



BUSINESS to BUSINESS

ALASKA CHAMBER

SEPTEMBER
2016

Chamber takes a listening tour of Southeast Alaska



PHOTOS COURTESY ALASKA CHAMBER

CLOCKWISE FROM LEFT: While in Craig Curtis toured Viking Lumber, a family-owned lumber company on the west side of Southeast's Prince of Wales Island. It has 45 full time employees and generates an estimated \$7.8 million in annual revenue. While in Wrangell Curtis and Caroline visit with former Governor and former Alaska Chamber Board Chair Frank Murkowski and his wife Nancy. During their time in Ketchikan, Curtis and Caroline toured Vigor Alaska. One of the most modern shipyards in the U.S. it serves as an excellent year-round location for new builds repair and refit to support nearly any vessel working Alaska's waters. While in Wrangell, Curtis visited with the board members of the Wrangell Chamber of Commerce. Curtis visited with Prince of Whales Chamber of Commerce Office Manager Wendy Hamilton. Since 1991 the Prince of Wales Chamber of Commerce has been dedicated to wise use and development of resources and providing the public with information about Prince of Wales Island.



By Curtis Thayer
Alaska Chamber President & CEO

You never know exactly what you'll find when you travel Alaska. Sure, you can make some assumptions based on the communities you'll be visiting, but the sky is the limit if your goal is to engage with Alaskans on business opportunities and challenges they face.

Will folks expect you to give some kind of speech?

What topics have a meaningful, bottom-line impact at their business?

I spent the first half of August traveling through Southeast Alaska and it quickly became apparent that I wasn't going to have to drive the conversation. This trip was a listening tour — an eye opening reaffirmation of what I've heard from Alaskan employers across the state.

Southeast Alaska is ready to work!

It's probably safe to say that most people think first of oil when talking about Alaska industry. And make no mistake; the oil industry labors under more than its fair share of infrastructure challenges and regulatory burdens.

But if traveling the state has taught me anything it's that Alaska business people are all in a very similar boat.

You want to learn just how onerous regulations can be, spend day with the harbor masters in Ketchikan and

Wrangell, or talk to Vigor Shipyards building two Alaskan ferries. I think some people feel that companies and chambers of commerce are beating a dead horse when it comes to unconscionably inefficient permitting processes. But that horse is very much alive for Bryce Dahlstrom and Viking Lumber.

And from fishing to timber and mining to tourism, Southeast's story echoes what I've heard in other parts of Alaska. You have to work hard to attract good people, and it's crippling expensive to provide them good benefits. Public processes stand in the way of new development.

And there is real desire to engage in a meaningful conversation on a sustainable fiscal plan for the state. There is concern that potential new taxes will be harmful to small business and could drive them out of business.

My trip through Southeast was definitely a listening tour. And what I heard from the Alaskan men and women that create jobs in Ketchikan, Thorne Bay, Craig, Klawock, Coffman Cove, Wrangell and Petersburg is an endorsement of the Chamber's mission to promote a positive business environment in Alaska.

Special thank you for Caroline Higgins (Past Board Chair) and her husband Tom Brady with Microcom for making the trip possible aboard the M/V Silver Bay.

Save the Date PLAN TO ATTEND!

2016 Fall Forum*

October 11-13, 2016
Kenai, Alaska

2017 Legislative Fly-In

January 25-26, 2017
Juneau, Alaska

**Registration is open for the 2016 Fall Forum. Register today at alaskachamber.com. Space is limited!*

OUR MISSION & VISION

To promote a healthy business environment in Alaska. | To be the leading voice advancing Alaska Business.

From the President: Work to do this fall, and in the future

By Curtis Thayer
Alaska Chamber President & CEO

It's nice to move into the autumn season and the Alaska Chamber's fall events without the looming specter another special session.

We have elections coming, true. But now is the time to reflect on the busy summer season, renew our dedication to improving Alaska's business climate, and recognize some Alaska companies that stand out as examples of business excellence!

