

**TIM BOYLE SPEECH**  
**PORTLAND BUSINESS ALLIANCE FORUM BREAKFAST**  
**MAY 12, 2010**

Thank you very much for that welcome, and thank you, Sandi, for the invitation to join you today.

It does seem like a long time ago when I last spoke to the PBA, and mostly what I remember about that day is this: Someone in our PR department suggested that we should be ready for press inquiries after the speech ... and the rest of my management team insisted that wasn't necessary, as they believed no one in the audience that morning--including my mother--would pay much attention to what I had to say.

I am still surprised that anyone did, and I am even more surprised that for weeks and months people told me they liked what I said, even if they can't quite remember what it was that I said.

As I pondered the opportunity to address PBA again, I kept coming back to a saying I'd heard: "The Truth is a bully we all pretend to like."

As before, I will take a shot at telling you what I think the truth is on a few issues, and of course you are free to pretend to like it.

In my view, my speech to PBA in 2005 has turned into one of those ink blots psychiatrists use to test subjects – some people look at the inkblot and they can see their greatest hopes or fears. Some look at the ink blot and they see a cloud. Some look at it and see their mother. Some even see MY mother.

So, that earlier speech is often described as anti-government, anti-tax, anti-public power, and on and on. It's also portrayed as a call for government to be run like a business, or for the election of more conservatives, or simply as commentary on the business environment.

I see it differently, and I'd like to highlight a few portions of that talk to underscore my real goal in speaking out, and why I think it is worth doing so and taking a few lumps for it:

First, I see my remarks five years ago as a call for involvement -- involvement because I have such affection for Portland, and Oregon, and I recognize what this city and state have done for me, my family and my company.

Second, it was a call for Portland and Oregon to be leaders in job creation in a truly global economy – which starts with an understanding of that economy and the intense competition it creates for all Oregonians, not just businesses.

And third, it was a call for leaders - all of us - to work together to deliver those critical services that must be delivered effectively for our state to thrive. I questioned the wisdom of the County building a 500 plus bed jail that they could not afford to open and operate, and the wisdom of the City devoting an inordinate amount of attention to trying to buy and run an electric utility.

If I could offer an aside about that ill-fated plan to have the City of Portland purchase PGE, I can't help but recall that when a former Portland city official tried to convince me that the plan was a great idea, he brought with him a team of bankers and advisors from Goldman Sachs. I wonder where those bankers are now. If Wapato were open, perhaps they would be on their way there.

To refresh your memory and mine, here's exactly what I said five years ago:

“Our government is what we make it...And we need to do more than sit in the bleachers... I do believe we have an obligation to be involved, to encourage our employees to be involved in shaping our government, finding solutions, helping our city and region compete. It is not just about providing tax dollars, but about providing leadership, talent, and ideas. “

I have since taken my own advice, and involved myself in some political issues, one of which has been particularly gratifying.

That issue is improving the state of Portland's public parks. When my wife, Mary, and I first saw how city parks were getting rundown and that there was no prospect to improve the situation, – Columbia Sportswear spent a million dollars to adopt Sellwood Park for a decade and tried to get other leading companies to do the same.

As some of you may have read, I also got involved in another City Hall issue, and if you ask me about that, don't be surprised if I simply scratch my head and say, “I Do Not Recall.”

At the state level, Measures 66/67 caught my attention – not just my wallet. I spoke up and – judging from my email – some folks concluded that I must be some kind of teabag wearing anti-tax zealot who is out to destroy Democrats.

There are two problems with that conclusion.

First, I am a Democrat.

Second, in this decade alone I've supported two temporary income tax increases, and I was an early public advocate in 2007 for the state using Columbia's

corporate kicker rebate to build a rainy day fund.

These are inconvenient truths for those involved in the recent pro-tax campaign, and for some they are hard to understand. So let me repeat here what I said during the recent campaign.

“I compare the Oregon tax system to a stereo system built around an eight track player. There is widespread agreement that it’s not a good system, that there are better systems, and that it is outdated and needs improvement. But instead of working to find and implement those improvements, someone rushes in and decides that the answer is to just turn up the volume. It is important to vote on whether that is a good or bad thing, but in the end some people will simply vote with their feet and leave the room.”

As many of you know, people are voting with their feet. This is not a campaign slogan. It is a fact, and it started before the ballots were even counted for measure 66/67.

But here is another fact that has received little attention: a couple of weeks before the recent tax election, Columbia purchased another piece of property to expand our campus in Oregon. Said another way, we have never threatened to leave, and in fact, we have been committed to this state through good times and bad.

