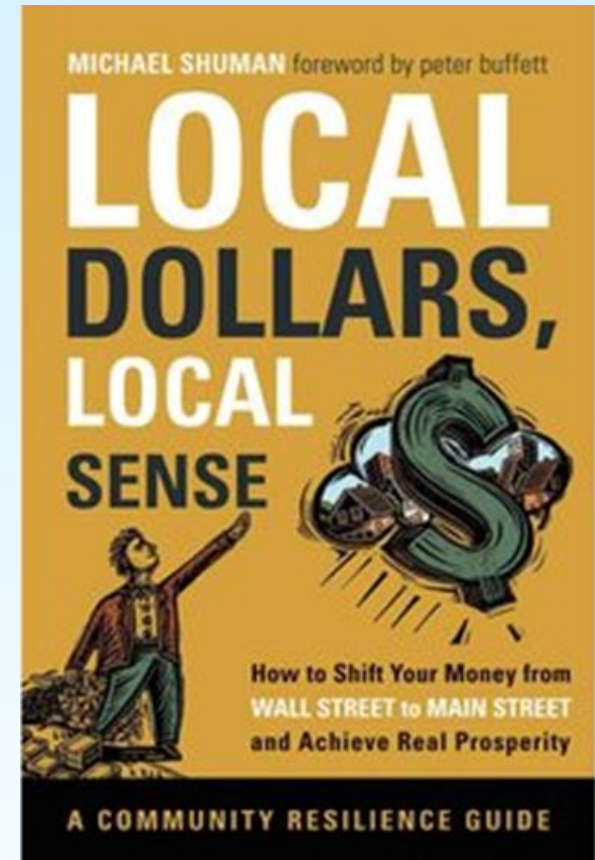


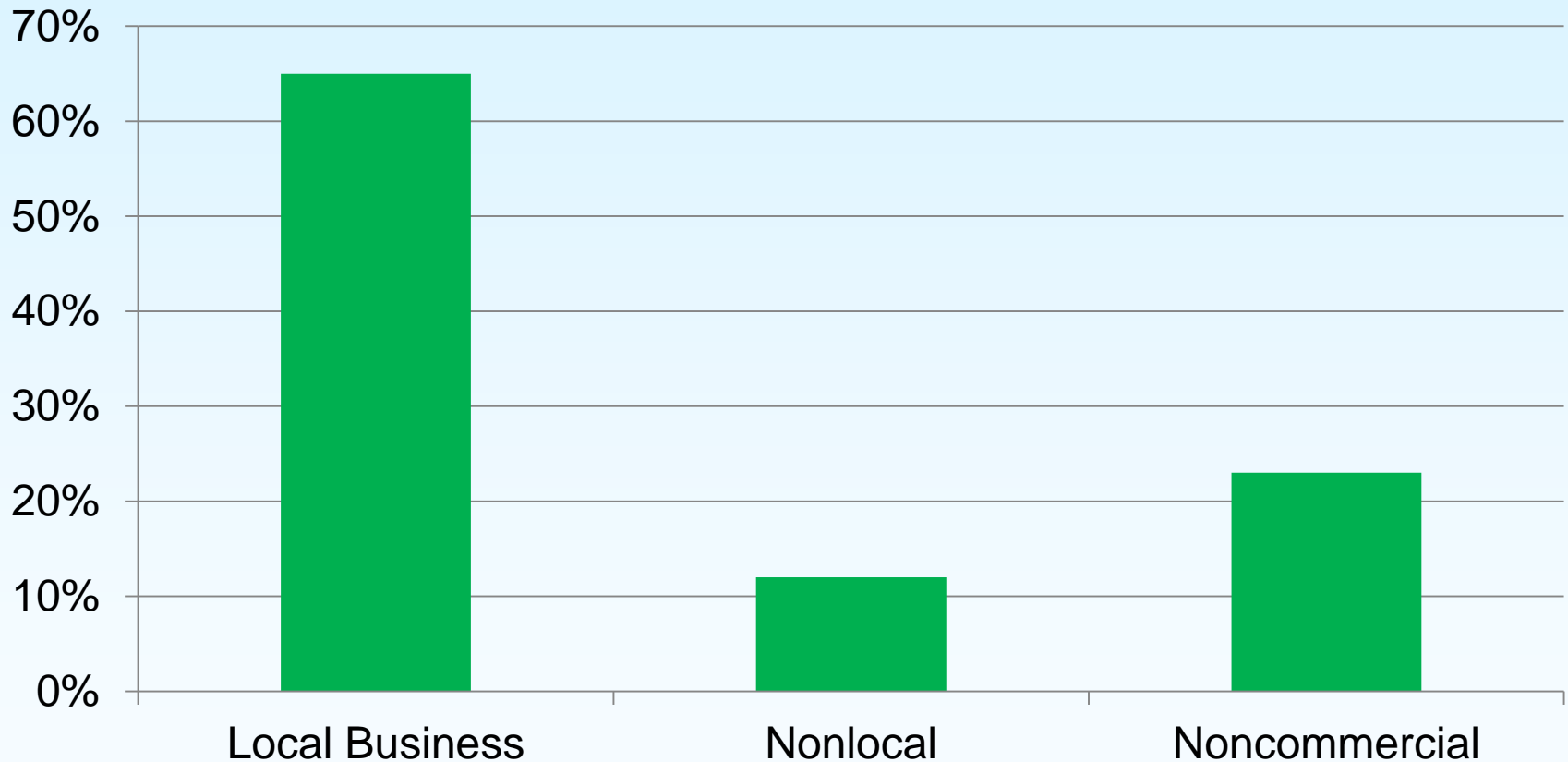
# Why Crowdfunding Matters



Unlocking the Economic Power of Small  
Business in Alaska

# Alaska Is All About Local Businesses

**% Jobs in Different Classes of Enterprise**



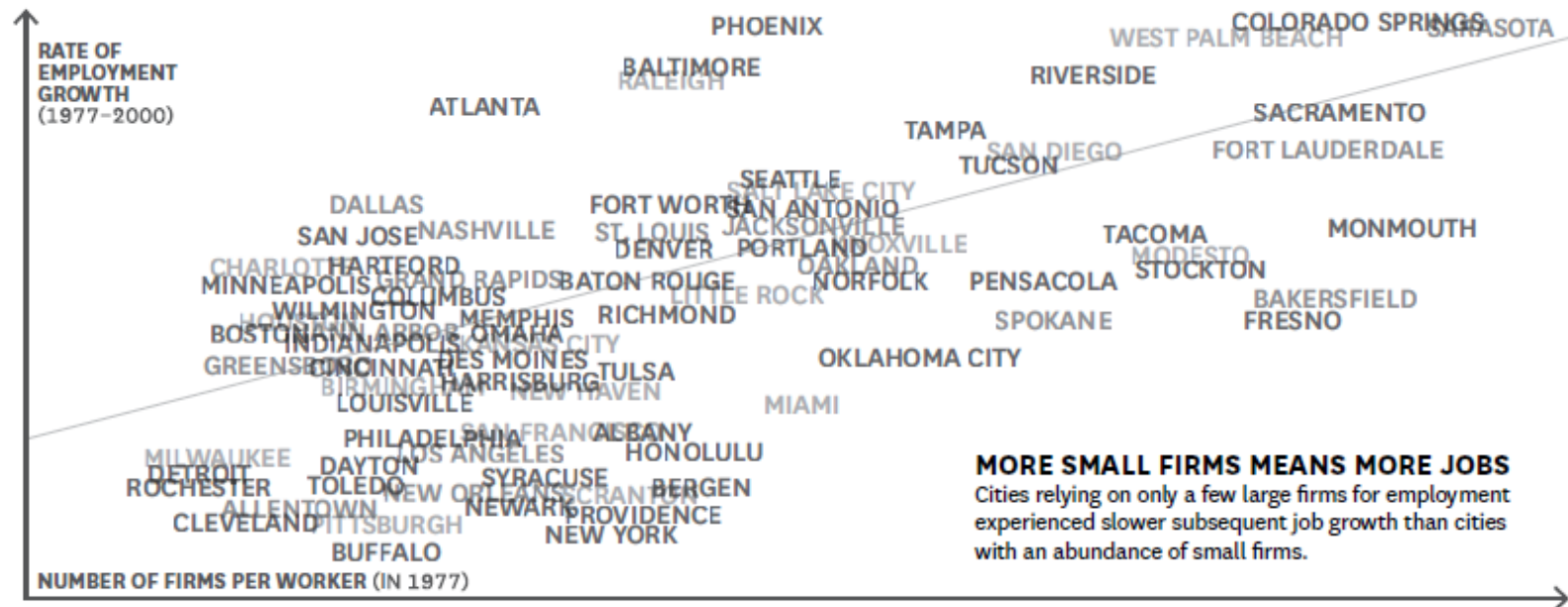
# Alaska Local Businesses Are The Only Job Producers

**Job Growth Between 2008 and 2013**



## July-August 2010

Cities relying on only a few large firms for employment experienced slower subsequent job growth than cities with an abundance of small firms.