In this issue

I can't kick off this quarter's Business to Business without at least acknowledging that we still have work to do with regards to putting the State on a sustainable spending path before encumbering Alaskans with new and increased taxes.

Alaska businesses continue to identify public spending as the single most important priority for the Chamber. In his Message from the Chair, Board Chairman Casey Sullivan will touch on how public spending and Alaska's unnecessarily high cost of business impact Alaska's national competitiveness.

Once again, the Chamber has joined

ranks with members of the Alaska Business Report Card Group to issue final grades to the Governor and members of the 29th Alaska Legislature.

Pro-business performance will be as important as ever this fall in what promises to be a tumultuous general election.



THAYER

Look before you vote! And hold the candidates in your home and business districts accountable on their pro-business performance.

The business report card is a poignant measure of an elected official's performance on the issues and policies that impact

Alaskan livelihoods.

Look before you vote! And hold the candidates in your home and business districts accountable on their pro-business performance.

Alaska Chamber fall events

We have business to attend to this fall.

Our Fall Forum is a time to learn from like-minded business professionals from all corners of the state. It's where we establish the Chamber's advocacy platform — honing

the unified voice of Alaska industries, workers and employers.

In addition to our customary fall events, we're partnering up with our friends from Puget Sound as they visit Alaska for an Alaska and Puget Sound Leadership Summit.

I'm excited to host our Pacific Northwest

partners, and we even get to pass out some awards and have a little fun along the way.

Kenai is hosting the Chamber this year, and plan to join us from October 11-13 where we will illuminate the path forward for Alaska.

Three champions for Alaska business will be honored at the Awards Reception on Wednesday, October 12:

- the Bill Bivin Small Business of the Year award pays tribute to businesses that exemplify leadership, ethics and organization,
- the Local Chamber of Commerce of the Year award recognizes the consistent community involvement and excellent busi-

ness reputation of a local chamber of commerce in Alaska,

- and the celebrated and prestigious William A. Egan Outstanding Alaskan of the Year award is presented to individuals who have made substantial and continual contributions of statewide significance while working in the private sector.

The fall events will conclude this year with the Chamber's annual Policy Forum. All policy positions and priorities are advanced by individual Alaska businesses and ratified by Alaska's business community as a whole.

I spent a good deal of 2016 traveling the state. Having met with companies from all corners of Alaska, it's no surprise that many of our suggested positions advocate for responsible public spending.

It is also quite clear that businesses are burdened with intrusive policies at both the state and federal levels.

The Policy Forum is where these positions will come before Chamber members for consideration. Join us in Kenai this fall to ensure that your company and your industry have a seat at the table.

And lastly, if you are not yet a member of the Chamber, please do contact myself or Pete Nolan.

The Chamber is a strong, credible voice for Alaska business, and we'll be even stronger together.

From the Chair: Moving Alaska up. Voting Alaska forward.

By Casey Sullivan
Alaska Chamber board chair

While we know Alaska is truly the land of great opportunity, it unfortunately continues to rank in the bottom tier of "places to do business" in annual rankings from Forbes, CNBC and others.

Why?

Is it our geography?

Certainly our separation from the continental U.S. creates unique challenges for Alaska. Still, our nearest neighbors in the Pacific Northwest rank as some of the most business-friendly states in the union. We're not getting poor marks because of our location.

Is it because we're a resource state?

International oil prices have languished of late, but Forbes ranks the Dakotas and states like Texas as some of the *very best* states for business. Alaska's place in the global economy isn't all that different, and yet we continue to fail when compared to states with

similar advantages and opportunities.

So what is bringing Alaska down? How are we failing to compete against states with fewer resources and far less opportunity?



SULLIVAN

Forbes ranks Alaska 44th on its listing of attractive states — that's down six spots from the previous year. Two things that stand out in the Forbes rankings are Alaska's high cost of doing business and policies that create an anti-business economic environment.

Alaska fairs worse in CNBC's rankings, beating only economically challenged states like Mississippi and West Virginia. CNBC once again cites the high cost of doing business and adds a lack of critical transportation and economic infrastructure among its reasons for Alaska's 45th place ranking.

