



Alaska Marketplace V

Concept Paper

Alaska Marketplace – Proven Success

The *Alaska Marketplace* competition was established to revitalize the economies of rural Alaska by fostering innovation and business creation, while promoting Alaska's unique cultural heritage. Participants come together from across Alaska to compete for funding to grow rural businesses and stimulate economic development in rural Alaskan communities.

The *Alaska Marketplace* has had a meaningful impact on economic activity in rural Alaska since it began in 2006. *Alaska Marketplace* award money has enabled new jobs and businesses to be created where none existed, and participants have developed tangible new skill sets because of the technical assistance they received during the competition. Even participants who did not win award money have expressed their appreciation for the competition, and some have reported that they are continuing to carry forward their business/idea.

The Alaska Federation of Natives (AFN) conducted extensive outreach to all of the competition's 63 winners in 2009. The response rate was an impressive 78%. Based on the overall feedback AFN received from previous winners of the *Alaska Marketplace*, it appears that 70% of them are still in business. 25% of the winners did not respond or provide an update, and only 5% indicated that they were no longer pursuing the business/idea that they submitted to the competition.

The true impact of the *Alaska Marketplace* competition is difficult to measure, but there is no question that the competition has launched dozens of new businesses, created one hundred new jobs, enabled winners to leverage their awards to secure additional resources, built relationships across the state, and infused entrepreneurs with the skills and confidence they need to start their own businesses and develop their nonprofit ideas.

4 Competitions Strong

The 2006 inaugural competition received more than 170 concept papers from across Alaska, including the remote villages of Savoonga on St. Lawrence Island and the regional hubs of Nome, Bethel, Dillingham and Cordova. 43 finalists competed for award money at

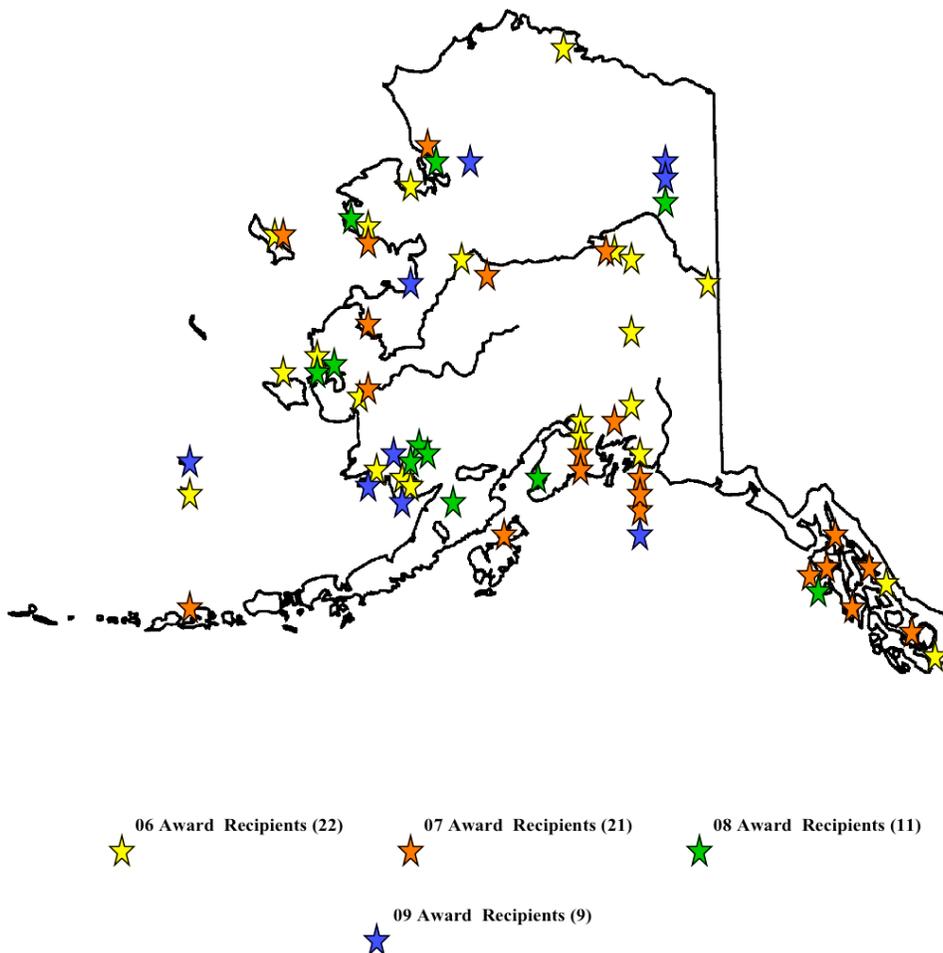
the ConocoPhillips Atrium by pitching their ideas to judges who represented a broad cross-section of professions. On April 7, 2006, 22 winning entrepreneurs shared in an award pool that totaled \$500,000. The awards ranged in size from \$8,000 to \$50,000 per entry.

