

2/07/12

Presentation:
Department of
Commerce,
Community &
Economic
Development
Updates

<TARGET><BILL></BILL><SUBJECT>2-07-12 Presentation
Department of Commerce, Community and Economic Development
Updates</SUBJECT><COMM>HEDT27</COMM></TARGET>



EDT&T Presentation Alaska State Legislature

February 7, 2012

ALASKA
DEPARTMENT OF
COMMERCE,
COMMUNITY,
AND ECONOMIC
DEVELOPMENT

EDT&T Presentation

Presentation Outline

- 1** Division of Economic Development Update
- 2** Broadband Initiative
- 3** Alaska Tourism Marketing

Division of Economic Development Update

New in FY12



Division of Economic Development

- Work on underutilized species, mariculture, and outreach to seafood processors on regulatory, workforce, and product form issues
- Robust commercial fishing and small business lending resulted in 313 new loans valued at \$30 million
- Significant outreach to forest products industry as part of the Timber Jobs Task Force as well as DED initiatives
- Regulation development for Alternative Energy Loan program (capitalized in FY12)

Division of Economic Development Update

New in FY12



Division of Economic Development

- Increased film and television production through incentives, enhanced marketing, and strong industry engagement
- Enhanced minerals outreach, new promotional material, and teamwork with other agencies
- Secured a STEP grant to promote small business exports to China

Division of Economic Development Update

New in FY12

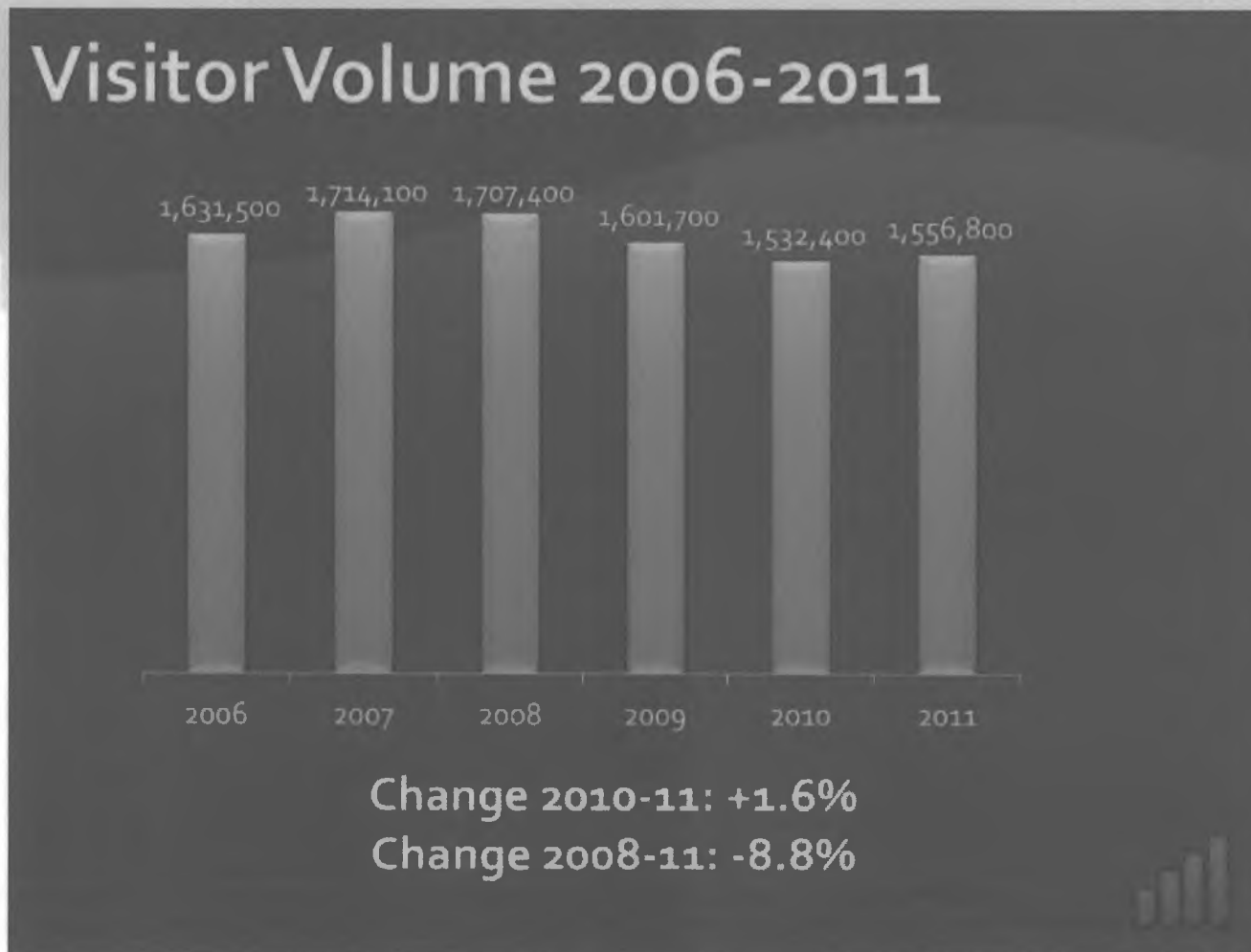
Division of Economic Development

- Implementing the FY12 tourism marketing program
- Participating in cross-agency marketing plan development
- Conducting Alaska Visitor Statistics Program: visitor volume, spending, experience ratings, previous and future travel plans – and much more



