

Southeast Alaska Business Climate Survey

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Prepared by:

**In partnership with
Southeast Conference**



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Project Overview

In October 2010, the US Forest Service awarded a contract to complete a Southeast Alaska Asset Map and a Regional Strategic Plan to a Juneau Economic Development Council (JEDC) led partnership others. A Southeast Alaska Business Climate Survey was completed as part of this process.¹

Methodology

The purpose of the Southeast Alaska Business Climate Survey was to better comprehend the barrier and benefits to owning and operating a business in Southeast Alaska; what are the different regional norms and attitudes, and which regional networks and institutions are most valuable to local businesses. The survey focused on Southeast Alaska business owners and top managers but could be completed by anyone with interest in the survey (non-business leaders took a shorter version of the survey). Along with demographic questions, business owners and operators were asked 62 questions regarding the regional business climate.

The survey was web-based, and business owners and operators across the region were invited to take the survey by organizations such as Southeast Conference, local chambers of commerce, and local economic development organizations. Paper copies of the survey were also sent out to areas that requested it. Surveying took place from November 2nd through December 1st. The survey was completed by 309 individuals, including 243 Southeast Alaska business owners and top managers. Business owners and operators from every community in Southeast Alaska responded to the survey. (There were 75 additional incomplete surveys that were not analyzed).

¹ For this work, JEDC has partnered with Southeast Conference, Sheinberg Associates, Alaska Map Company, and consultants Brian Kelsey and Ted Lyman.

Barriers and Benefits

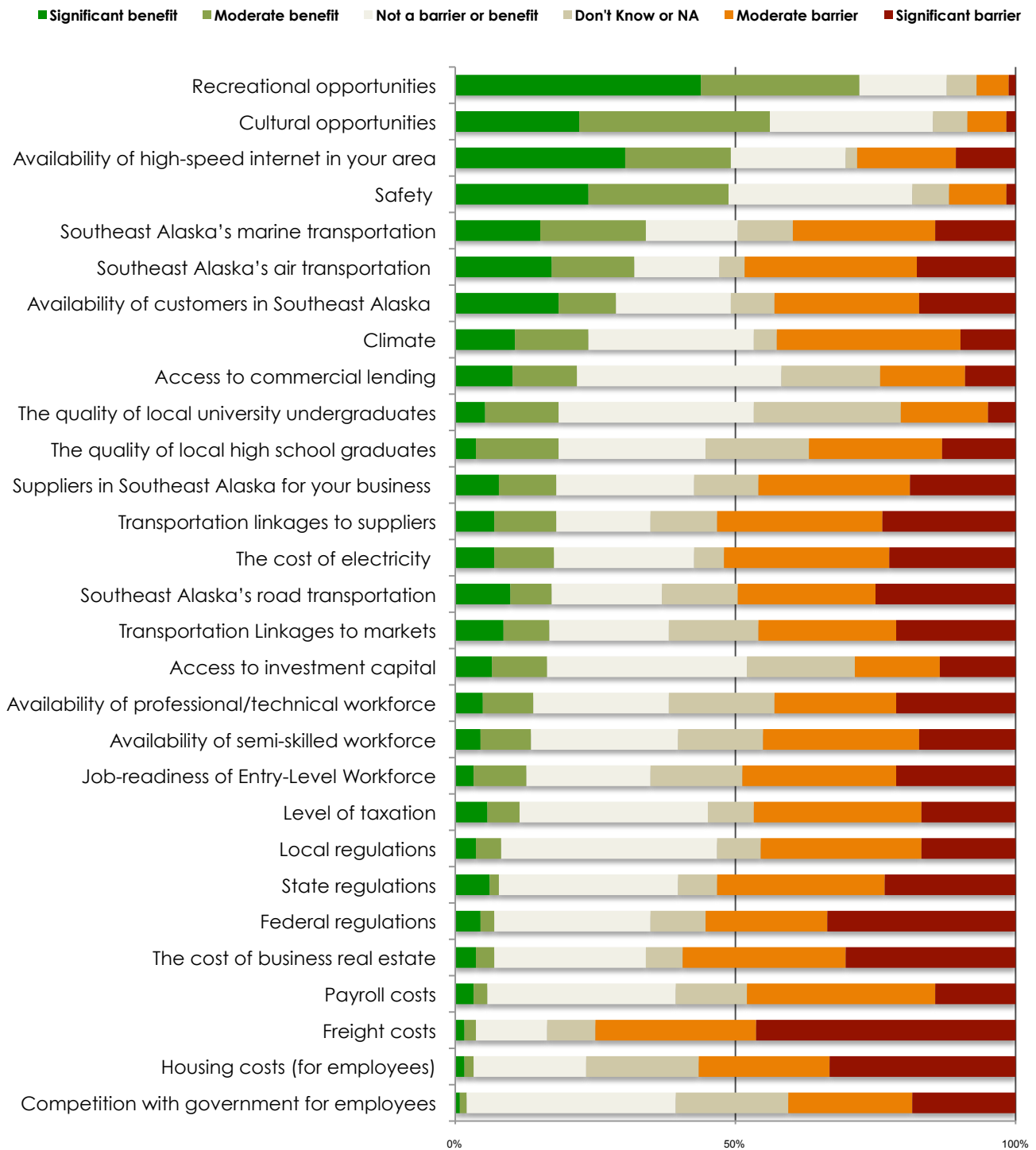
The main component of the Southeast Alaska Business Climate Survey was a list of 29 elements that are considered traditional barriers or benefits to business operations. Business leaders were presented these elements and asked to ascribe the following ratings:

- Significant benefit
- Moderate benefit
- Not a barrier or benefit
- Moderate barrier
- Significant barrier
- Don't Know
- Not Applicable

Business leaders were more likely to ascribe a barrier rating to the elements presented, signifying that Southeast Alaska business operations have to overcome more barriers than those in more traditional areas. Generally, freight and real estate costs were viewed as the major barriers to businesses in the region, while quality of life attributes, such as access to recreation, cultural opportunities and safety, were seen as being the biggest benefit to businesses in the region.

Elements which business leaders were most likely to call barriers included freight costs, with 75% of all business leaders surveyed calling freight costs a moderate or significant barrier; the cost of real estate—both in terms of business real estate, and the high cost of housing for employees. However, it should be noted that when the region was analyzed for non-Juneau respondents only, concerns regarding the cost of real estate fell from the top barriers ranking, with the cost of electricity being the second major business barrier—61% of those outside Juneau called the cost of electricity a moderate or significant barrier, compared to 43% of Juneau business leaders.

How significant are each of the elements listed below to operating your business in Southeast Alaska? N=243



The following discussion provides a break out analysis to the chart above, and you can more easily see how the regional business community ranked the major benefits and barriers.

Regional Business Benefits

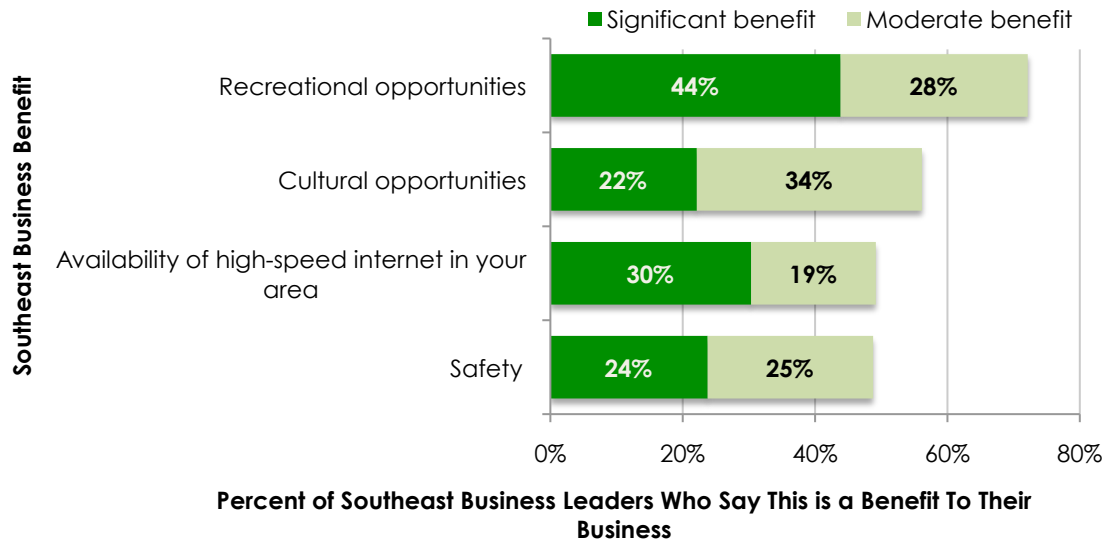
Only four factors were rated as providing a higher net benefit than net barrier; three of these were related to quality of life:

1. **Southeast Alaska's recreational opportunities:** 72% of business leader respondents said access to the region's recreational resources is a significant or moderate benefit to their business.
 - Haines and Skagway businesses were mostly to call this a benefit (87%).
 - 88% of business leaders running larger businesses (25+ employees) called this a benefit.
2. **Cultural opportunities:** 56% said that Southeast's cultural opportunities are beneficial to their business.
 - 71% of Sitka business respondents called cultural a benefit, compared to 44% of Prince of Wales respondents. Respondent from transportation, utilities, mining and construction were most likely to call this a benefit.
 - Nearly a fifth of respondents from the arts and recreation sector called cultural opportunities a barrier.
3. **Safety:** 49% of all business leaders responded that safety was a net benefit to business.
 - Haines and Skagway respondents were much more likely to call safety a benefit (70%), while Prince of Wales residents were least likely to do so (31%).

Regionally, the fourth top rated element was access to high speed internet, also at 49%.

- Petersburg and Wrangell business leader respondents were most likely to call this a benefit (56% and 55% respectively).
- Hoonah, Angoon, Haines and Skagway business leaders were just as likely to see internet speed as a net barrier.
- Half of all Government respondents saw internet speed as a barrier.

How significant are each of the elements listed below to operating your business in Southeast Alaska? Top Benefits N=243



Regional Business Barriers

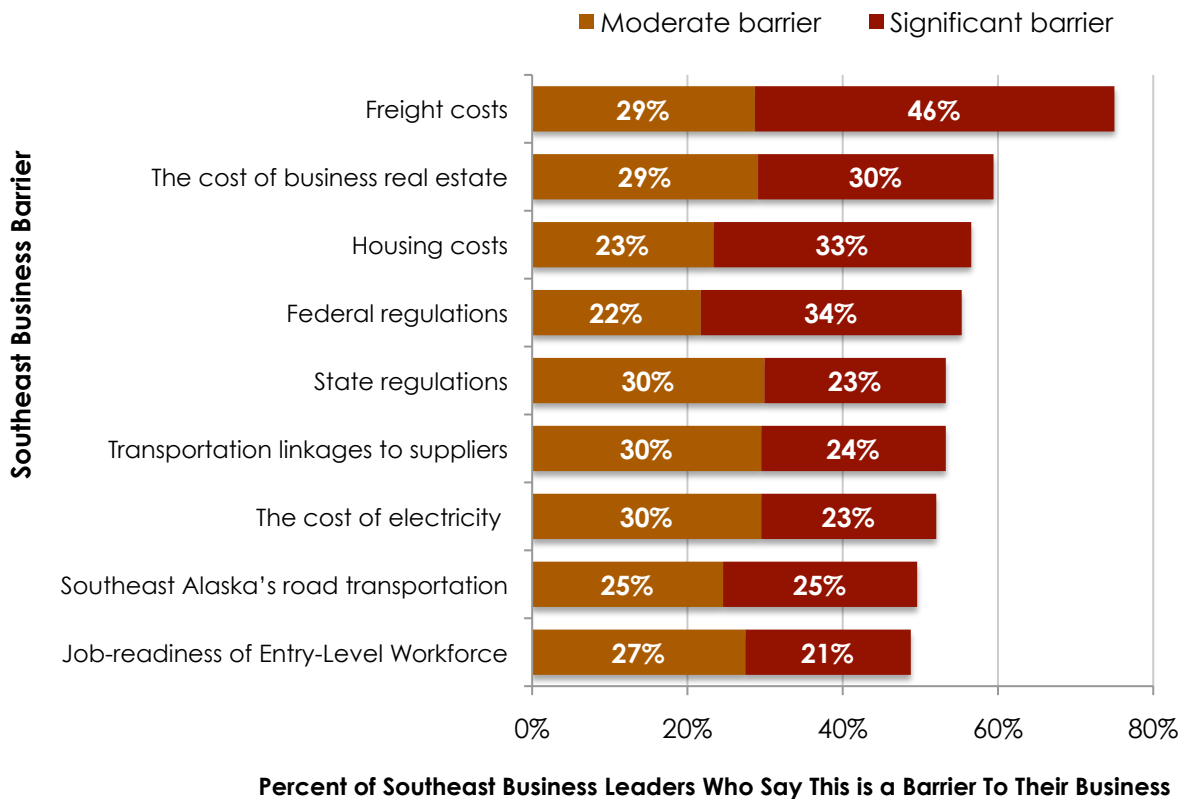
According to the region's business owners and top managers, some of the top barriers to business in Southeast Alaska include the following:

- **Freight Costs**—75% of all business leaders surveyed called freight costs a barrier, with nearly half of regional business leaders calling freight costs a **significant** barrier.
 - Outside of Juneau, two-thirds of business leaders say that freight costs are a **significant** barrier.
 - Nearly all of those involved in the seafood and timber industry called freight costs a problem (94% and 100% respectively).
- **The High Price of Real Estate**—both in terms of the high cost of housing in general, deemed a barrier to 60% of respondents, and in terms of business real estate costs, called a barrier by 57% of respondents.
 - For some business leaders, these numbers are significantly higher, with 74% of Sitka businesses saying that the cost of business real estate is a barrier, and this emerged as Juneau's top business barrier at 70%.
 - In Sitka, 83% called the price of housing a problem, along with 74% of business respondents from Ketchikan, and 66% of Juneau respondents. Those involved in the arts or tourism industry were the least likely to call housing a barrier (31% and

47% respectively called this a barrier) while 89% construction industry respondents called housing a problem.

- **Federal Regulations**—56% of the region's business leaders called Federal regulations a barrier to operating their business, with 34% referring to this as a "significant" barrier.
 - Those responding from the seafood, timber and mining sectors were most likely to call federal regulations a barrier (72%, 88%, and 100% respectively), while just 30% of those involved with trade see federal regulations as a problem.
- **The High Price of Electricity**—When the region was analyzed for non-Juneau respondents only, the cost of electricity emerged as a second major barrier to business, with 62% of those outside Juneau calling the cost of electricity a moderate or significant barrier.
 - 72% of those from the Hoonah-Angoon Census Area called the cost of electricity a business barrier (while 43% of respondents from Sitka called the price of electricity a benefit to their business). 88% of those involved in forestry say energy costs are a barrier.

How significant are each of the elements listed below to operating your business in Southeast Alaska? Top Barriers N=243



Juneau Versus the Rest of the Region Analysis

We thought it would be interesting to see if there were major differences between Juneau business attitudes, and compare with the attitudes of those outside of Juneau. These results have been discussed the previous section. A quick comparison table is below.

Juneau Versus the Rest of Southeast: Top Barriers

All Southeast	Net barrier	SE Region Without Juneau	Net barrier	Juneau Only	Net barrier
1. Freight costs	75%	1. Freight costs	81%	1. Business real estate costs	70%
2. Business real estate costs	60%	2. The cost of electricity	62%	2. Freight costs	70%
3. Housing costs	57%	3. Transportation linkages to suppliers	54%	3. Housing costs	66%
4. Federal regulations	56%	4. State regulations	54%	4. Federal regulations	58%
5. State regulations	53%	5. Suppliers in Southeast Alaska for your business	54%	5. Southeast Alaska's road transportation	55%

Juneau Versus the Rest of Southeast: Top Benefits

All Southeast	Net benefit	SE Region Without Juneau	Net benefit	Juneau Only	Net benefit
1. Recreational opportunities	72%	1. Recreational opportunities	73%	1. Recreational opportunities	72%
2. Cultural opportunities	56%	2. Cultural opportunities	55%	2. Cultural opportunities	58%
3. Availability of high-speed internet	49%	3. Availability of high-speed internet	47%	3. Safety	56%
4. Safety	49%	4. Safety	42%	4. Availability of high-speed internet	51%
5. Southeast Alaska's marine transportation	34%	5. Southeast Alaska's marine transportation	40%	5. Availability of customers	33%

Tourism, Fishing and Forestry Clusters Barriers and Benefits Analysis

We thought it would be beneficial to look at the regional benefits and barriers through the eyes of the Visitor Products, Ocean Products, and Forestry Products using a cross-tab analysis of Southeast Alaska Business Climate Survey.

Each of the specific three clusters identified **freight costs** as the top barrier to their business operations, and **recreation** and **cultural opportunities** as the biggest assets. In terms of the top four barriers, each cluster group also identified **federal regulations** as obstacles to business operations.

Southeast Tourism, Fishing, Forestry: Top Barriers

Tourism	Net barrier	Fisheries	Net barrier	Forestry	Net barrier
1.Freight costs	78%	1. Freight costs	94%	1. Freight costs	100%
2.The cost of electricity	61%	2. State regulations	89%	2. Suppliers in Southeast Alaska for your business	100%
3.The cost of real estate	61%	3. Federal regulations	72%	3. The cost of electricity	88%
4.Federal regulations	59%	4. Level of taxation	61%	4. Federal regulations	88%

Southeast Tourism, Fishing, Forestry: Top Benefits

Tourism	Net benefit	Fisheries	Net benefit	Forestry	Net benefit
1. Recreational opportunities	80%	1. Recreational opportunities	61%	1. Recreational opportunities	50%
2. Cultural opportunities	58%	2. Cultural opportunities	50%	2. Cultural opportunities	50%
3. Safety	55%	3. Availability of high-speed internet in your area	44%	3. Southeast Alaska's marine transportation	38%
4. Availability of high-speed internet in your area	53%	4. Southeast Alaska's air transportation	39%	4. Job-readiness of entry-level workforce	38%

Spotlight on housing costs

Insights into each of these items would benefit from an in-depth cross tab analysis. A housing cost example is provided below. If you or your organization would like to see this level of detail for any one of these 29 items, please contact JEDC.

How significant is the cost of housing to operating your business in Southeast Alaska? (Respondents are Business Owners or Top Managers)

	Total Answering	Significant benefit	Moderate benefit	Not a barrier or benefit	Moderate barrier	Significant barrier	Not applicable	Net benefit	Net barrier
Total	243	2%	2%	20%	23%	33%	19%	3%	57%
Juneau	125	2%	0%	18%	25%	41%	15%	2%	66%
Ketchikan	35	3%	0%	17%	40%	34%	6%	3%	74%
Sitka	35	0%	3%	6%	40%	43%	6%	3%	83%
Haines and Skagway	30	0%	0%	13%	43%	20%	23%	0%	63%
Wrangell	31	3%	3%	16%	39%	19%	19%	6%	58%
Prince of Wales Census Area	45	2%	0%	16%	22%	33%	22%	2%	56%
Hoonah/Angoon Census Area	29	7%	3%	24%	24%	28%	14%	10%	52%
Petersburg Census Area	34	3%	3%	24%	26%	24%	21%	6%	50%
Seafood	18	0%	6%	22%	39%	11%	22%	6%	50%
Forestry	8	0%	0%	50%	13%	38%	0%	0%	50%
Mining	3	0%	0%	0%	67%	33%	0%	0%	100%
Tourism	64	2%	2%	22%	16%	31%	25%	3%	47%
Arts, Entertainment & Recreation	16	0%	13%	31%	19%	13%	25%	13%	31%
Construction	18	0%	0%	6%	44%	44%	6%	0%	89%
Trade	22	0%	0%	27%	23%	27%	23%	0%	50%
Professional and Business Services	32	0%	0%	28%	22%	22%	28%	0%	44%
Financial Activity	20	5%	0%	20%	20%	45%	10%	5%	65%
Transportation and Utilities	10	10%	0%	0%	40%	40%	10%	10%	80%
Education and Health Services	20	5%	0%	10%	15%	65%	5%	5%	80%
Government & Other	12	0%	0%	0%	25%	50%	17%	0%	75%
Business with 1-3 Employees	85	0%	1%	25%	21%	19%	34%	1%	40%
Business with 4-10 employees	65	5%	3%	26%	17%	37%	11%	8%	54%
Business with 11-25 employees	43	0%	2%	19%	33%	42%	5%	2%	74%
Business with more than 25 Employees	40	3%	0%	5%	33%	58%	0%	3%	90%

Key Issues to be Resolved

As a follow up regarding barriers, Southeast's business leaders were then asked to describe the most important issue that needs to be addressed to improve their business's prospects for success. While many of the top answers had to do with decreasing specific business costs (transportation, real estate, electricity, internet, freight) the top three changes that the region's business leaders want to improve the success of their business included the following:

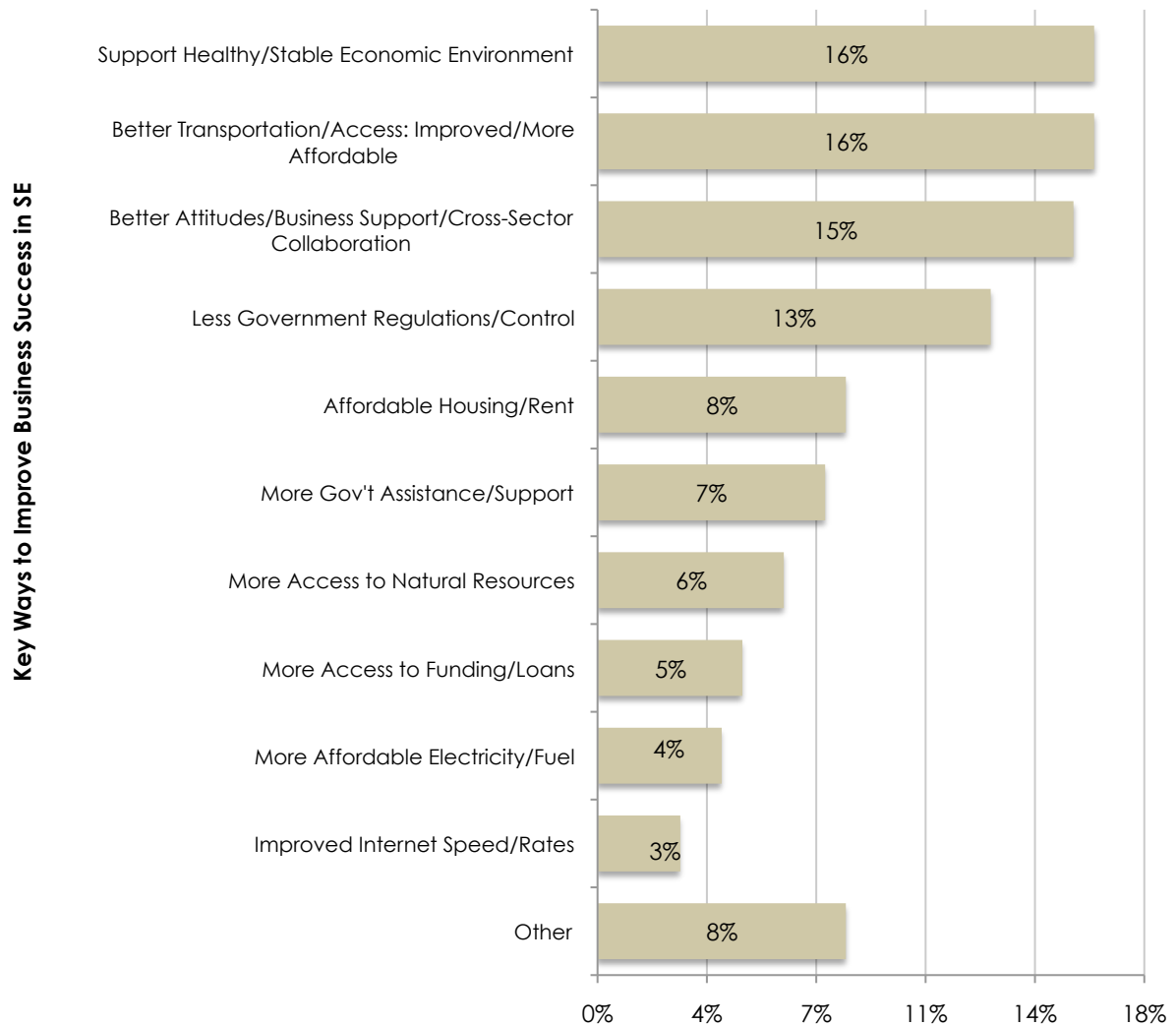
A More Stable and Healthy Regional Economic Climate—Business leaders wrote of the need to increase jobs and economic development across the region to improve their individual business. One respondent put it this way: "The success of my business relies directly upon the economic health of the region as a whole."