Building on the phenomenal success of the first competition, the *Alaska Marketplace* launched its second year competition in May 2007. A total of 306 eligible Business Idea Applications flooded in from across the state, and assessors selected 61 finalists to advance to the final judging phase of the competition. During the 2007 AFN Convention in October, 21 finalists competed for a share of the \$700,000 pot, with individual awards ranging in amounts from \$15,000 to \$60,000.

The third competition was announced on July 7, 2008, and a total of 136 eligible Business Idea Applications came in from across the state. 42 finalists competed in the ConocoPhillips Atrium during the Alaska Federation of Natives Convention. Eleven winners were chosen, with awards ranging from \$9,315 for ***Tundra Woodworks*** in Chevak to \$46,575 to ***A Cut Above Quilting*** in Bethel.

The fourth competition drew 101 applications from across Alaska. 22 finalists presented their Business and Innovative Ideas to judges in the ConocoPhillips Atrium on May 5, 2009. Nine awardees shared \$300,000, with awards ranging in size from \$10,650 for ***Wolf Pack Industries*** in Unalakleet, to \$50,000 for ***Kuskokwim River Fisheries Micro-Fish Processing Plant*** in Bethel.

MAP: Geographic Distribution of Award Winners

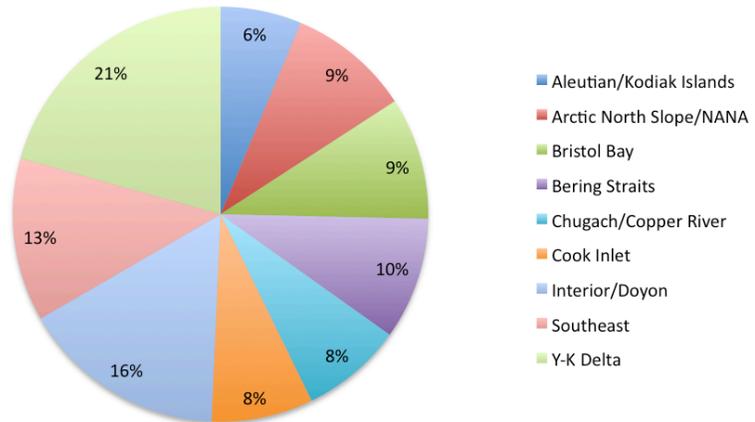


Alaska Marketplace in Numbers

During the first four *Alaska Marketplace* competitions, more than 700 innovative ideas were submitted from throughout the state. Ideas came from the smallest remote villages, regional hubs and urban geographic communities. A total of 173 ideas were selected as finalists, and ultimately 63 entrepreneurs shared in awards totaling \$1.8 million.

Alaska Marketplace Winners by Region

63 Total from 4 Competitions



Alaska Marketplace Works for Rural Alaska

Awards Help Secure Millions in Additional Cash

Some *Alaska Marketplace* winners have been able to leverage their awards into additional money for their projects, totaling millions of dollars.

