

Oil and Natural Gas Stimulate Oregon Economic and Job Growth



Oil and natural gas are driving the U.S. economy through a major energy boom and that boom is rippling through the economy of Oregon, supporting business activity across the state. This finding grows out of a new American Petroleum Institute survey of domestic oil and natural gas vendors,¹ which offers a glimpse into the job and business creation engine that is the current oil and natural gas industry. The survey shows that at least 58 businesses, located across all five of Oregon's congressional districts, are part of the larger oil and natural gas supply chain.

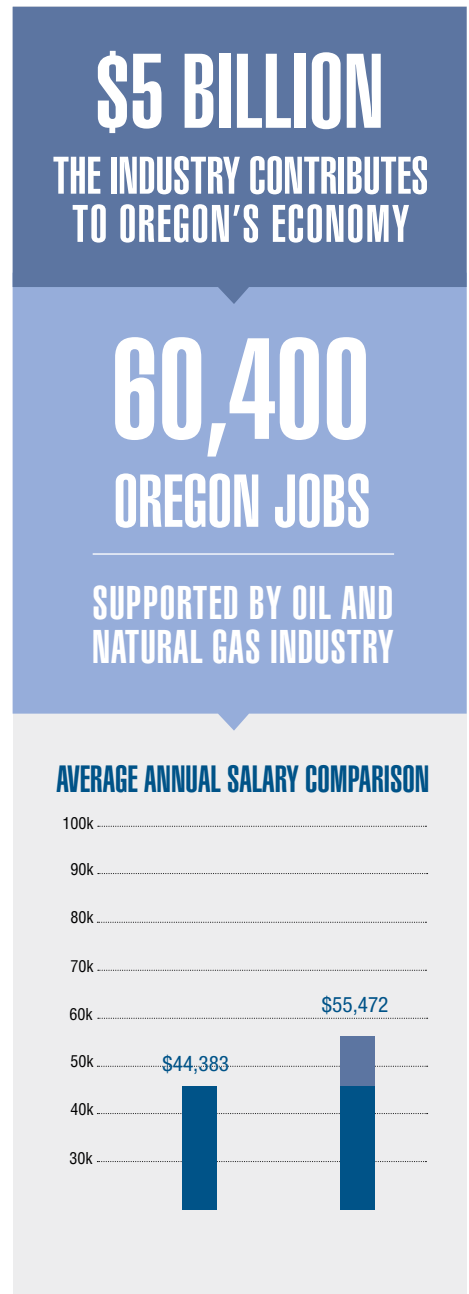
The survey's snapshot of state-by-state activity reinforces the impressive level of industry success throughout the country that is documented in a recent PriceWaterhouseCoopers study conducted for the American Petroleum Institute.² That study found that the oil and natural gas industry in Oregon supports some 60,400 jobs, which is 2.8 percent of the state's total employment. The amount of Oregon labor income supported by the oil and natural gas industry comes to \$2.81 billion annually. That's 2.8 percent of the state's total labor income.

Although Oregon is not a top U.S. energy producer, these job and labor income

figures demonstrate that the people of Oregon enjoy significant benefits from energy development.³ The benefits show up in the state's salary statistics as well. Thus, while the average annual salary in Oregon across all industries and sectors is \$44,383, the average oil and gas industry salary (excluding gas stations) is substantially higher—\$55,472 annually. Overall the industry supports \$5 billion of the Oregon economy. That's 3 percent of the state's total economic activity.

Oregon also benefits from the production of oil and natural gas from shales and so-called "tight formations," energy development that uses the proven engineering technologies of hydraulic

1. American Petroleum Institute, "API Onshore Oil and Gas Vendor Identification Survey," Washington, D.C., 2014. The survey was distributed to API members in January 2014 to collect information for the period October 2012 to September 2013. Included are companies that provide goods and services for onshore oil and natural gas development, whether as operators, contractors, service companies, suppliers, or vendors.
 2. PriceWaterhouseCoopers, "Economic Impacts of the Oil and Natural Gas Industry on the U.S. Economy in 2011," Washington, D.C., July 2013. Prepared for API using the IMPLAN input-output modeling system, based on 2011 U.S. Bureau of Economic Analysis data.
 3. Information cited in this paragraph comes from the Bureau of Labor Statistics, Quarterly Census of Employment and Wages (preliminary data for 2013 accessed July 2014); and PriceWaterhouseCoopers, "The Economic Impacts of the Oil and Natural Gas Industry on the U.S. Economy: Employment, Labor Income and Value Added," 7/12/13 (based on 2012 IMPLAN database).



