



Progress
Report

2nd Quarter

2013

Executive Overview • Business & Economic Development
Communications • Campaigns • Development

Ending June 30, 2013

Executive Overview

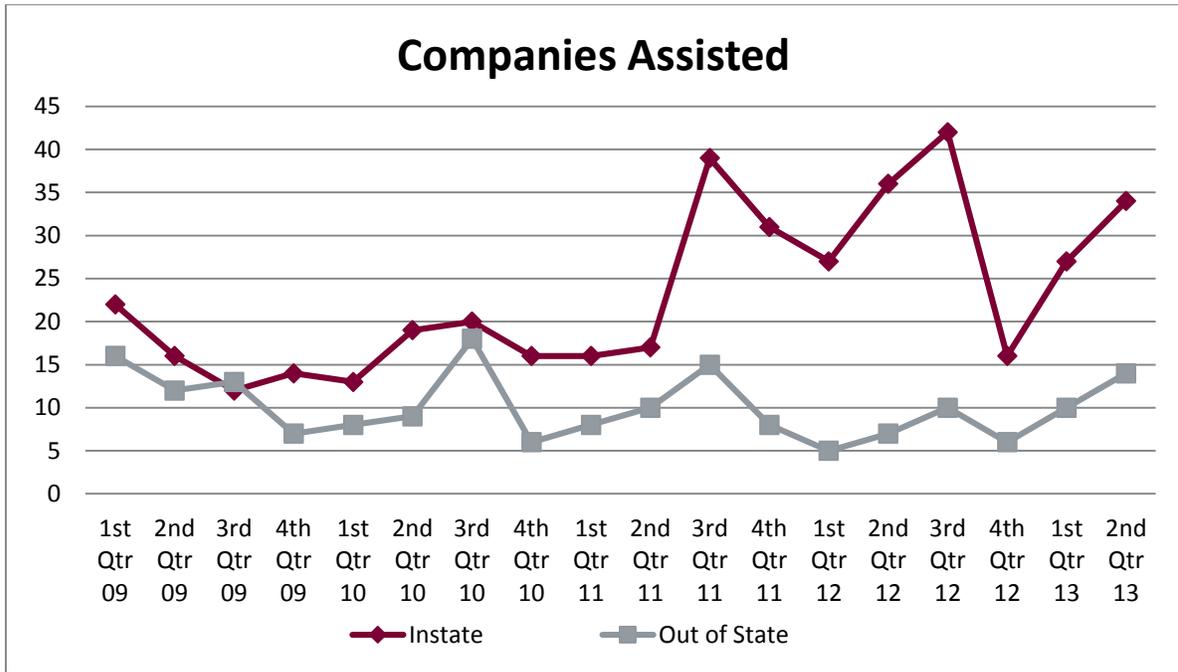
AEDC completed a successful period in the 2nd quarter. Highlights include:

- Assisted 28 in-state and 13 out of state businesses seeking information, contacts and partnerships in the Alaska business community. Out of state companies assisted include CAP Logistics, Data Exchange Corporation and a national commercial real estate brokerage. Additionally, AEDC assisted a substantial number of in-state companies, including an insurance agency looking to expand in the Anchorage market, as well as numerous entrepreneurs and startup businesses.
- AnchorageProspector.com saw 122 more visitors, 137 more unique visitors and 185 more page views in Quarter 2 of 2013 than in Quarter 1. Access to the Prospector tool has been increasing, with over 50 percent of all visits originating from websites other than AEDC's site.
- **AEDC's Crowdfunding Seminar was a great success. Attendees heard Kevin Lawton**, an expert on crowdfunding and author of The Crowdfunding Revolution, speak about how crowdfunding is transforming access to capital and Alaska crowd funders Kait Reiley (PopCycle), Nathan Shafer (Exit Glacier AR app) and Alex Sheshunoff (FoodStart.com) offered advice on how to successfully crowdfund a project. More than 80 people attended the event.
- The Anchorage economy and AEDC was highlighted in 111 stories across multiple media for a total media value of \$2,759,840 and 77,822,099 total impressions.
- AEDC attended editor briefings in New York City with nine different publications.
- The January renewal campaign raised \$256,750 in membership revenue. AEDC has seven new members.
- The Resource Extraction event was a success with Northrim Bank as our sponsor and approximately 200 people in attendance.
- A Live.Work.Play summit was held on April 3 and existing and potential partners provided their feedback and suggestions going forward. This led to an overhaul of the LWP structure and strategies. The initiative is now progressing in the action phase under six key Areas of Focus and through self-selection process.
- Around forty LWP supporters have sealed their commitment by signing a non-binding Memorandum of Understanding with AEDC. More partners are likely to sign in the coming weeks.