Division of Economic Development Update

New in FY12



Broadband Initiative

ALASKA
DEPARTMENT OF
COMMERCE,
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AND ECONOMIC
DEVELOPMENT



CONNECT
ALASKA.®

Broadband Initiative



What Broadband Means for Alaska

- Make it possible for every Alaskan to participate and be competitive in the global economy
- Tele-medicine
- E-learning
- Improved communications during emergencies

Broadband Initiative

Broadband Initiative Background

- 2008 Congress passed Broadband Data Improvement Act
- Alaska received \$6.3 million to fund activities through 2014
- Denali Commission redirected funds to Connected Nation
- Connect Alaska formed



Alaska's Grant Components

- Mapping: Alaska's last-mile capability, map maintenance/validation
- Planning: AK Broadband Taskforce
- Application: Assess and improve e-government services
- Technical Assistance: local-level research on residential and business adoption, digital literacy, and community needs assessments and benchmarking

Statewide Broadband Task Force

- 21 organizations, groups and agencies each nominated a person to serve on the task force
- Members range from libraries, hospitals, schools, Native organizations, telecommunication, emergency responders, and House and Senate
- Task force meets monthly to plan the state's broadband future and infrastructure needs

Broadband Initiative

Task Force Vision Statement

EXTEND



- To extend the full benefits of broadband technology to every Alaskan

PARTICIPATE



- To make it possible for every Alaskan to participate and be competitive in the global community

BY 2020



- By 2020, every Alaskan has 100 megabits per second (mbps) broadband connectivity