# Federal Reserve of Atlanta

August 2013



## **Locally Owned:**

**Do Local Business Ownership and Size  
Matter for Local Economic Well-being?**

Anil Rupasingha, PhD

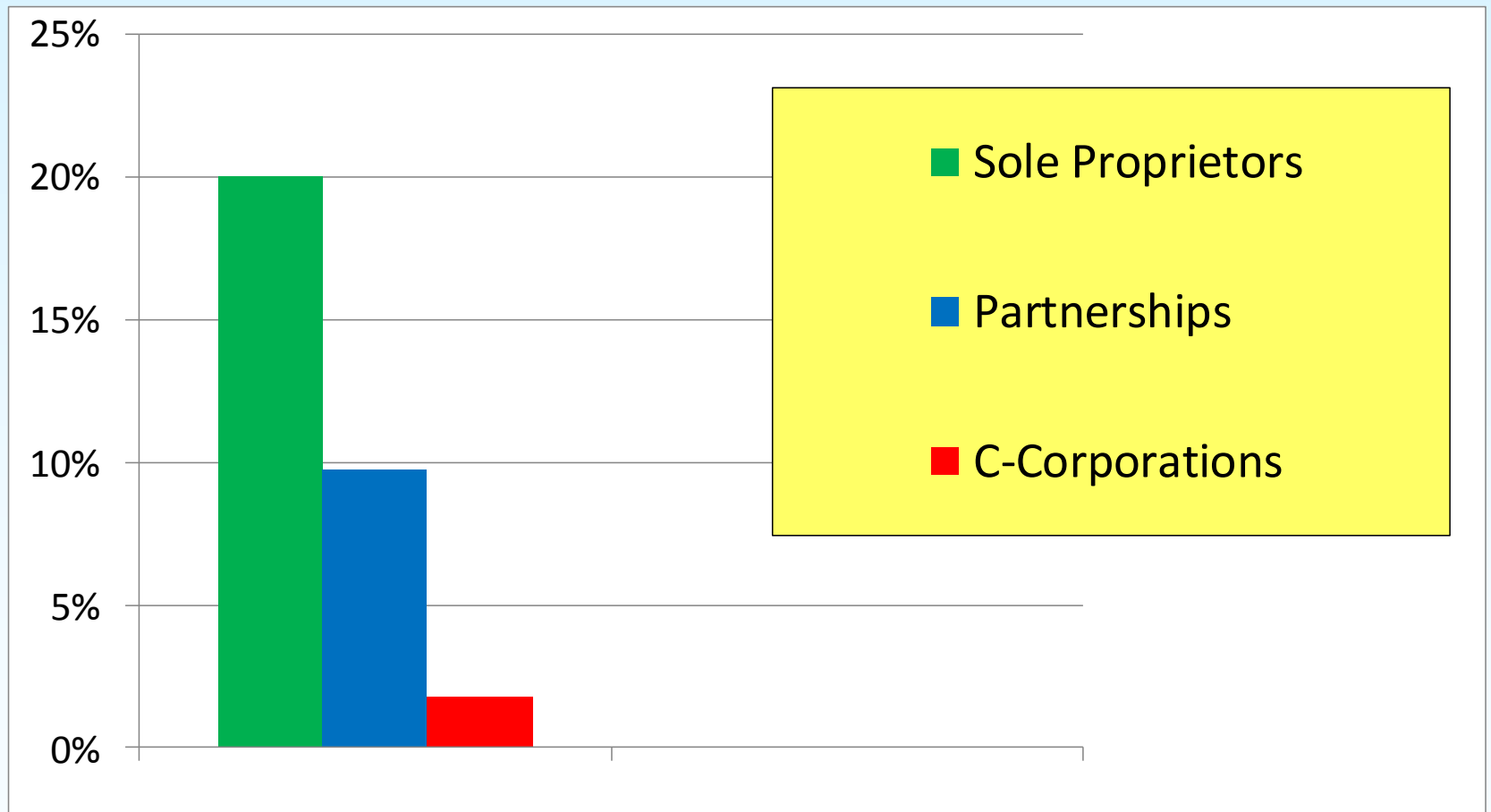
Federal Reserve Bank of Atlanta

Community and Economic Development Department

“My results...provide evidence that **local entrepreneurship matters** for local economic performance... I find that the percent of employment provided by resident, or locally-owned, business establishments has a significant **positive effect on county income and employment growth** and a significant and **negative effect on poverty** in the all counties and non-metro counties sampled.”

