Alaska InvestNet Champions Entrepreneurship through the Power of Angel Investing

Entrepreneurship and innovation are vital components of a vibrant and robust economy. In November at the Hotel Captain Cook, Alaska InvestNet presented a program of the Ewing Marion Kauffman Foundation entitled The Power of Angel Investing: Starting an Angel Organization. The workshop detailed how Alaska could harness angel investors to promote entrepreneurship, business growth, economic development and diversification. Angel investors are accredited investors, usually independently wealthy individuals, who provide capital for a business start-up in exchange for equity ownership in the company. Angel investors are generally part of an angel investing group, or network, which provides capital and assistance to start-up businesses.

Angel networks are markedly different from venture capital organizations. First and foremost, the deals are much smaller. The average outlay of venture capital is approximately $7 million. Angel investors operate and provide capital to companies needing about $500,000 up to roughly $2 million. This capital is seed money to start-up the companies. These businesses typically have more risks associated with them than the companies venture capital outfits are engaging. Because of these risks, by and large, angel investors are extremely active with their seed money to start-up the companies. These businesses typically have more risks associated with them than the companies venture capital outfits are engaging. Because of these risks, by and large, angel investors are extremely active with their seed money to start-up the companies. Angel investors conduct due diligence of the companies in which they invest and angel investors also provide mentorship and technical assistance to these young companies on business models, marketing, operations, and other business functions. In this way, angel investors are much more than a source of investment capital. Angel investors are pro-active in the development of entrepreneurial efforts and business growth in their communities.

Sue Preston, an Entrepreneur-in-Residence at the Kauffman Foundation was the workshop’s lead presenter. She discussed how investors in Alaska could form an angel investing group - an angel network that provides capital and assistance to entrepreneurs trying to start-up potential Alaskan businesses.

The workshop made an impact in Anchorage. Later that month, Alaska InvestNet hosted a Venture Forum where six very early stage companies pitched their business ideas to a room of over 20 accredited angel investors. The face time with potential investors was invaluable not only in the pursuit of early stage capital but also because of the exposure and mentoring the companies received. The success of the Venture Forum marks the beginning of great interaction between private capital and entrepreneurship in Alaska. Alaskan private equity investments keep economic development and diversification.

Axios, LLC
Alaska Performance Excellence Program

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A Journey of Excellence

Since the Sisters of Providence arrived in Alaska in 1902, Providence has provided high-quality healthcare for Alaskans. Our core values of respect, compassion, justice, excellence and stewardship guide our organization today—and our commitment to service drives our ongoing pursuit of excellence. As we begin the New Year, we reflect on 2006 and look forward to new ways Providence can serve Alaska’s health care needs.

Our dedicated employees are the foundation of our success—whether teams of highly skilled nurses and physicians, or the person who serves you lunch or vacuums the hallway. Through our committed employees, we continuously refine our processes and ourselves against the nation’s best. These initiatives for process improvement demonstrate measurable results for Alaskans.

In February 2006, we implemented the Providence Early Assessment Team, a rapid response team designed to prevent cardiac arrests and other emergency situations, in eight major care units. Nurses and physicians can call the team any time and for any reason. Since PEAT’s inception, cardiac arrests on those units have decreased by more than 50 percent. Because of PEAT’s success, VHA Inc., the national health care alliance, awarded Providence Alaska Medical Center the Performance Improvement Team Award.

The Providence Heart Center provides another example of award-winning care. Our outstanding performance and outcomes resulted in a 2007 HealthGrades Cardiac Surgery Excellence Award”, ranking us among the top five percent nationally for heart surgery and best in Alaska for overall cardiac services. As part of its ninth annual Hospital Quality in America study, HealthGrades independently analyzed more than 5,000 hospitals, objectively assessing their clinical outcomes and quality. In addition to HealthGrades, PAMC was named a 2006 CareScience Select Practice Customer Quality Leader in the area of heart failure. These awards demonstrate a commitment to excellence by our employees, physicians, and clinical teams.

Our employees are our strength. For the second consecutive year, Working Mother magazine named PAMC one of the nation’s most family-friendly companies. We joined IBM and Johnson and Johnson in the list of Fortune’s Top 100 list released in October 2006. The Working Mother 100 Best Companies ranking is considered one of the most important benchmarks for work/life practices in corporate America.