Business & Economic Development

Businesses Assisted

- 2013 Total Businesses Assisted: 78
 - In-State: 40
 - Out of State: 18
- Total 2013 2nd Quarter Businesses Assisted: 41
 - In-State: 28
 - Out-of-State: 13
- Total 2013 1st Quarter Businesses Assisted: 37
 - In-state: 27
 - Out of State: 10



A selection of businesses assisted:

CAP Logistics

CAP Logistics, a Denver, CO based freight forwarder specializing in expedited deliveries to resource extraction clients, desired information and connections regarding possible partnerships in Alaska. AEDC connected the company with business leaders from a variety of logistics providers throughout the state, as well as information about Alaska’s logistics industry.

Data Exchange Corporation (DEX)

AEDC provided the renewable energy division of DEX, an international electronics repair firm, with information regarding current renewable energy projects in Alaska, as well as contacts regarding these projects.

Confidential Real Estate Brokerage

AEDC assisted a commercial real estate brokerage based in the Lower 48 that is representing an Anchorage client looking to expand their operations. AEDC discussed viable sites for their client’s operations and connected the brokerage with several local real estate brokers regarding the development. The project is ongoing.

Other Projects/Programs

Site Selector Familiarization Tour

In May, AEDC brought three nationally-renowned site selection consultants from New Jersey and Texas to familiarize them with Alaska’s economy. During their trip, the consultants met with numerous business leaders and public officials in Anchorage, Fairbanks, and the Mat-Su. The trip also included tours of the Port of Anchorage, UAA and UAF.

Alaska Hackathon

More than 30 computer program developers gathered for AEDC’s 2nd Alaska Hackathon. This Hackathon was focused on nonprofit projects. Highlights include an augmented-reality app for the Anchorage Community Land Trust identifying publicly available art in the Mountain View neighborhood and a geolocation app for the Anchorage Park Foundation allowing users to identify

and track invasive species in public parks. The 3rd Alaska Hackathon is planned for August 3-4, as part of Alaska Entrepreneurship Week.

Alaska Entrepreneurship Week

Alaska Entrepreneurship Week is a statewide initiative being spearheaded by AEDC. Numerous events are planned, including the inaugural Anchorage Mini Maker Faire, the 3rd Alaska Hackathon, the Business Pitch-on-a-Train competition and the 2013 Economic Outlook Luncheon. Additionally, numerous other events are being held throughout the state by partner organizations, including a Pitch in a Pub (Fairbanks), an Exit Planning Seminar (Anchorage) a Crowdfunding Lecture (Fairbanks).

Chinese EMBA Tour

In August, approximately 11 Chinese executives connected with Nankai University's Executive MBA program will travel to Alaska to make connections with Alaska business leaders and learn about the State's economy and potential business opportunities. Hosted in conjunction with the Alaska World Trade Center and the Fairbanks Economic Development Corporation (FEDC), the attendees will spend two days in Anchorage and one day in Fairbanks attending industry presentations and networking with business leaders. The trip attendees come from a wide variety of industry backgrounds that include logistics, finance and construction.

Research

Anchorage Prospector



Usage of AnchorageProspector.com in Quarter 2 of 2013 was up in most categories over Quarter 1 of 2013. There were 122 more visitors, 137 more unique visitors and 185 more page views, while the average pages per visit and visit duration stayed virtually unchanged. Nearly 50 percent of traffic to the site originated from websites other than anchorageprospector.com or AEDC's.

AEDC's has expanded the Prospector coverage area statewide and can now be accessed through the web domain AlaskaProspector.com. A rollout and public relations campaign is scheduled for the beginning of 2014 to coincide with the release of a number of new online tools and the January Luncheon.

UAA/CTC Roundtable Report

AEDC was contracted by UAA's Community and Technical College to conduct a series of roundtable discussions focused on the workforce development needs of local businesses, specifically in the retail and tourism industries. Three sessions were held, with more than seventy attendees overall. The project culminated in a report summarizing the findings of the discussion, which was released in late June.

Alaska Data Commons Project

Steady progress is being made to implement this project, which would allow for the collection, sharing and analysis of various data sets through one website. A vendor has been selected (Socrata, Inc.) and a proposal for potential partners has been drafted. A major source of first year funding is being pursued at this time, and its availability should be confirmed early in Q3. Once this is in place, the proposal will be put forth to the expected participants, and the final go/no go determination will be made. This outcome is expected by the end of Q3.