PLAN

- Draft plan roll-out in fall of 2012

Broadband Initiative

Task Force Deliverables

FALL 2012

- Deliver a plan for future broadband deployment and adoption



COST

- Cost to develop a middle-mile infrastructure



POTENTIALS

- Economic development potentials (based on modeling) when 100 mbps is delivered

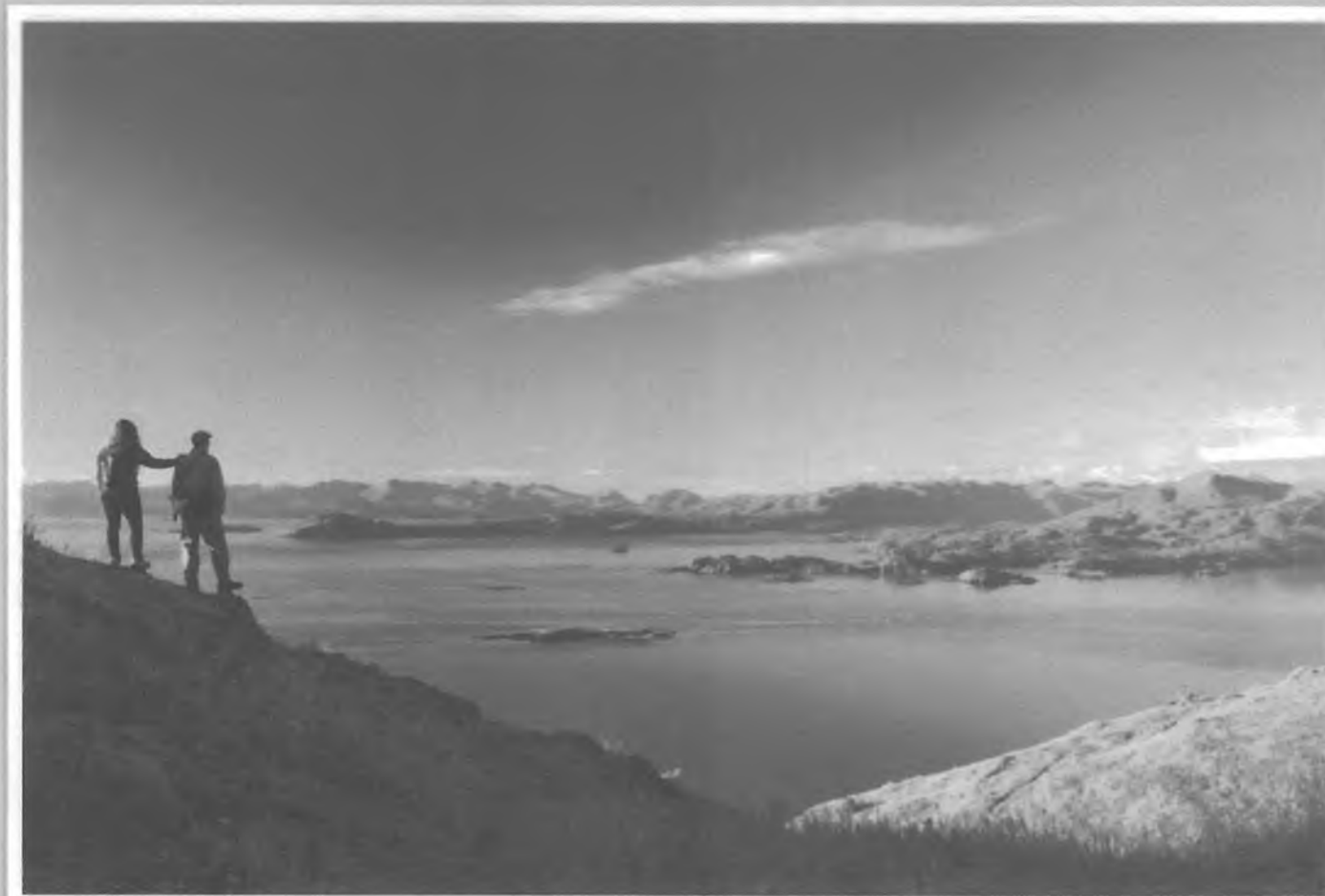


IMPACTS

- The impacts on e-commerce, e-government services, telemedicine, education, emergency services

Alaska Tourism Marketing

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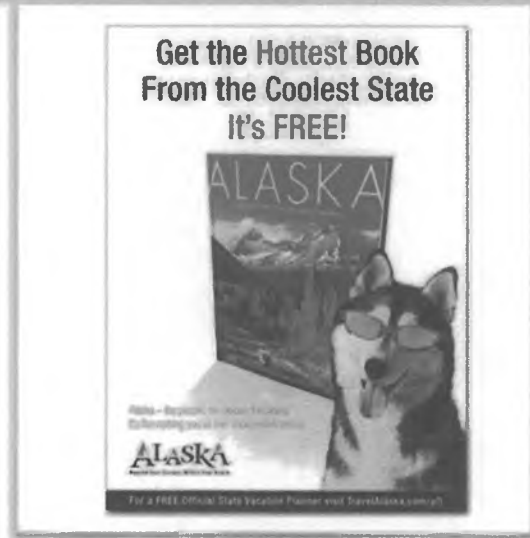
Implementation

- Legislature directed FY12 marketing funds to DCCED
- DCCED contracts – advertising, media relations, website, fulfillment, and research
- Developed MOU with ATIA – travel trade and international
- Marketing committee participation

Alaska Tourism Marketing

Marketing Budget

State Program	Cost Estimate
Advertising	\$7,842,000
Vacation Planner/Reach Brochure	1,335,000
Media Relations	939,000
Website	733,000
North to Alaska – Alaska/Canada Promotion	510,000
Research	239,000
In-State Marketing	150,000
<i>Opportunities and Contingency</i>	<i>252,000</i>



Advertising

- 24 full-page ads in national magazines (circulation: 45 million)
- 9 smaller ads in magazines (circulation: 31.7 million)
- National television advertising
 - 465 30-second ads on cable
 - 340 10-second ads on nationally syndicated programs



Advertising (cont.)

- Distributing
 - 450,000 Vacation Planners
 - 200,000 Reach Brochures
 - 100,000 North to Alaska Guides
 - 1.3 million direct mail pieces
- New winter photography

Alaska Tourism Marketing

Public Relations

- Generated 168 stories (PR value \$19.2 million)
- *Today Show's* Al Roker broadcast – dog sledding, bear viewing, fishing, cooking Alaska salmon, and sightseeing
- *Media Road Show*, 40 journalists
- DC media event with ASMI, 20 journalists
- New York media trip, Alaska cooking competition
- Monthly e-newsletter, 650 journalists
- Social media



Alaska Tourism Marketing

TravelAlaska.com

- 600,000 unique visits monthly
- 400,000 e-newsletters monthly
- Japanese and German language websites
- Updating content on state marketing partners, cultural information, and heritage tourism



