

PROPOSED STRATEGIC PLAN FOR WASHINGTON STATE

MARITIME SECTOR 2017 – 2019



Department of Commerce



Department of Commerce

OFFICE OF ECONOMIC DEVELOPMENT
& COMPETITIVENESS

ABOUT THE SECTOR LEAD



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and Competitiveness

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Before joining the Department of Commerce in 2015 as the Director of Economic Development for the Maritime Sector, Joshua served as Director of the Washington Maritime Federation and brings extensive maritime industry experience to his position.

During his career, he has developed a successful record of leadership in a number of positions including: Director of the Washington Maritime Federation, Maritime Sector Business Development Manager for the Economic Development Council of Seattle and King County; Program Director and Marine Operations Manager at The Evergreen State College; and E3 Regional and Network Coordinator for the Environmental Education Association of Washington.

Joshua is also a professional Merchant Mariner having worked in the towing industry and spent six years as captain, restoration project manager, sail trainer and environmental educator with Sound Experience, aboard the schooner *Adventuress*. Earning a Master's Degree from Antioch University in Seattle, he has been awarded a number of fellowships and accolades. Additionally, Joshua is the Chairman of Sail Training International's Working Group on Environmental Protection and Sustainability; Board of Directors for Sound Experience; and serves on a number of advisory boards and committees focused on workforce development.

INDUSTRY SNAPSHOT

Governor Inslee's top priority is to create an economic climate where innovation and entrepreneurship thrive and create good-paying jobs in every corner of our state. Washington State's maritime sector comprises a robust and growing set of industries that contribute to achieving the Governor's priority goal.

HOW DO WE DEFINE WASHINGTON'S MARITIME SECTOR

Washington's maritime industry is rooted in the historic strength of our natural resources, our strategic location and excellent transportation connections that provide efficient access to global markets. It is a diverse industry that includes:

- Cargo handling and logistics—supported by 75 port districts in the state
- Fishing and seafood processing
- Ship and boat building, repair and maintenance
- Passenger vessel operations
- Recreational boating and sport fishing
- Military and federal activities through the U.S. Navy, U.S. Coast Guard and NOAA
- Numerous support industries, including a solid base of maritime education and training programs.

Although maritime activity has long been a pillar of the state's economy, it continues to grow (an average of 6.4% a year), uses the latest technologies, includes leading global companies, and today provides jobs with substantially better pay than the average for all industries. The average pay for a job in Washington is \$52,000, while maritime workers are paid an average of \$70,800—totaling over \$4 billion in wages in 2012.

SECTOR IMPACTS ON WASHINGTON'S ECONOMY

The sector contributes \$15 billion in gross business income, and directly employs 57,700 people. Including indirect and induced impacts, the sector is responsible for 146,000 jobs in the state and \$30 billion in economic activity.

WHAT'S NEXT?

Work with industry stakeholders, and within government, to:

- Market and communicate the importance of the sector to the state's economy
- Promote policies and actions that sustain the current health of the industry and set a strong base for future growth
- Work with existing training and education resources to develop a clear career pathway to jobs in the sector

COMMUNICATION AND COORDINATION

Despite the diversity of the sector, many issues are important to all segments of the industry. Improved transportation infrastructure and workforce education and training are good examples. We will work with stakeholders to create coalitions to promote these improvements and to raise awareness of the importance of maritime activity to our economy.

SUMMARY OF MARITIME IMPACTS, WASHINGTON STATE, 2012

CORE SECTORS	EMPLOYER ESTABLISHMENTS	WAGES (\$ MILLIONS)	JOBS	GROSS BUSINESS INCOME (\$MILLIONS)
Passenger Water Transportation	130	\$262.8	4,500	\$544.5
Boat/Ship Building, Repair, Maint.	150	\$1,163.8	16,500	\$1,489.7
Maritime Support Services	300	\$387.7	4,600	\$864.2
Fishing and Seafood Processing	720	\$1,113.4	15,400	\$8,592.6
Maritime Logistics and Shipping	800	\$1,156	16,700	\$3,722.4
TOTAL	2,100	\$4083.7	57,700	\$15,213.3

INDUSTRY SECTOR BASED ECONOMIC DEVELOPMENT STRATEGIES

Governor Inslee's top priority is to create an economic climate where innovation and entrepreneurship can continue to thrive and create good-paying jobs in every corner of our state. Our sector-based economic development strategy is a reflection of the fact that we face intense international and interstate competition for good jobs. We have to be constantly vigilant about identifying opportunities and strategies for supporting existing employers

and cultivating new ones in Washington - we can't rely on luck for the next Boeing, Microsoft or Amazon to land here.

As such, Washington's industry sector economic development program's primary mission is to grow and strengthen communities through statewide industry sector strategies. While every industry has unique needs and ways of accomplishing their vision for growth,

the Industry Sector Development Program focuses our efforts across three common efforts:

- Fostering Collaborative Public/Private Partnerships
- Growing and Diversifying Washington's Industry Sectors with a Strong Business Climate
- Encouraging a 21st Century Workforce Ready to Meet Industry Needs

A BALANCED REGIONAL ECONOMIC DEVELOPMENT STRATEGY WILL HAVE ACTIVITIES AND INVESTMENTS IN EACH OF THE FOCUS AREAS.



BRAINPOWER

To compete globally, a region needs 21st-century brainpower—people with the skills to support globally competitive businesses. Economic development starts with sound education and imaginative, entrepreneurial educators.



INNOVATION AND ENTREPRENEURSHIP NETWORKS

A region needs business development networks to convert this brainpower into wealth through innovation and entrepreneurship. These networks include cluster organizations, angel capital networks, mentoring networks, and so on.



QUALITY, CONNECTED PLACES

Third, a region needs a strategy to develop quality, connected places. Skilled people and innovative companies are mobile; they can move virtually anywhere. They will choose to locate in places that have a high quality of life and that are connected to the rest of the world.



BRANDING EXPERIENCES

Next, a region needs to tell its story effectively through defining its most distinctive attributes and communicating them. These stories are important, especially for regions facing a "brain drain." Young people want to live in regions with a future, and they can see this future most clearly through the stories they hear about a region.



CIVIC COLLABORATION

Finally, a region needs leaders skilled in the art and discipline of collaboration. The economy demands the ability to collaborate to compete. Economic and workforce development investments involve multiple partners. A region that understands how to collaborate will be more competitive.

ABOUT THE INDUSTRY



Washington State's maritime sector has long been a cornerstone of the state's economy, based on the early development of industries such as timber and fishing, and the state's strategic location as a center for domestic and international trade, with early development of connections to Alaska during the gold rush, and—also beginning in the late 1800's—regular steamship and rail service from Asia to U.S. East Coast markets. Today, the maritime sector continues to support these industries and trade routes, and many others, and includes:

- Cargo handling and logistics activities—our ports, along with cargo ship operations, tugs, pilots, terminal operators and numerous other activities involved in the movement of freight.
- Fishing and seafood processing—a variety of vessels, on shore and offshore processing facilities serving an even larger variety of seafood species.
- Ship and boat building, repair and maintenance—small, medium and large yards serving both the recreational and commercial markets.
- Passenger vessel operations—a recently developed large cruise ship market, numerous smaller cruise, sightseeing and excursion operations—as well as the largest

ferry system in the country,

- Recreational boating—marinas, the sale and maintenance of boats, sport fishing and related activities.
- Numerous support and marine technology companies—the sector relies on a diverse and concentrated support 'cluster'—including everything from fueling operations, marine electronics, refrigeration and gear manufacturers to research and technology, naval architects and other professional services.

MISSION STATEMENT

Our mission at the Department of Commerce Maritime Sector is to: Sustain, grow and improve jobs in the maritime sector in Washington State. We envision the maritime sector continuing to be a vibrant and growing part of the economy, with understanding and support of its importance by business, government and community leaders—as well as the general public. In our vision, the maritime industry will grow good, family-wage jobs and be recognized as an international leader in sustainability, utilization of the best technologies, and as a center for maritime education and training.

INDUSTRY ANALYSIS

STRENGTHS

- Major Industry Sector
- Diverse and Interdependent
- Living Wage job producer (20K more than state average)
- Historic and well established
- Many sub-sectors well insulated from economic downturns
- Trade dependent economy depends on maritime infrastructure
- Leadership in sustainability

WEAKNESSES

- Not well understood and communicated
- No clear industry leader
- Aging Workforce
- Transportation infrastructure dependent
- Only recently well-coordinated
- Very few incentives for maritime business
- Heavily regulated

OPPORTUNITIES

- Showcase leadership in clean tech and sustainability
- Large economic development opportunity, recapitalization of fishing fleets
- Employs high skilled trades labor to address income inequality

THREATS

- Industrial lands under threat
- Environmental community sees the industry as a whole as destructive
- Lack of coordinated and funded workforce development
- Regulatory climate is unpredictable
- Increasing investment by Port competitors

In 2012, Washington's maritime sector employed more than 57,700 people directly, and was responsible for \$15.2 billion in gross business income (GBI). (CAI) As a point of comparison, aerospace manufacturing employs 94,000 people directly.