Alaska is a land of fantastic opportunity. But we've had a bad run of public policy proposals that beat up on private business.

We've had to work to make Alaska an unattractive business partner. We did it with policies that create uncertainty in the regulatory and investment environments. We did it with runaway public spending that State revenues simply cannot sustain.

The Alaska Chamber's mission is "to promote a healthy business environment in Alaska." We accomplish that mission by speaking as the leading, unified voice of Alaska business. That mission becomes so much more successful if our public offices are filled with policymakers that actively want to hear what makes Alaska companies competitive.

Last legislative session some strides were made — we started down the road to Medicaid reform and we saw some modest, yet hard-earned reductions to the State budget.

There is still a lot of work left to do. We are starting to get some traction on systemic reform of our broken Workers' Compensation system. We need to continue advocating for a responsible State budget and federal policies that allow Alaska to grow and develop.

Creating a statewide culture of pro-business attitudes, policies and reforms is a critical component in illuminating the path forward for Alaska. It's something that will move Alaska *up* in the rankings. It's something that we can all work toward together.

The Chamber represents the business community with the power and efficiency of a strong, unified voice. This fall, we each have the opportunity to lend the strength of our individual voices at polling stations across the state.

Elections matter!

We continue to work with our elected officials and public departments to advance a positive business environment in Alaska, and who we send to Juneau and D.C. this fall makes a difference. It impacts each of us at work and in our homes. It's our individual responsibility to vote for candidates that support a strong private sector economy and pro-business policies.

The Chamber represents you. Let's work together for a strong Alaska today and tomorrow.

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THE ALASKA BUSINESS REPORT CARD

Seeking Champions for Alaska's Economic Future



At the beginning of the 29th Legislature, each legislator and the Governor received a letter outlining the policy priorities and the leadership attributes the Alaska Business Report Card (ABRC) group would use to develop its consensus report card. Collectively, the ABRC group represents hundreds of firms and tens of thousands of employees from every major industry in Alaska. ABRC members include the Alaska Chamber, the Alaska Support Industry Alliance, Prosperity Alaska, and the Resource Development Council for Alaska, Inc.

The ABRC believes Alaska is in urgent need of strategic leadership to address the state fiscal crisis that is equally or more alarming as that faced by our federal government. With the Trans Alaska Pipeline System three-fourths empty, the low oil prices we have endured over the last 18 months, and state spending at levels that are unsustainable, Alaskans face tough times ahead unless decisive action is taken.

The ABRC grades recognize policymakers who understand and promote decisive action on Alaska’s twin economic imperatives of managing state spending down and, simultaneously, stimulating private sector investment in our basic natural resource industries. The policy priorities used to grade policymakers include strategic leadership, fiscal responsibility, maintaining stable oil taxes, encouraging efficient permitting and regulations, prudent planning for in-state infrastructure, and supporting a positive general business climate. ■

Learn more at alaskabusinessreportcard.com

ABRC Grades

House

Mike Chenault	B+
Matt Claman	F
Jim Colver	D
Harriet Drummond	F
Bryce Edgmon	D+
Neal Foster	D
Les Gara	F
Lynn Gattis	A-
David Guttenberg	F
Mike Hawker	*
Bob Herron	B
Shelley Hughes	B+
Craig Johnson	B+
Andrew Josephson	F
Scott Kawasaki	F
Wes Keller	B-
Sam Kito III	F
Jonathan Kreiss-Tomkins	F
Gabrielle LeDoux	D+
Bob Lynn	B-
Charisse Millett	B
Cathy Muñoz	C+
Ben Nageak	B+
Mark Neuman	B-
Kurt Olson	A-
Dan Ortiz	F
Lance Pruitt	A-
Lora Reinbold	B
Dan Saddler	A-
Paul Seaton	D-
Ivy Spohnholz	*
Louise Stutes	D
David Talerico	A-
Geran Tarr	F
Steve Thompson	B+
Cathy Tilton	B
Chris Tuck	F
Liz Vasquez	B+
Tammie Wilson	B+
Adam Wool	F

