

Alaska SBDC ANCHORAGE

QUARTERLY REPORT
JANUARY - MARCH, 2018

Lori Brewer
Owner of Caffé D'arte



FROM THE STATEWIDE DIRECTOR

2018 is continuing to be a banner year for Alaska SBDC



Jon Bittner
Executive Director

The Anchorage Center is seeing unprecedented activity as we wrap up the second quarter of 2018. In the first two quarters of this year alone, our advisors have met or exceeded all of our metrics for the entire FY2017. This increase is a sign of hope, especially with respect to capital infusion, for the future of the Anchorage economy.

So far in FY2018 the Anchorage Center has worked with 252 clients spanning a wide array of industries. Some of the top industries we have seen this year include professional/technical services, manufacturing, and accommodation/food service, which is noteworthy considering these sectors were some of the hardest hit in terms of job losses during the last two years. And in contrast to statewide employment numbers, Anchorage SBDC clients are adding jobs in FY2018, particularly in the high paying professional/technical services sector.

As a result of this increased activity at our Anchorage Center I am pleased to announce we have hired an additional business advisor to help better serve the boost in demand. Andre Horton is a serial entrepreneur with a finance background who currently serves on the boards

This continues to be a banner year for the Alaska Small Business Development Center. 2018 is bringing record numbers of entrepreneurs to Alaska SBDC seeking assistance with their small businesses, and our Anchorage Center has seen a marked increase in the amount of capital obtained and jobs created by our diverse client base.

Committed to providing the highest quality services to the largest number of Alaskans, we are responding to this remarkable uptick in activity with unprecedented internal development. We currently have 12 business advisors on staff and will soon expand our coverage area to Seward through a new creative partnership between Alaska SBDC, the City of Seward, the Seward Chamber and the Bering Sea Fishermen's Association. We have also created a position focused entirely on serving rural Alaska communities that fall outside our existing center locations.

Another innovative new program designed to further increase our rural reach is currently in the works, as well. Our Rural Business Centers program will feature full-service kiosks comprised of computers, remote access software and communications platforms, training materials and financial templates tailored to the unique needs of rural

of Credit Union 1, Launch Alaska and LoveAlaska. He is an excellent addition to our team here in Anchorage and has already hit the ground running.

The Anchorage Center is also expanding our service area through a new partnership with The Boardroom, Alaska's first co-working space. Our entire Anchorage staff now has full access to The Boardroom's facilities and conference rooms, allowing us to have a business advisor stationed downtown as well as at our Bragaw location. We have also started hosting select workshops at The Boardroom, providing an optional venue and a new level of convenience to clients and workshop attendees. Further, through a partnership with the Anchorage Downtown Partnership and in an effort to better integrate with our new neighborhood, we have also provided a series of targeted workshops designed specifically for downtown businesses.

We are excited to see all of the activity and changes here in the Anchorage office, as we look forward to continuing to be the go-to resource for businesses, entrepreneurs and business organizations for Alaska's largest city and economic hub.

Alaska. Each center will be operated remotely by Alaska SBDC business advisors and will provide a more consistent and accessible presence in our smaller communities.

Alaska SBDC has enjoyed a number of other successes over the past quarter. We were honored to receive an extremely generous donation of \$50,000 from Northrim Bank as part of their ongoing support of our work, and we were excited to release the results of our first-ever Small Business Survey.

Looking ahead, we are pleased to be hosting a new, one-of-a-kind business conference in Anchorage on June 27, 2018, called Vitalize Alaska. This conference will feature a wide variety of guest speakers, including the founders of California's Barefoot Winery, one of the top selling wines in the U.S., and Amy Cortese, award-winning journalist and author of *Locavesting*. Speaker panels will tap some of Alaska's top businesses, including GCI, Northrim Bank, and Alaska Airlines, as we leverage local knowledge and expertise to develop ways to create a thriving small business sector in Alaska's new economy.

As always, the team at Alaska SBDC remains committed to working together with all of you to build a better economic future for all Alaskans.

FROM THE CENTER DIRECTOR

Unprecedented business activity is driving expansion



Ryan Gilbert
Anchorage Center
Director

ANCHORAGE CENTER UPDATE

January - March, 2018

Second quarter highlights for Anchorage

ANCHORAGE Q2 AT A GLANCE

Number of Clients Advised

Current Quarter: 252
FY2018*: 338

Jobs Created by Clients

Current Quarter: 50
FY2018*: 193

Business Starts

Current Quarter: 22
FY2018*: 30

Capital Infusion

Current Quarter: \$821,875

- SBA Loans: \$0
- Non-SBA: \$100,000
- Non-Debt Financing: \$721,875

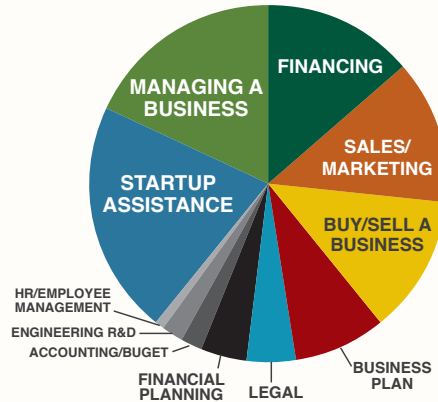
FY2018*: \$2,970,375

Training Events & Attendees

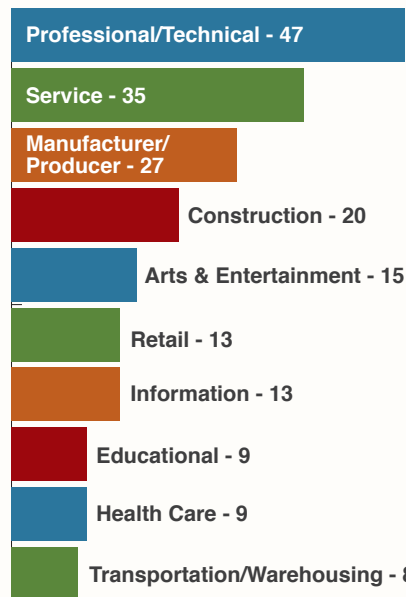
28 in-person and online webinars served 311 Anchorage-area attendees.