Alaska Tourism Marketing

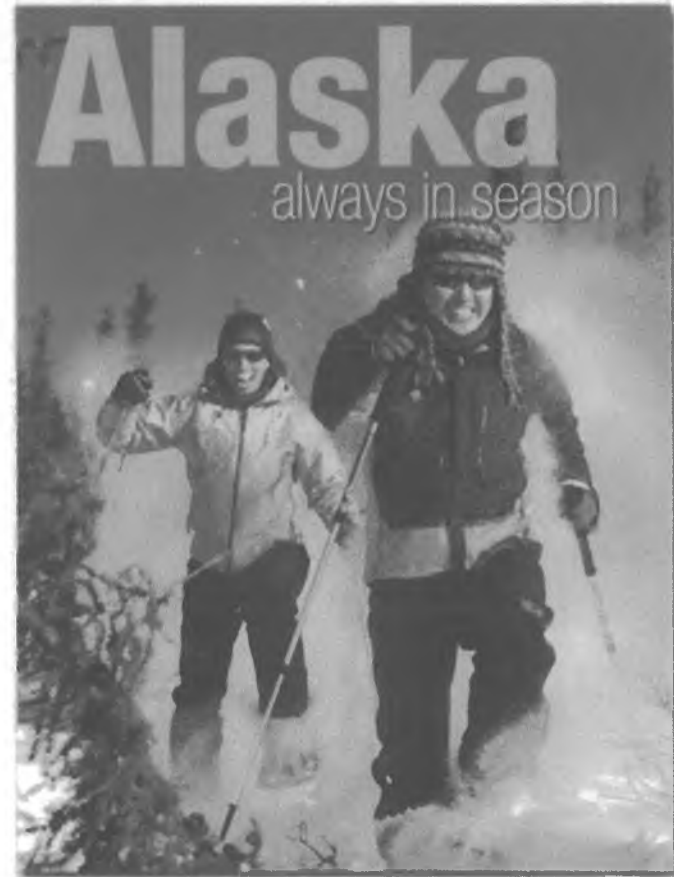


Trade Shows and Events

- Attended 6 national consumer shows
- U.S. – China tourism summit
- China and South Korea trade mission: tourism, ASMI, airports
- Trade mission to Iceland
- State Travel Offices annual meeting

Upcoming Activities

- Winter press trip: Yukon Quest, Fur Rondy, Iditarod
- New York Media Event, March 8
- New Mobile App, March 26
- Korean language website, June 1
- Planning for FY13 program





Comments and Questions

Executive Summary

The Anchorage Economic Development Corporation contracted with McDowell Group, an Alaska research and consulting company, to assess the economic impacts of the 2010 filming in Anchorage, Barrow, and Seward of the Universal Studios motion picture *Everybody Loves Whales*. The production, which included several well-known actors and hundreds of cast and crew, had high visibility during the months of shooting, but there is likely little understanding about the full economic impact it had on the economy and the large number of vendors whose businesses were directly affected during the two-month filming effort.

Summary of Findings

Alaska's film Industry

- Based on data provided by the Alaska Film Office, \$14.9 million was spent in Alaska in FY2010 and FY2011 year-to-date on the production of feature films, documentaries, television programs, and commercials. It does not include *Everybody Loves Whales* or other production efforts this year that have not submitted spending data to the state for the state's film production tax credit.
- Filming or other production-related activities occurred in 35 Alaska communities over the past two years.

The U.S. Film Industry

- The motion picture industry's global box office revenue in 2009 totaled \$29.9 billion (U.S. dollars), an increase of 7.6 percent from 2008. Approximately one-third of that amount came from the U.S. and Canada (\$10.6 billion, up ten percent from 2008 and 20 percent from 2003).
- The U.S. film industry supported 2.4 million jobs and over \$140 billion in total wages in 2008. This included 296,000 jobs in the core business of producing, marketing, manufacturing, and distributing motion pictures and television shows, and 453,000 jobs in related businesses including theaters, rental stores, television broadcast companies, cable companies, and online ventures.
- In 2008, there were over 95,000 businesses in total related to the film industry, which made more than \$40 billion in purchases of goods and services. The industry paid an estimated \$15.7 billion in federal taxes.¹

Film-Based Tourism

Alaska tourism marketers are attempting to capitalize on movie and television program-generated publicity by running ads during the programs featuring Alaska wildlife, scenery, and activities including fishing, kayaking, and rafting. While it is difficult to quantify the effect on visitor travel of this type of exposure, experience elsewhere in the country suggests there is potential for it to help stimulate tourism growth.

¹ *The Economic Contributions of the Motion Picture and Television Industry to the U.S. Economy, 2009*

Economic impact of *Everybody Loves Whales*

The total economic impact of the filming of *Everybody Loves Whales* on the Alaska economy was an estimated \$16.5 million.² Of that amount, \$6.2 million consisted of labor income (payroll and benefits). In other words, Alaska workers earned an extra \$6.2 million because *Everybody Loves Whales* was filmed in the state, and the state as a whole generated \$16.5 million more in output than otherwise would have been the case. Specific economic impacts include:

- A total of over 1,300 Alaskans earned income directly related to filming of *Everybody Loves Whales*. This includes 175 crew, 48 Alaska resident cast members (with speaking parts), and 1,100 extras. Based on hours worked and wages earned, the *Everybody Loves Whales* workforce translates into the annual equivalent of 110 jobs.
- Alaskans (actors, extras, and crew) earned a total of \$4 million in wages during the 58-day filming effort, the equivalent of about \$70,000 for each day of production in Alaska.
- Filming of *Everybody Loves Whales* included spending with at least 80 different Alaska businesses and organizations. This spending on goods and services totaled \$7.7 million.
- A wide variety of businesses provided goods and services to the film production project, including hotels, rental car companies, restaurants, security firms, construction and engineering companies, realtors, boat charters, diving companies, sled dog operations, hardware stores, clothing stores, dumpster rental companies, plumbing and heating companies, caterers, grocery stores, seafood processing companies (ice), and dozens of other businesses.
- Including payroll earned by Alaska residents and purchases of goods and services from Alaska businesses, filming of *Everybody Loves Whales* directly accounted for \$11.7 million in Alaska spending.
- Most of the economic impact of filming was in Anchorage, but Barrow also benefitted from the week of filming that was done there. Impacts also extended specifically to the Kenai Peninsula, as well, as a result of brief filming in Seward and the significant purchases of ice from area seafood processing companies.
- Production company spending in Alaska on goods and services, coupled with local spending of new payroll dollars generated by the film project, supported additional jobs and income throughout the Alaska economy. Including indirect and induced effects (the multiplier effect), the economic impact of filming *Everybody Loves Whales* equaled the annual-equivalent of 180 jobs and \$6.2 million in labor income.

