

College: **Rogue Community College**
Location: **Grants Pass, Oregon**
Practice: **Wood Manufacturers Technical and Training Center**
 Encouraging growth in the secondary wood manufacturing industry through computer driven technology and training

<i>Year Started</i>	1996
<i>Budget</i>	\$400,000
<i>Program Participants</i>	N/A
<i>College FTE</i>	3,400
<i>Target Sector</i>	Secondary wood manufacturing industry
<i>Staff Size</i>	10
<i>Structure</i>	Rogue CC and The Wood Center provide instruction and experience
<i>Key Outcomes</i>	Became in 1999 an independent not-for-profit

Introduction

Started in 1994 by seven small firms in the wood products industry concerned about a shortage of skilled labor, the Wood Manufacturers Technical and Training Center was a collaboration of businesses, non-profit organizations, and Rogue Community College. The center offered advanced woodworking training and consulting services to the secondary wood products industry and its employees. A volunteer board of directors made up of industry representatives managed the Wood Center.

In 2000, the founding partners chose to stop receiving public funds, due to a number of factors. They later reorganized as a private manufacturer: Custom Products, Inc.

Community Background

The Rogue Valley (and the service district of Rogue Community College) includes the southern Oregon counties of Jackson and Josephine. Approximately one-quarter of the region's 251,000 inhabitants live in the city of Medford. The region's two other large cities, Grants Pass and Ashland, account for one-sixth of the population. Located 250 miles south of Portland, the Rogue Valley sits in the Interstate 5 corridor just above the California state line.

The valley's economy has traditionally revolved around timber and agriculture. Logging operations and primary wood products manufacturers have historically accounted for the bulk of the region's industrial employment, particularly in the remote areas where they were typically the only major sources of employment. As recently as 1987, 50 percent of the region's manufacturing jobs were in

Program focus	Sector specific	Economic condition	Economic base			Target populations
			Mfg	Agr	Svc	
Business services and training	Yes	Stable	19	1.9	28	Dislocated workers, economically disadvantaged, existing workforce

<i>Service Area</i>	<i>Jackson and Josephine Counties</i>
<i>Total Population</i>	245,000
<i>Median Household Income</i>	\$26,000
<i>% Below Poverty Level</i>	16.8
<i>% Unemployment Rate</i>	9.1
<i>% Minority Population</i>	5.4
<i>% Rural Population</i>	42.3
<i>% High School Graduates</i>	77.7
<i>% College Graduates</i>	14.8

logging, sawmills, or plywood production. However, as with many economies based on natural resources, southern Oregon has experienced a downturn as environmental regulations (specifically limitations on the logging of federal land) affected the region's industry and forced producers to cut back on employment. The two Rogue Valley counties, where 40 percent of the total land area is publicly owned forestland, were particularly hard hit by this change of events. By 1998, the proportion of the valley's manufacturing jobs in primary wood manufacturing declined to 29 percent; still a driving force, but not as dominant as it once was. Worse, the Oregon Employment Department projects the trend will continue.

Despite the fact that the region's population grew 20 percent in the 1990s, due mostly to migration and located primarily around existing population centers. The region needed to diversify its industrial base, as a result of emerging economic opportunities in non-wood manufacturing and business services. One way to take advantage of the situation was to build on existing strengths and forge new opportunities through them.

Program Description

The Wood Center

The idea for a regional training center in wood-working technologies first came to light in the mid-nineties. Seven local wood products business owners faced a shortage of qualified labor despite increasing unemployment rates. Consequently, they formed a network able to take advantage of state and federal programs designed to spur business growth. They

then secured start-up funds from the U.S. Forest Service and the Oregon Economic Development Department for a wood products training center. The main source of funding was the Forest Service's Rural Community Assistance Program, created to help logging-dependent localities develop sustainable approaches to long-term economic development. Initial start-up grants totaled \$400,000 for three years, after which the center was expected to become self-sufficient.

The center opened in 1996 as a 501(c)(6) non-profit corporation to provide wood products manufacturers in the Rogue Valley and surrounding areas with access to modern computer numerically controlled (CNC) equipment for training purposes; this equipment would otherwise have been out of reach of most companies.

Shortly after its inception, the center partnered with Rogue Community College (RCC), an educational institution serving both of the region's counties. The college affiliation made college credit available for courses taught at the center and made college personnel and expertise available to help with curriculum development. It also meant that the center was able to access more production and software resources than it would have on its own as RCC supplied several computers, CAD/CAM software applications, and other learning tools. In return, the college got access to the center's advanced machinery.

Center staff included two full-time managers, six FTE production workers, and two part-time office personnel. Due to the sharing of equipment and facilities, there was a revenue-sharing agreement whereby tuition generated by the college courses held at the center was split between the two parties: 75 percent to the college, 25 percent to the center. Revenue generated by center seminars was split 75 percent to the center, 25 percent to the college.

Two training tracks were offered: one a hands-on, advanced certificate course for employers wanting to upgrade the skills of their workforce and for would-be entrepreneurs in the wood products industry; the other a non-credit, entry-level course in basic woodworking and workplace skills.

The center's activities went beyond training. It produced and marketed its own range of products—such as scale airplanes and rubber band guns—and was in the process of developing a secondary wood manufacturing incubator. The center also offered consulting services in marketing, business plan development, and the like, all directed toward

wood products manufacturers. Small firms wishing to experiment with CNC technology could also contract with the center to produce products.

Custom Products, Inc.

Since its beginning in 2000, the private, not-for-profit company, Custom Products, Inc., has grown cautiously, but steadily. It sometimes gets requests larger than it can handle and is only willing to expand slowly in order to keep from becoming overextended. The company now has five employees in addition to the manager. It expects to have 10 -11 employees by the end of 2001.

Custom Products has expanded the use of the CNC equipment to manufacture parts in metal as well as wood. Using other material, such as plastic, is also possible.

Outcomes

The industry-driven training at the center provided a means for a key industry to gain a competitive advantage and for a region to diversify and expand its economic base.

What's more, the center achieved nearly 80 percent self-sustainability before it separated from the college. Finally, more than 180 firms used the center's services.

Strengths, Challenges, and Replicability

An obvious strength of the center and its approach were its existing concentration in the wood products industry and its proximity to wood supplies. The availability of government funds also helped.

One challenge faced by the center as it became involved in things other than training was convincing wood products manufacturers that the center was a resource, not a competitor. Although the concept met some skepticism, the number of firms using the center shows that the challenge was met.

For more information, contact:

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