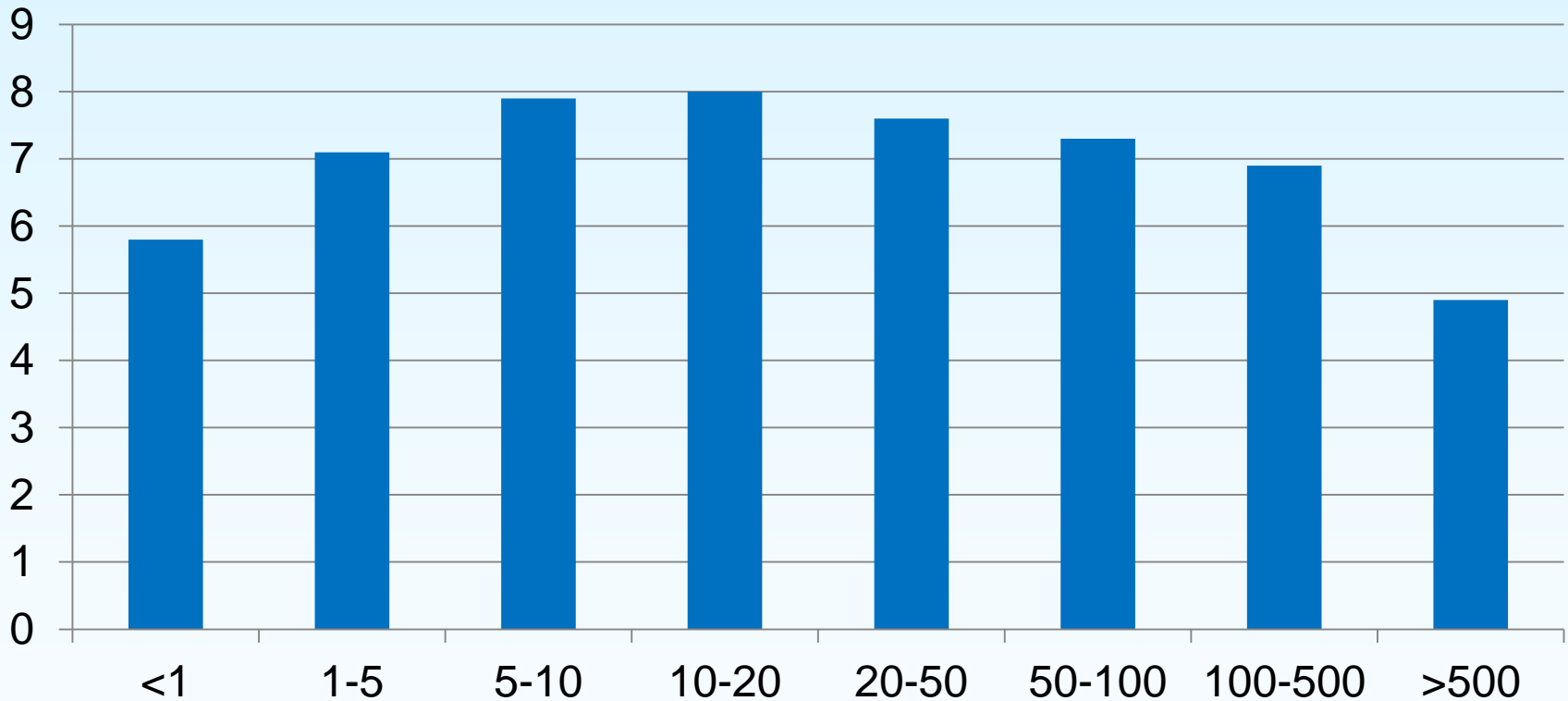
# Profitability of Local in 2008

## (Net Income/Net Revenue)



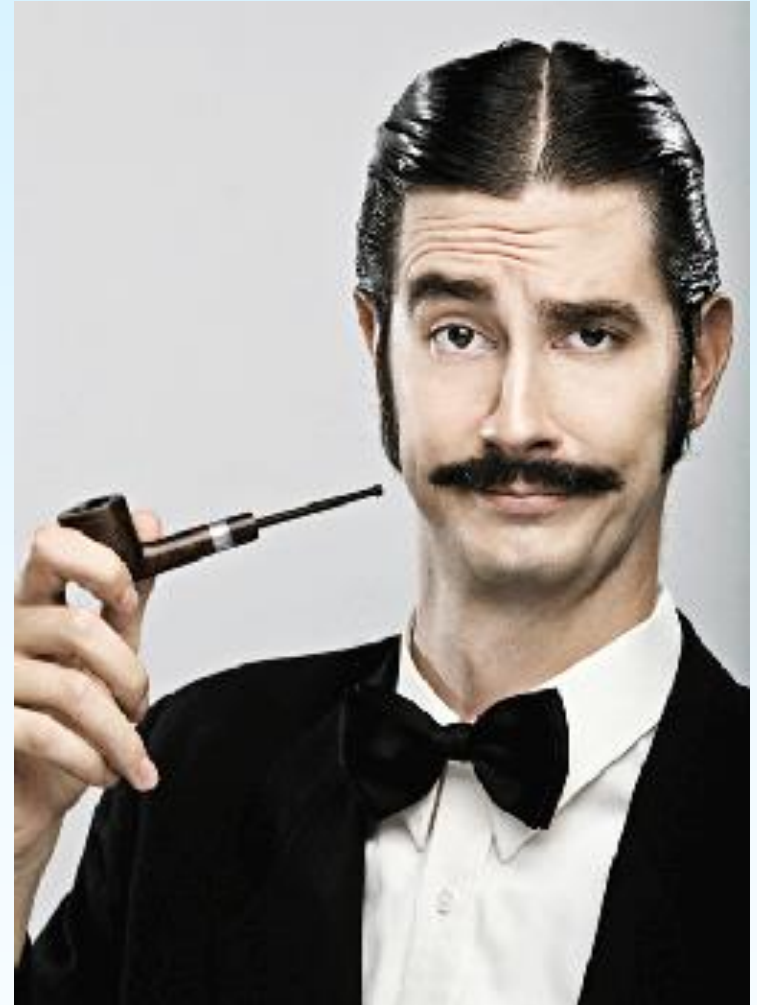
# 2009 Canadian Profitability

**Profit Rates for Firms  
(By Employees)**



# Investor Apartheid

- \$200-300k Income