Cargo handling and logistics was the largest maritime employer in the state in 2012; accounting for 29 percent of maritime employment. Boat and ship building, repair, and maintenance employs 28.6 percent of the total workforce in the sector, followed by fishing and seafood processing, with 27 percent.

However, fishing and seafood processing accounted for nearly 60 percent of total revenues (\$8.6 billion GBI). Cargo handling and logistics was the second largest contributor, at nearly 25 percent of total revenues. (CAI)

INDIRECT AND INDUCED IMPACTS

Indirect and induced maritime jobs account for another 90,000 jobs, for a total impact of 148,000 Washington jobs. The direct contribution of maritime's \$15.2 billion in gross business income generates another \$14.8 billion in induced and indirect output, for a total impact on Washington's economy of \$30 billion. (CAI)

WAGES

The Maritime sector paid a total of over \$4 billion in wages and salaries in 2012. Including employment-related benefits, the total compensation paid in the sector was over \$5 billion. The three largest contributors were boat and ship building, repair, and maintenance; fishing and seafood processing; and cargo

handling and logistics; all contributing nearly 30 percent to the sector total.

As noted previously and contrary to the perception of many, the sector produces good, family-wage jobs. The average annual pay (not including benefits) for workers in the maritime sector was \$70,800. This compares to the annual average of jobs statewide in all sectors of \$52,000. (CAI)

ANNUAL ECONOMIC IMPACT IN WASHINGTON

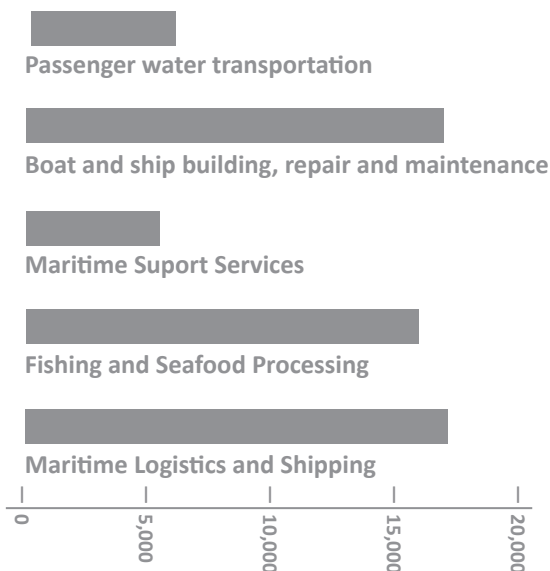
DIRECT REVENUE
\$15.2B

ADDITIONAL REVENUE
\$14.8B

COMBINED ANNUAL IMPACT TO WASHINGTON ECONOMY
\$30B

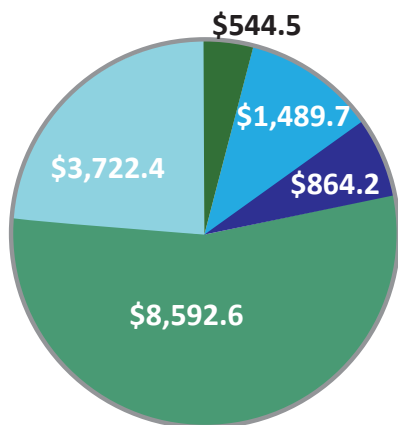
Additional revenue refers to indirect impacts associated with first round purchases through suppliers as well as induced impacts through labor income and additional jobs, income and output resulting from the spending of this income in Washington.

JOBS BY INDUSTRY SECTOR



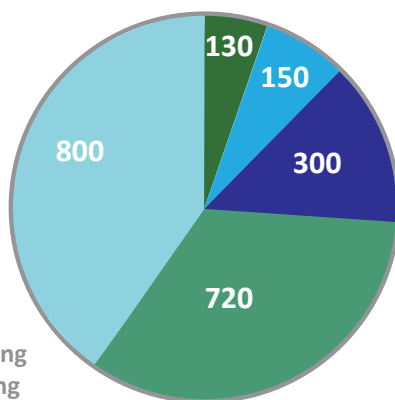
In 2012, the maritime cluster directly employed 57,700. Indirect and induced maritime jobs accounted for another 90,000 for a total impact of nearly 148,000 in Washington.

ANNUAL REVENUES - \$MILLIONS



■ Maritime Logistics and Shipping
■ Fishing and Seafood Processing
■ Maritime Support Services
■ Boat and Ship Building, Repair and Maintenance
■ Passenger Water Transportation

ESTABLISHMENTS



The maritime industry paid nearly **\$4 billion** in wages in 2012 with average salaries of **\$70,800**. In comparison, the state's median wage is \$51,000.



Every direct job in the maritime industry supports **1.6 jobs** elsewhere in the economy. And for every \$1 million in sales, another **10 jobs** are supported elsewhere in the economy.



Industry-wide, revenues have grown **6.4%** per year on average with the largest growth rate in Maritime Logistics and Shipping, at a robust **10.2%**.

Source:

Economic Development Council of Seattle and King County; Workforce Development Council of Seattle-King County; Puget Sound Regional Council

IMPACTS ON GROWTH



Washington's maritime industry is often mistakenly perceived as an old, dirty and dying industry. However, over the past 10 years, it has grown at an average annual rate of 6.4 percent. (CAI and Commerce) As the most trade dependent state in the nation and sectors that are well regarded internationally within the industry, we rely on our ability to maintain relevant and resilient through innovation, coordination and quality.

It is also true that there is great disconnect between many in the public and local elected officials in that there is a rapidly changing dynamic, particularly in Western Washington where much of industry exists. Specific impacts to growth are somewhat dependent on the individual sub-sectors of the industry but across the board the top issues that affect the industry as a whole include:

RAISING AWARENESS

Perception and understanding of the value and impact of the industry has been in decline. This is likely due to the changing demographic in the state, primarily in the Seattle area. With high amounts of growth in the tech sector, aerospace and service industry to accommodate the changing demographic, the maritime industry has lost its place in public perception. Although Washington is the most trade dependent state in the US, with 1 in 4 jobs tied to international trade and a commercial shipbuilding and seafood sector that contributes over \$12 Billion directly, it has been challenging to get a level of warranted awareness and importance to the state's overall economy.

Raising the awareness and visibility of the maritime industry is a high priority across all segments of the industry. Maritime industry leaders believe that raising the visibility of the industry among policy makers, the broader business community, and the general public, is an essential first step in sustaining and growing this sector. Several efforts to do so are underway. The Department of Commerce is actively involved in all of these.

The Washington Maritime Federation (the Federation) is an association of associations, comprised of maritime, economic development and business organizations that have come together to support the maritime industry. By bringing together these representatives and supporters of the many diverse segments of the maritime industry, and the greater business community at large, the Washington Maritime Federation will build consensus, provide a unified voice for the industry and join together to drive change in matters of common interest.

The Federation is a new organization, developed over the three years to represent the maritime industry broadly. While there are more than twenty separate organizations that represent various components of the maritime industry, the industry has never had an organization that can speak with a single voice to represent the common interests of the industry.

The Federation has been formed as an ‘association of associations’, bringing together these disparate groups for the first time under one entity. The primary goals of the organization are to act as a communication conduit to and from the industry, raise the visibility of the industry, educate and advocate on issues of common interest (such as regulatory, land use and tax policy, transportation infrastructure development and workforce development).

Washington Maritime BLUE is an initiative to further support the intersection of Clean Technology, Job Skills Training and Economic Development in the Maritime Sector including:

- Ongoing interaction between industry, agencies and economic development organizations on the opportunities and benefits of sustainability in the industry
- Public & Policy Maker outreach and education on the intersection of Clean Technology and Maritime sectors, including showcasing models and examples
- Public and Private incentives for clean fuels, emerging technology, best practices, waste management and emission reductions
- Increased sustainability education and emerging technology instruction in maritime training
- Promotion of voluntary environmental performance criteria in the many sub-sectors of the maritime industry

Washington State’s maritime sector is a global leader in sustainability. As new opportunities emerge, it is important that the sector remains well coordinated in the adoption of industry-leading voluntary standards, best practices and emerging technologies to help build a more sustainable future. Ensuring our state is positioned to thrive in the increasingly competitive national and international marketplace for maritime services many in the industry are committed to:

- Increased design and manufacturing in the commercial and recreational market for solutions such as propulsion, coatings, composites, energy storage and more.
- The most advanced architectural, engineering and design teams working on vessels around the world.
- Maritime businesses and organizations working in concert, and beyond, environmental regulation to ensure best management practices and increased use of clean technology.
- Ports, maritime and logistics companies recognized as international leaders for sustainable operations and practices.
- Workforce training and education with a focus on the next generation of green jobs within the maritime industry.

