



Oregon Coastal Notes

Oregon Coastal Zone Management Association

April 2010

“Lifestyle Entrepreneur” Campaign Gets Shoved Under a Microscope by Oregon Public Broadcasting (OPB) — Onno Husing, Director, OCZMA

Oregon Public Broadcasting’s (OPB) hour-long radio call-in show *Think Out Loud* (TOL) came to the trendy Nye Beach District of Newport, Oregon on April 19, 2010. TOL taped the first of a series of four programs on Rural Oregon (the Rural Oregon Project). The program aired the next day on OPB radio (April 20, 2010).

The show focused on just one element of OCZMA’s *Coastal Telecommunications Strategy* — an effort to brand the Oregon Coast as an ideal place for “lifestyle entrepreneurs.”



You can listen to the program at: <http://www.opb.org/thinkoutloud/shows/oregon-coast-lifestyle/>

It was an unforgettable evening.

The New Pioneers

For us at OCZMA the story began in 1999. There was a bitter fight between the fishing industry and the telecommunications industry over the placement of fiber optic cables in the ocean. The controversy taught me how little I knew about the telecommunications industry. That’s when we began to devote time to ***rural broadband issues***. We didn’t want the Oregon Coast to get left behind at the dawn of the information age.

Many of you remember, fondly, Anne Berblinger from the Economic Development Administration (EDA). Anne retired from EDA a year or two ago. She understood the transformative potential of broadband for rural communities. And, Anne understood OCZMA’s robust network of elected officials. At a lunch in Florence, together, we brainstormed how OCZMA could help the Oregon Coast diversify the regional economy using broadband. Later, EDA awarded OCZMA a grant and I began to beat the bushes at the community level.

At the outset, the focus was on ensuring coastal communities had ***adequate broadband infrastructure***. Getting ***local telecommunication committees*** going on the Oregon Coast to work these connectivity issues made sense.

Rodger Bennett, the City Manager of Florence at the time, agreed to re-start a telecommunications committee the City of Florence formed. Rodger said, “Onno, you need to get to know Joshua Greene. He’s a local businessman and he relies on the Internet. You’re going to like him.”

So, I had lunch with Joshua at his favorite café in Florence. It was fun! Shortly after we arrived, Joshua was holding court with the café’s staff. With great flourish he taught them how to prepare, *properly*, Tzatziki sauce used on Gyro sandwiches.



Joshua *is* a quintessential *lifestyle entrepreneur*. Here’s his story. Joshua’s father was Milton H. Greene, a famous fashion photographer in the 1950s and 1960s. Milton Greene successfully merged fashion photography and celebrity photography.

Between 1953 and 1957 Milton Greene was, in effect, Marilyn Monroe’s business partner. In the 1980s, Joshua inherited his father’s collection of 5,000 Monroe photographs and images of many other Hollywood greats. Joshua moved from New York City to Los Angeles. In LA,

Joshua saw an early version of Photoshop. He recalled, “It blew me away! It was like seeing the future of photography.” In time, Joshua became an expert in the field of digital restoration of photographs.

Joshua explained what drew him to the Oregon Coast. He said, “I had a photo shoot up in Seattle. On a lark, I drove up the coast. I loved the place!” Joshua secured a major advance to do a book on his father’s photos of Marilyn Monroe. He continued, “I had a friend in Florence. So, when I got the book deal, I moved to Florence and got to work.” The book, *Milton’s Marilyn* was released in 1994. The book is in its third reprinting.

Today, Joshua has a business in Florence (The Archives, LLC) <http://www.archivesmhg.com/>. They do digital restoration. And, Joshua markets his father’s priceless photographs. He also advises Hewlett-Packard on printing technologies. The Library of Congress asked Joshua to restore the original photos of the Wright Brothers’ flights at Kitty Hawk.

Joshua Greene helped *me* understand the future of our region. Talented entrepreneurs, like Joshua, tired of the rat race, will want to set up shop in beautiful places in Rural America. Broadband makes that possible. They are the *new pioneers*. Joshua exclaimed, “There are ten people like me in LA, that I know, who would bring their businesses here in a heartbeat if they knew this place existed! This place is *not* on anyone’s radar screen.”

In time, Joshua hired several local people. He does business all over the world with the Internet. The legal expertise he needs to license his images resides in New York. Joshua will tell you, “To do what I do, I don’t need to be on the I-5 Corridor.”

In economic terms, Joshua produces *traded sector income*. That’s the mother’s milk of economic development. It’s *new money* coming into the community. And, it’s not just another T-shirt shop competing against other T-shirt shops for tourism dollars. There are other intangible benefits. Joshua became a Port of Siuslaw Port Commissioner. He helped raise the

money to buy an ice machine for the local fishermen. Joshua is a graduate of the Ford Family Foundation’s leadership training program. He, and others, make Western Lane County a more prosperous and compelling *place*.