For example, the ***Kachemak Shellfish Mariculture Grower Cooperative*** raised \$1.5 million in funding to build their building, with their *Alaska Marketplace* award contributing \$27,945 of the total amount required. On a smaller scale, ***Igyan Eco Tours*** leveraged an additional \$300 from their regional nonprofit association, and \$1,000 from their Native regional corporation. The ***Kanektok River Adventures*** project in Quinhagak reported that they received \$100,000 in funds from the Native Village of Kwinhagak, Qanirtuuq after winning the *Marketplace* competition, while ***Alaska Glacial Mud*** qualified for grant funds from the United States Department of Agriculture.

Knowledge Sharing Builds Capacity

A number of winners touted the value of the *Alaska Marketplace* as an avenue for sharing information and expertise with others. For example, ***Raven Frog Fibers*** traveled from Sitka to Hoonah and taught 14 locals to spin yarn. In return, those newly trained spinners can now produce supplies that will generate revenue for them through the sale of their product

to Raven Frog. This is a perfect example of learning an art while learning a new skill and providing income to individuals in a rural community.

Meaningful Partnerships Breed Success

Many of the competition's winners formed partnerships that have helped grow their businesses. For example, the ***Kanektok River Adventure*** project in Quinhagak partnered with four archaeologists from the University of Aberdeen, another from Bryn Mawr College, and another from the Association of Village Council Presidents (AVCP), the regional nonprofit association in Bethel. This collaboration has collectively discovered between 2,000 and 3,000 artifacts that are now being preserved. The ***Community Cold Storage*** reportedly partnered with the Alaska Fisheries Development, the University of Alaska, Fairbanks, the City of Cordova, Kitchen Project, Copper River Watershed Project, University of Alaska Marine Advisory Program, Alaska Fisheries Development Foundation, the Native Village of Eyak, Indian Valley Meats and several potential developers. They estimate they will spawn 50 or more cottage businesses.

Public Relations that Promotes Winning Entrepreneurs

The *Alaska Marketplace* competition works to promote the competition and its winners in media outlets across Alaska. Although some of the winners have conducted their own PR as well, the *Alaska Marketplace* has certainly helped create more visibility for winning entrepreneurs. Before, during and after each competition, the media is notified and sent listings of finalists and winners. The *Alaska Marketplace* team has placed numerous articles and news features about the winners, including local and regional newspaper stories that showcase the winners from that particular region. Diana Burton (2007 winner) was featured in the 25th anniversary issue of Rural Development News, from the University of Alaska, Fairbanks. Bobbi Daniels, from ***Raven Frog Fibers***, reports that, "the vote of confidence on the part of the *Alaska Marketplace* has opened doors..."

Planning Alaska Marketplace V

***Alaska Marketplace V* Goals**

Expanding Technical Assistance

The *Alaska Marketplace* will continue to provide technical assistance to the competition's finalists to help them prepare their required business/implementation plans/budgets. We will also strive to expand technical assistance to all applicants and to significantly improve the technical assistance offered by:

- Expanding our pool of Technical Assistance Partners.
- Encouraging Government- and University-sponsored business entrepreneurship programs, including the small business centers, to take on a greater share of the follow-up responsibilities and offer additional technical assistance to the winners.

Promoting Knowledge Sharing

The *Alaska Marketplace* will strive to further coordinate and foster connections between competition winners with similar projects. This knowledge sharing is a key ingredient in helping entrepreneurs learn from each other and grow their businesses.

Harnessing the Power of Partnerships

In the past, much of the *Alaska Marketplace* funding has been secured on a competition-by-competition basis. To maximize efficiency, AFN will seek to identify partners and secure funding earlier in the planning process. Multi-year commitments and planning will hold down costs and improve efficiency.

Alaska Marketplace V Theme – “Planting Seeds of Change”

Applicants will be asked to submit ideas in the following 5 categories:

- **Emerging Technology** - Practical use of new technology to create village enterprises, such as use of cell phones or digital media.
- **Education & Development** - Innovative ideas to encourage life-long learning and enable people to thrive in a rapidly changing world.
- **Health & Well-Being** – New and inventive plans to support the physical and mental health of Rural Alaska residents.
- **Land, Natural Resources & the Environment** - Innovative ways to implement affordable, alternative energy sources, and sustainably reap the fruits of our land and natural resources.
- **Youth & Children** – Fresh, pragmatic ideas from and/or for those under 25 about fostering economic development, strengthening communities and improving the quality of life in Rural Alaska.