² These estimates are based on a preliminary analysis conducted prior to the filing of detailed financial documents required to obtain the film tax credit.

- Both the labor income and total output estimates are conservative to the extent they do not capture all of the spending by non-Alaskan cast and crew members. Spending on accommodations, transportation, and meals was captured, but incidental spending by non-resident cast and crew members while in Alaska was not. Anecdotally, at least some of the visiting cast and crew spent freely on visitor activities, entertainment, and cold-weather clothing while in Alaska.

Estimated Economic Impact of *Everybody Loves Whales*

	Direct	Indirect and Induced	Total
Employment	110	70	180
Labor Income	\$4,000,000	\$2,200,000	\$6,200,000
Spending on Goods and Services	\$7,700,000	\$2,600,000	\$10,300,000
Output	\$11,700,000	\$4,800,000	\$16,500,000

- Including direct and indirect labor income, filming of *Everybody Loves Whales* generated approximately \$107,000 in income for Alaskan workers for each day of filming.
- Total direct and indirect output (the sum of all direct and indirect payroll and non-payroll spending) related to filming *Everybody Loves Whales* in Alaska was approximately \$16.5 million.
- Filming of *Everybody Loves Whales* created approximately \$285,000 in economic activity for each day of filming in Alaska.



STATE OF ALASKA
DEPARTMENT OF
COMMERCE
COMMUNITY AND
ECONOMIC DEVELOPMENT

Office of the Commissioner

Sean Parnell, Governor
Susan K. Bell, Commissioner

February 7, 2012

Dear Alaska Legislators:

The attached brochure describes the FY 2012 Destination Tourism Marketing Program implemented by the Department of Commerce, Community, and Economic Development (DCCED).

Utilizing the marketing plan framework developed with tourism industry input, implementation of the marketing campaign has been timely and effective. We continue to work closely with the travel industry to develop and refine the program.

As the brochure outlines, marketing accomplishments include:

- Ads in national magazines reaching 76 million readers
- Nearly 1,000 national television commercials airing on cable and syndicated television channels through April 1, 2012
- More than one million direct mail pieces sent to consumers
- Distribution of 450,000 copies of the *Official State Vacation Planner* and 200,000 *Reach* brochures
- 168 editorial stories in publications
- 1.5 million unique viewers annually to the *TravelAlaska.com* website
- 400,000 informative e-newsletters sent monthly to consumers

Alaska's increased investment in tourism marketing is paying off with growth in most industry sectors. In the cruise sector alone, estimates indicate cruise ship passengers will increase by nearly 100,000 in 2012 and 2013 combined. Independent visitors are making a more gradual recovery, with air travel growing more rapidly.

I am confident that by continuing to execute the robust marketing plan promoting Alaska as a visitor destination, we will see positive results for Alaska's economy.

Sincerely,

Susan K. Bell
Commissioner

Alaska's

Tourism Marketing Campaign



Why Market Alaska?

Tourism is an important part of our economy and enhances the quality of life for Alaskans. Money spent by travelers provides an immediate and substantial impact on jobs and families.

The State of Alaska seeks to increase brand awareness and year-round visitation through a targeted and creative tourism marketing campaign. The Department of Commerce, Community, and Economic Development (DCCED) implements the marketing campaign while working in cooperation with travel industry partners who invest in the program.

Tourism Marketing Goals

- ***Generate awareness and interest in travel to Alaska***
- ***Increase year-round visitation to Alaska***
- ***Grow private sector funding of tourism marketing programs***

Advertising

Television

Television is a powerful medium for delivering Alaska's message to the widest audience, and is the primary means of increasing exposure to the Alaska brand and inspiring a decision to visit.

- Thirty-second ads placed on national cable networks such as the History Channel and Discovery Channel
- Ten-second ads placed on nationally syndicated broadcast shows, such as ESPN



Direct Mail

Direct mail is an effective means of communicating with potential visitors. Information is sent to lists of potential travelers that meet very specific criteria. The mailing includes an invitation to come to Alaska along with a card to order a State Vacation Planner.



- Distributed to one million potential visitors and past inquirers
- Direct mail lists are refined through research

Magazine Advertising

Ads offering the State Vacation Planner are placed in magazines that have been selected for their demographics, readership, and ability to produce visitors.