Improved Transportation—Increased access to affordable, reliable transportation continues to be a top priority of Southeast Alaska's business community.

Improved Attitudes Towards Industry and Increased Collaboration Between Industries—Many business leaders said that the top way to improve business in the region is through a better understanding and appreciation of their industry (be it timber, tourism, mining, or fishing). There is also an interest in increased opportunities for different industries and government to work together, instead of at cross-purposes. One frustrated business leader wrote: "we are doomed to fail as long as there is intent on destroying our industry by creating a negative environment."

The following chart shows how the region's business leaders responded to the question of how the business climate could be improved. For a complete list of suggestions, please see Appendix IV.

Considering your entire Southeast Alaska business environment, please list and explain the most important issue to address to improve your business's prospects for success. N=151



Percent of Southeast Business Leaders Who Say This is the Most Important Issue to Address Improve Their Business

Workforce Readiness: Spotlight Analysis

As part of the Business Climate section, business owners and operators were asked about several aspects of workforce readiness. Specific elements were identified as benefits or barriers to operating a business in Southeast Alaska. In each workforce area (quality of local high school and university graduates, availability of semi-skilled and professional labor, and the job readiness of entry-level workforce) business owners were more likely to say that the quality or job readiness of the workforce was a barrier rather than a benefit. Of the workforce elements, business owners were least likely to say that the quality of local university undergraduates presented a barrier to their business (21% said it was a barrier, 19% said it was a benefit, 35% said it was neither). Approximately half of respondents (49%) considered the job readiness of entry-level workforce to be a problem.

How Significant are each of the Workforce Elements Listed Below to Operating Your Business in Southeast Alaska?

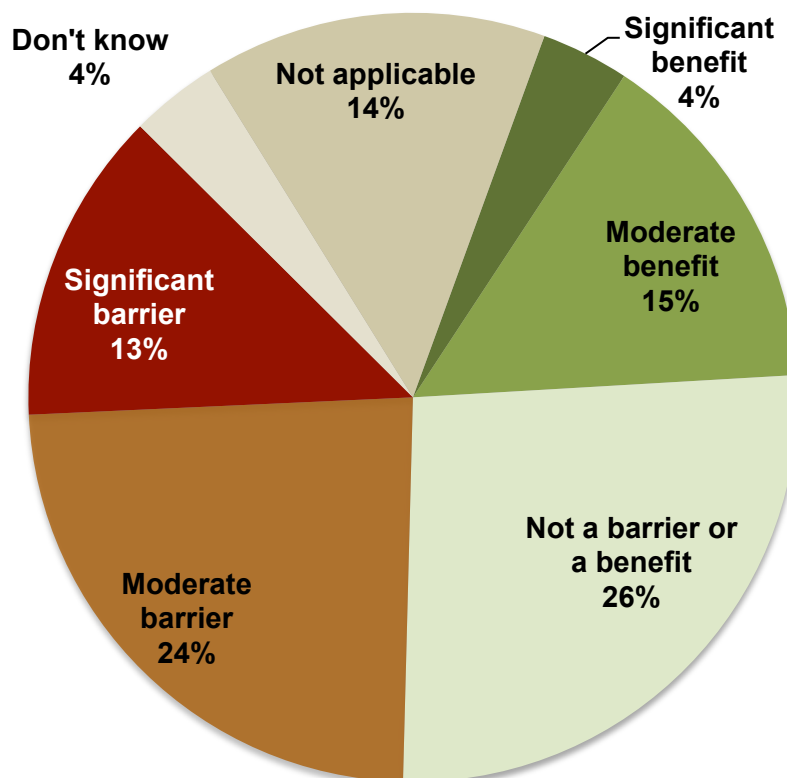
	The quality of local high school graduates	The quality of local university undergraduates	Job-readiness of entry-level workforce	Availability of semi-skilled workforce	Availability of professional & technical workforce
Net benefit	19%	19%	13%	14%	14%
Significant benefit	4%	5%	3%	5%	5%
Moderate benefit	15%	13%	9%	9%	9%
Net barrier	37%	21%	49%	45%	43%
Moderate barrier	24%	16%	28%	28%	22%
Significant barrier	13%	5%	21%	17%	21%
Not a barrier or a benefit	26%	35%	22%	26%	24%
Don't know	4%	6%	4%	2%	3%
Not applicable	14%	20%	12%	13%	16%

Source: "Southeast Alaska Business Climate Survey" December 2010, JEDC

Quality of K-12 education in Southeast Alaska:

More than a third (37%) of business owners and business leaders consider the quality of Southeast Alaska high school graduates to be an impediment to business operations, while 19% said that the quality of regional high school graduates was a benefit.

How significant is the quality of local high school graduates to operating your business in Southeast Alaska?



- Business owners in Wrangell were the least likely to say that graduate quality constituted a barrier (29%).
- Industry sectors where more than half of the respondents considered the quality of high school education to be a barrier included forestry, mining, construction, and the financial sectors.

Economic Climate

To determine how Southeast residents and businesses view the economic climate of the region, we asked four slightly different questions:

1. How do you view the overall business climate in Southeast Alaska? (Asked to all respondents)
2. What is the economic outlook for your business/industry? (Asked to business leaders only)
3. What is the economic outlook for your community? (Asked to community respondents only)
4. Considering all the factors presented so far, how would you currently rate your region overall as a place for your business to succeed? (Asked to business leaders only)

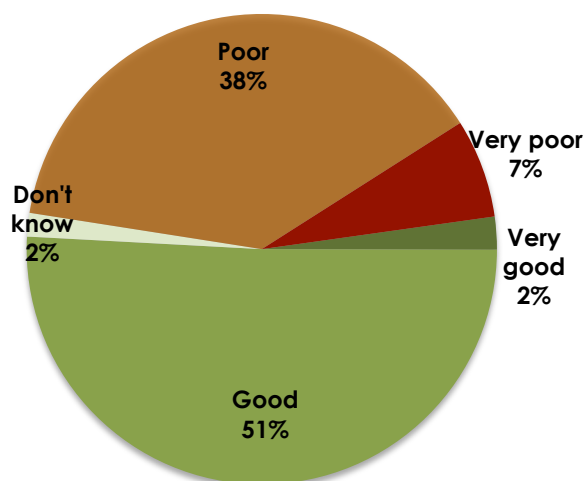
When asked how they viewed the overall business climate of Southeast Alaska, 53% of respondents said the climate was good or very good, while 45% said poor or very poor (see following graph).

Some industry sectors were more positive than others. Those in the arts and entertainment industry were much more likely to say that the business climate is good or very good (75%), as are those in the health industry (70%). On the other hand, those involved in forestry or government were much more likely to say that the business climate is poor or very poor (75%). Respondents from Juneau were also slightly more positive about the business climate, with 63% saying the climate is good or very good, and respondents in Wrangell were slightly more negative, with 67% saying the business climate is poor or very poor.

When asked to rate their region overall as a place for their business to succeed in present day, 22% of business leaders called Southeast an "excellent" or "very good" location, while 10% called the region a "poor" location. Industries that were most positive about the region included the seafood, mining, and tourism industries. One-third of these respondents in each of those groups called Southeast Alaska a very good or excellent location for their businesses to succeed. Just 5% of those in trade and 10% of those in finance said that Southeast Alaska is a good or excellent place for business.

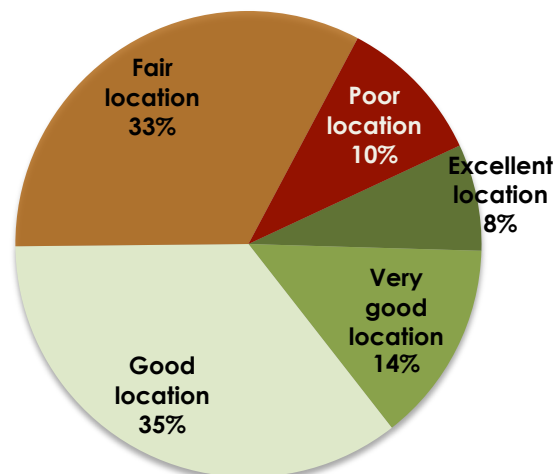
When asked to speculate if that environment would improve or decline, 34% of business respondents said that they feel the economic outlook for their business or industry would improve, while 21% predicted it would become worse. Nearly half of respondents (45%) predicted no change. Community respondents were asked a similar question. In their case, 39% of respondents feel like the economic outlook of their community will improve, 12% worry it will decline, and 48% remain uncertain.

How do you view the overall business climate in Southeast Alaska?
(All Respondents N=309)

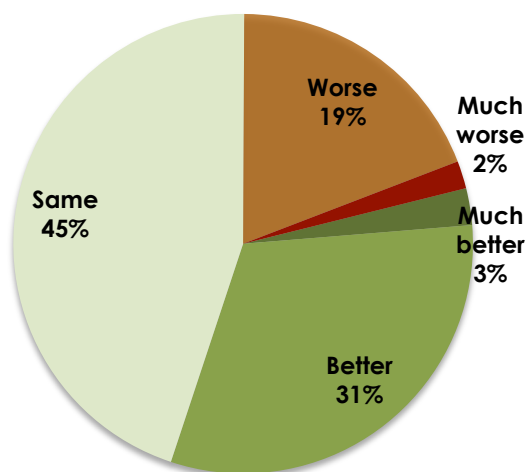


How would you currently rate your region overall as a place for your business to succeed?

(Business Leader Respondents Only, N=243)

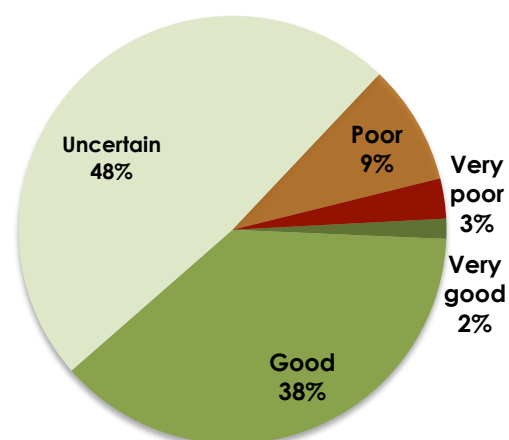


What is the economic outlook for your business/industry?
(Business Leader Respondents Only, N=243)



What is the economic outlook for your community?