The Joint Legislative Task Force on the Economic Resilience of Maritime and Manufacturing (Maritime Task Force). The Joint Legislative Task Force on the Economic Resilience of Maritime and Manufacturing in Washington (Task Force) was established by E2SHB 2580 (C 127 L 14). The purpose of the Task Force is to develop recommendations that achieve several objectives enumerated in the enabling legislation related to sustaining the maritime and manufacturing industry sectors that support Washington’s trade-based economy, which generate \$30 billion annually for Washington State.

As required by its enabling legislation, the Task Force has developed both short-term and long-term action plans, which include both legislative and non-legislative approaches. In developing these plans, the Task Force considered recommendations from both the Advisory Committee and from public testimony, as well as several seminal pieces of legislation that were passed during the 2014-2015 and 2016 legislative sessions.

A Final Report was delivered to the Legislature and Governor in June 2016. The Task Force has divided its recommendations for the objectives established in its enabling legislation into four overarching work areas:

- regulation;
- transportation and critical infrastructure;
- education and workforce training; and
- financing.

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WORKFORCE DEVELOPMENT, EDUCATION AND TRAINING

Maritime activity continues to grow an average of 6.4% a year, and today provides jobs with substantially better pay than the average for all industries. The average pay for a job in Washington is \$52,000, while maritime workers are paid an average of \$70,800—totaling over \$4 billion in wages in 2012. Overall, the maritime sector contributes \$15 billion in gross business income, and directly employs 57,700 people. Including indirect and induced impacts, the sector is responsible for 146,000 jobs in the state and \$30 billion in economic activity. (CAI)

Washington's maritime industry is well established as a legacy sector that works today on the cutting edge to remain resilient and provide middle income options at a time when wage disparity is rampant in the region. To enhance the competitiveness of Washington's exceptional maritime industry, we must invest in innovative, relevant education and training to faculty, students, and the incumbent workforce.

Living Wage Jobs – The maritime industry supports a growing population with living wage jobs and addresses the need to grow middle class jobs. As our state grapples with widening income disparity, the sector offers above average salaries without the necessity for advanced degrees and ongoing education debt.

Aging Workforce – As of 2013 the average age of the maritime workforce was upwards of 54 years old. As we look ahead to the needs of the industry from shipbuilding to merchant mariners, there will be an increasing need for a skilled workforce even beyond today's needs.

Growing Industry – As the gateway to the Pacific, maritime jobs support Washington's trade dependency both at sea and shoreside. Commercial shipping continues to increase nationally and overseas. Our shipbuilding sector is on the verge of rebuilding the North Pacific Fishing Fleet. Our robust recreational boating industry needs increased capacity in boatyard support and services. Licensing requirements continue to increase for merchant mariners.

Clean Technology – Washington State boasts global leadership in the growth of clean technology and best practices as the global maritime industry prioritizes this shift. As new opportunities emerge, it is important that the education and training sector remains well coordinated in the adoption of industry-leading voluntary standards, best practices and emerging technologies to help build a more sustainable future.

Washington Maritime Workforce Roundtable is an alliance of education and training providers, working collaboratively with industry and professional associations to advance Washington's leadership role in the global marine industry. Washington Maritime enhances the competitiveness of Washington's exceptional maritime workforce by providing innovative, relevant education and training to faculty, students, and the incumbent workforce. To accomplish this Roundtable will focus on is:

- **Marketing and Awareness:** Increase awareness of maritime occupations and job opportunities: website, social media, speaker's bureau
- **Defining Pathways:** Develop clear career pathways to inform students, parents, incumbent workers, and industry of maritime occupations in all regions: program guides, mapping points of entry, pre-apprenticeship
- **Curriculum and Program Development:** Train and educate Washingtonians for maritime careers and provide professional development for those in the industry and those who train: faculty development, Core Plus, skills standards, new technologies and processes (i.e. LNG, RSW, composites, welding)
- **Connecting Industry and Providers:** Help the maritime industry recruit and retain workers: advisory boards, collaboration with national organizations and boards, professional development for industry, liaison with the Washington Maritime Federation.

PORT COMPETITIVENESS

Washington is fortunate to have a vibrant and unique public ports system, with 75 ports in all corners of the state providing jobs and economic development for their communities. While most of these ports do not provide access to deep water and international shipping, most do rely on the deep water ports to get goods to market. A number of the marine ports—for example, Everett, Grays Harbor, Vancouver, Kalama and Longview—have diversified from traditional, forest products-oriented cargoes to bulk, break-bulk, roll-on/roll-off, project cargo and other activities and have grown and prospered by employing these strategies.

Likewise, the state's two large container ports (Tacoma and Seattle), despite serving a much smaller population base than some other regions, have been successful in developing the fourth largest container load center in the North America as the recently formed Northwest Seaport Alliance. The two ports are jointly managing their container and cargo terminals in order to more effectively compete in a shifting global shipping arena. Ensuring Port competitiveness is a critical impact to the growth of the maritime economy. Washington has increasing competition from ports on British Columbia, Canada as well as uncertainty of the effect of the widening of the Panama Canal on West Coast ports.

With market share being taken by ports particularly in British Columbia, it became evident that after decades of competition is made sense to consolidate the terminals in order to more effectively invest in needed infrastructure without sacrificing price point beyond our ports' other constraints which include:

- **Harbor Maintenance Tax (HMT):** A tax applied to all containers entering US ports, however the funds are not equally distributed particularly to ports that are not in need of dredging maintenance.
- **Rail Competitiveness:** British Columbia and Canada have subsidized much of the rail cost from West and East Coast ports to the US Midwest making it more difficult to compete for market share.
- **Transportation Infrastructure:** In 2015 the legislature approved \$16Billion in transportation improvements around the state including some critical arteries to and from our major ports. However, we are still in need of many first and last mile connectors and established heavy haul corridors to improve freight mobility and ease congestion.
- **Terminal Infrastructure Investments:** Improvements are often blocked or slowed through an unpredictable and bottlenecked regulatory climate and lack of funds for Remedial Action Grants needed for environmental clean-up.
- **Land Use:** Many ports and associated maritime and industrial centers are being encroached upon by other development interests.

THE ECONOMIC IMPACTS OF MARINE CARGO AT THE PORTS OF TACOMA AND SEATTLE

OCTOBER 2014

The Ports of Seattle and Tacoma partnered to fund a joint economic impact study of the two seaports. Together, the two ports form a gateway that fosters economic growth for the Pacific Northwest and the U.S. They form the third-largest gateway in North America, based on the number of containers (twenty-foot equivalent units) that come through the seaports. The economic reach of the two ports provide significant jobs and revenue to the state.

36.1 m

short tons of cargo moved
through the two ports
(2013)

3rd

largest by total TEUs
when combined, among
North America ports
(2013)

\$77 b

imported & exported
through the two ports
(2013)

4th

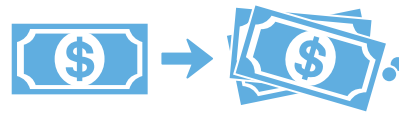
largest port by export
value when combined
(2013)

THE PORTS' ECONOMIC IMPACTS

Revenues and Incomes



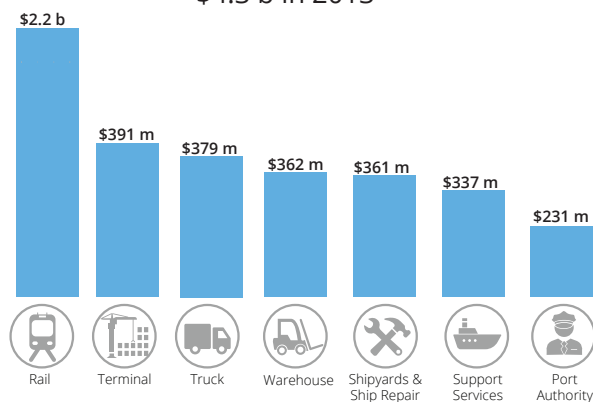
Ports' related economic activity is affiliated with **\$138.1 billion** in total economic activity in the state, which is 1/3 of Washington's GDP.
(2013)



Every dollar of income to Port-related direct jobs correlates to an additional **\$2.70** in personal income in the Seattle and Tacoma area.
(2013)