- Placement of full-page ads in select publications
- Inclusion of reply cards, which are used to capture intent to visit and other information



Internet Marketing

TravelAlaska.com



TravelAlaska.com is the official travel website that provides potential visitors with the information they need to fully research and plan a trip. During the course of the year, new features, information, and photography are

continually posted to the website, as are banner ads and "hot links" purchased by Alaska tourism businesses. Among the many features on the site is a section for journalists, information for the travel trade and a photo gallery.

- 1.9 million site visits annually
- 1.5 million unique site visitors
- 28,000 monthly click-throughs to businesses

Online Marketing

A variety of internet marketing techniques are used to target potential visitors and drive traffic to TravelAlaska.com. Online marketing continues to grow each year. The following techniques are used to generate inquiries and website visitors:



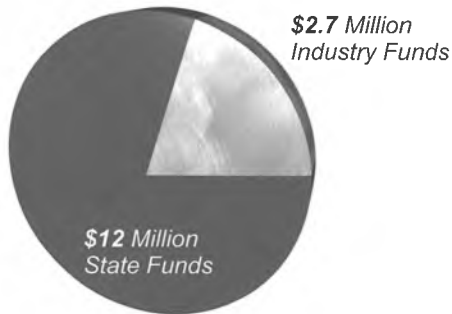
- E-newsletters
- Third-party emails
- Display ads
- Text ads and links
- Search engine marketing

Domestic Marketing

Budget

Expenditures for the FY12 marketing campaign include a total budget of \$14.7 million: \$12 million appropriated by the Legislature to DCCED plus another \$2.7 million raised through collaborative marketing programs administered by the Alaska Travel Industry Association (ATIA).

FY12 Tourism Marketing Budget



Marketing Elements

The marketing program employs a variety of tools to raise awareness about Alaska and deliver messages and information that resonate with the target audience. The amount invested in each method is shown below. Industry-funded elements are noted with an asterisk.

Advertising	\$7,842,000
Vacation Planner and Reach Brochure	1,335,000
Trade & International Marketing (5 countries)*	1,175,000
Media Relations	939,000
Website	733,000
North to Alaska - Alaska/Canada Promotion	510,000
Opportunities and Contingency	252,000
Research	239,000
In-State Marketing	150,000
Implementation*	1,585,000
Total	\$ 14,700,000

Cooperative Marketing

The Alaska travel industry leverages the State's marketing investment through cooperative programs that would otherwise not be available to tourism businesses and communities. Programs include:

- Placing ads in the official Alaska State Vacation Planner
- Advertising in national magazines and on TravelAlaska.com
- Sharing in the cost of trade show booths
- Hosting travel writers and attending Media Road Show

Strategic Direction

Because Alaska is the type of vacation that represents a significant commitment in both planning time and resources, the strategy used to attract potential prospects and take them through the decision-making process is very important. The state tourism campaign:

- Inspires a decision to visit through TV advertising and public relations
- Generates requests for information via direct-response advertising
- Provides travelers with the tools they need to plan and book a trip to Alaska

Primary Target Market

To maximize return on investment, the program focuses on a primary target market comprised of U.S. residents who are most likely to have the time and money to take an Alaska vacation.

High-Potential US Travelers

- Baby boomers, 45-65 years old
- Affluent couples
- College-educated
- Frequent travelers, especially those who have taken a foreign vacation

Niche Markets

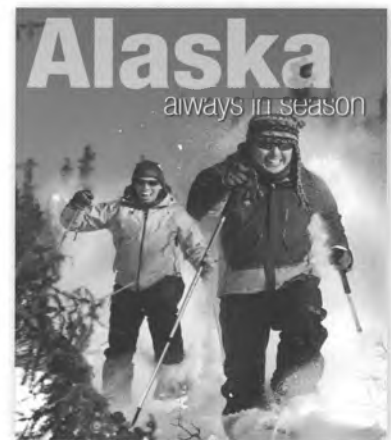
Within this primary target, two distinct niche markets have been singled out for additional emphasis. These are:

- Adventure travelers
- Highway travelers

Year-Round Marketing

Although most visitors arrive between April and September, the marketing program works to promote Alaska as a year-round destination. In addition, a concerted effort is underway to expand the promotion of winter travel such as:

- Enhancing the winter section on TravelAlaska.com
- Hosting winter familiarization tours for travel writers and tour operators
- Conducting research devoted to better understanding the winter traveler
- Incorporating new winter photography into materials



Partnerships

Alaska leverages its marketing resources and partners with other state agencies and organizations such as:

- Alaska Grown (Division of Agriculture/DNR)
- Alaska Marine Highway System (DOT&PF)
- Alaska State Parks (DNR)
- Alaska Railroad (DCCED)
- Alaska Seafood Marketing Institute (DCCED)
- Alaska Scenic Byways (DOT&PF)
- Made in Alaska Program (DCCED)
- Alaska Film Program (DCCED)
- Wildlife Viewing (ADF&G)
- Silver Hand Program (DEED)
- National Park Service