(Community Respondents Only, N=66)



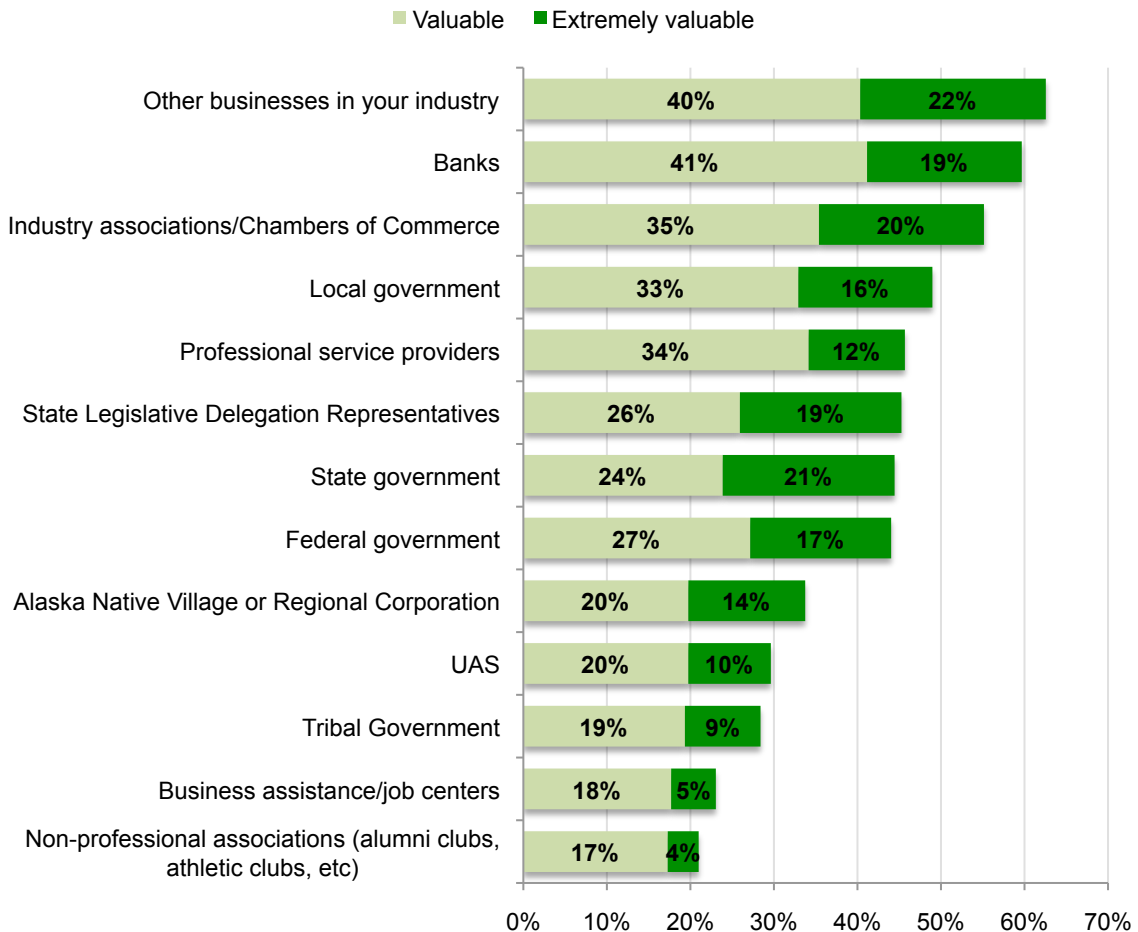
Networks

We also asked business leaders (only) about how valuable their interactions with other organizations are to their businesses. Possible answers included: Not At All Valuable, Somewhat Valuable, Valuable, Extremely Valuable, Not Applicable, and Don't Know.

Business leaders said other businesses in their industry provide the most value to them, 63% of business leaders feel that "other businesses in their industry" are valuable or extremely valuable.

- Industry sectors most likely to say that other businesses in their industry are of high value include mining, education and health services.

Please rate how valuable interaction with each of the following Southeast Alaska institutions is to your business. N=243



Banks and industry associations such as Chambers of Commerce also were rated highly, with overall valuable ratings of 60% and 55% respectively.

- Business leaders from Ketchikan and Wrangell were most like to give high ratings to their local chambers of commerce, with 71% in each of those communities calling the chamber valuable or extremely valuable. Those in the finance sector were also more likely to rate chamber interactions as valuable.

Some other notes of interest:

- Interaction with **UAS** was rated as valuable or extremely valuable by 30% of business respondents. This jumped to 46% by Ketchikan and Sitka. The highest rating to interaction with UAS was given by industry respondents from the construction, education and health sectors (60%-65% rated UAS interaction as valuable or extremely valuable.)
- While receiving a relatively low valuable/extremely valuable interaction rating overall, **business assistance/job centers** received very different ratings depending on the area and industry. 23% of all business respondents called interactions with this type of service valuable; however 43% of those from Ketchikan and 46% of those from Sitka rated it highly, along with 100% of those in the mining sector, and 60% of those in the education and health sector. Just 9% of those in the professional business services sector rated interactions with this institution as valuable or extremely valuable.
- Interactions with **non-professional associations** were rated as valuable or extremely valuable by just 21% of business respondents; however 55% of those in the finance sector called these interactions valuable, while 50% of those in government jobs called these interactions "not at all valuable".
- **Economic development organizations** were rated most highly by those in Sitka (57% said valuable or extremely valuable) and by those in government (67%). Meanwhile, 25% of those in the finance sectors called interactions with these organizations "not at all valuable."
- Those from Sitka and those in the education and health sectors were mostly likely to call interactions with **local government, state government, and federal government** valuable. 44% of those in the seafood industry called interactions with local and federal government "not at all valuable." Nearly two-thirds of those in the forestry sectors called interactions with state government "extremely valuable."

- Those mostly likely to value the interaction they have with their **local legislators** include Ketchikan (66%), the mining sector (100%), education and health services (70%), and companies with more than 10 employees (58%). Those most likely to call these interactions "not at all valuable" include Prince of Wales (20%) the seafood industry (28%), the arts sector (25%), the finance sector (30%), and companies with fewer than 4 employees (25%).

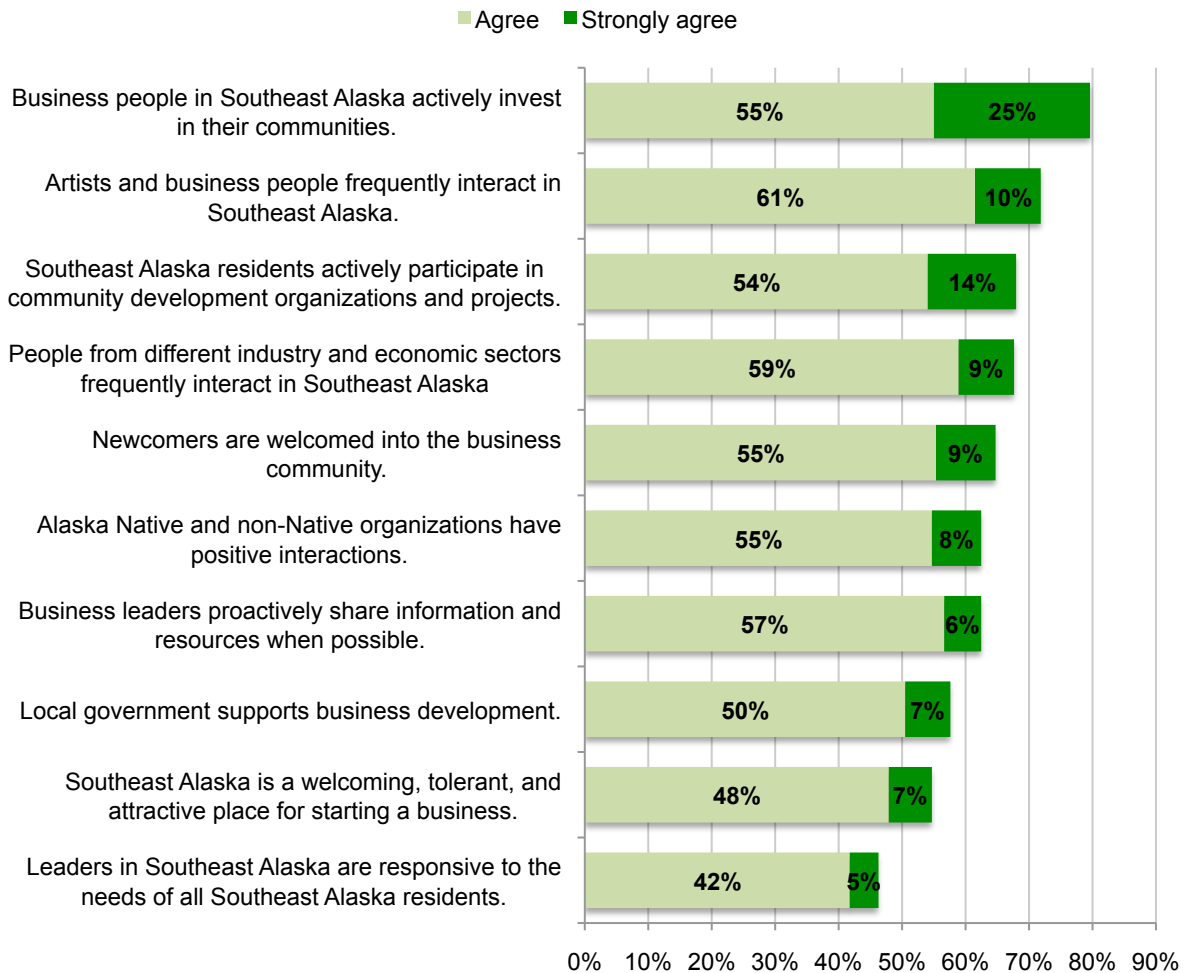
Check all the Southeast Alaska networks to which you or your organization belongs

Total Answering	289
Chamber	183
Tourism industry group	122
Economic Development group	102
Arts organization	81
Church	71
Fisheries related industry group	66
Other Industry group or associations	64
Rotary	61
Environmental organization	53
Fitness group / sports	53
Education industry group	48
Building industry group	39
Alumni Group	37
Elks	35
Health industry group	28
Mining industry group	26
Other	40

Norms and Attitudes

We were also interested in learning about the dynamics of the business and civic environment in Southeast Alaska, and asked all respondents to rate how strongly they agree or disagree with several statements. Generally, respondents were most likely to agree with the statement: "Business people in Southeast Alaska actively invest in their communities," with 80% of respondents agreed or strongly agreed. Respondents were most likely to disagree with the statement: "Leaders in Southeast Alaska are responsive to the needs of all Southeast Alaska residents," 54% of respondents *disagreed* with this statement. To see all responses broken out by community, see Appendix II.

Please rate your level of agreement with each of the following business and civic environment statements



Some other notes of interest:

Southeast Alaska is a welcoming, tolerant, and attractive place for starting a business.

- Those from Wrangell (61%) are mostly likely to agree or strongly agree with this statement, along with those from the arts, trades, and professional services sectors (63%-64%).
- More than two-thirds (68%) of those with larger organizations (25+ employees) disagree or strongly **disagree** with this statement, along with 63% of those in Ketchikan, 61% of those in Petersburg, and two-thirds of those in the mining and forestry sectors.

Leaders in Southeast Alaska are responsive to the needs of all Southeast Alaska residents.

- Those from Wrangell (64%) are mostly likely to agree or strongly agree with this statement, along with those from the transportation, education and health services sectors (65%-70%).
- Those most likely to disagree include those in the construction industry (70%).

People from different industry and economic sectors frequently interact in Southeast Alaska (e.g., bankers and miners, manufacturers and tourism providers)

- 82% of those from Sitka and Wrangell agreed or strongly agreed with this statement, along with 100% of those in the forestry and transportation sectors.
- 48% of those in the Hoonah-Angoon census area **disagreed** with this statement, along with 56% of those in seafood.

Artists and businesspeople frequently interact in Southeast Alaska

- 88% of those in the arts and recreation sector agreed or strongly agreed with this statement

Local government supports business development

- 75% of those in Wrangell agreed or strongly agreed with this statement, while 65% of those in the finance sector disagreed or strongly disagreed.

Businesspeople in Southeast Alaska actively invest in their communities.

- 94% of those in Wrangell agreed or strongly agreed with this statement.

Newcomers are welcomed into the business community.

- Most Wrangell and Prince of Wales respondents were agreed with this statement (78% and 77% respectively.) While 40-48% of respondents from Juneau, Sitka, Hoonah and Angoon **disagreed**.

Demographics

The following section presents the demographics of survey participants.

Description of Survey Participant

If a respondent was an owner, president, CEO, senior executive, senior official, director, vice president or manager, they were considered a “business leader” for the sake of this survey. Since the survey was directed mostly toward this group, they were the majority of our respondents.

Which best describes you?