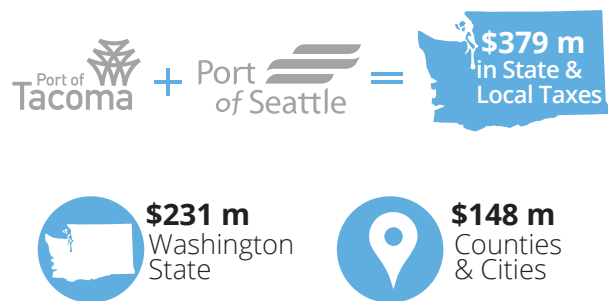
Business Revenues by Major Category

\$4.3 b in 2013

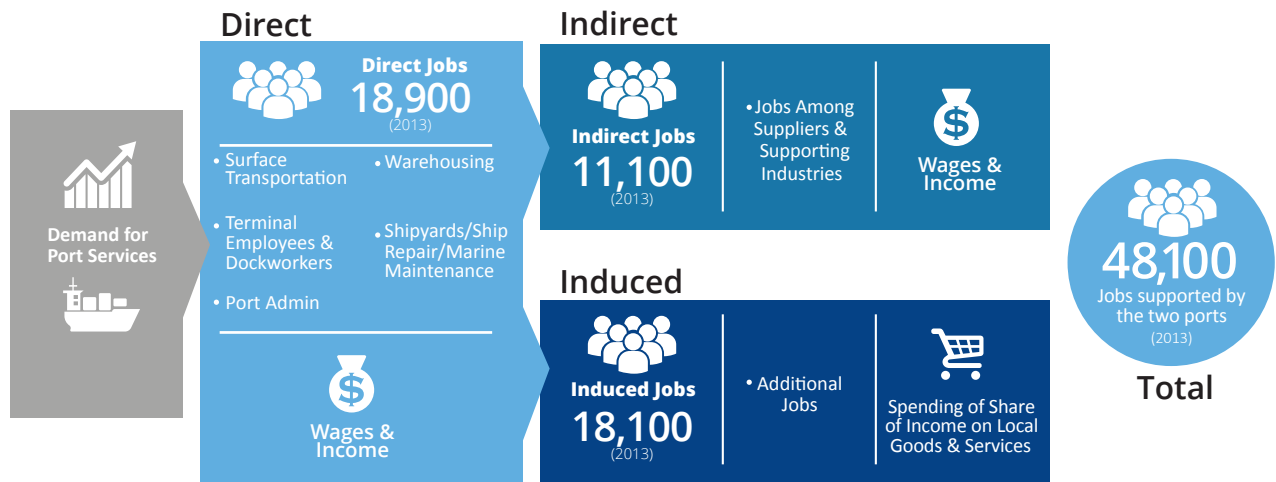


Regional Fiscal Impacts

Maritime Cargo Activity

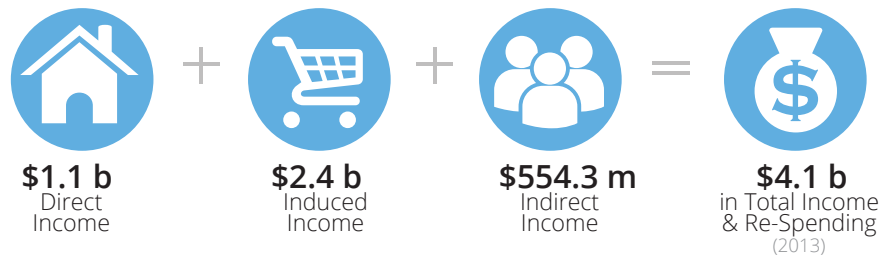


JOB



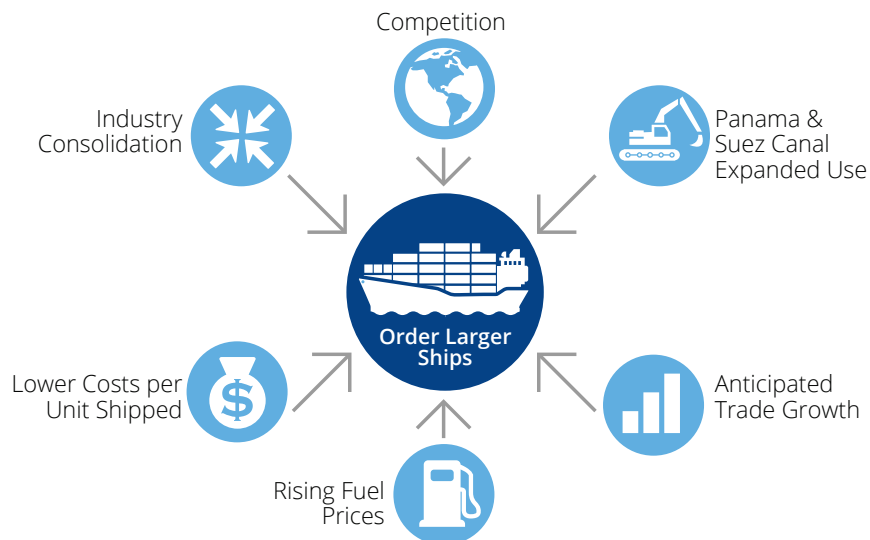
SPENDING

Port of Tacoma & Seattle Generate...



EXTERNAL CHALLENGES

The Industry Is Shifting



Source: Port of Tacoma; Port of Seattle; Martin Associates, Lancaster, PA; Community Attributes Inc, Seattle, WA

REGULATION AND LAND-USE POLICY

Maritime industries, because they are typically located on or near the water tend to be subject to a disproportionate number of regulations and permits related to water quality, aquatic life and related matters. This can take the form of storm water permits, Corps of Engineers permits, hydraulic permits, Department of Natural Resource leases, invasive species regulation, waste discharge, water quality monitoring, etc. Coordination of these processes is often lacking, resulting in added time and expense.

It is critical to the development and resiliency of our infrastructure that there is a reasonable expectation of the regulatory and permitting process. Currently the process for permitting is disjointed and involves Washington State as well as federal and local laws and regulations for the maintenance, repair, remediation and new construction of terminals, docks and other shoreside facilities. This puts our state in an extremely disadvantaged position for industry sustainability and investment. While retaining necessary environmental protections - we need to review the processes to eliminate duplication, conflicts, inefficiencies, frustration, time and expense to the fullest extent possible.

TRANSPORTATION INFRASTRUCTURE

A priority highlighted by every current maritime initiative is the importance of adequate funding for transportation infrastructure. Being able to move freight efficiently is particularly important for those segments of the industry where the movement of freight is critical to their competitive success. With the passage of a major transportation funding package during the 2015 legislative session two major corridors that have traditionally been a bottle neck to freight mobility are slated for upgrades. However, there are still many first and last mile connectors, heavy haul corridors and transportation hubs that are increasingly critical to the state's competitiveness as a gateway for cargo. It is important to note that freight mobility (by both road and rail) is also critically important to other ports in the state, their customers and communities. Properly planned and designed, freight transportation enhancements can also have significant positive impacts on personal mobility and reduced environmental impact.

MODERNIZATION AND SUSTAINABLE FISHERIES

The State of Washington is the historic home of the North Pacific commercial fishing fleet. Over 7,000 Washington residents directly participate in the North Pacific commercial fisheries annually, with over 34,000 direct and indirect jobs in our state attributed to the Alaska seafood industry. These activities contribute a tremendous positive economic impact for our state. In fact, of the \$15.2 billion in Gross Business Income reported to the state by the maritime industry, \$8.6 billion is from fishing and seafood processing companies, much of which is generated by the North Pacific fleet.

The North Pacific Fisheries Management Council is the oversight mechanism that supports what has become one of the world's most sustainable and viable fishing grounds. Defined by the Magnuson-Stevens Act Made has largely eliminated excess capacity and strengthened conservation and management of North Pacific fisheries. The Council is composed of 15 members; 11 voting and 4 non-voting. Seven of the voting members are appointed by the Secretary of Commerce upon the recommendation of the governors of Alaska and Washington. The Washington delegation to the council has been historically under staffed in comparison to their Alaskan counterparts. In the context of negotiations, that becomes challenging when negotiating between 'distant waters' versus 'near shore' fisheries catch limits, of which the former is largely comprised of Washington based companies.

ECONOMIC IMPACT OF AFFECTED SUB-SECTORS IN WASHINGTON STATE

The implications for recapitalizing the fishing fleet built here in Washington State is staggering. It will support various sub-sectors of Washington's maritime industry including fishing and seafood processing, ship building, support services, naval architecture and engineering firms, the supply chain and the entire workforce ecosystem.