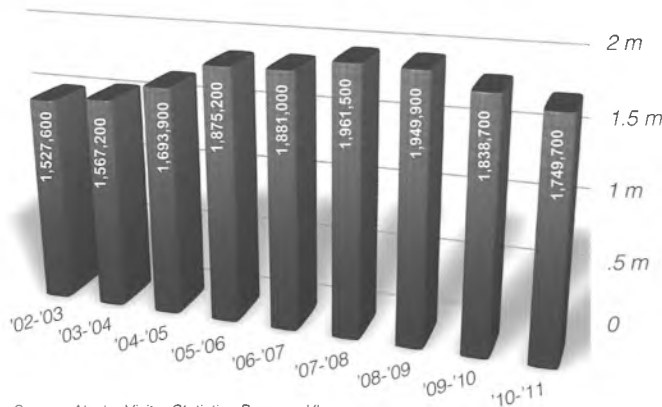
Partnerships also extend to our neighbors in Canada. The North to Alaska program is one of the longest-standing international agreements of its kind between Alaska and Alberta, British Columbia, and Yukon governments. The goal of the program is to inspire prospective visitors to experience the ultimate North American road trip: driving through Canada into Alaska.



Results

Alaska's tourism marketing efforts have resulted in:

- 24 full-page ads in national magazines with a total circulation of 45 million
- 9 smaller ads in magazines with total circulation of 31.7 million
- 805 national television ads airing between September 2011 and April 2012
- 1.3 million direct mail pieces mailed to consumers
- 168 editorial stories in publications, on television networks, and online media with a public relations value of \$19.2 million
- Hosted 40 top travel journalists at October 2011 media event
- 600,000 unique visits each month to TravelAlaska.com
- 400,000 E-newsletters delivered to consumers monthly



Source: Alaska Visitor Statistics Program VI

Visitor Volume Estimates

Summer 2011 visitor volume increased nearly 2% to 1,556,800 visitors over the prior summer.

Alaska tourism generates

\$3.4 billion

*in direct and indirect spending
in Alaska*

more than

\$100 million

in taxes and fees

and creates over

40,000

jobs

The Forecast

Alaska's increased investment in tourism marketing is beginning to pay off with increases in most sectors of the industry. Cruise ship visitation will increase by nearly 100,000 in 2012 and 2013. Independent visitor bookings indicate a slow, steady recovery.



**Department of Commerce, Community,
and Economic Development**

www.commerce.alaska.gov

International Marketing

Although fewer visitors come from overseas, international travelers tend to stay longer and spend considerably more money than domestic visitors. Both established and emerging markets have long-term growth potential.

Primary Markets

Australia
German-speaking Europe
Japan
United Kingdom

Secondary Markets

Belgium
Korea
Luxembourg
Netherlands
Scandinavia

Emerging Markets

China
Latin America
Taiwan



German Guide

Alaska fosters interest among travelers from abroad by providing information and acting as a facilitator between Alaska tour companies and international buyers. Activities include generating media coverage through public relations, conducting joint marketing campaigns with tour operators, and collaborating with international air carriers to promote flights in both summer and winter.

Alaska's overseas travel contractors are located in:

- Australia
- German-speaking Europe
- Japan
- Korea
- United Kingdom

Printed materials and TravelAlaska.com are available in:

- German
- Japanese
- Korean - available in June 2012

Travel Trade

The trade program works with those who sell travel — tour operators, wholesalers, and travel agencies — and encourages them to add or expand their Alaska travel products. To achieve the highest return on investment, activities focus on large distribution networks and companies with high volumes of business.

- Meetings with airlines, cruise lines, and tour operators
- Spearheading Alaska's presence at national travel trade association meetings
- Alaska workshops and sales calls
- Destination training and familiarization tours
- Alaska Certified Expert (ACE) online travel agent training program



Public Relations and Social Media

Public Relations

The national public relations campaign works with journalists to produce positive editorial coverage about Alaska. The program includes everything from escorting journalists while in-state to arranging large-scale media events. Important elements include:

- Ongoing dialogue with media
- Providing information, assistance, travel editorial, and press kits
- Distributing press releases and e-newsletters
- Hosting media events and press trips

Social Media

Top social networking sites such as Facebook, Twitter, and YouTube are used to engage and inform potential visitors and journalists, and to create buzz about Alaska as a vacation destination. Campaigns and regular updates focus on tourism businesses, links to travel news and videos that reinforce the Alaska brand.



Publications

One of the primary objectives of the Alaska ads, whether they are on TV, in print, online, or by direct mail, is to persuade potential visitors to contact the state for more information. Our research has shown those who request information are more likely to convert into visitors than those who do not.

Alaska State Vacation Planner

The vacation planner is sent to those who are interested in visiting in the next few years. It includes everything from basic trip planning information to detailed business listings. Visitors refer to it often and use it as a tool to convince others to come to Alaska.