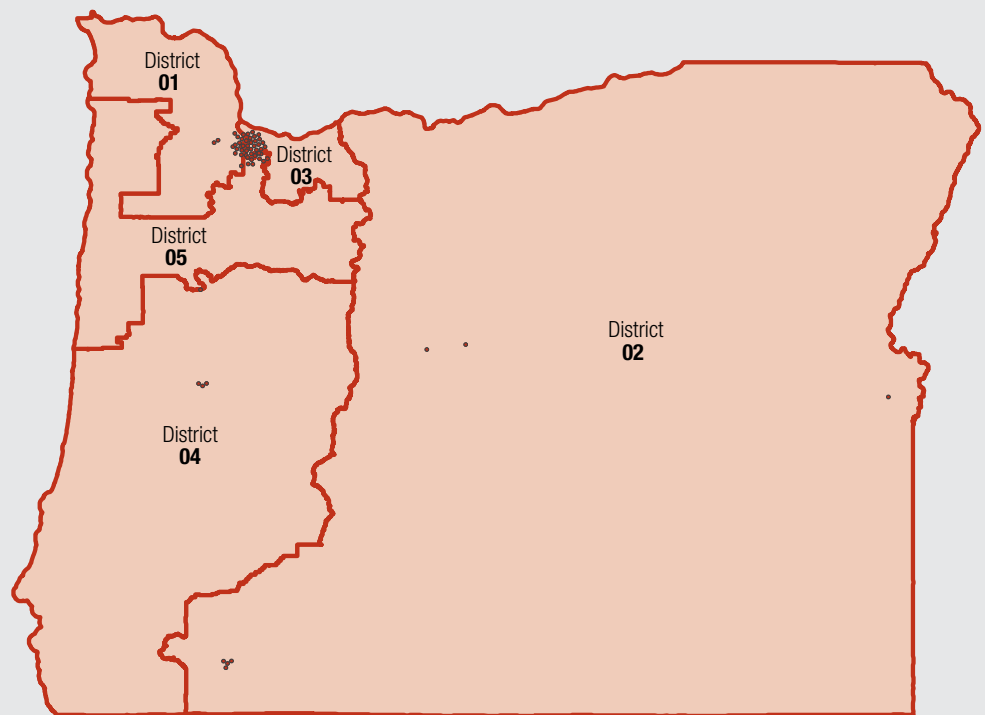
State: Oregon

Vendors by Congressional District

Congressional District	Total
Congressional District 1	7
Congressional District 2	7
Congressional District 3	31
Congressional District 4	4
Congressional District 5	9
Grand Total	58

Oregon Vendors by Congressional District

District Location ●



Top City
Portland = 31

Note: The rest of the Hawaiian islands are all part of District 2.

Sources: Esri, DeLorme, NAVTEQ, TomTom, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), and the GIS User Community

Vendor Profile⁶

FEI Company

FEI Company designs, manufactures, and supports a broad range of high-performance microscopy workflow solutions that provide electron microscope images and answers at the micro-, nano- and picometer scales. For the oil and gas industry, the company combines multi-scale imaging capability with mineralogy and 3D flow modeling software to provide next-generation digital rock technology solutions for reservoir characterization. Headquartered in Hillsboro, Oregon, FEI has more than 2,600 employees, as well as sales and service operations in more than 50 countries around the world.

Numerous industry participants have used FEI's DualBeam systems in their research laboratories to improve their knowledge of and yield from unconventional sources of oil and gas, including shale reservoirs. Key industry participants use the company's 3D modeling software and mobile reservoir characterization solutions. As the use of digital rock technology for reservoir characterization spreads, FEI believes it can significantly improve the recovery rates from both existing and new fields.

fracturing, or "fracking," and horizontal drilling. Total jobs supported by these activities in Oregon reached 8,912 in 2012. The job total is projected to climb to 15,620 in 2020 and to 18,472 in 2035.⁴

And Americans, including the people of Oregon, get it. A random interactive

telephone poll of 1,012 registered voters across the country, conducted on behalf of the American Petroleum Institute, found that 77 percent of Americans, regardless of party affiliation, support increased production of domestic oil and natural gas resources.⁵

4. IHS Inc., "America's New Energy Future: The Unconventional Oil and Gas Revolution and the U.S. Economy," Washington, D.C., December 2012.
5. "What America is Thinking on Energy Issues." <http://www.api.org/news-and-media/news/newsitems/2014/july-2014/voters-say-us-should-do-more-to-develop-oil-natural-gas> the results of a national poll conducted by Harris for API July 10-13, 2014. Click on "National poll" to see how percentages of voters answered this and other questions..



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6. From the 2014 "API Onshore Oil and Gas Vendor Identification Survey" returns.

Congressional District 1

Alaska Tanker Company, LLC
Cobb Deedra
FEI Co
Graphic Products, Inc
Sheldon Technical Services, Inc
US BanCorporation Equipment
Finance
Zapproved, Inc

Congressional District 2

BTL Sales, Inc
Electrain, Incorporation
Office Pavillion

Pacific Crest Transformers, Inc
Sat-Pak Communications, Inc
Tucker Sno-Cat Corporation
UTI Transport Solutions

Congressional District 3

Abbottsfeld Industrial
Alaska Valve & Fitting Co
Calhoun & De Jong, Inc
Cartographics, LLC
Children's Creative Learning
Center
Con Way Freight, Inc
Corvel Corporation
Cummins, Inc

Express Employment
Professionals
Flightcom
Labarre Machine
Lower Willamette Group
Mascott Equipment Co
Northwest Pump & Equipment
Co
Pacific Power
PacifiCorporation
Pape Material Handling, Inc
Paul Brong Machine Works
Pre-1, LLC
Rocky Mountain Power
Rogers Machinery Company, Inc

Safety In Motion, Inc
Sause Bros Ocean Towing
Spence & Company, LLC
Standard Life Insurance
Sulzer Pumps Us, Inc
VGO, Inc
Webtrends, Inc
WMFDP, LLC
WSPP, Inc
Zick Technologies, Inc

Congressional District 4

Champion Technologies, Inc
Mei Rigging & Crating, LLC

Mpulse Maintenance Software
RER Enterprises, Inc

Congressional District 5

Easypower, LLC
ESA International, LLC
Ethicspoint, Inc
Gasgun, Inc
Mobile Radio Engineers, Inc
Navex Global, Inc
PMG Enterprises, Inc
Structured Communication
Systems In
The Portland Group, Inc