Port of Anchorage Research Project

AEDC has completed its survey for the Port of Anchorage (POA) of the business community to gauge perceptions of the POA and how POA contributes to their business's operations. The draft final report was presented to POA during the second quarter and was well received. Minor edits were required and the report is being finalized, with a presentation scheduled with the POA in Q3.

Monthly Employment Reports

Three reports were produced this quarter providing the employment figures and narrative for the Anchorage area. The graphics, formatting and content continue to be upgraded to provide a more dynamic document. Infographics for the website and social media platforms were also created to increase the visibility of the report.

Anchorage Consumer Optimism Index

The 2013 Q1 report was released in early May.

2013 10 Year Resource Extraction Report

This year's report was released at a reception at the Captain Cook on May 1.

Anchorage Comprehensive Economic Development Strategy (CEDS) Report

AEDC has completed this year's update to the CEDS report and submitted it to the Economic Development Authority at the end of June. The CEDS Report allows the MOA to qualify for federal funding through the Economic Development Authority (EDA). Since 2009, AEDC has helped gather more than 140 metrics tracked by a variety of stakeholder groups, including UAA, the Anchorage Municipal Library, and the Anchorage School District.

The report is designed to be a five year document, and this was the final year of this report's revisions. Talks will begin with the EDA and Anchorage Municipality in Q3 to discuss the creation of a new CEDS report for the next five year period.

Outside Research Assistance

A number of businesses and individuals contacted the research department for assistance this quarter, including:

- CH2M Hill
- Capital Management Network
- Stuart Bond
- Kesia Pitt
- Newmark, Grubb, Knight, Frank
- Eklutna, Inc.
- Foraker Group
- Mapping Solutions

Communications

Public Relations

111 Placements | Value \$2,759,840 | Reach 77,822,066 | ROI 129:1

The Anchorage economy and AEDC was highlighted in 111 stories across multiple media outlets for a total media value of \$2,759,840 and 77,822,066 total impressions. Thirty stories were national stories that ranged in publications from Fast Company to Popular Science and Martha Stewart Living.

Select Recent Media:

[“What’s Hot in Alaska: Why the frigid north is becoming the new home for rising startups”](#) – Fast Company

[“Anchorage, Alaska”](#) – Martha Stewart Living

[“More Households Confident in Anchorage Economy”](#) – Chicago Tribune

[“The Engineering Fix: Engineering Triumphs Over Wave and Tidal Force”](#) – Popular Science

[“Ten Best Cities for New Grads”](#) – Kiplinger

[“City on the Move”](#) – Alaska Airlines

[“Anchorage housing is too expensive: Eielson’s personal would see big bills or long commutes”](#)
– Fairbanks Daily News Minor

[“FedEx to cut Trans-Pacific flight at Anchorage cargo hub”](#) – Alaska Dispatch

[“AEDC has released its 2013 Resource Extraction Report”](#) – ADN.com

[“Anchorage businesses pour millions into summer construction”](#) – KTUU

[“City looks to the future of Ship Creek”](#) – Anchorage Daily News

[“Anchorage Economic Development Corporations says February Reports Show Good News for Anchorage”](#) - KTUU

[“Anchorage Color Run Leaves Charity, Businesses Flush with Funds”](#) – KTUU

[“How Cree Perfected the 20-Year Lightbulb”](#) – Forbes

[“2013 Alaska Heat Wave: Record-Breaking Temperatures Bake 49th State”](#) – Huffington Post

In April AEDC traveled to New York City for a press trip to meet with editors and publications. AEDC traveled with Thompson & Co. and was joined by Visit Anchorage for several editor briefings. In two days AEDC met with nine publications. The publications AEDC met with Wall Street Journal, Popular Mechanics, Entrepreneur Magazine, Travel & Leisure, Bloomberg BusinessWeek, Conde Nast Traveler, Bloomberg News, Cruise Critic and Food & Wine.

Popular Mechanics actively sought out a local innovator to get him involved in an event they sponsor after our meeting. Entrepreneur Magazine will be publishing a story on an Alaska entrepreneur this fall that was a result of our meeting.

Electronic Media

E-Newsletter

The AEDC E-Newsletter was sent out four times to more 1,400 recipients in Quarter Two and showed an average open rate of 20.88 percent, and a click rate of 5.24 percent.