- 450,000 copies distributed annually
- Sent to consumers who have stated an interest in visiting
- Connects visitors with Alaska businesses that can close the sale

Reach Brochure



This brochure is designed to help those who have not yet made a decision.

- Key objective is to help prospective visitors realize that Alaska is within their "reach"
- 200,000 copies distributed annually

23 percent
of people who receive an
Alaska brochure visit within
three years

Source: Conversion Study



STATE OF ALASKA
DEPARTMENT OF
COMMERCE
COMMUNITY AND
ECONOMIC DEVELOPMENT

Sean Parnell, Governor
Susan K. Bell, Commissioner

MEMORANDUM

TO: Representative Bob Herron, Chair
House Economic Development, Trade and Tourism

DATE: August 2, 2011

FROM: Susan K. Bell, Commissioner

RE: Marketing Alaska

The Department of Commerce, Community, and Economic Development (DCCED) has been asked to provide comments on a proposed new approach to analyzing state marketing opportunities. While the committee is reviewing proposed legislation, I believe it is important for you to understand the actions we are taking to promote a healthy economy, strong communities, and protect consumers.

DCCED is significantly enhancing our role in promoting Alaska, our natural resources, business opportunities and many industries. We are working on several fronts to leverage existing resources and identify new opportunities, including:

- Actively engaging business leaders about economic goals and the marketing strategies that support increased business activity.
- Researching success stories and strategies used in other states.
- Conducting market research and analysis needed to advance Alaska's marketing efforts.
- Taking the lead role to develop a more comprehensive approach to state marketing and completing a gap analysis to address marketing gaps/opportunities in various economic sectors.
- Developing enhanced media and community outreach strategies to tell Alaska's story.
- Implementing the FY 2012 tourism marketing campaign, including oversight of advertising, public relations, market research, website, and other contracts that are central to the state's marketing effort.
- Collaborating with the Alaska Travel Industry Association, so that marketing programs funded directly by the trade organization are complimentary to the state-funded efforts.
- Through the Alaska Seafood Marketing Institute, DCCED is ensuring that Alaska's premier market position is retained.
- Through the Alaska Railroad Corporation, DCCED is ensuring that Alaska's passenger and commercial rail services are marketed to residents, visitors, and resource development clients.
- Seeking ways to enhance marketing of Alaska's film industry, mineral resources, and forest products.
- Collaborating with state agencies inside and outside of our department to leverage marketing activities related to tourism, seafood marketing, and transportation.
- Working within the air cargo and international trade sectors to develop effective strategies for both exogenous and endogenous marketing.

I am confident we can successfully execute a marketing program that will generate new energy and stimulate growth in numerous sectors of the Alaska economy.

Division of Economic Development

Film Tax Incentives: HJR 19 which we've just passed from committee asks the legislature to look at State Direct Financial Interest (SDFI) a system whereby Norway invests directly in their oil fields. Have you explored a similar system for Film Tax incentives? Where the state would invest in film productions, and then either lose the money if the film flopped or make money if the film succeeded? (The former case of the film flopping is similar to what happens now, since the state never recoups the tax credits.) What would the state have to lose by pursuing such a model?

Broadband:

Has the Commissioner or DC attended any meetings?

Final product of the Task Force on p. 12. Will specific budget recommendations be part of the final product? Seems to me that, sure, the Final Report will be useful, but in the end it's going to come down to money and lots of it. Have you been thinking about how the state can best finance state-wide broadband? Obviously the private sector is a big player, and GCI has done a lot with that, but wasn't much of the funding for Terra from the Stimulus Package? How much help can we expect from the Federal government in the future?

Is the Task Force taking a close look at Arctic Link, or at any other proposals that will get Broadband out to the Aleutians? Has there been any discussions of AIDEA financing broadband initiatives?

Don Pumphrey presented information on the SE Alaska Fibre Ring to the Task Force on Nov. 17. Do you think any information about how we can cooperate with our Canadian partners on Broadband will make it into the Final Report? Have you heard of or can you think of any other ways Alaska could cooperate with the Canada on Broadband?

When is the Task Force meeting next and what's on the agenda? (Answer: 2.22.12 – agenda: voting on Research budget proposals. Other items on agenda forthcoming?)

Tourism Marketing

Besides the North to Alaska – AK/Canada Promotion (P. 15), What are we doing to cooperate with Yukon on tourism marketing? In tourism marketing, what are you doing to help out the small independent operators, vs just the big players? Why is in-state marketing (P.15) such a small percentage (less than 2%) of Advertising budget? Tell us about the rationale there. Lots of Alaskans have relatives out of state, so maybe we should be targeting in state advertisement more?

Almost \$1million on media relations? (P.15)

Social Media (Mentioned on P.18)

Does ATIA have social media presence like facebook and twitter? Seems like this would be much more effective per dollar than print and TV advertising. Does the state engage in any social media directly, or is it all thru ATIA?

What is tourism marketing campaign doing to increase rural and winter (off-season) tourism? Are you taking full advantage of the active auroral displays?