Making Alaska Marketplace V Possible

Investing in Alaska’s Best Ideas

The *Alaska Marketplace* is a truly collaborative effort that relies on a broad range of partners and supporters from across the great state of Alaska and beyond in order to succeed. We welcome your involvement and encourage you to become a part of our winning team!

AFN is in the process of exploring the possibility of offering a fifth *Alaska Marketplace* competition, but we cannot move forward without these key contributions:

- **Funding** – The *Alaska Marketplace* initiative is built upon the concept that by giving entrepreneurs funding, we support economic development for individuals as well as the communities they live in. We need to raise at least \$300,000 in award money to host a fifth *Alaska Marketplace* competition. In our most successful year, we awarded nearly \$1 million.
- **Counsel** – Past winners and finalists alike consistently tout the *Alaska Marketplace* mentoring and support they received as one of the greatest benefits of the competition. Our goal for a fifth competition is to provide more targeted support and training at every stage of the competition for the applicants, finalists and award winners.
- **Community** – It takes a village to put on the *Alaska Marketplace*. From event planning and staffing, to judging, logistics and media, we need your in-kind help to make a fifth competition as successful as the first four.

We Need Your Help to Make this Happen!

Targeted Contributions

For the first time in the history of the competition, *Alaska Marketplace* is offering financial donors the opportunity to make targeted contributions based on your priorities and expertise. You have the freedom to assign your contribution based on one or more of the five Innovative Idea Categories listed above.

We also match all Phase II & III Technical Assistance Partners with competitors in their category of expertise – making the mentoring process maximally rewarding, both for the recipient and the mentor.

Contributions to the general award fund are also welcome at any level.

Donor Recognition

We value your contributions and we want everyone to know about them! Being an *Alaska Marketplace* sponsor at any level means an array of benefits for you, from listings and ads in the *Alaska Marketplace* event program, to year-round recognition on the Alaska Federation of Natives and *Alaska Marketplace* websites, and exclusive ad-space during the online and broadcast coverage of the final *Alaska Marketplace* event.

The *Alaska Marketplace* recognizes donors at the following levels (see www.alaskamarketplace.org for more on specific benefits for sponsors in each category):

- ***Investing Partners*** (multi-year financial and logistical support commitments)
- ***Yukon Sponsors*** (\$50,000 +)
- ***Kuskokwim Sponsors*** (\$25,000-\$49,999)
- ***Tanana Sponsors*** (\$15,000-\$24,999)
- ***Chilkoot Sponsors*** (\$5,000-\$14,999)
- ***Copper Sponsors*** (Up to \$5,000)

Building Capacity – Special Recognition for Mentorship & Training

Technical assistance donors will be recognized separately as “Technical Assistance Partners.” These vital Partners will receive year-round exposure on the Alaska Federation of Natives and *Alaska Marketplace* websites, and in special “Mentor Editions” of the *Alaska Marketplace* eNewsletter, as well as listings in the *Alaska Marketplace* event guide and on event banners (see www.alaskamarketplace.org for more on benefits for Technical Assistance Partners).

We invite donors to commit early for maximal exposure – and we welcome your involvement at any stage of the competition:

Phase I Support – Turning Ideas into Applications

Emerging entrepreneurs and community leaders need your help to hone their ideas and get them down on paper.

Phase II Support – Expanding Applications into Viable Plans

Finalists need your support to perfect their business or nonprofit ideas, research the industry they are entering, and complete a detailed plan and budget for implementation.

Phase III Support – Translating Plans into Action

Winners from your area of expertise need ongoing support and mentoring as they transform their ideas into viable, sustainable business and community organizations.

Contact Rose Ellis at 907-263-1308 or info@alaskamarketplace.org to learn more or make your contribution today!