As we continue our partnership with Alaska, we are working to provide new services and technology. Our new comprehensive cancer center, opening in late 2007, is one such example. Through that facility, we will provide quality cancer care that Alaskans once had to travel out of state to receive, thus keeping patients and families close to home as they journey through cancer diagnosis and treatment.

As Alaska’s largest healthcare provider, we take seriously our commitment to our community. And as we continue to grow, we will always maintain the spirit of loving service that first guided the Sisters of Providence to Alaska more than 100 years ago.

Thank you to our 2007 Annual Forecast Luncheon Sponsors! Primary Sponsors:

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Alaska Small Business Development Center Introduces Alaska Performance Excellence Program

APEX is a new program of the Alaska Small Business Development Center designed to create a community of organizations and individuals dedicated to performance excellence in Alaska. The program aims to promote excellence practices in Alaska businesses, government, not-for-profit, Native, health care, and educational organizations; and support economic development, job creation, job retention, and improved competitiveness in Alaska. It is funded by charitable contributions from BP and ConocoPhillips through the University of Alaska Foundation.

APEX design and processes are based upon the Baldrige National Quality Program (BNQP) and designed to provide specific measurable criteria for organizations throughout Alaska in the areas of Leadership, Strategic Planning, Customer and Market Focus, Information and Analysis, Human Resources, Process Management and Results.

The criteria provide an integrated management framework, embracing the leading edge of validated management practices. There are six sectors in which organizations can compete: Business (three sectors: Manufacturing, Small Business and Service), Education, Health Care and Non-Profit (new in 2006). APEX promotes a systematic approach for fact-based improvement initiatives, social responsibility, ethical behavior, benchmarking of processes, measurable results and improved effectiveness. This approach provides accelerated change through competition and examiner feedback.

APEX will offer three award levels to help applicants improve their performance. The first level will consist of a one-day workshop where the applicant will review their self-assessment, learn about the criteria and complete a snapshot of their organization. The next award level will include the evaluation of a 25-page application and feedback report from trained examiners, identifying strengths and opportunities for improvement. The top award level will include a 50-page application with feedback from trained examiners. An optional site visit will be available for the top two award levels. The site visit will provide additional clarification and validation of the applications.

APEX’s incubation cycle will span three years during which a state performance excellence award program, tailored specifically for Alaska, will be designed. The first year of statewide competition is projected for 2008. After the first year’s competition, the program will continue to conduct annual competitions to allow organizations to continue improving their performance. In 2009 APEX will be spun-off as an independent self-sustaining organization.

A dedicated group of Alaskans are serving on the APEX Board of Overseers to assure that this program meets the needs of Alaska’s organizations. Most of the Board are either Baldrige Examiners or members of the American Society for Quality. They represent all this program meets the needs of Alaska’s organizations. Most of the Board are either Baldrige Examiners or members of the American Society for Quality. They represent all

Questions about the program may be directed to Ben Park, CEO of APEX, 907-748-7919 or via email at apex@uaa.alaska.edu. For general information, visit APEX’s website at www.alapex.com.

Municipality Unveils Final Draft of the Downtown Comprehensive Plan

The Municipality unveiled the final draft of Anchorage’s new Downtown Comprehensive Plan at public meetings in December. The next step will be completion of revised land use regulations to help implement the plan. The new plan and regulations will be submitted for public hearings before the Planning and Zoning Commission and then be forwarded to the Anchorage Assembly for adoption in early 2007.

The plan has been 18 months in the making, with input received from more than 75 citizen and professional working groups. Neighboring groups, shoppers, small and large business owners, transportation interests, Alaska Natives, hotel operators, tour buses companies, public safety specialists, developers, people with special needs as well as municipal agencies and many other community groups have participated in the plan’s development.

The plan identifies goals and strategies to position Downtown Anchorage as a vibrant northern 21st century city. Downtown possesses many assets: a compact, walkable area; cultural facilities such as the PAC and the museum; popular restaurants; excellent hotels; many civic/government facilities; and a beautiful natural setting. The plan seeks to build upon the assets while overcoming challenges such as narrow sidewalks, fast-moving traffic (intimidating to pedestrians), seismic constraints, perceived lack of parking, and tourism’s seasonality.