Position	Count	Percent
Southeast Alaska owner / president / CEO	183	59%
Southeast Alaska senior executive or senior official	9	3%
Southeast Alaska director / vice president	15	5%
Southeast Alaska manager	36	12%
Southeast Alaska elected official	9	3%
Southeast Alaska educator	53	17%
Southeast Alaska other	4	1%

How long have you lived in Southeast Alaska? N=308

Number of Years	Count	Percent
Less than 2 years	6	2%
2 or more, but less than 5 years	20	6%
5 or more, but less than 15 years	44	14%
15 or more years	228	74%
Not applicable	10	3%

Location of Participant

The list below shows where the businesses of business leader respondents are located.

Please identify the community in which your business is located
N=242

Total Answering	242	Craig	19	Skagway	7	Klukwan	4
Juneau	125	Hoonah	11	Hollis	6	Tenakee Springs	4
Ketchikan	35	Coffman Cove	9	Metlakatla	6	Edna Bay	3
Sitka	35	Gustavus	9	Pelican	6	Elfin Cove	3
Wrangell	31	Kake	9	Whale Pass	6	Hyder	2
Haines	29	Thorne Bay	9	Yakutat	6	Port Alexander	2
Petersburg	29	Hydaburg	7	Angoon	5	Port Protection	2
Klawock	21	Naukatli Bay	7	Kasaan	5	Other	7

Note: Respondents were asked to check all that apply.

The list below shows where other community respondents are located.

Which community do you live in? N=64

Total Answering	64	Port Alexander	2	Naukatli Bay	1
Juneau	34	Coffman Cove	1	Pelican	1
Haines	5	Craig	1	Thorne Bay	1
Wrangell	5	Edna Bay	1	Whale Pass	1
Ketchikan	3	Hollis	1	Yakutat	1
Klawock	3	Hoonah	1	Other	4
Sitka	3	Hydaburg	1		
Petersburg	2	Kasaan	1		

Combination of Above Two Questions, by Borough N=309

City and Borough of Juneau	159
Ketchikan City and Borough	38
City and Borough of Sitka	38
Haines & Skagway	35
Wrangell	36
Prince of Wales Census Area	56
Hoonah/Angoon Census Area	31
Petersburg Census Area	38

Note: Business Leader respondents were asked to check all communities in which their business operates.

Description of Business Owned/Operated by Business Leader Survey Participant

Which best describes your business?

	Count	Percent
Tourism	35	14%
Wholesale/ retail / distribution	22	9%
Accommodations	20	8%
Professional & business service / Consultant	19	8%
Construction / Architecture / Engineering	18	7%
Fishing	13	5%
Insurance / Real estate / Legal	12	5%
Arts, Entertainment	10	4%
Food services	9	4%
Transportation / Utilities	9	4%
Education	8	3%
Finance / Accounting	8	3%
Forestry	8	3%
Manufacturing	6	2%
Medical / Dental / Health	6	2%
Recreation	6	2%
Mariculture	5	2%
Social assistance	5	2%
Computer / Network consultant	3	1%
Mining	3	1%
State government	3	1%
Research / Development laboratory	2	1%
Telecommunications services	2	1%
Tribal government	2	1%
Alaska Native Village or Regional Corporation	1	0%
Federal government	1	0%
Local government	1	0%
Renewable Energy	1	0%
Other	5	2%

What year was your business founded? N=234

	Count	Percent
Pre 1900	4	2%
1901-1950	20	9%
1951-1980	46	20%
1981-2000	97	41%
2001-2007	48	21%
2008-2010	19	8%

About what percentage of your goods are purchased from suppliers in Southeast Alaska? N=237

	Count	Percent
0 - 10%	49	21%
11 - 25%	29	12%
26 - 50%	37	16%
51 - 75%	68	29%
76 - 100%	54	23%

Does your company sell (export) products or services outside Southeast Alaska? N=241

	Count	Percent
Yes - to other areas in Alaska	61	25%
Yes - to the Pacific Northwest	40	17%
Yes - to Other US	47	20%
Yes - to Canada	20	8%
Yes - to Other International	30	12%
No	146	61%
Don't know	3	1%
Net yes	92	38%

About what percentage of your company's sales are to customers outside Southeast Alaska? N=92 (Sub-Answer to Previous Question)

	Count	Percent of Those Who Export
Total Answering		
100%	7	8%
75 - 99%	26	28%
50 - 74%	8	9%
10 - 49%	23	25%
0 - 9%	24	26%
Don't know	4	4%

Approximate number of people employed by your business in Southeast Alaska. N=233

	Count	Percent
1 - 3 employees	85	36%
4 - 10 employees	65	28%
11 - 25 employees	43	18%
26 or more employees	40	17%

What was last year's approximate gross revenue? N=241

	Count	Percent
Total Answering		
Less than \$500,000	117	49%
\$500,000 to \$999,999	32	13%
\$1 million to \$4,999,999	46	19%
\$5 million or more	26	11%
Don't know	20	8%

Appendix I

The following three tables show results by the following: Southeast Alaska as a whole, Juneau only, and Southeast region without Juneau.

How significant are each of the elements listed below to operating your business in Southeast Alaska? N=243
All Southeast Business Leader Responses

All Southeast Business Leader Responses	Total Answering	Significant benefit	Moderate benefit	Not a barrier or benefit	Moderate barrier	Significant barrier	Don't know	Not applicable	Net benefit	Net barrier
Freight costs	243	2%	2%	13%	29%	47%	1%	7%	4%	75%
The cost of business real estate	243	4%	3%	27%	29%	30%	1%	5%	7%	60%
Housing costs (for employees)	243	2%	2%	20%	23%	33%	1%	19%	3%	57%
Federal regulations	243	5%	2%	28%	22%	34%	3%	7%	7%	56%
State regulations	243	6%	2%	32%	30%	23%	2%	5%	8%	53%
Transportation linkages to suppliers	243	7%	11%	17%	30%	24%	2%	10%	18%	53%
The cost of electricity	243	7%	11%	25%	30%	23%	1%	4%	18%	52%
Southeast Alaska's road transportation	243	10%	7%	20%	25%	25%	1%	12%	17%	50%
Southeast Alaska's air transportation	243	17%	15%	15%	31%	18%	1%	3%	32%	49%
Job-readiness of entry-level workforce	243	3%	9%	22%	28%	21%	4%	12%	13%	49%
Payroll costs	243	3%	2%	34%	34%	14%	1%	11%	6%	48%
Level of taxation	243	6%	6%	34%	30%	17%	2%	6%	12%	47%
Transportation linkages to markets	243	9%	8%	21%	25%	21%	2%	14%	17%	46%
Local regulations	243	4%	5%	39%	29%	17%	2%	5%	8%	46%
Suppliers in Southeast Alaska for your business	243	8%	10%	25%	27%	19%	3%	8%	18%	46%
Availability of semi-skilled workforce	243	5%	9%	26%	28%	17%	2%	13%	14%	45%
Availability of professional/technical workforce	243	5%	9%	24%	22%	21%	3%	16%	14%	43%
Availability of customers in Southeast Alaska	243	19%	10%	21%	26%	17%	1%	6%	29%	43%
Competition with government for employees	243	1%	1%	37%	22%	19%	2%	18%	2%	41%
Southeast Alaska's marine transportation	243	15%	19%	16%	26%	14%	1%	8%	34%	40%
The quality of local high school graduates	243	4%	15%	26%	24%	13%	4%	14%	19%	37%
Access to investment capital in Southeast Alaska	243	7%	10%	36%	15%	14%	8%	11%	16%	29%
Availability of high-speed internet in your area	243	30%	19%	21%	18%	11%	1%	1%	49%	28%
Access to commercial lending in Southeast Alaska	243	10%	12%	37%	15%	9%	7%	10%	22%	24%
The quality of local university undergraduates	243	5%	13%	35%	16%	5%	6%	20%	19%	21%
Safety	243	24%	25%	33%	10%	2%	2%	4%	49%	12%
Cultural opportunities	243	22%	34%	29%	7%	2%	2%	4%	56%	9%
Recreational opportunities	243	44%	28%	16%	6%	1%	1%	4%	72%	7%

How significant are each of the elements listed below to operating
your business in Southeast Alaska?
Regional Responses Without Juneau N=118

SE Regional Responses Without Juneau	Total Answering	Significant benefit	Moderate benefit	Not a barrier or benefit	Moderate barrier	Significant barrier	Don't know	Not applicable	Net benefit	Net barrier
Freight costs	118	2%	2%	9%	21%	59%	0%	5%	3%	81%
The cost of electricity	118	8%	8%	16%	30%	32%	0%	3%	17%	62%
Transportation linkages to suppliers	118	8%	10%	16%	26%	28%	3%	8%	19%	54%
State regulations	118	6%	2%	31%	27%	27%	3%	4%	8%	54%
Suppliers in Southeast Alaska for your business	118	7%	9%	22%	31%	23%	3%	4%	16%	54%
Federal regulations	118	5%	3%	30%	15%	37%	3%	8%	8%	53%
Southeast Alaska's air transportation	118	21%	13%	13%	31%	19%	2%	2%	34%	50%
Transportation linkages to markets	118	10%	8%	18%	24%	26%	3%	11%	19%	50%
The cost of business real estate	118	3%	5%	32%	26%	23%	0%	8%	8%	49%
Availability of customers in Southeast Alaska	118	14%	11%	20%	25%	24%	2%	4%	25%	49%
Availability of semi-skilled workforce	118	5%	6%	22%	27%	21%	3%	16%	11%	48%
Housing costs (for employees)	118	2%	0%	23%	22%	25%	0%	22%	5%	47%
Level of taxation	118	7%	7%	33%	32%	14%	2%	5%	14%	47%
Payroll costs	118	4%	2%	35%	29%	16%	2%	13%	6%	45%
Job-readiness of entry-level workforce	118	3%	10%	21%	25%	20%	4%	16%	14%	45%
Southeast Alaska's road transportation	118	13%	11%	19%	25%	19%	2%	11%	24%	44%
Southeast Alaska's marine transportation	118	19%	21%	10%	27%	16%	2%	5%	40%	43%
Local regulations	118	3%	5%	44%	25%	14%	3%	5%	8%	39%
Availability of professional/technical workforce	118	2%	7%	30%	14%	22%	3%	23%	8%	36%
The quality of local high school graduates	118	3%	14%	24%	20%	15%	6%	18%	17%	36%
Availability of high-speed internet in your area	118	28%	19%	17%	18%	16%	0%	0%	47%	34%
Competition with government for employees	118	1%	2%	40%	18%	13%	3%	24%	3%	31%
Access to investment capital in Southeast Alaska	118	3%	10%	36%	14%	18%	11%	8%	14%	31%
Access to commercial lending in Southeast Alaska	118	9%	14%	33%	14%	14%	10%	6%	23%	28%
The quality of local university undergraduates	118	2%	10%	31%	16%	5%	6%	30%	12%	21%
Safety	118	22%	19%	34%	14%	0%	0%	3%	42%	17%
Cultural opportunities	118	20%	35%	29%	7%	3%	2%	5%	55%	9%
Recreational opportunities	118	47%	25%	14%	7%	1%	0%	3%	73%	8%

How significant are each of the elements listed below to operating
your business in Southeast Alaska?
Juneau Responses Only N=125

