S.340
Southeast Alaska Native Land Entitlement Finalization and Jobs Protection Act

• Approved by Congress December 2014

THANK YOU
For your support of the Sealaska Lands bill
Guiding Principles

Operational Alignment with Values
Will help support long-term timber industry in Southeast through well-managed harvest and continued strength of land stewardship.

Sustainable Value Creation
Reassess the whole value chain of the timber harvesting and other vegetation operation with focus on providing continued economic benefit to our shareholders and the economy of Southeast Alaska.

Increase Benefits from Unique Land Asset
Fully assess other ways to create value from our unique land asset—carbon credits, wetland mitigation, forest products, and tourism—through partnerships with experts who have demonstrated success.
Three Business Sectors

Natural Resources:
- Timber
- Minerals Aggregates
- Carbon Sales/Mitigation Sales

Government Services:
New investment opportunities in data analytics and environmental monitoring

Seafood and Natural Foods:
Investment opportunities

Natural Resources
- Value creation
- Cultural fit
- Community oriented
- Sustainability
BRIDGE TO PROFITABILITY

Target SGA STC SGS Growth and Investment

Net profit ($ Million)

- Natural Foods Platform
- Seafood Tuck-Ins
- Seafood Platform Investment
- Invest in SGS (Tuck-ins and JV’s)
- Grow New 8(a)s
- Improve STC Profitability
- Continue to Reduce SGA

2015 2016 2017
Total Board Feet Cut and Annual Average Timber Jobs in Southeast Alaska 1983-2014
(Peak jobs Aug 1990 4,200)
Sealaska Timber Operations Outlook

Short Operational Plan

• Focus on Southern Southeast
• 2015 and 2016 Operation at Cleveland Penn. near Ketchikan and Election Creek near Klawock

Sustainable Harvest

• 45 million per year harvest
• Old growth harvest for 20 years until 2nd growth is fully developed
• Commitment to sustainable employment and long term work for contractors and other partners

200 jobs tied to Sealaska timber activity
Including Sealaska Land Technician
Gary Mills
Reduced Harvest Means Lower Profitability

Improving Efficiencies

• Reviewing the whole value chain
• Encouraging logging and road building contractors to re-invest by offering longer term contracts
• Ongoing cost sharing discussions

All Lands All Hands

• Aligning operations with other landowners
• Working with all stakeholders (USFS, other Native Corporations, Industry Groups, Tribes, NGOs, other federal and state agencies
• It will take cooperation to create stability for the timber industry!

Overall Success of the timber business must also consider social and environmental benefits in addition to solid financial performance.
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THANK YOU