*FY2018: Oct. 1, 2017 - Sept. 30, 2018

Anchorage Primary Areas of Advising - Q2



Anchorage Clients Top 10 by Industry - Q2



Services

The Anchorage Center has seen a remarkable uptick in the number of new businesses and entrepreneurs seeking assistance from the Alaska SBDC. In fact, the number of clients increased almost 40% from last quarter, and more than doubled over the second quarter of FY2017.

Of the 252 Anchorage entrepreneurs who received advising assistance during the second quarter of FY2018, 109 were in the pre-venture phase, 50 were startups, and 90 were already in business. Of these, the largest number of clients fell in the realm of professional/technical services (47), while the service industry (35) and manufacturers/producers (27) were also strongly represented.

New Clients

The Alaska SBDC Anchorage Center onboarded 112 new clients during the second quarter. This represents a 29% increase over the first quarter of the year and a more than 100% increase over the second quarter of FY2017.

Workshops & Community Outreach

More than 300 people attended workshops offered in both in-person and online formats. These classes covered a wide array of subjects and harnessed both in-house expertise and professional adjuncts.

Alaska SBDC Anchorage Center Activity - Historical Comparison

	FY2017 Q2	FY2017 Q3	FY2017 Q4	FY2018 Q1	FY2018 Q2
New Businesses Created	9	8	14	8	22
Jobs Created	35	27	62	143	50
Loans (in dollars)	\$370,000	\$945,000	\$52,000	\$1,445,000	\$100,000
Total Capital (loans + equity)	\$1,019,665	\$1,364,000	\$60,000	\$2,148,500	\$821,875
New Clients	50	64	61	87	112
Total Clients	118	144	146	181	252
Total Advising Hours	452	585	458	618	1,003

Caffé D'arte

Serving the best in Anchorage



If you're a coffee lover in the Anchorage area, there is a high likelihood you have enjoyed a deliciously handcrafted beverage from Caffé D'arte Alaska.

Lori Brewer and her husband Bob have owned and operated Caffé D'arte Alaska, Alaska Coffee and Restaurant Equipment, and Espresso Tech for 25 years.

Lori, who was recently named the 2018 Alaska Small Business Person of the Year by the Small Business Administration, credits Alaska SBDC and her business advisor, Allan Carraway, with helping guide Caffé D'arte toward resources that allowed their business to significantly enhance its internet presence.

"Allan made the process extremely easy for us and was there every step of the way for questions, ideas, and creative input," says Lori. "We highly recommend SBDC, they are always honest about what will work best for our company, and their support throughout the whole process was very refreshing."

Check out Caffé D'arte's new website and meet the Caffé D'arte Alaska team at www.caffedartealaska.com. ☞



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Crab Terror Island

Channeling community to spark inspiration

Sina Sena spent her childhood in Dutch Harbor, AK, a tight-knit community that serves as the spark of inspiration for her limited-edition design business, Crab Terror Island. In creating her business and cultivating the power of community within it, Sina is building a place where high achievers come together to share, support, and create meaningful purpose.

Sena began working with Alaska SBDC Business Advisor Lance Ahern in an effort to grow her business.

"It took me nearly three years to finally reach out to the Alaska SBDC," reflected Sena. "I don't know why I didn't before. What a wealth of information there is in that office, right in our community!"

Ahern says working with Sena and Crab Terror Island has been a lot of fun.

"Crab Terror Island is as unique as it sounds," he says. "It is always exciting to work with a new startup that has a unique but very scalable business model that is perfectly suited to growing right here in Alaska."

Crab Terror Island will soon be opening a brick-and-mortar store at 751 E. 36th Avenue, Suite 112. Be sure to check them out in person, or visit their website at www.crabterrorisland.com. ☞



60Hertz

Microgrids in rural Alaska



Piper Foster Wilder came to Alaska with a background in renewable energy and a vision for the future of Alaska's arctic villages. With her business, 60Hertz, Wilder seeks to address rural energy poverty in Alaska and the Arctic.

The firm offers financing and operations/maintenance solutions that promote sovereignty in these communities. 60Hertz reduces remote populations' dependence on diesel through use of renewables, verifies that microgrid operations and maintenance is performed and optimized, and enables investors to efficiently fund rural electric infrastructure through a

streamlined process.

Wilder started working with Alaska SBDC Business Advisor Lance Ahern early in the process of launching her startup.

"Whether a startup or a lifestyle business, a Man-and-a-Van, or a tech entity heading for 20X investor returns, every entrepreneur's first stop should be to align with the SBDC," Wilder shared. "Once I was assigned a small business coach, I immediately discovered an ally who I could trust."

"Watching 60Hertz Microgrids grow from a Startup Weekend project to a Launch Alaska funded startup has been exhilarating," adds Ahern. "Piper has shown that you can build a great team to go after big global markets right here in Alaska."

Learn more about this exiting new business at 60hertzenergy.com ☞

Alaska SBDC FY2018 Q2