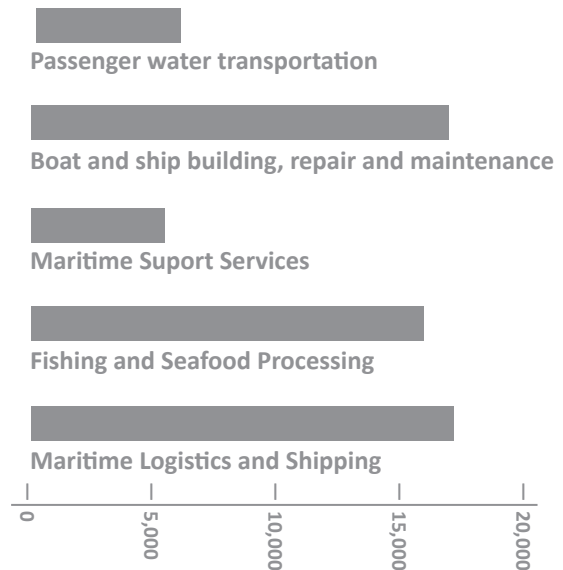
**DIRECT
REVENUE
\$10.9B
OF \$15.2B**

**ADDITIONAL
REVENUE
\$10.6B
OF \$14.8B**

**COMBINED ANNUAL IMPACT
TO WASHINGTON ECONOMY
\$21.5B
OF \$30B**

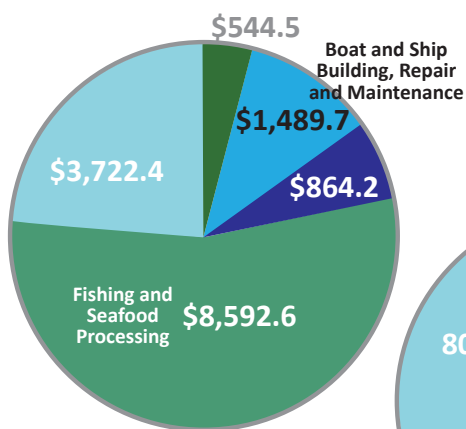
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JOBS BY INDUSTRY SECTOR



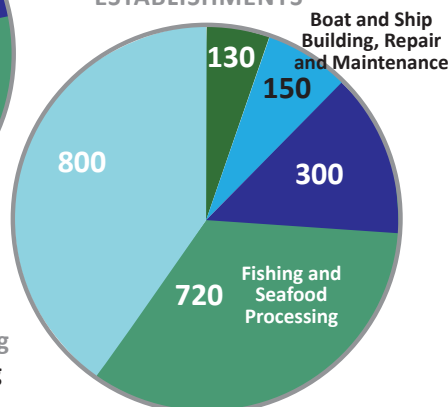
In 2012, the maritime cluster directly employed 57,700. Indirect and induced maritime jobs accounted for another 90,000 for a total impact of nearly 148,000 in Washington.

ANNUAL REVENUES - \$MILLIONS



- Maritime Logistics and Shipping
- Fishing and Seafood Processing
- Maritime Support Services
- Boat and Ship Building, Repair and Maintenance
- Passenger Water Transportation

ESTABLISHMENTS



The combined annual revenues of the fishing and seafood processing, maritime support services, and ship building total **\$10.9 billion**. Estimates on the impact from recapitalization could be as much as **\$15 billion** more.



The affected sectors employed over **37,000 people** in 2012 across Washington State. The maritime industry paid nearly **\$4 billion** in wages with average salaries of **\$70,800**. In comparison, the state's median wage is \$51,000.



This management system, combined with several federal buyback loan programs, has largely eliminated excess capacity and strengthened conservation and management of North Pacific fisheries.

Federal fisheries are now “rationalized.” Safety is enhanced. Fishing fleet efficiencies are being realized and higher utilization of fishery resources is maximizing value and food production. However, the fishing and fish processing vessels are aging. To build on a sound conservation and management regime that has resolved overcapitalization concerns and to maintain international competitiveness, fishing and fish processing vessels need to be replaced or rebuilt over the next two decades.

Recapitalizing the fishing fleet will provide significant economic benefits to the shipbuilding and maritime industry in the state, but it will take a substantial and coordinated effort at Federal, state and local levels. The Washington Maritime Federation is united in support of these efforts.

Aging Fleet - The average age of the fleet is now over 35 years, and as many as half of the boats currently fishing in the Bering Sea and other Alaska fisheries need to be replaced.

Washington Jobs - Rebuilding the vessels in our state will cement our place as the home for the fleet, and will mean new jobs for vessel owners, shipyards, and the numerous suppliers to the fishing and shipbuilding sectors.

Sustainable Fisheries - Today, the fishery is stable and is considered one of the best managed in the world. The quota system now in place means that vessel owners can be assured of their catch and associated revenue going forward.

Economic Development - We need to make sure that these boats are built in Washington by providing a policy and regulatory climate that encourages that activity. Current estimates on fiscal impact to the state range from \$7 – 14 Billion.

Clean Technology – Washington State boasts global leadership in the advancement of clean technology and best management practices in the maritime sector. New vessels have and will continue to be built above and beyond standards to increase efficiency, safety and model the demonstration of these practices.

Competition - Our main competitors are shipyards in the Gulf States. While there are some labor cost advantages there, many local companies want to build here if possible. We need to do what we can to make sure that we are competitive.

ALASKAN PARTNERSHIP

From the earliest days of the Gold Rush, the Puget Sound and Alaska have shared an enduring and mutually beneficial relationship. Our economies and culture are connected across the air, waters and lands of the Pacific Northwest.

Today, this dynamic and diverse economic relationship is strengthened not only by traditional industries such as shipping, seafood, petroleum and tourism, but also by services such as maritime support, education and health care. According to the recent *Ties That Bind* report, our economic relationship accounts for more than 113,000 jobs across the region – generating \$6.2 billion in earnings. This centuries long partnership is more than just a business deal; its communities and families across Alaska and the Puget Sound that share countless bonds and heritage.

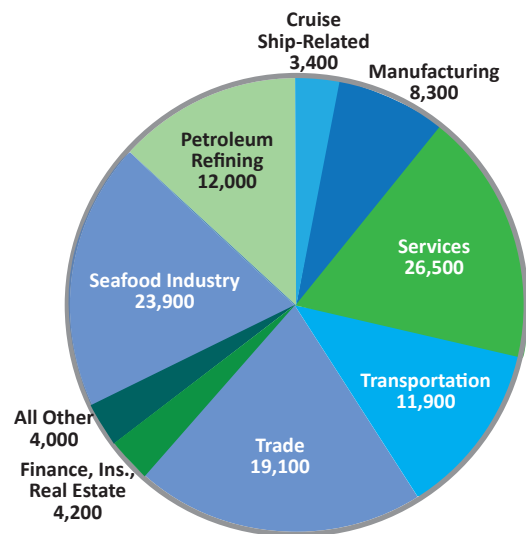
However, it has been more than a decade since Washington business leaders and elected officials have formally engaged constructively to build on this shared connection. Alaska has fell on difficult economic times due primarily to the extreme drop in oil prices in which its economy is so directly tied. This, combined, with an often cultural disconnect and lack of awareness to the integral ties to both Alaska and Washington's economies, it is important that we understand the direct economic drivers that we already share and are working together to find further shared economic development opportunities to increase economic diversity and maintain a working relationship.

In the Fall of 2015 an advance delegation of business leaders and elected officials from across the Puget Sound travelled to Alaska to meet with their counterparts to plan the agenda for a comprehensive summit in fall 2016. Through this advanced delegation, we developed the scope of issues to examine the state of our shared economics including the freight and cargo, seafood, transportation and tourism, energy and natural resources, maritime support services, non-profits, tribal relations, health care and education sectors.

In order to strengthen our relationship and prepare for the demands of the 21st century economy, ongoing goals and scope of discussions will include:

- Build relationships across sectors, opinions and organizations.
- Educate each other on the economic impact between the Puget Sound and Alaska.
- Understand the human impact between the two regions.
- Identify issues across the sub sectors to develop common policy positions and goals.
- Connect elected officials and thought leaders on the vision for the future.

ALASKA-RELATED JOBS IN PUGET SOUND BY SECTOR, 2013



MARKETING PLAN



PRIORITIES

What is important for us to say?