My commentary about our city or state is not because I dislike them, but because I care deeply for them.

In 2005, I also said this:

“I am not here today to simply suggest that government ought to be a business. Their roles and responsibilities are fundamentally different.”

But I did suggest that “cities and states now actually do compete in a global marketplace, just as companies like Columbia do. And it is worth asking – are Portland and this region doing all they can not just to compete, but to win? Are they comparing our ability to educate and graduate students from high schools and colleges to efforts underway in countries like India and China?”

Five years later, I ask you this: do you believe in the last five years, or even the last ten, we have taken the steps to make our education system more competitive with other states and nations? Can you name a structural change we have made in this state to the k-12 or postsecondary system to help young Oregonians compete better in the global economy? Do you believe that education is truly the top priority of our elected officials?

At a time when we all know it is important to have more years of education to compete, the older generation in Oregon is actually more educated than people in the 25 to 34 year old age range.

While politicians have argued against what they call “privatizing” our state

University system, they have practically eliminated public support for those schools and forced them to rely on private funding. They have in many ways created what they argued against, a system that is dependent on private support.

For at least two decades, political leaders have given speeches about a funding crisis for education in Oregon. But after those two decades Oregon now ranks near the bottom of the country for funding higher education. The theory in Salem also appears to be that less money means more micromanagement. Our university presidents currently have to spend about a third of their time in Salem, wooing the legislature for a tiny percentage of their budget—a percentage that is, amazingly enough, contained in more than 6,300 budget lines, including a line item for kitchen supplies. In short, our state government leaders seems to have transformed a crisis into a way of life, and an unacceptable one.

The truth is a bully and the truth is, we are allowing this to happen. We – the people in this room – have the resources and abilities to change the course of this state for the better. I would not be staying in Oregon if I didn't believe in the possibility of positive change and I would not be speaking out if I didn't think it could make a difference.

In my remarks five years ago I shared a favorite quote of my father's—and I will share it again: "Self-examination is better than self defense." And just as I have said government leaders should focus and set priorities, so must we in the private sector. We have been too unfocused, too uninvolved. When political leaders have asked "what does the business community think?" they have too often come away with an impression that there is no such "community" and that as a group we are not "thinking" together.

So how do we focus? I would suggest that the states that compete and win in the global economy will not be those with the the most prisons, or that rank bike paths above the path to an education on the list of funding priorities. Rather, I would suggest we will be nowhere if we are not providing better education to the next generation, and that it is well past time for us to be pushing for structural changes in how we manage education.

Financial challenges in this state make this a necessity, but also create the opportunity.

For the first time in my memory, and probably ever, we have major candidates for governor in both parties talking seriously about giving our university system more freedom from state government micromanagement. There are a number of proposals in the works, including one announced just last week by University of Oregon President Richard Lariviere, and I do not think it is necessary to endorse any single plan today, but it is critical to embrace the concept and ask all the candidates we meet to address it. This is not about following political leaders, but providing leadership that politicians will follow.

Moving forward on major post secondary education reform alone would be a tremendous legacy for all of us to leave to future generations.

But we also know that this state will stall if we do not change how we manage k-12 education. This state sought federal funds for the Obama Administration's so-called "Race to the Top" and learned that our credibility on reform is such that we are instead winning a Race to the Bottom. "We're Number 37" is not a slogan anyone wants to put on our license plates. If we are so far off in the "Race to the Top," can a Race to the Exits be far behind?

How are we going to do better when all the signs are that there will be less, not more, money to work with? The answer cannot be to simply hold more school auctions. It has to be reform of the system, how we manage it. And yes, making education a higher priority than most of the other things we want government to do.

Before I take questions, let me tell you about one of the great experiences of my life.

In April, my first grandchild was born. And yes, that now means that Gert can be called One Tough Great-Grandmother.

As an aside, this occurred despite the phase out of tax deductions for children, which is further proof that we are not motivated solely by taxes in my family.

As I look at the newest Boyle, I think a lot about what opportunities will await him in Oregon as he grows up. Will there be excellent K-12 schools for him to attend, an excellent university? And in the end will the state offer him an abundance of job choices, or a diminishing selection as is the case today?

For those who do not want to spend time or resources repairing and improving our state, I suggest you ask yourself the question I have asked myself. How much time and money are you going to have to spend one day traveling to visit your kids and grandkids if they grow up to find that the opportunities have moved to other states and countries?

If you want to save on travel, I would suggest you start by making that investment of time and resources now.