Senate

Click Bishop	A-
John Coghill, Jr.	A
Mia Costello	A-
Mike Dunleavy	A
Dennis Egan	D
Johnny Ellis	F
Berta Gardner	F
Cathy Giessel	A+
Lyman Hoffman	A-
Charlie Huggins	A-
Pete Kelly	A
Anna MacKinnon	A
Lesil McGuire	B+
Kevin Meyer	A-
Peter Micciche	A
Donald Olson	C
Bert Stedman	B+
Gary Stevens	B
Bill Stoltze	B-
Bill Wielechowski	F

Governor

Governor Bill Walker	D
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*Not enough information to grade.
Released July 29 2016

Welcome New Members

Alaska Marine Coatings, LLC

Founded in 2013, Alaska Marine Coatings brings quality cost effective coatings to the Alaska marine community while bringing jobs, training and revenue to all in our local community. Visit them online at facebook.com/painting-boats.

Alaska PTAC

Established in 1986, Alaska PTAC provides businesses with the training and tools needed to compete and perform successfully on federal, state, and local government contracts. In 2015, companies receiving assistance from Alaska PTAC reported securing over \$62 million dollars in contract awards. Helping business and government

do business is what they do. Visit them online at ptacalaska.org.

Armstrong Energy, LLC

Headquartered in Denver, Colorado, Armstrong Energy explores and produces oil and natural gas, and is in the early stages of developing new discoveries in the Colville River Delta area located between the 3.5 billion barrel Kuparuk River Field and the 700+ million barrel Alpine Field. Permitting work is ongoing for a three-pad development. Field production rates are estimated to be on the order of 120,000 barrels of oil per day.

Dr. (Colonel) Mical Kupke MD, MPH

Dr. Mical J. Kupke currently

serves in the U.S. Air Force as Commander of the Surgical Operations Squadron at JBER Hospital. She arrived from San Antonio Military Medical Center where she trained in emergency medicine. She has an extensive history in disaster and international medicine and planning. Currently Dr. Kupke supplements her command duties with clinical Fast Track/urgent care at the JBER emergency department, acupuncture in the Pain clinic, and occupational/aerospace medicine. She is board certified in occupational and aerospace medicine.

Paragon Interior Construction

Paragon Interior Construction is a Licensed General Contractor and the leader in the manu-

factured interior construction industry. Paragon is Alaska's premier DIRT (Doing It Right This Time) destination; here to help position your organization for adaptability, sustainability, and efficiency, all with style and ease. Visit them online at paragoninteriorconstruction.com.

Petroleum Club of Anchorage

Chartered in 1958 and located in the heart of Anchorage, the Petroleum Club of Anchorage is Alaska's premiere private dining establishment. Whether meeting for a casual lunch or a formal dinner the Club offers its Members a level of quality and refinement second to none. Visit them online at petroclub.net.

Pfeffer Development

A multidisciplinary commercial real estate development firm, Pfeffer Development's process guarantees price and delivery date of real estate projects up front, minimizing risk and ensuring a well-defined schedule for our clients. Visit them online at pfefferdevelopment.com.

TDL Staffing, Inc.

TDL has been in Fairbanks more than 25 years and is opening a new office in Anchorage. TDL works together with clients to place the right person in the right positions. Whether you need professional, medical, light industrial or administrative personnel, TDL can assist you in finding quality employees. Visit them online at tdlstaffing.com.



Illuminating the Path Forward

Alaska needs leadership, and the business community is poised to shine a light on Alaska's path forward through dark fiscal times.

Join us along with our Pacific Northwest friends on **October 11-13 in Kenai at the Challenger Learning Center of Alaska for our 2016 Fall Forum** — two day's of illuminating panel discussions and camaraderie, organized by one of the largest statewide membership organizations.