The Washington Maritime Federation:

- Highlights the importance of Washington's maritime sector as a \$30 billion economic driver contributing 146,000 living wage jobs across the state in its many sub-sectors
- Supports the long term integrity and commercial viability of Washington's Ports and maritime businesses to be competitive in a global marketplace
- Agrees that broad regulatory predictability is important for commerce, the maritime industry and consistent decision making
- Supports a sustainable maritime industry as a leader in environmental protection, best practices and emerging technology

PERFORMANCE GOALS

- Coordination - Establish Washington Maritime Federation as the resource, and conduit for information about, and coordinated support of the maritime industry
- Awareness - Create awareness among the public, key stakeholders and constituencies of the importance of the Washington state maritime industry
- Advocacy - Communicate messages of the policy/ investment priorities of the Federation

KEY AUDIENCES

- General public
- Elected officials
- Business leader and entrepreneurs

OBJECTIVES

Key talking points for the maritime sector include:

- Highlight the importance of Washington's maritime sector as a \$30 billion economic driver contributing 146,000 living wage jobs across the state in its many sub-sectors.

- Maritime is a key sector to address income-gap levels in our urban centers as well as across rural and underserved communities with clearly defined pathways for wage growth and stable employment.
- There is long term integrity and commercial viability of Washington's Ports and maritime businesses that are competitive in a global marketplace.
- Broad regulatory predictability is important for commerce, the maritime industry and consistent decision making.
- Washington boasts a sustainable maritime industry as a global leader in environmental protection, best practices and emerging technology

IMPLEMENTATION

STRATEGY	TACTICS	PARTNERS
Communicate information about the industry, events, hot policy issues to Federation members	<ul style="list-style-type: none"> • Update and utilize the website regularly and drive traffic • Create a monthly newsletter • Use social media 	<ul style="list-style-type: none"> • Washington Maritime Federation • Ports • Industry associations
Create and reuse collateral about the industry	<ul style="list-style-type: none"> • Update study on economic impact of industry • Link to and use subsector organizations' collateral 	<ul style="list-style-type: none"> • Washington Maritime Federation • Ports • Industry associations
Provide information about the maritime industry to key audiences	<ul style="list-style-type: none"> • Set up a speakers' bureau who can make presentations to community and business organizations • Write op-eds • Editorial meetings with news outlets 	<ul style="list-style-type: none"> • Washington Maritime Federation • Ports • Industry associations
Create events and participate in other organizations' events	<ul style="list-style-type: none"> • Provide speakers, collateral and content for other maritime events • Participate in cross-sector events to highlight the role of maritime and build partnerships. • Organize events around key issues 	<ul style="list-style-type: none"> • Washington Maritime Federation • Ports • Industry associations
Operations Plan	<ul style="list-style-type: none"> • Legislative Strategy Document • Outreach to Alaska • Other outreach • Marketing Plan 	<ul style="list-style-type: none"> • Washington Maritime Federation • Ports • Industry associations

ADDITIONAL COMMUNICATIONS FROM THE SECTOR LEAD

- Work with Washington Marine Federation (WMF) to develop a marketing and communications plan, key messages and talking points
- Work with WMF to set up appropriate speaking engagements, media contacts
- Work with WMF to get privately funded budget for outreach campaign
- Personally continue speaking engagements and media contact on a regular basis,
- Complete Maritime Sector page on Commerce website
 - o Include links to relevant articles, resources and related sites
 - o Work with Commerce marketing staff to develop interactive social media presence
- Work with Commerce/Governor's office on Governor's link
- Work pro-actively with organizers of Maritime Week and other maritime-focused events around the state
- Continue outreach to maritime sector businesses, unions, legislators, ADOs and communities around the state and outside the state, as necessary

OPERATIONS PLAN

Legislative Strategy Document:

Participate as a member of the Joint Task Force for the Economic Resilience of Maritime and Manufacturing. Resources required include external help for research on other states' regulatory frameworks. This is mandated in the legislative language, and could be provided either by internal State of Washington research resources or an outside contractor.

Outreach to Alaska: Support design and facilitation of the Alaska and Puget Sound Leadership Summit. This will include at least one trip to Alaska and participation in the Alaska Business Forum.

Other outreach: This may require travel to support federal or multi-state efforts regarding freight mobility infrastructure, including to D.C., American Association of Port

Authorities and Pacific Northwest Waterways events (memberships in AAPA and PNWA would be good, but attendance at events and funding for travel should suffice), Great Northern Corridor meetings (multi-state rail and freight transportation corridor planning and funding effort).

Marketing Plan: This will require Commerce support in developing and maintaining the sector website and any other marketing materials sectors need to develop.

WHO SPEAKS FOR THE SECTOR?

Joshua Berger

Governor's Maritime Sector Lead,
Director of Maritime Economic Development
Washington State Department of Commerce
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Washington Maritime Federation

Director, Spokesperson, and Advisory Board
info@maritimesfederation.com

THE WORK PLAN: 2017- 2019

GOAL 1

FOSTERING COLLABORATIVE PUBLIC/PRIVATE PARTNERSHIPS

ACTION STEP 1

Support coordination and facilitation of the Washington Maritime Federation

WHO WILL DO IT?	BY WHEN?	
Sector Lead	Ongoing	
RESOURCES	POTENTIAL BARRIERS	COMMUNICATIONS PLAN
A. Time commitment	A. Some orgs and businesses resist the need for industry match and want full	Utilize the communication plan and resources of the WMF and members.
B. 1) Contract with WMF as part of an industry match	B. Lack of funding commitment	
2) Commitment from Industry		

ACTION STEP 2

Liaison between maritime industry interests and state agencies, legislature and Governor's office.

WHO WILL DO IT?	BY WHEN?	
Sector Lead	Ongoing	
RESOURCES	POTENTIAL BARRIERS	COMMUNICATIONS PLAN
A. Commitment and engagement from respective agencies and legislators	A. Some agencies and legislators	
B. Ongoing commitment	B. Potential push back based on political goals and advocacy from opposing interests	

GOAL 1 *Continued*

FOSTERING COLLABORATIVE PUBLIC/PRIVATE PARTNERSHIPS

ACTION STEP 3

Facilitate diverse funding opportunities from public and private sources for maritime related projects and Business Development

Work in coordination with Commerce Trade and Export, Business Development Services. And ADO's on Economic Development opportunities focused on underrepresented and rural communities

WHO WILL DO IT?

Sector Lead
Trade and Export Office
Business Services Office
Local ADOs

BY WHEN?

Ongoing

RESOURCES

A. Time and commitment
B. 1. Built relationships within OED and across ADOs
2. Sources of funding i.e: SRF, Workstart, CERB, CEF, Econ. Gardening and trade show support.
3. Other sources of funding i.e., Port of Seattle, MARAD, private foundations.

POTENTIAL BARRIERS

A. Funding providers
B. Eliminating, restricting or reducing funding programs

COMMUNICATIONS PLAN

Utilize the WMF Communications Plan as well as DOC Communications strategy.

ACTION STEP 4

Facilitate and support public/private partnerships to incentivize recapitalization of the North Pacific fishing fleet.

WHO WILL DO IT?

Sector Lead
Legislators
Port of Seattle
Shipyards
Fishing interests

BY WHEN?

Ongoing with overall strategy
Port of Seattle announcement in Nov '16
Legislation in 2016-17 session

RESOURCES

A. Strong support from many stakeholders, Governor and legislators
B. 1. Pass legislation
2. Strong willingness for stakeholders to collaborate 3) Further connections and trust built with banks and other investors.

POTENTIAL BARRIERS

A. 1. Some legislators
2. some stakeholders
B. 1. Unwilling to provide industry incentives
2. Some would rather compete for single contracts than collaborate.

COMMUNICATIONS PLAN

Utilize the WMF Communications Plan as well as DOC Communications strategy

GOAL 1 *Continued***FOSTERING COLLABORATIVE PUBLIC/PRIVATE PARTNERSHIPS****ACTION STEP 5**

Create and manage a new position within the ISDP to support the North Pacific Fisheries Management Council and recapitalization efforts.

WHO WILL DO IT?	BY WHEN?	
Sector Lead	July 1, 2016	
WDFW	Ongoing	
Governor		
Fishing stakeholders		

RESOURCES	POTENTIAL BARRIERS	COMMUNICATIONS PLAN
A. Fishing industry funding match, Managed at ISDP and Governor's Commitment.	A. Alaskan fishing interests	Utilize the WMF Communications Plan as well as DOC Communications strategy
B. Funding from other agencies or sources to support the FTE.	B. May be seen as an offensive move to gain catch share.	

ACTION STEP 6

Facilitate the Alaska and Puget Sound Leadership Summit and subsequent action items.