- \$1 Million Wealth
- \$5 Million Institution





# The Impact of \$15 Trillion Shift

**(\$35 Billion for Alaskan Local Business)**



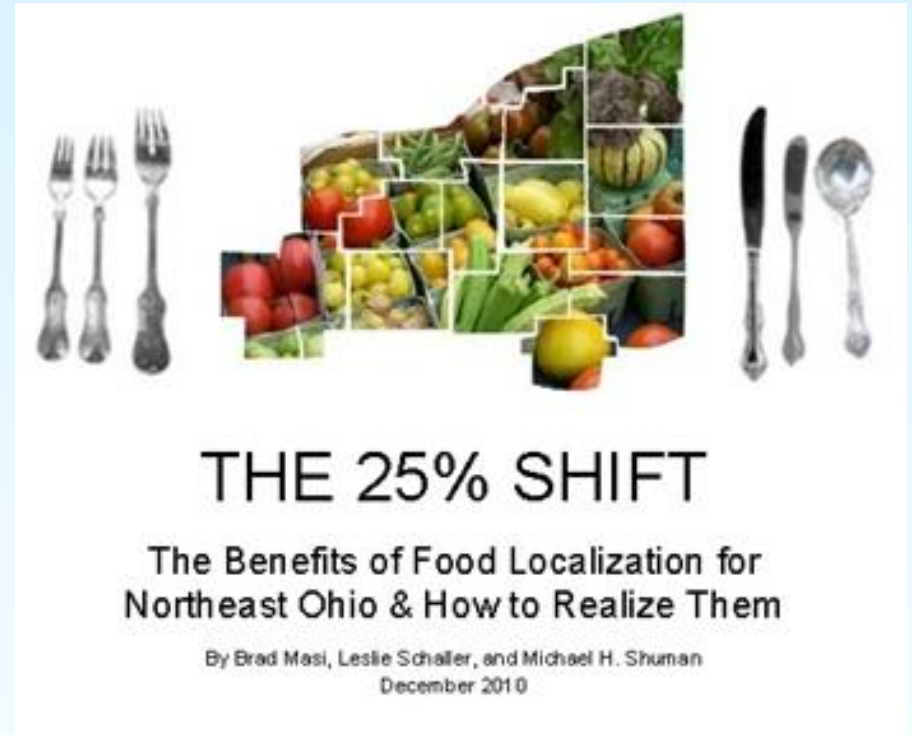
# Impacts of a 25% Food Shift: Metro Cleveland (2010)