Juneau Responses Only	Total Answering	Significant benefit	Moderate benefit	Not a barrier or benefit	Moderate barrier	Significant barrier	Don't know	Not applicable	Net benefit	Net barrier
The cost of business real estate	125	4%	2%	22%	32%	38%	0%	2%	6%	70%
Freight costs	125	2%	2%	16%	36%	34%	0%	10%	4%	70%
Housing costs (for employees)	125	2%	0%	18%	25%	41%	0%	15%	2%	66%
Federal regulations	125	4%	2%	26%	28%	30%	3%	6%	6%	58%
Southeast Alaska's road transportation	125	7%	4%	20%	24%	31%	1%	13%	11%	55%
Transportation linkages to suppliers	125	6%	12%	18%	33%	20%	1%	11%	18%	53%
Job-readiness of entry-level workforce	125	3%	9%	23%	30%	22%	3%	9%	12%	53%
State regulations	125	6%	2%	34%	33%	20%	1%	5%	8%	53%
Local regulations	125	4%	4%	34%	32%	20%	2%	5%	8%	52%
Payroll costs	125	2%	3%	33%	38%	13%	1%	10%	6%	51%
Availability of professional/technical workforce	125	8%	11%	19%	29%	21%	3%	9%	19%	50%
Competition with government for employees	125	1%	1%	35%	26%	24%	1%	12%	2%	50%
Southeast Alaska's air transportation	125	14%	17%	18%	30%	17%	1%	4%	30%	47%
Level of taxation	125	5%	5%	34%	28%	19%	2%	6%	10%	47%
The cost of electricity	125	6%	13%	34%	30%	14%	0%	5%	18%	43%
Transportation linkages to markets	125	7%	8%	25%	26%	17%	2%	16%	15%	42%
Availability of semi-skilled workforce	125	4%	12%	30%	29%	14%	1%	10%	16%	42%
The quality of local high school graduates	125	5%	15%	29%	27%	11%	2%	11%	20%	38%
Suppliers in Southeast Alaska for your business	125	9%	11%	27%	23%	15%	2%	12%	20%	38%
Availability of customers in Southeast Alaska	125	23%	10%	21%	26%	11%	1%	8%	33%	38%
Southeast Alaska's marine transportation	125	12%	17%	22%	24%	13%	1%	11%	29%	37%
Access to investment capital in Southeast Alaska	125	10%	10%	35%	17%	10%	5%	14%	19%	26%
Availability of high-speed internet in your area	125	33%	18%	24%	18%	6%	0%	2%	51%	23%
Access to commercial lending in Southeast Alaska	125	11%	10%	40%	16%	5%	4%	14%	21%	21%
The quality of local university undergraduates	125	9%	16%	38%	15%	5%	6%	11%	25%	20%
Cultural opportunities	125	24%	34%	30%	7%	1%	2%	3%	58%	8%
Safety	125	26%	30%	32%	7%	0%	0%	5%	56%	7%
Recreational opportunities	125	41%	31%	17%	5%	2%	0%	5%	72%	6%

Appendix II

Please rate your level of agreement with each of the following statements N=309 All Responses

	Total	Juneau	Ketchikan	Sitka	Haines & Skagway	Wrangell	Prince of Wales Census Area	Hoonah Angoon Census Area	Petersburg Census area
Southeast Alaska is a welcoming, tolerant, and attractive place for starting a business.									
Strongly disagree	13%	14%	13%	18%	17%	14%	13%	13%	21%
Disagree	32	38	50	34	34	25	29	42	39
Agree	48	42	32	39	49	50	50	32	37
Strongly agree	7	6	5	8		11	9	13	3
Net disagree	45	52	63	53	51	39	41	55	61
Net agree	55	48	37	47	49	61	59	45	39
Leaders in Southeast Alaska are responsive to the needs of all Southeast Alaska residents.									
Strongly disagree	12	11	11	8	11	8	16	16	11
Disagree	42	44	42	39	43	28	39	39	47
Agree	42	40	47	53	43	61	41	45	37
Strongly agree	5	4			3	3	4		5
Net disagree	54	55	53	47	54	36	55	55	58
Net agree	46	45	47	53	46	64	45	45	42
People from different industry and economic sectors frequently interact in Southeast Alaska									
Strongly disagree	5	4		5	3		7	3	8
Disagree	27	26	21	13	26	19	27	45	26
Agree	59	55	66	71	60	75	63	35	53
Strongly agree	9	14	13	11	11	6	4	16	13
Net disagree	32	31	21	18	29	19	34	48	34
Net agree	68	69	79	82	71	81	66	52	66
Artists and business people frequently interact in Southeast Alaska.									
Strongly disagree	3	3	3				4		8
Disagree	25	27	34	34	31	17	36	32	21
Agree	61	58	55	55	63	72	52	52	63
Strongly agree	10	12	8	11	6	11	9	16	8
Net disagree	28	30	37	34	31	17	39	32	29
Net agree	72	70	63	66	69	83	61	68	71
Local government supports business development.									
Strongly disagree	15	16	5	11	29	6	9	6	11
Disagree	28	31	39	39	29	19	30	26	34
Agree	50	47	50	45	40	67	52	61	53
Strongly agree	7	6	5	5	3	8	9	6	3
Net disagree	42	47	45	50	57	25	39	32	45
Net agree	58	53	55	50	43	75	61	68	55

	Total	Juneau	Ketchikan	Sitka	Haines & Skagway	Wrangell	Prince of Wales Census Area	Hoonah Angoon Census Area	Petersburg Census area
Business leaders proactively share information and resources when possible.									
Strongly disagree	7	6	3	5	14	6	9	3	16
Disagree	31	26	24	32	31	31	29	45	32
Agree	57	62	68	53	49	56	55	39	45
Strongly agree	6	6	5	11	6	8	7	13	8
Net disagree	38	32	26	37	46	36	38	48	47
Net agree	62	68	74	63	54	64	63	52	53
Southeast Alaska residents actively participate in community development organizations and projects.									
Strongly disagree	3	4	3	3			4		3
Disagree	29	28	26	26	31	33	30	29	24
Agree	54	55	61	55	60	53	59	65	66
Strongly agree	14	13	11	16	9	14	7	6	8
Net disagree	32	31	29	29	31	33	34	29	26
Net agree	68	69	71	71	69	67	66	71	74
Business people in Southeast Alaska actively invest in their communities.									
Strongly disagree	3	3					5		8
Disagree	17	17	13	18	20	6	18	29	18
Agree	55	53	58	50	57	53	54	42	55
Strongly agree	25	27	29	32	23	42	23	29	18
Net disagree	20	20	13	18	20	6	23	29	26
Net agree	80	80	87	82	80	94	77	71	74
Alaska Native and non-Native organizations have positive interactions.									
Strongly disagree	4	4	5		6		5	3	8
Disagree	33	31	32	32	29	17	34	48	29
Agree	55	58	53	53	57	61	54	39	50
Strongly agree	8	6	11	16	9	22	7	10	13
Net disagree	38	36	37	32	34	17	39	52	37
Net agree	62	64	63	68	66	83	61	48	63

Appendix III

Southeast Alaska Business Climate Survey Instrument

Intro: The USDA Forest Service awarded the Juneau Economic Development Council (JEDC) a contract to complete an Economic Development Asset Map and a Strategic Plan focused on existing and promising industry clusters in Southeast Alaska. JEDC is partnering with Southeast Conference, Sheinberg Associates, Civic Analytics, and the Alaska Map Company to complete this work. JEDC will identify key regional networks, business attitudes, and overall business climate through the Asset Mapping process.

This survey will provide vital information regarding the Southeast Alaska business climate. Individual responses will remain confidential, and the findings will only be reported in aggregate. Thank you for your participation! This survey will take up to 15 minutes to complete.

I. Economic Climate

1. Which best describes you? (Note – This survey is geared towards business owners).

Southeast Alaska Owner / president / CEO

Southeast Alaska Senior executive or senior official

Southeast Alaska Director / vice president

Southeast Alaska Manager

Southeast Alaska Elected official (if this is checked, only ask the questions highlighted in green)

Southeast Alaska Other (if this is checked, only ask only the questions highlighted in green)

Other (if this is checked, only ask only the questions highlighted in green)

2. How do you view the overall business climate in Southeast Alaska?

Possible answers:

Very good

Good

Poor

Very Poor

Don't Know

3. What do you think the economic outlook of Southeast Alaska will be five years from now?

Possible answers:

Much better

Better

Same

Worse

Much worse

4. What is the economic outlook for your business/industry (now)?

4A. For non-businesses ask "What is the economic outlook for your community? (now)"

Possible answers:

Very Good

Good

Uncertain

Poor

Very Poor

5. Which best describes your business? (If your company is involved with more than one focus, check the one that creates the majority of its revenues.)

Accommodations
Alaska Native Village or Regional Corporation
Arts, Entertainment
Computer / Network consultant
Construction / Architecture / Engineering
Data processing services
Education
Federal government
Finance / Accounting
Fishing
Forestry
Forest Restoration
Food services
Insurance / Real estate / Legal
Local government
Manufacturing
Mariculture
Medical / Dental / Health
Mining
Professional & business service / Consultant
Renewable Energy
Recreation
Research / Development laboratory
Social assistance
State government
Telecommunications services
Tourism
Transportation / Utilities
Tribal government
Wholesale / resale / distribution
Other _____

II. Business Environment

In this section, we are interested in learning about how each of the following factors affects your business.

6. How significant are each of the elements listed below to operating your business in Southeast Alaska?

Possible answers:

Significant benefit
Moderate benefit
Not a barrier or benefit
Moderate barrier
Significant barrier
Don't know
Not applicable (N/A)

6A Quality of life

- i. Climate
- ii. Recreational opportunities
- iii. Cultural opportunities
- iv. Safety

6B Cost of doing business

- i. The cost of electricity
- ii. The cost of real estate (buildings, land, rent for your business)
- iii. Housing costs (for employees)
- iv. Freight costs
- v. Payroll costs

6C Transportation

- i. Southeast Alaska's air transportation
- ii. Southeast Alaska's marine transportation
- iii. Southeast Alaska's road transportation
- iv. Transportation Linkages to markets
- v. Transportation linkages to suppliers

6D Workforce

- i. Job-readiness of Entry-Level Workforce
- ii. Availability of semi-skilled workforce
- iii. Availability of professional/technical workforce
- iv. The quality of local high school graduates
- v. The quality of local university undergraduates
- vi. Competition with government for employees

6E Regulations

- i. State regulations
- ii. Federal regulations
- iii. Local regulations
- iv. Level of taxation

6F Access

- i. Availability of high-speed internet in your area
- ii. Suppliers in Southeast Alaska for your business
- iii. Availability of customers in Southeast Alaska
- iv. Access to investment capital in Southeast Alaska
- v. Access to commercial lending in Southeast Alaska

6G Other

- i. Other_____

7. If you have employees, which positions are most difficult to fill at your business/company?

III. Networks

In this section, we are interested in understanding how your relationships with other Southeast Alaska institutions help your business.

8. Please rate how valuable interaction with each of the following Southeast Alaska institutions is to your business.

Possible answers:

- Not at all valuable
- Somewhat valuable
- Valuable
- Extremely valuable
- Not applicable
- Don't know

Southeast Alaska Institutions

- a. UAS
- b. Professional service firms
- c. Alaska Native Village or Regional Corporation
- d. Other businesses in your industry
- e. Banks
- f. Industry associations/Chambers of Commerce
- g. Business assistance/job centers
- h. Non-professional associations (alumni clubs, athletic clubs, etc)
- i. Economic development organizations
- j. Local government
- k. Tribal Government



- l. State government
- m. Federal government
- n. State Legislative Delegation Representatives

9. Please list all the Southeast Alaska networks to which you or your organization belongs (drop down box)

Southeast Alaska organization

- a. Rotary
- b. Elks
- c. Chamber
- d. Alumni Group
- e. Arts organization
- f. Environmental organization
- g. Fisheries related industry group
- h. Building industry group
- i. Economic Development group
- j. Tourism industry group
- k. Mining industry group
- l. Health industry group
- m. Education industry group
- n. Other Industry group or associations
- o. Fitness group / sports
- p. Church
- q. Other

IV. Southeast Alaska Norms and Attitudes

In this section, we are interested in learning about the dynamics of the business and civic environment in Southeast Alaska.

10. Please rate your level of agreement with each of the following statements.

Possible answers:

- Strongly disagree
- Disagree
- Agree
- Strongly agree

- Southeast Alaska is a welcoming, tolerant, and attractive place for starting a business.
- Leaders in Southeast Alaska are responsive to the needs of all Southeast Alaska residents.
- People from different industry and economic sectors frequently interact in Southeast Alaska (e.g., bankers and miners, manufacturers and tourism providers)
- Artists and businesspeople frequently interact in Southeast Alaska
- Local government supports business development
- Business leaders proactively share information and resources when possible
- Southeast Alaska residents actively participate in community development organizations and projects
- Businesspeople in Southeast Alaska actively invest in their communities.
- Alaska Native and non-Native organizations have positive interactions.
- Newcomers are welcomed into the business community.

11. Considering all the factors presented so far, how would you currently rate your region overall as a place for your business to succeed?

- Poor location
- Fair location
- Good location
- Very good location
- Excellent location

Open Ended Question:

12. Considering your entire Southeast Alaska business environment, please list and explain the most important issue to address to improve your business's prospects for success.

