

U.S. Senate Committee on Commerce, Science, and Transportation  
U.S. Senate Subcommittee on Trade, Tourism, and Economic Development  
Senator Gordon H. Smith, Subcommittee Chairman  
321 SW Salmon St., Oregon Sports Hall of Fame, Portland, Oregon 97204

Testimony of Drew Mahalic, CEO, Oregon Sports Authority  
August 5, 2005

Senator Smith:

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, non-profit 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 US 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 of 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, B.C.

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, B.C.

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% 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.

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