Think Out Loud (TOL) Comes a Calling

Emily Harris, the host of OPB’s Think Out Loud (TOL)—“the show that listens”—called me in February 2010. TOL was gearing up to do a series of programs on Rural Oregon (the Rural Economy Project) and she wanted to pick my brain.

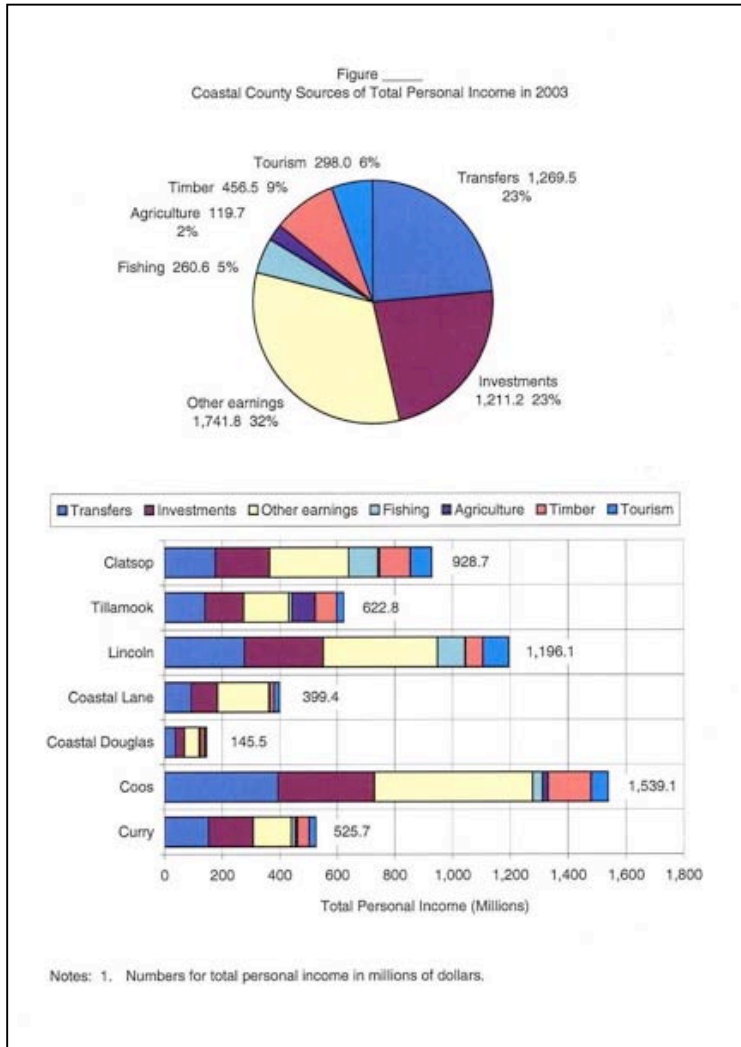
I’ve been on TOL several times and respect what they do. TOL staff does a lot of research before a show.

Here’s what I shared with Emily.

If you look at a pie chart of the Oregon Coast’s economy (2003 data) you could see the huge impact the retirement community has on the Oregon Coast. It’s reflected in transfer payments and investment income sectors. Together, those sectors constitute 46% of our rural economy! People will be surprised to learn timber is 9%, tourism is 6% and fishing 5%. Of course, in some communities these percentages vary considerably (fishing, for instance, in Newport is *way* above 5%).

A key piece of the economic pie is labeled “*other earnings*”. On the Oregon Coast, that piece of the pie is growing. We want it to grow. It means our region’s economy is becoming *more diverse* and *sustainable*.

Pie Chart from OCZMA Study “A Demographic and Economic Description of the Oregon Coast: 2006 Update (March 2006)”

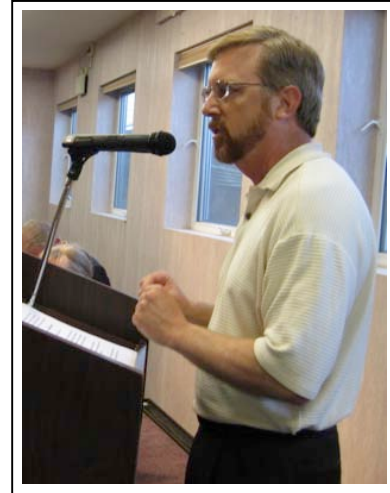


Businesses fall into the “other earnings” category when they don’t fit neatly into other existing Standard Industrial Code (SIC) classifications on the U.S. Census form.