12A. Please list and explain the most important issue to address to improve your community's prospects for economic development.

V. Demographics

Please complete this brief background section. Please keep in mind that the information you supply about yourself and your organization will remain anonymous and will be analyzed only in combination with other responses.

13. Please identify the community in which your business is located (check all that apply if your business is located in more than one community)

(This should be a drop down box.)

13A. For non-business – ask which community they live in)

- | | |
|--------------|-----------------|
| Angoon | Klawock |
| Coffman Cove | Klukwan |
| Craig | Metlakatla |
| Edna Bay | Naukatli Bay |
| Elfin Cove | Pelican |
| Gustavus | Petersburg |
| Haines | Port Alexander |
| Hollis | Port Protection |
| Hoonah | Sitka |
| Hydaburg | Skagway |
| Hyder | Tenakee Springs |
| Juneau | Thorne Bay |
| Kake | Whale Pass |
| Kasaan | Wrangell |
| Ketchikan | Yakutat |
| | Other_____ |

14. About what percentage of your goods are purchased from suppliers in Southeast Alaska?

Possible answers:

- 0-10%
- 11-25%
- 26-50%
- 51-75%
- 76-100%

15. Does your company sell (export) products or services outside Southeast Alaska?– check all that apply

- Yes - to other areas in Alaska
- Yes - to the Pacific Northwest
- Yes - to Other US
- Yes - to Canada
- Yes - to Other International
- No (If this checked, go to 17)
- Don't know (if this checked go to 17)

16. About what percentage of your company's sales are to customers outside Southeast Alaska?

- 100 percent
- 75 percent to 99 percent
- 50 percent to 74 percent
- 10 percent to 49 percent
- less than 10 percent
- Don't know

17. What year was your business founded? _____

18. Approximate number of people employed by your business in Southeast Alaska.

Current (2010) _____

19. Approximately what was your previous year's Gross Revenues

- Less than \$500,000
- \$500,000 to \$1 million
- \$1 million to \$4.9 million
- \$5 million
- Don't know

20. How long have you lived in Southeast Alaska?

- Less than 2 years
- 2 to 5 years
- 5 to 15 years
- More than 15 years

21. To prevent duplication and allow follow-up communication if needed, please provide your contact information. Remember, all individual surveys and answers are confidential.

Name: _____

Phone: _____

Email: _____

Mailing Address: _____

Thank you for taking the time to complete this survey!

Appendix IV

Responses to Open Ended Question: Considering your entire Southeast Alaska business environment, please list and explain the most important issue to address to improve your business's prospects for success.

1. 1. Juneau access. 2. Take sales tax off of retail rentals (you can buy a \$40,000 car & pay sales tax on only \$7,500) If you lease a space for \$40,000 per month, you pay sales tax on \$40,000 every month! Hello!!! 3. The City needs to meet the needs of its people, not fund every project that comes along. 4. Schools are NOT graduating well qualified students. The teachers need to do an excellent job, or lose their job. Schools use too much "Student time" to meet and discuss the teachers needs. Teacher meetings, etc. should be held AFTER school is dismissed for the day, not taken from student instruction time.
2. A healthy community depends on jobs to drive the construction industry. We need good paying jobs on all fronts, but not at the cost of quality of life, or the environment. We also need good politicians who understand that we can have healthy, vibrant communities without sacrificing our quality of life. We do not need politicians who support uncontrolled tourism like one sees in Ketchikan and Juneau, or mining that harms our environment.
3. A more welcoming and embracement of support for the tourism industry in every respect in our town. From the independent visitor to the charter fisher folk and cruise ship passengers, they all need to know and FEEL that the welcome mat is always out for them. It's nowhere near that way now. From the public sentiment to the local government, it just isn't there.
4. A stable long-term state government financial plan.
5. ability to travel reliably and cheaply around southeast.
6. Abundant year round stable business
7. Access to venture capital - tried to get a loan to build a new business (restaurant) and can't seem to find anyone even interested in talking to me - even though I have no debt at all and a great credit record
8. advertising.....not much opportunity to advertise services
9. Affordable electricity is crucial to business development.
10. Affordable housing
11. Affordable housing. Local government (CBJ) needs to sell land to developers at below market value to make it more affordable to build new homes, therefore allowing them to build affordable homes. Sealed bids do not help, low flat rate pricing offered to developers first and then a 2nd offering to public (if that is legal) otherwise, offer to all at fixed prices, below market value with stipulations that the property be developed within a certain time frame.
12. Allow and encourage responsible growth in transportation (roads), housing (affordable), and healthcare (cardiology and oncology).
13. An even greater appreciation of the degree to which undeveloped wilderness does provide a significant and broad economic benefit to many in the region, and in fact is itself a scarce resource in the world that we are fortune to possess in abundance.
14. Any economic development which would increase the numbers of the local population spending locally for goods would be valuable especially in the winter months for businesses that stay open year round and offer quality goods and services. It is easy to saturate the local market, however the regional market does help in the winter when constituents visit legislators. The reduced number of session days has impacted the retail market when it is most vulnerable.
15. Bring housing costs to a reasonable level would provide a significant benefit to attracting and retaining professionals. Improving access to Southeast and Juneau in particular would be beneficial from a transportation cost and access to market standpoint. Utilizing UAS and/or other educational institutions to develop local skilled hourly resources.

16. CBJ to cease all business that the private sector can produce. From Subdivision Development to plowing of the streets. The CBJ government is a monster that is out of control, stifling growth and true development in our community. The city's budget has grown beyond comprehension, again all at the expense of those working.
17. Child care programs need funding from local and state government.
18. civil discourse when planning for the future
19. Co-existence of industrial/ mining activity and healthy environment / fisheries Modern regulations protect fisheries and environment Development can be sustainable. Changing attitudes
20. Concerning the visitor industry, the most important issue is for local communities to develop a collaborative visitor industry plan. The problem is that state and local plans encourage industrial tourism. While all tourism is affected by the world economy, industrial tourism has an additional negative issue in that it is directed by bottom line policies in which community health is not a factor. This last year our gallery many times has much better days when there were no large cruise ships in port. High end tourism is a viable and stable, the direction I would like to see for the smaller S.E. communities.
21. Continuation of Glacier Bay National Park concessions and day boat trip into Glacier Bay, which draws non-cruise ship passengers to Gustavus during the Summer. Success of other local businesses rely heavily on internet availability.
22. continued Cooperation between the cruise ship industry and Alaska state government-compromise=lowering the cruise ship tax on passengers by the state of Alaska. Use of Alaska Native cultures, arts as a draw to bring visitors to the state=continued benefits to the Alaska Native peoples. Don't just take our pictures and info but have the benefits help us as artist and workers.
23. continued cruise ship support
24. Cost of conducting business. Electricity, transportation of goods and guests. Federal and state regulations need to be addressed.
25. Cost of fuel and electrical service and freight
26. Declining population Aging population Job opportunities in rural areas
27. Decrease federal and other governmental regulations on economic/land use/natural resource issues.
28. Development of a local Economic Development strategy
29. Development of and access to local markets. Maybe that is two issues but they go hand in hand. We can't simply import everything and expect to be any kind of self-reliant and self-sustaining. We need to find a way to meet our own needs for basic goods and services where we are able and import primarily those things we can't reasonably produce.
30. Easier interaction between communities...meaning easier transportation I guess. MORE FAST FERRIES and the utilization of our new ferry terminal on the southern end of Mitkof Island
31. Economic development for rural areas, online training and resources are not available. Instead of investing in a person, invest in getting the info out by online resources. Example Economic development comes to town, in person, if you miss them, no help or contact. If there was an online information center or presence that would be more helpful. I am floored that just walking up to the door one day constitutes availability. No scheduling, no announcement, just stopping by on a particular hour is it. Even if a resource has been accessed in the past, no follow up. Resources for simple business management tools could be very helpful as well as tax planning, succession planning, computer and internet skills. Example: as a member of a CVB and living in a rural area, I asked if social media trainer class could be available by Skype, conference call or recorded, answer NO. So everyone just goes about their easy business and never makes the effort to include rural areas. If I had my choice all state money spent for training in any field would have a rural outreach requirement, to either record or conference call every single event. That way we can all access information of interest and keep our businesses up to date and compete. Because there is no way to keep up to date, we have to leave town to get skills.
32. Economic Development....communities need to network within themselves as well as other communities via the Chamber..or other civic organization...I would say at this point the Haines Borough Assembly is anti progressive where new businesses are concerned..

33. Educating the communities on the direct and indirect benefits of tourism. Working towards a shared vision between the communities and the cruise industry on short/ long term goals for strengthening tourism.
34. Education (in our case in the field of IT) - University programs, training options Communication Infrastructure Road access/improve multi-modal as was pursued with SATP
35. EFFECTIVE TRANSPORTATION ROUTES AND ACCESS, AT A REASONABLE COST TO THE CONSUMER OF THOSE SERVICES.
36. Eliminate preferential treatment given to NON PROFIT Groups, when they are in direct competition with a regular business entity. There is a difference between SHELL OIL & the RED CROSS - But there isn't a such a difference between A NON PROFIT DANCE ASSOCIATION & THE BARBARA SMITH SCHOOL OF DANCE. The NON PROFIT should not be entitled to tax subsidized Grants & lower school space rentals, when they do not provide a service that is in any way different than the services provided by a normal business entity.
37. Energy, Transportation, and fewer regulations, specifically DNR and ADF&G.
38. enlighten the public to commercial fisheries waste
39. Establish industry not tied to government or service/tourism.
40. Federal land management
41. Federal regulatory environment is STIFLING business of almost any sort. Development of Energy projects is very complex, expensive, and regulatory driven. There are tons of "resources" that can help, but they don't provide relief from regulatory overheads that can crush small business.
42. Financial Help (loans or grants), Mentors (Economic Development) Training (customer service, ability to add and subtract, ability to talk about merchandise you can sell, ability to come to work on time and do the work.
43. finding a cohesive vision/approach to regional development that avoids the conflicts of development vs. preservation.
44. For tourism it is the cost of getting to SE Alaska.
45. Freight rates for goods in and out of Southeast. How can we get them down?
46. Freight! The high cost of freight and the items that have been banned from regular freight need to be straightened out. The cost of freight has increased so bad this past few years that it becomes cheaper for customers to get the items themselves when they travel. The cost of items that have to be sent special ways because of hazardous rules, even when traveling on marine lines freight systems makes it not profitable to even handle these items, and they are a necessary product of my store, art supplies.
47. Fuel costs. Legislative programs for weatherization for businesses.
48. Funding
49. Getting the government out of the way. To many redundant government agencies.
50. Growth, need support from all not just those interested in my service. Negative experience from some even when they need your service.
51. High speed internet and good harbor facilities
52. Homelessness and the vagrant population. These folks seem to be growing in number and they are making the downtown core an uninviting place to visit and shop. If downtown dies so do the downtown businesses.
53. I have a one person consulting firm so many of the questions in this survey do not apply directly to my business. However, I do have opinions about the subject. In general for all businesses, reduce local, state, and federal government permitting requirements, free up more land for development, find ways for local youth to find jobs and be able to stay in the region.
54. I need small businesses, agencies and non-profits to be financially on solid ground so they can confidently seek my services.
55. Improve access to SE Alaska. The Alaska Marine Highway schedule and policies are a huge barrier to development of tourism in SE Alaska. Not enough mainline ferries from Bellingham. Not enough staterooms. Not enough daily service to rural communities. The current AMHS service to Wrangell, Alaska is a huge barrier to growth. Our groups cannot get into and out of Wrangell. They are denied staterooms out of Bellingham.
56. Improve transportation infrastructure and bring down the costs of energy.

