people who attended the Bank of America Center in Boise and witnessed the historic meeting of the USA/China Women's Hockey Teams.

Many Idaho businesses, both large and small, took advantage of procurement opportunities, pumping tens of millions of dollars into Idaho's economy.

A few companies, such as Washington Group International, which is responsible for most of the freeway construction in Salt Lake City, is housed in Boise, Idaho.

Double A Company, which provided portable toilets to the Olympics, is housed in Boise, Idaho.

Fleetwood Home Manufacturing out of Nampa, Idaho, provided trailers which were offices used at the Soldier Hollow.

Idaho Sewing for Sports, a Grangeville company, provided protected padding on lift towers and finish areas.

Jytte Mau, a specialty knit manufacturer in the Sun Valley area, 25 percent of her gross revenues in 2002 came as a result of Olympic contracts.

And even Cascade Raft Company provided drivers and vans to move VIPs and officials from location to location. That doesn't account for even the hundreds of Idahoans who volunteered and worked in different events and different areas during the Games themselves.

Additional revenue was generated by the Salt Lake bound visitors who stopped on the way to or from the Games to enjoy Idaho and the thousands of Utah residents we were able to entice by our advertising campaigns to escape the crowds of the Games and come to Idaho.

All of our southern Idaho ski areas reported increased numbers of vehicles in their parking lots with Utah plates during 2002.

Even the University of Utah basketball and track and field teams set up temporary training camps in Pocatello during the Games because they were displaced from their university setting.

The establishment of a Western States Discovery Center, a three-state—Idaho, Nevada, Utah—visitor center on Main Street across from the Anheuser Busch Beer Gardens and next to the Canadian Roots House, proved to be an excellent way to communicate with Olympic attendees.

Eleven computers provided on-line access to the internet so that visitors to the Center could e-mail postcards to friends and relatives at home and learn more about Idaho.

More than 250,000 brochures were distributed, and nearly 8,000 electronic postcards were sent from the Center during the Games. This Center not only distributed tourism information, but supplied substantial amounts of material regarding business expansion and relocation opportunities to Idaho.

As I mentioned earlier, our success was not a matter of luck or happenstance. We created a plan, we stuck to the plan, we dedicated resources, both in staff and dollars, to implement the plan.

When I look back on what we were able to accomplish and have asked to provide suggestions or lessons learned, I would say garner the support of the host state or province, promote the social and cultural aspects of your efforts, have some kind of funding source. Try to develop some kind of an Olympic pin. As we discussed, the currency of the Games is not a handshake and a business card but an Olympic pin.

Senator SMITH. This is a potato?

Mr. WILGUS. This is a Spuddy Buddy, yes, a representative of certain parts of our state.

Senator SMITH. I understand. I ate a lot of them.

Mr. WILGUS. Yes.

To develop your plan early, find partners, and importantly, don't just plan for the Games, but think beyond a year or two in your planning process.

I really believe Idaho's success can be replicated in 2010, and we in Idaho plan to do so. However, one very important distinction does exist: Vancouver is in the Province of British Columbia and in the country of Canada. This is first and foremost a Canadian Olympics, and that will create a different set of circumstances to be aware of.

Thank you for your time, and I'd be happy to answer any questions.

Senator SMITH. Meaning the visa issue?

Mr. WILGUS. Visa and border crossing itself. In the original bid that was put together by Vancouver, because it was the Vancouver Olympic Games, border issues were not a primary consideration. It was airport access and movement of people around Vancouver and up to Whistler.

And I've heard some things that I think give me the feeling that there are currently some gross underestimations in terms of the amount of southbound traffic—from the south, it's going to be going north across that border.

When you look at—Vancouver does not have low-cost air carriers like Southwest Airlines, like America West, or like JetBlue providing services. So much, I think, of the domestic travel will be coming in through Seattle and Portland and then transporting up to Vancouver for cost consideration.

We also know that when you have an Olympics, the airlines that serve that city inflate their prices. I mean, that's their opportunity to make revenue.