E-News

| | 2012 Quarter 3 | 2012 Quarter 4 | 2013 Quarter 1 | 2013 Quarter 2 |
|-------------------------|-------------------|-------------------|-------------------|-------------------|
| Total Recipients (Avg) | 1,420 | 1,446 | 1,450 | 1,440 |
| Recipient Opens (Avg) | 366 | 300 | 305 | 296 |
| Percentage Opened (Avg) | 25% | 26.2% | 21.4% | 20.88% |
| Click Rate (Avg) | 3.4 % | 3.1% | 4.26% | 5.24% |

Website

| | 2013 Quarter 2 |
|--------------------------|-------------------|
| Visits | 6,758 |
| Absolute Unique Visitors | 4,482 |
| Page views | 13,740 |
| Avg. Time On Site | 2:27 min |
| Bounce Rate | 55% |
| New Visits | 58% |

WEBSITE GLOSSARY TERMS

- Visits = Number of visitors to website
- Absolute Unique Visitors = Number of unduplicated visitors (counted only once) to website
- Page Views = Number of times website is viewed
- Avg. Page Views = Average number of times website pages viewed
- Avg. Time On Site = Average amount of time visitor spends on website
- Bounce Rate = Percentage of visitors that leave site from home page
- New Visits = Percentage of visitors on website for the first time (measured by web browser cookie)

Social Media

AEDC's social media continues to see a rise in interaction. During Quarter 2 AEDC's Facebook followers increased to 711. Twitter increased to a total of 1,811 followers, up 159 from Quarter 1. AEDC has begun using LinkedIn to share information and gained 140 followers in Q2.

Facebook

711 Likes (+73)
1,190 Total Page Views
51 External Referrers

Twitter

1,811 Followers (+159)

LinkedIn

420 Followers (+140)
187 Page Views

Campaigns

Live. Work. Play. Initiative

LWP was originally structured as three distinct Live, Work and Play committees convening in their respective area and championing one or more of the initial thirty three metrics. However, at a summit on April 3, 2013 the LWP members discussed their current set of metrics and considered the LWP Aspirational Narrative. A number of questions were raised and feedback provided regarding the two documents and their relationship with each other and to the overall program.

Members unanimously agreed that the narrative should remain the fundamental reference document but there was strong inclination to break away from the three silos and have the opportunity to

work across the board. Since all issues are interrelated by cause and effect, it seemed more effective to have a continuum between the three aspects.

All feedback and suggestions provided at the summit were considered by the LWP Steering Committee and a new LWP philosophy was born which led to working across the Areas of Focus where a number of issues were merged and partners self-selected their participation. The LWP Areas of Focus are:

- Education, Housing, Workplace Wellbeing, Big.Wild.Trails, Creative Placemaking and Community Safety.

Diversity was highlighted as a crucial aspect of Anchorage community, making it a special place. It was suggested to be interwoven within the fabric of LWP.

Around forty LWP supporters have sealed their commitment by signing a non-binding Memorandum of Understanding with AEDC. More partners are likely to sign in the coming weeks.

The Steering Committee membership was also expanded by the Chair Mike Prozeralik in recognition of the six Areas of Focus and to ensure adequate representation for each of them is available at the Committee level. The Committee members are:

- Mike Prozeralik - LWP chair (president, kpb Architects)
- Bob Heinrich - ConocoPhillips Alaska
- Beth Nordlund - Anchorage Park Foundation
- Michele Brown - United way of Anchorage
- Curtis McQueen - Eklutna Inc.
- Lynn Rust Henderson - Premera Blue Cross Blue Shield of Alaska
- Stewart Osgood - DOWL HKM
- Andrew Halcro - Anchorage Chamber of Commerce
- Jim Hasle - BDO USA LLC
- Chris Schutte - Anchorage Downtown Partnership
- Suzzane Cherot - Birch Horton Bittner & Cherot

LWP supports are invited to engage with and contribute to each of the six Areas of Focus via self-selection. An intensive Strategy session for Action Plan for each Area of Focus is scheduled to be completed by July 19.

Development

Events

- The 10 Year Resource Extraction Projects Projection event was held at the Captain Cook Hotel with 200 people in attendance.
 - Northrim Bank was the sponsor of this event.
 - Senator Begich attended and spoke in person; Senator Murkowski presented a video
- Assisted the Business & Economic Development Dept. with site selection tour in May; the April Hackathon, the Crowdfunding event at the Bear's Tooth Theatre.
- Began planning for Entrepreneurship Week events including:
 - Mini Maker Faire, July 27
 - Outlook Luncheon, July 31
 - Pitch on a Train, August 1
 - Hackathon, August 2-4

- \$92,000 has been raised for these events out of a budget of \$125,000

Investor Relations

- To date AEDC has 14 new members with 6 having dropped.
- The prospect list will be distributed at the August meeting for campaign calls to happen during the Sept membership drive
- The Investor Relations Committee recommended that a new restricted level of \$250 for screened entrepreneurs be implemented.