WHO WILL DO IT?	BY WHEN?	
Sector Lead	Oct 11-14, 2016	
AK & WA Planning Group	Ongoing	

RESOURCES	POTENTIAL BARRIERS	COMMUNICATIONS PLAN
A. Engaged and committed planning group from diverse stakeholders of AK & WA	A. Some various stakeholders	Utilize the WMF Communications Plan as well as DOC Communications strategy
B. Event sponsorship and registration by elected officials and business leaders.	B. Cultural disconnect and sense that WA is either intentionally blocking AK business opportunities or unaware of the necessary and historic economic connectedness	

GOAL 1 Continued**FOSTERING COLLABORATIVE PUBLIC/PRIVATE PARTNERSHIPS****ACTION STEP 7**

Support the development of a maritime incubator for clean and efficient technology.

WHO WILL DO IT?	BY WHEN?	
Sector Lead Port of Seattle	Beginning Fall, 2016	
RESOURCES	POTENTIAL BARRIERS	COMMUNICATIONS PLAN
A. Interest and established need/ opportunity for maritime based incubator	Unknown	Utilize the WMF Communications Plan as well as DOC Communica- tions strategy
B. 1. Model, design and focus for Clean Tech in maritime. 2. Initial funding and sustained business model		

ACTION STEP 8

Promote and provide models and examples of clean technology and best practices being used in the industry.

WHO WILL DO IT?	BY WHEN?	
Sector Lead WMF Industry Partners	Ongoing; Event Fall 2016 or Spring 2017	
RESOURCES	POTENTIAL BARRIERS	COMMUNICATIONS PLAN
A. 1. A framework for communications plan and website. 2. Stakeholder interest.	Unknown	Utilize the WMF Communications Plan as well as DOC Communica- tions strategy
B. Expanded website, promotion materials and sponsorship for events.		

EVIDENCE OF SUCCESS

Continued broad engagement and participation from the diverse sub-sectors of the maritime industry, in WMF, Workforce Roundtable and industry events will demonstrate that progress is being made to promote strong public/private partnerships in the maritime sector. Benchmarks include:

- Increased support for business development that is focused on underrepresented and rural communities
- Increased fishing vessel construction
- Further awareness of Washington maritime as a clean technology leader.

EVALUATION PROCESS

Specifically, measures to identify successful promotion of strong public/private partnerships in the maritime sector will include:

- Increased membership in the WMF in 2016 and 2017
- Successful allocation of funds for maritime business development from public and private sources
- A new position within ISDP in 2016 to support the North Pacific Fisheries Management Council
- Successful Alaska and Puget Sound Leadership Summit in October, 2016.
- Groundbreaking of a maritime incubator
- Implemented web resource and communication tool for Washington Maritime BLUE.

GOAL 2

GROWING AND DIVERSIFYING WASHINGTON'S MARITIME INDUSTRY SECTOR WITH A STRONG BUSINESS CLIMATE

ACTION STEP 1

Facilitate the renewal of an "Maritime Sector Economic Impact Study"

WHO WILL DO IT?	BY WHEN?	
WMF Sector Lead	November 2016	
RESOURCES	POTENTIAL BARRIERS	COMMUNICATIONS PLAN
A. Current study, initial funding partners and stakeholder engagement.	Unknown	Utilize the WMF Communications Plan as well as DOC Communications strategy
B. Further funding		

ACTION STEP 2

Facilitate a "Regulatory Road Map" process within DOC for Maritime

WHO WILL DO IT?	BY WHEN?	
Sector Lead DOC policy staff Industry stakeholders Governors Office ORIA State and Federal agencies	Begin Fall 2016	
RESOURCES	POTENTIAL BARRIERS	COMMUNICATIONS PLAN
A. Industry engagement and potential initial funding.	A. Agencies	Utilize the WMF Communications Plan as well as DOC Communications strategy
B. Agency engagement and further funding.	B. Unwilling to change processes	

ACTION STEP 3

Support legislative actions to address regulatory predictability

WHO WILL DO IT?	BY WHEN?	
Sector Lead WMF Governor's Office Legislators DOC policy staff	Legislative session 2017	
RESOURCES	POTENTIAL BARRIERS	COMMUNICATIONS PLAN
A. Taskforce recommendations, bi-partisan support and industry engagement.	A. Environmental interests	Utilize the WMF Communications Plan
B. Further support from legislators and agencies.	B. Seen as a 'slippery slope' to degrade environmental protection.	

GOAL 2 *Continued*

**GROWING AND DIVERSIFYING WASHINGTON'S MARITIME INDUSTRY SECTOR
WITH A STRONG BUSINESS CLIMATE**

ACTION STEP 4

Support federal and state legislation to incentivize recapitalization of the fishing fleet

WHO WILL DO IT?

BY WHEN?

Sector Lead

Legislative session 2017

WMF

Governor's Office

Legislators

DOC policy staff

RESOURCES

POTENTIAL BARRIERS

COMMUNICATIONS PLAN

A. Taskforce recommendations, bi-partisan support and industry engagement.

A. Some legislators

Utilize the WMF Communications Plan as well as DOC Communications strategy

B. Further support from legislators, Recap. Economic Impact Study and updated fiscal note.

B. Unwilling to support tax incentives

ACTION STEP 5

Support a study to determine the scope of impact and jobs from recapitalization of the fishing fleet

WHO WILL DO IT?

BY WHEN?

Sector Lead

Summer 2017

WMF

Port of Seattle

RESOURCES

POTENTIAL BARRIERS

COMMUNICATIONS PLAN

A. Funding, advisory group, research firm contracted.

Unknown

Utilize the WMF Communications Plan as well as DOC Communications strategy

B. Finalized study and follow-up strategy.

GOAL 2 *Continued*

GROWING AND DIVERSIFYING WASHINGTON'S MARITIME INDUSTRY SECTOR WITH A STRONG BUSINESS CLIMATE

ACTION STEP 6

Support actions to incentivize clean technology and best environmental and safety practices in the industry.

WHO WILL DO IT?	BY WHEN?	
Sector Lead WMF Governor's Office Legislators	Ongoing and Legislative session 2017	
RESOURCES	POTENTIAL BARRIERS	COMMUNICATIONS PLAN
A. Some legislative support, governor's support and industry engagement.	A. Some legislators	Utilize the WMF Communications Plan as well as DOC Communications strategy
B. Further legislative support and funding mechanisms.	B. Unwilling to fund clean tech incentives.	

EVIDENCE OF SUCCESS

Increased awareness of economic development opportunities and progress towards a predictable regulatory environment will demonstrate that progress is being made to promote a strong maritime business climate in Washington. Benchmarks to provide evidence of success include:

- Increased engagement between industry stakeholders and State/Federal agencies to address bottlenecks in the regulatory permitting process.
- Proposed legislative action to address regulatory reform and industry incentives.

EVALUATION PROCESS

Specifically, measures to identify successful promotion of a strong maritime business climate in Washington include:

- Updated Maritime Sector Economic Impact Study in 2016.
- Completed Regulatory Roadmap for maritime infrastructure development in 2017.
- Legislative action on regulatory reform in the 2017 Legislative Session.
- Legislative action on fishing fleet recapitalization incentives in the 2017 Legislative Session.
- Legislative action on incentives or funding mechanisms for clean technology for the maritime sector in the 2017 Legislative Session.

GOAL 3

ENCOURAGING A 21ST CENTURY WORKFORCE READY TO MEET THE MARITIME INDUSTRY NEEDS

ACTION STEP 1

Facilitate the WMF's goals for Workforce

WHO WILL DO IT?	BY WHEN?	
Sector Lead WMF	Ongoing	
RESOURCES	POTENTIAL BARRIERS	COMMUNICATIONS PLAN
A. Industry support B. Continued support and engagement.	Unknown	Utilize the WMF Communications Plan as well as DOC Communications strategy

ACTION STEP 2

Liaison between the Center of Excellence of Marine Manufacturing (COE) and WMF

WHO WILL DO IT?	BY WHEN?	
Sector Lead Workforce Roundtable COE Director	Ongoing	
RESOURCES	POTENTIAL BARRIERS	COMMUNICATIONS PLAN
A. Funding for Roundtable through COE. B. Industry engagement	Unknown	Utilize the WMF Communications Plan as well as DOC Communications strategy COE

ACTION STEP 3

Serve on various TACs and Advisory Boards for Maritime Workforce programs

WHO WILL DO IT?	BY WHEN?	
Sector Lead	Ongoing	
RESOURCES	POTENTIAL BARRIERS	COMMUNICATIONS PLAN
Time commitment	Unknown	Utilize the WMF Communications Plan

GOAL 3 *Continued***ENCOURAGING A 21ST CENTURY WORKFORCE READY TO MEET THE MARITIME INDUSTRY NEEDS****ACTION STEP 4**

Liaison between WMF and ESD / local WDCs

WHO WILL DO IT?	BY WHEN?	
Sector Lead ESD WDCs	Ongoing	
RESOURCES	POTENTIAL BARRIERS	COMMUNICATIONS PLAN
A. Commitment from ESD and some local WDCs.	A. Some WDCs.	Utilize the WMF Communications Plan as well as DOC Communications strategy
B. Further engagement with WDC's and clarification of sector based workforce priorities vs. labor market data.	B. Undefined or prioritized sectors.	