So smart, intelligent Olympic visitors will be looking at alternate airports, like Seattle and Portland, and then the problem is how do I get to Vancouver, to get there quickly and easily.

And I think that we need to—we, the U.S. Government—needs to look a little bit more closely and work a little closer in partnership with the Canadian government. That's the whole issue of getting in, which will obviously be a Canadian Customs issue, but they're also going to come back, which will be a U.S. Customs issue.

Senator SMITH. So if Idaho's experience with Utah license plates holds true, we may see a lot of the British Columbia plates in Oregon?

Mr. WILGUS. There's every reason to believe so. I would submit to you, though, Senator, that we probably won't be taking lots of money to Vancouver and advertising for Vancouverites to leave Vancouver, but what we'll probably be doing is going to Seattle and Portland, because you produce a lot of skiers in Whistler and Blackcomb, and we'll be suggesting that Idaho may be an option for them.

Senator SMITH. Yes, that's the American and Canadian way.

Mr. WILGUS. Well, we would like to be a great cooperater, but we would also like to be a brilliant marketer at the same time.

Senator SMITH. That's called free enterprise.

Mr. WILGUS. Absolutely.

Senator SMITH. We applaud it and we welcome it.

[The prepared statement of Mr. Wilgus follows:]

PREPARED STATEMENT OF CARL WILGUS, STATE TOURISM DIRECTOR, IDAHO DIVISION OF TOURISM DEVELOPMENT

On behalf of our 2002 Executive Committee, we're pleased to provide you with this report of our activities in connection with the staging of the 2002 Winter Olympic Games. By almost all measures Idaho's efforts were successful. A ten-point strategy was developed to provide a blueprint to gain economically, socially, and culturally from the 2002 Winter Games being held by our Southern neighbors.

We had many accomplishments, which are detailed in the report, but allow me to touch on a few of the most noteworthy:

1. Nearly 1 in 10 of the athletes who competed in the Winter Games trained and/or competed in Idaho—early marketing efforts were started to identify and solicit national Olympic teams to Idaho. A comprehensive directory of Training Sites was compiled, published, and distributed to national teams. The Directory identified critical contact information, highlighting facilities in Idaho that offered an ideal setting for training. The Sun Valley area became a true Mecca for such training, which included the likes of:

- Ukrainian Biathlon & Nordic (M&W)
- Norwegian Nordic (M&W)
- Swedish Biathlon & Nordic (W)
- Italian Alpine (M&W)
- United States Alpine & Snowboard (M&W)
- Liechtenstein Nordic

Slovakian Hockey (M)

2. Over 200,000 Idahoans were directly exposed to the Olympic movement through events and exhibitions—exposing the highest ideals of the Olympics to Idaho's citizens and youth through the staging of pre- and post-Olympic events proved to be one of the most fulfilling things we could have done. Over 20 events were staged in Idaho exposing many families and youth to the drama of international competition. Olympic fever hit a high point in Boise just weeks before the opening ceremonies with the 9 community stops of the Olympic Torch and record crowd of nearly 5,500 at the Bank of America Centre to witness the historic meeting of Team USA/China women's hockey teams.

3. Idaho received an economic impact of over \$100 million in the two years leading up to the Games and the year following—team training, the special exhibitions, along with visits by torch relay to Idaho, contributed millions of dollars to the Idaho economy. Several Idaho businesses large and small took advantage of procurement opportunities and pumped tens of millions of dollars into the Idaho economy.

Such companies included:

Washington Groups—Highway Construction
 A—Company—Portable Toilets
 Fleetwood Homes—Trailers
 Idaho Sowing for Sports Inc.—Protective Padding
 Jytte Mau—Specialty Knit hats
 Cascade Raft Company—Drivers and Vans

Add in the revenue generated by Salt Lake City bound visitors who stopped on the way to or from the Games to enjoy Idaho, and the thousands of Utah residents who were enticed by our advertising campaigns to escape the crowds of Games and come to Idaho. All our Southern Idaho ski resorts reported increased numbers of vehicles in their parking lots with Utah plates. The University of Utah's basketball and track and field teams set up temporary training camps in Pocatello during the Games because they were displaced from the University.