The plan calls for the construction of more housing downtown, targeted to a variety of income levels, to boost commerce, sense of community, and to create more round-the-clock vibrancy. Another strategy is to spur new development, well-designed for a northern climate, by focusing efforts at four key catalytic sites and at a number of locations identified as opportunity sites.

A successful downtown is people-filled, and Downtown must provide amenities, goods, services, and attractions that appeal to persons of varying ages, backgrounds, and incomes. For example, the plan suggests that Anchorage may want to develop an indoor public market and cultural center with a new transit center. The plan also points out the need to have a retail mix that appeals not only to out-of-town visitors but also to local residents.

The plan also emphasizes the need to activate the ground-level environment to make the area interesting to pedestrians. New developments should have ground-level windows rather than blank walls. The plan also suggests constructing wider sidewalks, adding lighting and benches, and installing heated sidewalks in key pedestrian areas. Additionally, the plan identifies a number of traffic-calming measures, but some measures are contingent upon other events occurring first, such as completion of the freeway-to-freeway connection to remove much of the through traffic that presently travels through Downtown.

Anchorage’s setting is stunning and unique, and the plan proposes development standards designed to respect the natural environment, protect views, and maximize winter sunlight. Of course, achieving the plan’s vision depends upon a clear, sensible regulatory framework with codes and guidelines that provide clarity and flexibility for the development community. Thus, new downtown development regulations are being developed in tandem with the plan.

For more information on the plan, please go to: www.muni.org/planning/CBD_Main.cfm
UAVs Have Landed in Alaska

Picture this. A lightning strike during a scorching July sets ablaze over 5,000 square miles of forest in Interior Alaska. Firefighting resources gather near the area to stop the fires, but with such a large area to engage, it is difficult for firefighters to make resource utilization decisions. Unmanned aerial vehicles are brought on-scene to help. They quickly deploy above the fire and collect and relay infrared imagery back to firefighters on the ground. Firefighters analyze the imagery and dispatch resources to fight the blaze. The fire is soon brought under control.

Similar events occurred in Alaska in 2004. The 2004 Boundary Fire near Fairbanks is an example of the types of civil and commercial applications unmanned aerial vehicles, or UAVs, can provide Alaska. The Coast Guard brought a UAV to Alaska as a proof of concept demonstration. Originally tasked for fisheries monitoring, the UAV was sent to the fire scene with the help of the University of Alaska Fairbanks’ Poker Flat Research Range. The vehicle’s extensive imaging capabilities provided firefighters real-time imagery on fire locations, fire movement, and hot spots. Firefighters then used this information to combat the blaze.

The civil, commercial, and military marketplace for UAVs is poised for tremendous growth in the coming decade, and Alaska already has a prominent position in the research, development, testing and evaluation (RDT&E) of the technology. Alaska is a fertile marketplace for civil and commercial UAV applications with significant business opportunities in minerals exploration, pipeline construction, scientific research, forest, fisheries, and wildlife management, homeland security, and tourism.

Alaska’s huge land mass is sometimes challenging for companies wishing to operate here. They must adapt to working in remote areas and in harsh and dangerous environments. These companies have learned to overcome these challenges by developing new technologies that enhance the scale, scope, and efficiency of operations. UAVs offer new approaches to familiar problems in planning and executing tasks in the remote locales, inclement weather, and hazardous environments of Alaska.

According to a market study conducted by the Teal Group, an aerospace and defense industries research group, money spent on UAVs will more than triple over the next decade. The United States should account for roughly 77 percent of the RDT&E spending on UAVs. The military has been the driving force behind UAV spending to date. There are approximately 1,000 UAVs in military service today.