57. Improved and reasonably-priced Internet bandwidth FedEx service on Prince of Wales Island, instead of transfer to USPS in Juneau or Anchorage
58. Improved cost of living specifically housing. Availability of day care and reduce population turnover in larger cities. Improved job readiness. Stabilize outlying island economies to fit the cultural lifestyles.
59. Improved housing opportunities for middle and lower income people, allowing them to shop locally. Government workers often shop on trips or on-line. Educating more locals, regardless of their source of employment, to shop locally would stimulate the local economy. So would a second crossing to supplement the Douglas Bridge. Improved ferry service and encouragement of shopping by neighboring village residents could have a positive impact on local business.
60. Improved road access, improved regulatory environment for resource industries, reduction of federal bureaucracy and regulations.
61. improvement in the economy
62. Improving the image and knowledge base for Glacier Bay Nat'l Park
63. Increased housing and tourist industry as Skagway has managed for their community.
64. Increasing the population of the region.
65. Industrial tourism will negatively effect the ability of small business tourism related businesses as well as the quality of life of local residents.
66. internet
67. internet access within se communities/broadband my business is dependent upon high-speed/dsl
68. Investment in Ports and Harbors for large vessels.
69. It doesn't matter where you put the Mariculture industry we are doomed to fail as long as ADF&G is intent on destroying the industry as they have been for the past 10 years by creating a negative environment both dealing with them and from the mass of non-sense or reaching excessively costly regulations.
70. It's hard to want to invest with the constant threat of the capital move.
71. JOBS, JOBS, JOBS. Need increase in population, resource development and better transportation links.
72. Juneau has too much influence from "the good ole boys" attitude. Those with money call the shots for everyone. As far as local government, the "squeaky wheel gets greased." At Assembly, Planning Commission and other city officials give in to the most vocal not necessarily the most positive for the entire community.
73. Land cost is too high, both commercial and residential, the cost of utilities is high too, the CBJ is decidedly anti-business, anti-road access and anti-growth which drives away new business start-ups, keeps everyday living costs high and is a major deterrent to young people and young families that might like to live here.
74. Less divisiveness between anti and pro environmental groups; more inclusiveness -- i.e. Alaska committee, which could be working on keeping jobs in SE (as well as being more inclusive -- i.e. people who support keeping the capital here may not support the road)...
75. Less Government control, need to have the local government (Borough Assembly) listen to and understand the needs of all residents in Haines, not just special interest group. Need to have a more business friendly environment. Haines needs to encourage more businesses, not discourage them by putting more rules and regulations on them.
76. Less permit fees, and a welcoming community to tourism.
77. Less regulation from city, state, fed gov. High cost of land in Juneau could be overcome if CBJ was willing to work or see development as a positive rather than a negative.
78. Less restrictive and cumbersome Federal Government regulation.
79. Local government needs to be more supportive and welcoming to new businesses
80. Local Government needs to do more to provide for the underserved and un-housed residents of SE AK. The summer only businesses and employees take a toll on SE communities by taking up valuable rental/real estate and holding vacant apartments through the long "off" season when people are in need of housing.
81. Local municipal resistance to change, regardless of merits
82. Local preference for SE manufactures along with more economical transportation in SE

83. Local tax enforcement and regulations. Supporting tourism with out negatively impacting quality of life. Community beautification and quality of life.
84. Maintain quality of life. Improve access to health care for all. Make access to AMH more affordable for small Alaska businesses in order that they can interact more artists/retail outlets can interact with each other. Make access to AMH more regular, reliable, and affordable for all in order to promote tourism.
85. Maintaining government employment levels, attracting new business, housing cost and tourism.
86. Maintaining Juneau as the capital and stopping capital creep. Otherwise, there will be insufficient economic activity to sustain our way of life.
87. Make small timber sales available for small companies.
88. more affordable transportation
89. More information needs to be put out regarding what's available to help small businesses get loans.
90. More interaction across sectors and support for hiring creative people in all of Southeast.
91. More jobs will bring more residents to our region. Diversify those jobs, not just improve existing ones.
92. More networking.
93. More outside advertisement. Our state government needs to step up and promote this state in a positive light.
94. more resource development timber mining fisheries
95. more tourism and less federal involvement.
96. Most of the communities in Southeast Alaska have a good business environment just do not have health economies to go with the good business environment. Juneau is the exception it has the worst business environment. You have a five four assembly and a out of control community development department. The best thing Juneau could do is elect a business minded assembly. The current assembly does not have one single member that is in business for themselves.
97. Must have a timber supply from the Tongass that is economic and reliable
98. My business is almost wholly dependent upon the success of a broad scope of business in SE Alaska. If the business climate is weak, my business is weakened. For my business to thrive, there has to be competition in the marketplace and there needs to be willing buyers of goods and services with an income to afford them.
99. My business is hog-tied by legislation. Regulations and legislation from Local, State and Federal governments play a significant role in what we can not do.
100. My business relies directly upon the economic health of the region as a whole.
101. Need local gov't support and road access
102. need more cruise ships need better access to Juneau freight costs are too high
103. Needing to transfer public lands into private hands. Reduce Federal regulations
104. Not enough electrical power for any industrial development
105. Not having to fight State and Federal gov't. to survive. It is always a fight with any agency to get anything done. None of the agencies communicate with each other. It is very difficult to get anything accomplished with any of them and takes forever.
106. Only let people who get voted in for the politics serve 1 term. They are out for themselves. In the long run it hurts us all. They don't care though.
107. Our most important issue is being considered an important part of the local economy and developing sustainable, stable regulations so we can market our businesses.
108. Parking and transportation
109. Paved road Less transient taxes
110. People realizing that Lodges are part of Alaska
111. PERS
112. Protection from environmental extremists. Remove the strong-arm of the federal government limiting opportunity for resource use and development.
113. Provide lower interest rate loans to qualified business owners and eliminate the head tax and it associated taxes.

114. Putting Glacier Bay back on the map in a positive way. That includes having Aramark and the National Park officials work together to make it a thriving place, which will help all of us.
115. REGULATE THE CHARTER FISHING FLEET AND HOLD THEM TO THE SAME STANDARDS AS THE COMMERCIAL FISHING INDUSTRY. DO NOT EVER ALLOW ANY KIND OF FISH FARMING IN ALASKA.
116. Removal of parochial attitudes holding back new ideas and business. It seems government and economic development organizations are most interested in protecting the status quo.
117. resource access, over-regulation, lawsuits
118. Resource Development
119. Roll back Federal regulations, curb growth of state and local governments and associated costs to both business and citizenry. Build the Road!
120. Seasonality is a huge issue for my business, as is links to alternative markets. Cost of transportation in and out of SE make it difficult to make/participate in many of those potential market links.
121. Stability in charter regulations. It is hard to keep up with the reg changes by fish and game.
122. State and local govt. funding to critical social services needs Affordable housing - young people moving away because they will never be able to buy a house Reasonable Ferry service to all communities - Sitka has been effectively cut off from the local villages by making everyone go to Juneau and overnight before coming to Sitka
123. STOP OVER REGULATION OF NON RESIDENTS KEEPING FISH THEY CATCH
124. successful completion of Juneau access
125. Support of main economic drivers in Southeast is imperative. Re-focus support to not rely on tourism. Focus on businesses that are owned and operated by year-round Southeast Alaskans. Improve relations of Southeast communities and communication. Help us succeed!
126. Sustainable development. Use of land and resources in a manner that assures continued health of the environment, always. Jobs are only good for us if they do not destroy our future.
127. Taxation and legislation- We have been effected by a state imposed head tax on cruise ship visitors that has resulted in over 100,000 visitors from 2008. In addition, legislation accompanied with this bill in regards to wastewater treatment procedures is driving business away not brining it in.
128. The adversarial attitude between government and local people, the government attitude that the tourism industry is the most important industry in Juneau, the unwillingness of the city to live within their means, the fact that the city continues to pay lip service to affordable housing and yet continues to raise the costs of taxes, permits, fees, business property taxes, sales taxes etc, the fact that every city "improvement" is passed along to adjacent property owners as a LID. Every time a piece of property becomes available the city buys it up and makes a "Park". We need property in the tax base. Most of the problems with SE, and Alaska in general, is that the "king" owns all the forest. We do not need more property owned by the King.
129. the capital and commissioner's offices, federal agency leaders being in Southeast is very important to my business, otherwise, Anchorage is the center of business and it is easier to work with the oil/gas and mining firms from that location. Keeping Southeast important to the state is a matter of keeping the capital and agency leaders in the region. Keeping Juneau a center for the region is important, although it is interesting that the region's most important legislators tend to be from Ketchikan and Sitka!
130. The cost of overhead (rent, employee costs, shipping goods) is very high in Juneau. This makes starting or expanding a business challenging. If we want to expand businesses that ship goods or services outside of SE, we need to find ways to keep business' overhead costs from growing to an unmanageable level.
131. The cost of rental space is prohibitive to have the size of a studio I need. In order to be more productive I need more space, but the cost of space is so high and I don't want to extend myself that much without having the income first. It's a catch 22.

- 132.The environmental movement was not supposed to cost any individual, but look were it got us.
- 133.The most important issue is a viable supply of timber. If we knew that there were going to be enough timber supply to keeps us going for five or more years, we would be more likely to invest, creating more jobs.
- 134.THE NEED FOR MORE MAJOR INDUSTRY. MINING,TIMBER,FISHING ETC. THIS WILL CREATE JOBS THAT WILL HELP US REBUILD OUR POPULATION.
- 135.The single most important plus is the Juneau Chamber of Commerce program to promote local purchases or at least local comparison pricing. This of course must be accompanied by the business involved providing quality work at a comparable price.
- 136.The state government needs to change its policies related to Geo Duck Mari-culture, possibly form a committee similar to other fisheries and give THAT body the job of suggesting new regulations and approving any that the DF&G puts forward.
- 137.There needs to be a way to free up timber sales. USFS has converted itself into some sort of park rangers instead of foresters administrating timber sales.
- 138.transportation & shipping affect most all businesses, making a higher cost of living, services & products-with limited salaries at a higher end level (than just above minimum wage).
- 139.Transportation and freight costs make it difficult to compete nationally.
- 140.transportation by air and water are cumbersome and very expensive. The I.F.A. and the ferry system serving the inside passage are very cost prohibitive. Transporting a vehicle from Ketchikan to Hollis with two people is almost \$300. one way. If your business or home is in Coffman Cove or that end of the island a car has to be waiting in Hollis to take you on at least a 90 minute drive. Going to Ketchikan from the Coffman Cove requires leaving around 4:30 A.M. to board the ferry. Coffman desperately needs their ferry operating. The airport in Klawok could also be put to use to handle some tourist traffic (at a reasonable price of course)
- 141.Transportation costs, fish stocks, bear & deer population
- 142.Transportation linking market and product. Access to buildable land. Higher density housing.
- 143.Vocational education opportunities for welders, machinists, engine repair or scholarships to attend out of state vocational technical institutes - Value vocational educations
- 144.we have to have jobs that will bring people to the area. The declining population will not help any of the local businesses succeed. We need to attached good wage paying employment to the area so college graduates will return here.
- 145.We just had a customer ask us to meet an internet price. We came within \$2 BUT the customer opted to buy online because of CBJ sales tax. We need a level playing field with the internet - those online sales should have to pay CBJ sales tax as well, OR we need to abolish the local sales tax and reduce CBJ services accordingly. Affordable housing. Much higher cost of living for employees equals salary requirements that are tough to support when competing with online retailers with much lower costs for doing business. Affordable freight with timely delivery. Our freight costs are 9 times what a lower '48 retailer pays in our same industry. And yet because of the internet, that is not a cost we can pass along to the customer. Slimmer margins means slimmer profits means we are less able to pay the wages we would like to pay. Affordable parking and commercial rental rates. Juneau has rental rates that rival high end city neighborhoods in much more urban settings. The new parking garage will be a great addition to downtown.
- 146.We need a power source. We need another license to succeed,. Our community has a law the Lodge can only take 8 people, which means two boats. We can not make a living with only one boat.
- 147.We need a substantial, reliable, economic timber supply!
- 148.We need better transportation (road or more frequent marine highway sailings in the winter) to bring more visitors to our town.
- 149.We need more local capital formation and investment in new businesses. Banks can help, but ordinarily not at the point of startup. I think JEDC's doing a good job and probably needs more PR along those lines, but our business really needs to be diversified (too much emphasis on tourism and government).

150. We serve people and this is where the people are, we have more of a demand for our services than we can meet which causes us to work as hard as possible.
151. Weekly transportation that is inexpensive would be very helpful.