4. Boise was permanently awarded the Olympic cauldron that carried the Olympic flame across the country, in recognition of the "enthusiasm, spirit, and participation" it exhibited during the National Torch Relay—the torch relay began in Atlanta covered 13,500 miles in a span of 65 days. Some 11,500 torchbearers carried the Olympic flame. When all was said and done of the more than 100 communities visited Boise was selected by the Salt Lake Olympic Committee as the outstanding torch relay community and permanently awarded the Olympic Torch cauldron. Just for your information, the cauldron is on display at World Sports Humanitarian Hall of Fame on the campus of Boise State University.

5. Idaho's travel and tourism was significantly helped in the wake of 9/11, largely as a result of the efforts connected with the Winter Olympics—the establishment of the Western States Discovery Center, a three-state (Idaho, Utah, and Nevada) visitor center on Main Street, proved to be an excellent way to communicate with more than 65,000 Olympic attendees. Eleven computers provided online access to the Internet so visitors to the Center could send e-mail postcards to their friends and family at home. Over 7,500 postcards were sent from the booth during the Games. We also conducted three special "Idaho Days" featuring Idaho icons like Spuddy Buddy, the Junior Jammers, and the Sho-ban Tribal Dancers.

We are pleased that so many Idaho families and school children were personally touched by the spirit of the Olympics. The efforts of the many businesses, volunteers, and State agencies that helped our State benefit from this significant event is greatly appreciated by the Committee and the many families throughout the State that were touched by the Olympic movement.

I think I have only one other question, and that is for you, Jane. Is there something that Oregon could do that we're not doing to be helpful to you? We want your Games to succeed. Are there ways that we can coordinate with you that would be helpful to you and collaterally beneficial to us?

Ms. BURNES. I think that there's been every demonstration from every level from people in Oregon. Oregon has always been cooperative.

And I think just continuing to keep in touch and share those lessons that we learned so much from Idaho that Carl put together

when we were putting together our own plans for economic developmental opportunities, I think—yes, just continuing to share the information, because there's—the plans that we have put into place and the opportunity that we had for leverage from becoming part of this Olympic family are ones that you can take along and start right now.

Carl and I were talking earlier before this began about how important it is for people like yourself involved in the industry to go to those games, if you get a chance.

We're going to be going to the Torino Games, and we're not just going to learn the lessons of how to put them on, but I'm responsible for putting together a—actually, we're building a log structure that has been prebuilt in British Columbia, and this company made its name on an international field by winning a competition to put a lodge in Snow Basin Resort in Utah.

So they're now being able to win the next competition with putting a lodge in Torino where we will be profiling our country and our region, and that's the kind of thing that you can do—just as picking up Carl's 2002 ten-point plan, picking up some of the things that we're doing and coming along, and we have so much to learn and share with you.

So thank you for the offer, and I welcome it.

Senator SMITH. Well, you know these players, and if there are things that we can do in Oregon to be helpful, we would like to do so.

And if there's anything that the Federal Government in Washington D.C. can do to be helpful, please know that as one of its officials, I'm anxious to hear from you and to respond to concerns you have in ways that we can help facilitate the success that we hope comes your way and provides for the security and the efficiency that I think are really at the heart of this being a success.

And I make that offer, and I'll share it with the Subcommittee. They can push the buttons—the right kind of buttons that good neighbors ought to be providing to one another.

So to each of you, my heartfelt thanks for coming here, your interest in this, and helping me to focus Oregon and the Federal Government on this state, this region, and this opportunity to highlight one of the loveliest places on earth, which is the Pacific Northwest.

And we conclude with that expression of thanks.

We're adjourned.

[Whereupon, at 11:15 a.m., the hearing was adjourned.]