UAVs could conduct border patrols along Alaska’s extensive coastline or they could assist in search and rescue missions. Natural resource managers could task UAVs to survey and monitor wildlife, fisheries, and forests. Oil producers could use UAVs to track marine mammals during offshore operations or deploy them in minerals exploration as remote sensing platforms. Telecommunications companies could provide wireless communications coverage to remote areas using UAVs operating at high altitudes. UAVs can monitor the trans-Alaska pipeline for security purposes, and they can help plan the construction of a natural gas pipeline. The technology could be used in tourism marketing or provide coverage of the Iditarod. In the event of an epidemic or disaster, UAVs could be used for light cargo drop or the delivery of emergency medical supplies.

UAV manufacturers have also spent time in Alaska conducting RDT&E of their technologies. A recent Defense Week article detailed an agreement reached between the University of Alaska Fairbanks and Insitu, a Washington-based commercial manufacturer of UAVs, to use the Poker Flat Research Range for flight demonstrations. The article noted that both organizations will work together to demonstrate UAV applications.

Greg Walker, the Poker Flat Research Range manager, was quoted in the article as saying “Alaska is an ideal location for UAV operations due to the many civilian missions that can benefit from unmanned systems. Insitu’s platform gives UAF the operational capability to meet civilian UAV requirements, and it is also a good test bed as we consider approaches to airspace integration.”

Despite these issues, experts have still forecasted tremendous UAV growth over the next decade. Alaska is an outstanding location for RDT&E of UAV technologies. UAVs offer ways to sustain missions over long distances, in remote areas, and under harsh conditions. Alaska’s expansive geography and airspace make it an ideal site to explore and resolve airspace integration issues, and UAF is beginning to explore these very issues at its Poker Flat Research Range.

Springboard, a program of the Juneau Economic Development Council, links small businesses with technology initially developed by federal organizations and defense laboratories with viable commercial application. Springboard has been successful with several Alaskan companies in harnessing this technology transfer program. Springboard could partner with Alaskan-based companies looking to seize business opportunities with UAVs and commercialize UAV technologies. As the global market for UAVs develops, so too will the market develop here in Alaska.

In May 2007, the National Weather Service in Anchorage will host a UAV Conference bringing together the various companies and organizations with interest in the application and issues surrounding the systems. The developing markets for unmanned aerial vehicles could provide new business opportunities and new jobs to Alaskans.

ATT Alascom to Donate Video Conferencing Services to Soldiers in Iraq

As 2007 dawned, ATT Alascom was excited about a new opportunity to further connect military families in Alaska with their loved ones deployed overseas. Call centers at Fort Richardson and Elmendorf Air Force Base are now open for family members to speak to their deployed soldiers in Iraq free of charge. But now, they’ll have the added bonus of being able to see each other as they converse.

Together with a New York-based nonprofit organization called Freedom Calls Foundation and the Alaska Armed Services YMCA, ATT Alascom is making it possible for soldiers and their families to communicate not only on the telephone, but to see each other face-to-face as they speak, thanks to live video conferences. This technology will allow a soldier to be present via live satellite feed for a special occasion like the birthday of a spouse or child, an anniversary or any other memorable event that otherwise would be missed.

Each organization had a role in the new project’s success. ATT Alascom installed the communications centers at Fort Richardson and Elmendorf Air Force Base. The company also donated the software, webcams and Internet bandwidth needed, plus the engineering required to get the technology up and running. The software converts laptops into video conferencing units which can also be connected to flat screens or projectors. Freedom Calls managed the installation of the communications facilities at three locations in Iraq – Al Asad Air Force Base, Camp Taji and Camp Fallujah. The Alaska Armed Services YMCA provided the locations and donated the laptop computers.

This is the latest example of ATT Alascom’s continued efforts in using its technology and partnerships to keep the military connected to those back at home. In May 2006, ATT Alascom also captured eight Anchorage area high school graduation ceremonies and streamed them to the Internet for live and on-demand viewing by deployed soldiers located anywhere in the world.

ATT Alascom has a long history of helping support members of the U.S. Armed Forces and their families. The company has donated and distributed thousands of free, prepaid phone cards to service members over the past several years. In March 2006, ATT Alascom produced a custom-designed military phone card that was increased from 30 minutes to 100 minutes.

ATT Alascom, Freedom Calls and the Alaska Armed Services YMCA are proud to work together in support of the dedicated men and women who are serving our country, near and far.