Broadband is definitely helping to make that happen. We see many new businesses, like Joshua’s, popping up in our communities. There’s no ribbon cutting ceremony when these entrepreneurs move here. It’s a quiet revolution or renaissance changing the face of rural communities. Talking to Joshua Greene, I realized he is a *new kind of pioneer* (a post-Internet/broadband pioneer).

I believe, in a *measured-modest way*, lifestyle entrepreneurs like Joshua Greene can be attracted to our region. These people have positive *ripple effects* in our communities.

As this concept began to jell, I sought out Todd Davidson, Chief Executive Officer, Travel Oregon (photo at right). I needed a gut check. Todd was the perfect person to tell me if these ideas had legs. I met Todd Davidson in 2003 when I was asked to join the Brand Oregon team. In time, *Seafood Oregon* became the leading edge for the **Brand Oregon** program. By boosting demand for Oregon seafood, millions of dollars of additional personal income were created on the Oregon Coast.



Todd confirmed that major untapped synergies exist. By skillfully integrating *business development* and *tourism promotion*, lifestyle entrepreneurs can be attracted to the Oregon Coast. Todd said SOREDI (Southern Oregon Regional Economic Development, Inc.) based in Medford, has implemented a similar program. They've cultivated ties with people/businesses in the Silicon Valley and the larger San Francisco Bay Area. This works.

Discouraging Words on the Radio

I shared all these thoughts with Emily Harris. On March 31, 2010, via email, I learned TOL was coming to Newport to feature the lifestyle entrepreneur concept to kick off their Rural Oregon series. We forwarded names of lifestyle entrepreneurs on the Oregon Coast willing to share their stories on the air with TOL.



Two lifestyle entrepreneurs—Michael Gibbons, an artist living and working in Toledo, and, John Lavrakas, a GPS (global positioning system) specialist with a consulting practice in Newport—were the opening guests on the show. Michael and John shared what motivated them to come to the Oregon Coast—the beauty of the region, and a search for a high quality of life. Later, Todd Davison and Bruce Weber from Oregon State University’s (OSU) Rural Studies Program, served as the panelists.

Café Mundo in Nye Beach, the venue for the show, was packed that night. People in the audience asked good, tough questions. What will this do for people working for minimum wages? What about high housing prices? What about affordable health care? After a while, the vibe began to turn rather negative.

Then, Emily Harris played **a taped sound bite** from Tim Duy, Director, Oregon Economic Forum, Department of Economics, University of Oregon (UO). Duy doubts entrepreneurs would want to come to rural communities. In any event, he asserted, it would not have a measurable impact on the local economy. Duy then offered it would be a mistake to divert scarce local resources away from much more important things.

Tim Duy’s recorded statement was brief and pretty deflating. Suddenly, it felt like the concepts underlying the **Coastal Telecommunications Strategy** were on trial. Because I was **not** invited

to be on the panel, I was not in a position to respond. It was, to put it mildly, frustrating. This was not an academic seminar—this was a popular program on OPB!

Todd Davidson explained no one is talking about taking resources *away* from local programs (police, fire, sewers). Todd shrugged his shoulders and said, “Look, we are already engaged in tourism marketing. We have a statutory duty to do that. We get results. What we *are* talking about is using *existing marketing resources* and adjusting our message to achieve additional positive outcomes.”

From the audience, I asked for the microphone. Taking a deep breath, I said the economist from UO, was, frankly, *wrong*; he doesn’t understand what we are trying to do because he doesn’t live here, and, he hasn’t *seen* or experienced how lifestyle entrepreneurs are transforming rural communities. The skill sets of an economist, for this conversation, are of limited value.

I focused on the points raised by people in the audience about low wages and high housing and health care costs. *Amen*. I noted many of those problems are *national issues*—hardly unique to the Oregon Coast. The middle class in America is being squeezed. I politely took issue with the assertion you can’t buy a house in Lincoln County for under \$200k. I said, “I track real estate. You can *definitely* buy a house for \$140k if you don’t try to find a place close to the beach.” Heads nodded in agreement.

I connected the dots about the impact of lifestyle entrepreneurs—they tend to live here year round, shop in stores, eat in the restaurants, hire contractors, purchase other services, and, sometimes actually *hire* people full-time. In doing so, they provide year round employment opportunities for all sorts of people.

I underscored that *workforce training* at our community colleges was key—and keeping it *affordable*. I closed, “We can and must address *all aspects* of the problem. And, if we worked together, we can make the Oregon Coast *a better place for everyone*.” There was solid applause. The people clapping the loudest were the folks who, earlier, asked those questions.

The Blogs After the Show

The commentary on OPB’s blog about the show, the next day, was fascinating. One person wrote how she would *love* to live on the Oregon Coast, but there are no jobs in her field. So, she had her doubts this would work. Well, she is *not* a lifestyle entrepreneur. Lifestyle entrepreneurs *make* or *bring* jobs with them. Entrepreneurs are special people.