ALASKA CHAMBER

2016 FALL FORUM • OCTOBER 11-13 • KENAI, ALASKA

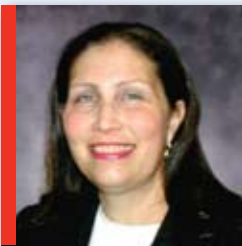
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Tom Brady & Caroline Higgins • Curtis & Josie Thayer

Keynote Luncheon Speakers



Marianne Kah, ConocoPhillips

Keynote Speaker on Wednesday, October 12

Marianne is responsible for developing the company's market outlooks for oil and natural gas, as well as conducting regional and special strategic studies. She also is the company's expert in scenario planning. She is based in Houston. Hear firsthand from Marianne on the World Oil and Gas Markets and the impact on Alaska.



Senator Lisa Murkowski (Invited)

Keynote Speaker on Thursday, October 13

Senator Murkowski is Alaska's senior representative in the U.S. Senate and the chairman of the Senate Energy and Natural Resources Committee and Senate Appropriations Interior and Environment Subcommittee.

Our greatest obstacles often inspire our finest opportunities.

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Thayer appointed to U.S. Chamber Advisory Committee

Alaska Chamber President and CEO Curtis W. Thayer has been appointed to the United States Chamber of Commerce Committee of 100 (CCC100). Thayer is one of 10 newly appointed executives to join this elite group of chamber CEOs to represent the perspectives and needs of chambers and their members to the U.S. Chamber.

“I’m honored to serve on the U.S. Chamber’s Committee of 100. It not only provides the chance to bring the voice of the Alaska Chamber membership to U.S. Chamber policy makers, but also helps to set priorities that will affect chambers of commerce throughout the nation,” Thayer said.

These experienced leaders advise the U.S. Chamber’s board of directors, enhance lobbying and coalition work, recommend programming, and strengthen outreach to the

business and chamber communities.

“The CCC100 has a long-standing reputation as one of the most prestigious appointments in the chamber community,” said Rob Engstrom, SVP and National Political Director at the U.S. Chamber of Commerce. “These new members reflect our continued dedication to naming diverse, high-profile leaders to serve on this important committee.”

New members:

- Nicki Anderson, President, Naperville Area (IL) Chamber of Commerce
- Beth Bowman, IOM, CCE, President and CEO, Greater Irving-Las Colinas (TX) Chamber of Commerce
- Guy Ciarrocchi, Esq., President and CEO, Chester

County (PA) Chamber of Business & Industry

- Jim Dinegar, CAE, President and CEO, Greater Washington (DC) Board of Trade
- Tallia Hart, President and CEO, Irvine (CA) Chamber of Commerce
- Doug Loon, President, Minnesota Chamber of Commerce
- Lori Mattson, IOM, President and CEO, Tri-City Regional (WA) Chamber of Commerce
- Otis Rawl, President and CEO, Greater Lexington (SC) Chamber & Visitors Center
- Curtis Thayer, President and CEO, Alaska Chamber
- Barry Wilfahrt, IOM, CCE, President and CEO, Grand Forks/East Grand Forks (ND) Chamber of Commerce

2016 Alaska Business Week a Success



For one week this summer, (July 16-23) 58 high school students from across Alaska gathered to learn about business and leadership at Alaska Business Week (ABW). The week was a whirlwind of activities for participants, with their days filled from from 8 a.m. to 9 p.m.



At the start of the week, participants were split into companies (teams). Each company was led by a Company Advisor, a business leader who volunteered their week to mentor. Companies competed on two main projects, a business simulation and creation of a product or service.



The business simulation required companies to make decisions for eight quarters on how to best run their company. Decisions included price point, production, and marketing levels. For the product or service, companies had to conceptualize an idea that would benefit Alaskans. These products did not have to be something that could go to market today but rather let the teams come up with an innovative idea for the future.



During ABW, participants interacted with 30 business professionals. These interactions gave them resources for future mentors, connections when starting out, and perspectives on what to expect in business.

At the completion of the week the students were excited about their goals and left with the tools to help them become the future leaders of business.



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Together we'll go far