Jobs = 27,000

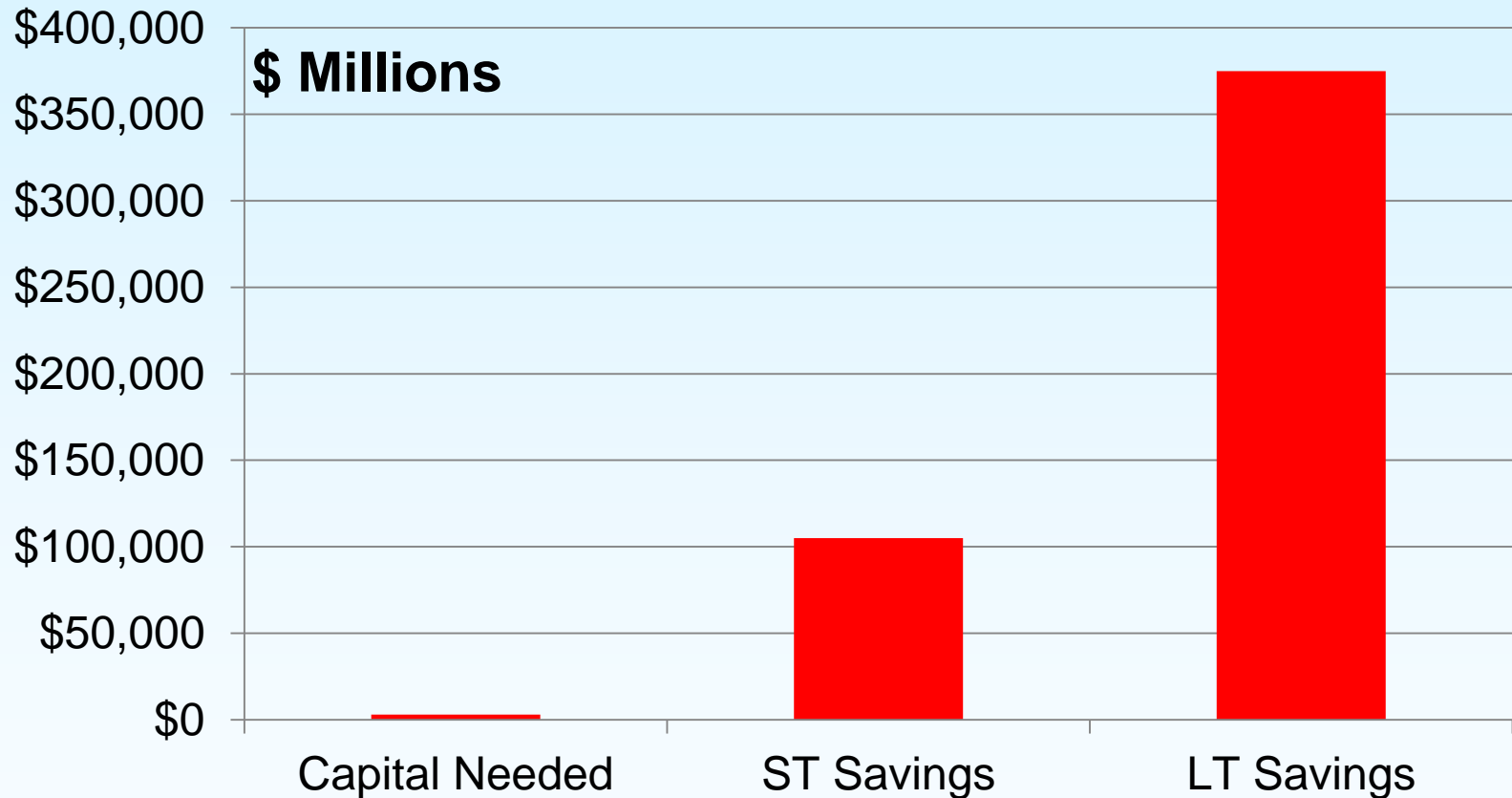
Wages = \$868 million

Value Added = \$1.5 billion

Taxes = \$126 million



# Capital Requirements for 25% Shift in Cleveland (\$735M)



# Risks to Unaccredited Investors





# Contradictions in Risk Policy



# The \$100 Exemption



# Recent Federal Legislation









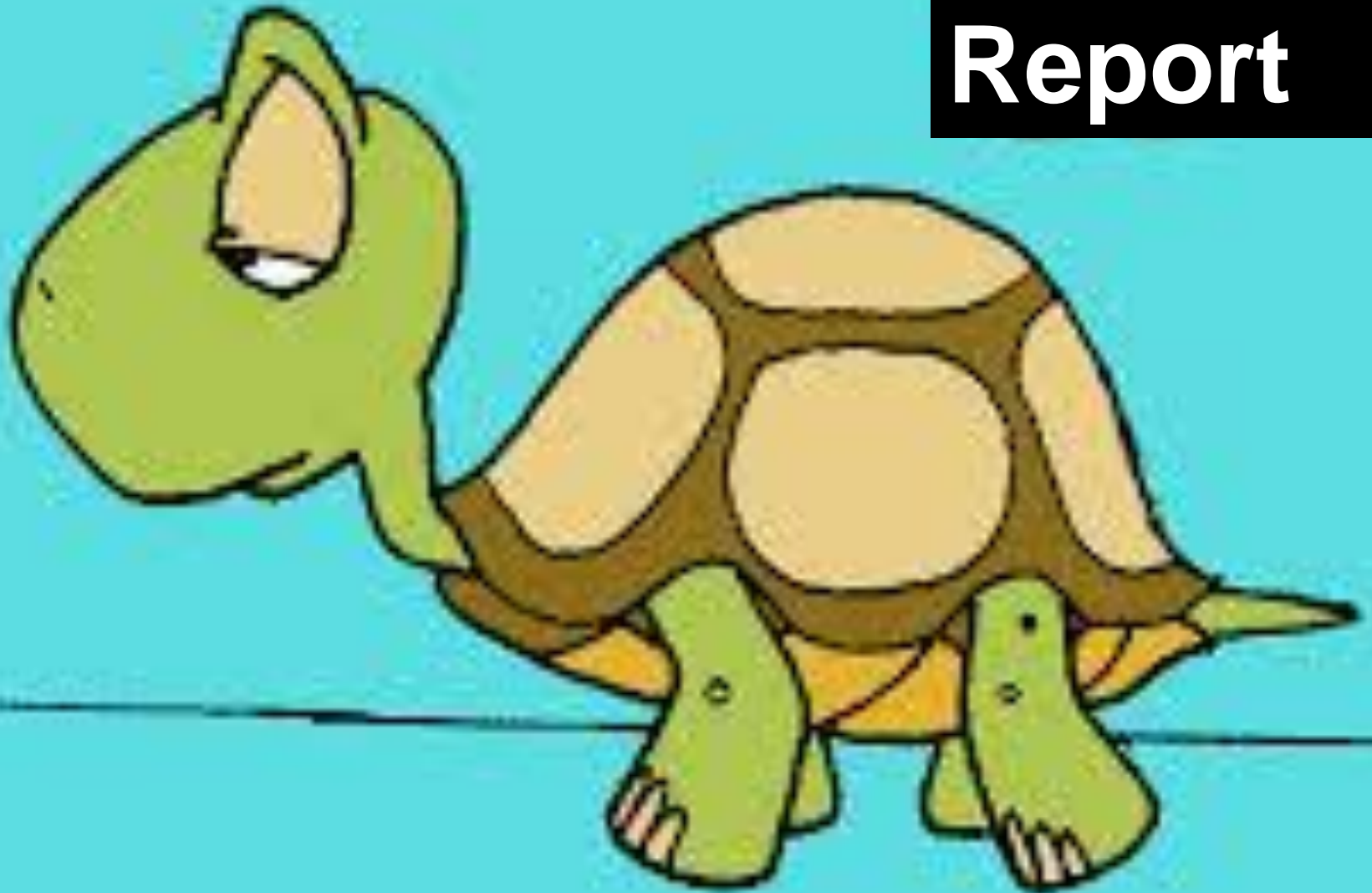
# The New World Order

## 5 April 2012

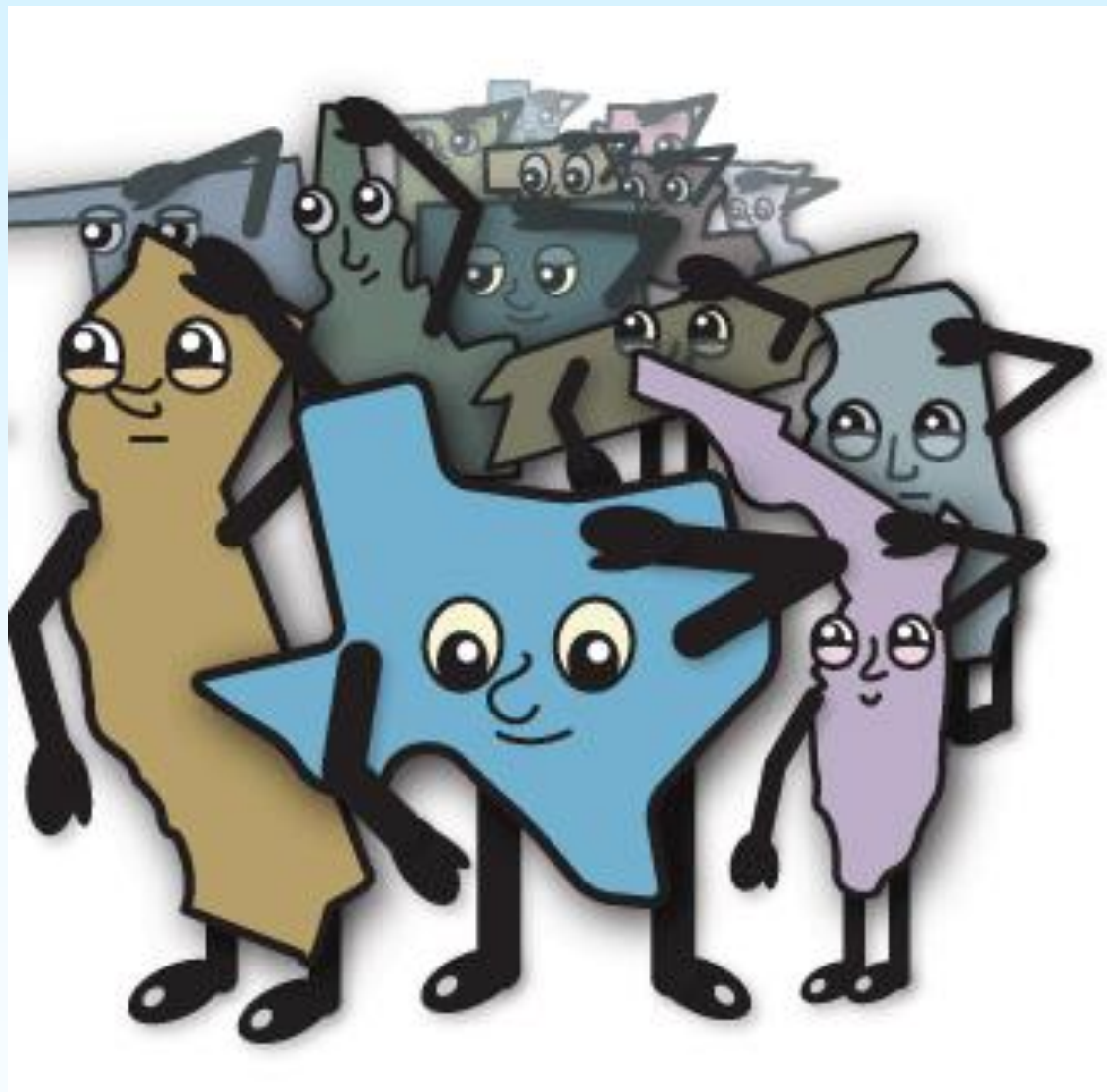
- <\$1 million
- <\$100k → \$2k/5%
- >\$100k → 10%
- Intermediary Required
- State Preemption