Sarah Griffith wrote how she *had to* move away from Coos County because strict limits on logging and fishing hurt the economy. Sarah asked why fishermen and loggers, the “real heartbeat” of the coast were not part of the program.

Anyone who knows OCZMA knows we work closely with the fishing industry. Sarah’s correct. Fishermen and wood products workers make a huge contribution to the economy and *culture* of the coast. There’s no metric for that. *Everything* must be done to promote a sustainable timber industry and sustainable fisheries. Both sectors have become sustainable in recent years. They will remain key industries on the Oregon Coast. The reality is, though, fishing and timber cannot employ as many people as they did during their boom years.

There are other heartbeats on the Oregon Coast. There’s the arts community and all these other businesses. They also make the Oregon Coast a special place. And, getting back to *lifestyle entrepreneurs*, they eat seafood and remodel houses (creating a demand for wood products). By

diversifying the coast's economy (slowly and surely) maybe we can create the conditions so Sarah Griffith can come home to Coos County.

Another passionate person, under the name "sunvalleysally" wrote:

I had to wait a bit to compose myself and write this because I was off in gales of laughter at this not-so-funny belief apparently held by someone who hopes to mold the coastal community in Oregon along the lines of spectacularly failed coastal communities elsewhere (even those supported by those parallel-universe monied types who still have to drive 2 hours to get supplies because the local stores have closed).

I'm not sure which failed communities Sally believes we are trying to imitate. Sun Valley? We don't want to attract the super-rich and/or Hollywood celebrities. Some of that is already happening. That's *not* what this is about.

Others wondered what coastal residents think about bringing entrepreneurs to the region. In the nearly 14 years I've been Director of OCZMA, I've never seen an idea catch on as quickly as this one. In this day and age, don't expect a consensus on *anything*. Moreover, the branding effort needs to be placed in its proper context. It's just another tool in our toolbox.

Staying Grounded: Two Coasts

After everyone left Café Mundo, I spent an hour talking with two young people who came to the show that night. They are fixin' to get married. Both were born and raised in Lincoln County. They struggle to make ends meet. Because he spent four years in the Marines and fought in Iraq he can go to school. They have each other and a *strong* work ethic.

They talked about the "Two Newports"—the millionaires shoulder-to-shoulder with strung out, no future, depressed, substance abuse-ridden people. They worry about some of their friends. She said, "They act like work, for instance, in a restaurant is beneath them, like the world owes them something." I asked, "I understand, not long ago around here, people who didn't apply themselves in school knew there was a job on a boat, or, they could 'make paper' at the Mill in Toledo. Is that how you see it?" "Absolutely!" they replied. Now, many of those people are in a lurch.

I noted that *talented retirees* are also coming here. The names of Jack and Maggie Brown crept into the conversation. Jack and Maggie, working with a group called Neighbors for Kids (NFK) raised money to build a beautiful 7,000 square foot building for an after-school program in Depoe Bay (Kids Zone). Beaming, she said, "That's a *wonderful* program! It helps working people because it provides a place for kids. These days both parents *have* to work." Kids Zone, which just opened, has 70 children on a waiting list.

The more we talked, the more they seemed to understand what we hope to accomplish by attracting talented people to our region. They saw this change/transition is about their future.

Post Script: A Conversation with Tim Duy

I called Tim Duy on April 26, 2010 to talk about his quotes on TOL. We had a good conversation. I wanted Tim to know: (a) we didn't see branding as a silver bullet, (b) funds won't be taken away from essential local services, and (c) the effort to attract entrepreneurs is nested within a larger/comprehensive economic development strategy.

Tim said, “One of the reasons I was so negative was the TOL staff person made it sound like you thought it was a silver bullet. Branding is **not** sufficient to compensate for a very challenging economic environment.” We totally agree economic development is **very** difficult.

Here’s what’s really bugging Tim Duy. He senses that Oregon is not facing up to its major strategic disadvantages—the lack of big businesses, the lack of capital, under-investment in education at all levels. As a macro-economist, Tim Duy is turned off by happy-talk about how wonderful Oregon is, so, therefore, don’t worry, our “quality of life” will guarantee prosperity. Tim understands his views don’t make him popular in certain circles.

In the meantime, let’s gear up and execute a branding campaign for the Oregon Coast. It’s not a silver bullet. It’s just another tool in the toolbox.



***Onno Husing**, author of this newsletter, has been Director of OCZMA since 1996.*

OCZMA is an association of Oregon coastal units of government organized under ORS Chapter 190 (counties, cities, ports, soil & water conservation districts, and the Coquille Indian Tribe)