# Status Report

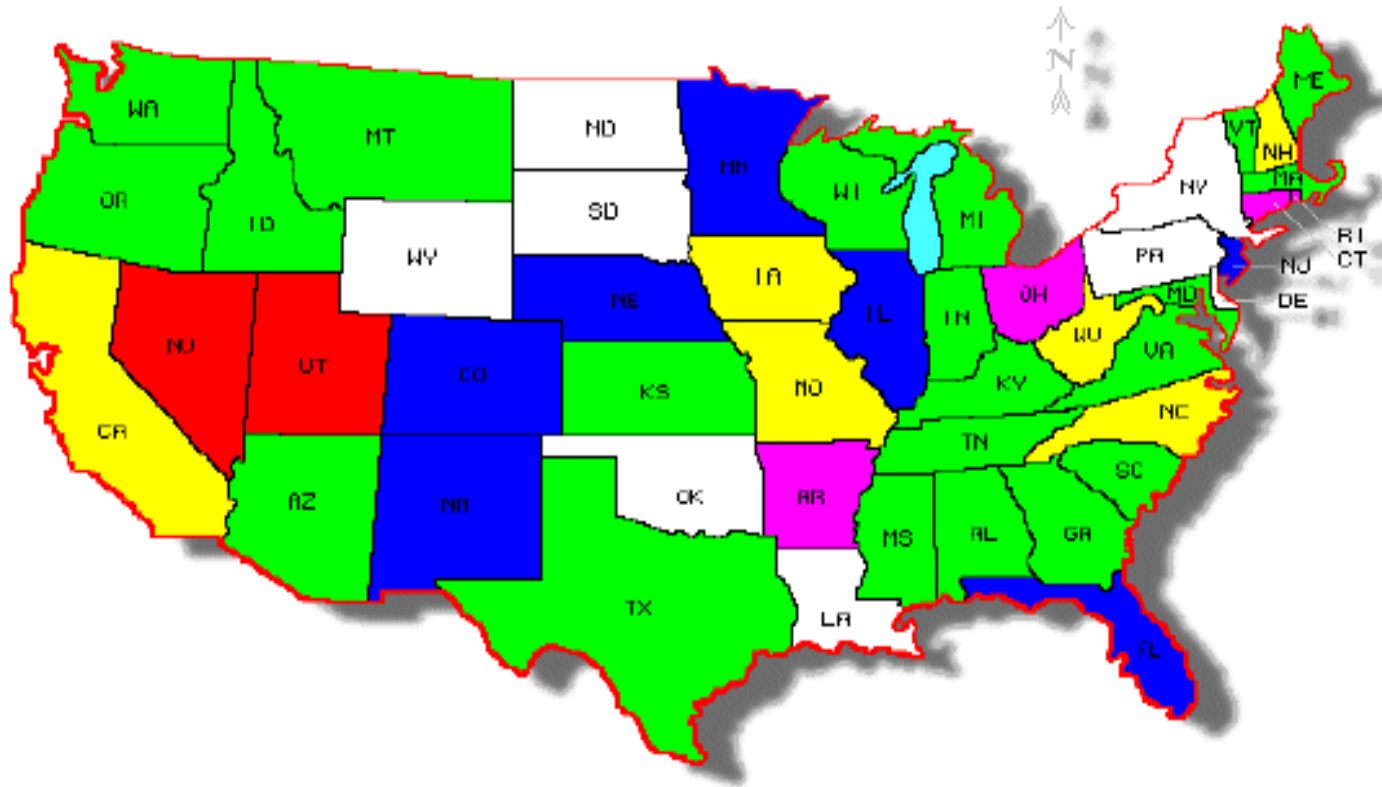


# What's Next?



# Will Alaska Be Next?

- - Active Now
- - Active Soon
- - Legislation Pending
- - Investigating
- - Defeated



# Features of Alaska Law

- <\$1 million
- \$7,500 per person
- Solicitation Allowed
- Intermediary Allowed



# For More Information:

**Michael H. Shuman**

202-669-1220

[shuman@igc.org](mailto:shuman@igc.org)

[www.michaelhshuman.com](http://www.michaelhshuman.com)



@smallmart