ACTION STEP 5

Represent maritime, and ISDP on Work-Based Learning Policy Academy

WHO WILL DO IT?	BY WHEN?	
Sector Lead	Summer 2016 through Spring 2017	
RESOURCES	POTENTIAL BARRIERS	COMMUNICATIONS PLAN
A. NGA Grant and industry and education partner engagement.	Unknown	Utilize the WMF Communications Plan as well as DOC Communications strategy
B. Further input from industry.		

ACTION STEP 6

Facilitate diverse funding opportunities for maritime and CTE programming.

WHO WILL DO IT?	BY WHEN?	
Sector Lead WMF	Ongoing	
RESOURCES	POTENTIAL BARRIERS	COMMUNICATIONS PLAN
A. Funding support from Port of Seattle, WA Sea Grant, SBCTC, Federal Apprenticeship Grants, Workstart and WDCs.	A. Labor B. Not supportive of non-union training.	Utilize the WMF Communications Plan as well as DOC Communications strategy
B. Further funding opportunities.		

GOAL 3 *Continued*

ENCOURAGING A 21ST CENTURY WORKFORCE READY TO MEET THE MARITIME INDUSTRY NEEDS

ACTION STEP 7

Support legislative action to increase funding for maritime workforce training and CTE Funding.

WHO WILL DO IT?	BY WHEN?	
Sector Lead WMF Washington Business Alliance Coalition Legislators	Legislative session 2017	
RESOURCES	POTENTIAL BARRIERS	COMMUNICATIONS PLAN
A. Broad industry support and strong coalitions.	A. Some legislators.	Utilize the WMF Communications Plan as well as DOC Communications strategy
B. Further legislative support.	B. Difficult to justify funding while looking to solve McCleary decision	

ACTION STEP 8

Support development of comprehensive maritime workforce website.

WHO WILL DO IT?	BY WHEN?	
Sector Lead WMF COE	Fall 2016	
RESOURCES	POTENTIAL BARRIERS	COMMUNICATIONS PLAN
A. Industry support and engagement and some funding.	Unknown	Utilize the WMF Communications Plan as well as DOC Communications strategy
B. Project management and further funding.		

EVIDENCE OF SUCCESS

Increased industry engagement with education and training providers (through the WMF, COE and program advisory boards) and increased funding opportunities for maritime education and training programs will demonstrate successful support in the development of a 21st century maritime workforce. Benchmarks include:

- Increased utilization of Technical Advisory Committees
- Increased engagement between industry stakeholders and local WDCs

- Maritime input to statewide workforce development initiatives.

EVALUATION PROCESS

Specifically, measures to identify successful support of the development of a 21st century maritime workforce will include:

- The creation of documented defined pathways into and through the maritime workforce in 2017.

- A comprehensive maritime workforce website and associated marketing campaign in 2017.
- Sustained funding sources available to maritime workforce development.
- CTE programming fully funded and connected to General Education funding requirements.

2015 – 2017 ACCOMPLISHMENTS

SUPPORT / ASSISTANCE PROVIDED

CLIENT

WASHINGTON MARITIME FEDERATION

PUBLIC/PRIVATE PARTNERSHIP

Coordinate and facilitate statewide industry association

BUSINESS CLIMATE	WORKFORCE DEVO	NOTES
Work on policy and regulatory Reform Issues	Focus on supporting workforce dev	65 Members and 350 Mailing list including organize Maritime Day in Olympia

CLIENT

WASHINGTON MARITIME WORKFORCE ROUNDTABLE

PUBLIC/PRIVATE PARTNERSHIP

Facilitate industry connection

BUSINESS CLIMATE	WORKFORCE DEVO	NOTES
	Focus on communications and coordination of workforce needs with education providers	

CLIENT

NORTHWEST MARINE TRADE ASSOCIATION

PUBLIC/PRIVATE PARTNERSHIP

BUSINESS CLIMATE	WORKFORCE DEVO	NOTES
	Support workforce priorities in legislature and Gov Office incl. Meet with Gov. on Core plus and CTE	Met with Governor

CLIENT

CSR MARINE

PUBLIC/PRIVATE PARTNERSHIP

BUSINESS CLIMATE	WORKFORCE DEVO	NOTES
	Support workforce priorities in legislature and Gov Office incl. Meet with Gov. on Core plus and CTE	Met with Governor

2015 – 2017 ACCOMPLISHMENTS *continued*

CLIENT

CORE-PLUS

BUSINESS CLIMATE	WORKFORCE DEVO	NOTES
	Support workforce priorities in legislature and Gov Office incl. Meet with Gov. on Core plus and CTE	Met with Governor

CLIENT

WA BUSINESS ALLIANCE

BUSINESS CLIMATE	WORKFORCE DEVO	NOTES
	Support workforce priorities in legislature and Gov Office incl. Meet with Gov. on Core plus and CTE	Met with Governor

CLIENT

SSA MARINE

BUSINESS CLIMATE	WORKFORCE DEVO	NOTES
Work on Regulatory Alignment and Reform		

CLIENT

HARLEY MARINE

BUSINESS CLIMATE	WORKFORCE DEVO	NOTES
Support communications campaign		

CLIENT

FOSS - SSG

BUSINESS CLIMATE	WORKFORCE DEVO	NOTES
Work with federal delegation to fund MARAD's Shipyard grants		

2015 – 2017 ACCOMPLISHMENTS *continued*

CLIENT

PACIFIC MERCHANT SHIPPING ASSOC. - BALLAST WATER

BUSINESS CLIMATE	WORKFORCE DEVO	NOTES
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Negotiate State Ballast Water program

CLIENT

PMSA - REGULATORY REFORM

BUSINESS CLIMATE	WORKFORCE DEVO	NOTES
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Work on Regulatory Alignment and Reform

CLIENT

WA PUBLIC PORTS ASSOC.

BUSINESS CLIMATE	WORKFORCE DEVO	NOTES
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Work on Regulatory Alignment and Reform + No Discharge Zone + MTCA Funding

CLIENT

FOSS - NDZ

BUSINESS CLIMATE	WORKFORCE DEVO	NOTES
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Work on Regulatory Alignment and Reform + No Discharge Zone

CLIENT

NMTA - NDZ

BUSINESS CLIMATE	WORKFORCE DEVO	NOTES
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Work on Regulatory Alignment and Reform + No Discharge Zone

2015 – 2017 ACCOMPLISHMENTS *continued*

CLIENT

RECREATIONAL BOATING ASSOC. OF WA - NDZ

BUSINESS CLIMATE	WORKFORCE DEVO	NOTES
Support Negotiation with No Discharge Zone		

CLIENT

AMERICAN WATERWAYS OPERATORS

BUSINESS CLIMATE	WORKFORCE DEVO	NOTES
Work on Regulatory Alignment and Reform + No Discharge Zone		

CLIENT

WDC SEATTLE - KING COUNTY

BUSINESS CLIMATE	WORKFORCE DEVO	NOTES
	Support Sector Strategy and funding opportunities	

CLIENT

JENSEN MARINE

BUSINESS CLIMATE	WORKFORCE DEVO	NOTES
Strategize Incentives for Recap of Fishing Fleet		

CLIENT

BMT

BUSINESS CLIMATE	WORKFORCE DEVO	NOTES
Strategize Incentives for Recap of Fishing Fleet		

2015 – 2017 ACCOMPLISHMENTS *continued*

CLIENT

BLUE NORTH

BUSINESS CLIMATE	WORKFORCE DEVO	NOTES
Strategize Incentives for Recap of Fishing Fleet + Support Distant Waters issues		Met with Governor

CLIENT

FISHERMAN'S FINEST

BUSINESS CLIMATE	WORKFORCE DEVO	NOTES
Strategize Incentives for Recap of Fishing Fleet + Support Distant Waters issues		Met with Governor

CLIENT

GROUND FISH FORUM

BUSINESS CLIMATE	WORKFORCE DEVO	NOTES
Strategize Incentives for Recap of Fishing Fleet + Support Distant Waters issues		Met with Governor

CLIENT

AT-SEA PROCESSORS ASSOC

BUSINESS CLIMATE	WORKFORCE DEVO	NOTES
Strategize Incentives for Recap of Fishing Fleet + Support Distant Waters issues		Met with Governor

CLIENT

FISHING VESSEL OWNERS ASSOC.

BUSINESS CLIMATE	WORKFORCE DEVO	NOTES
Strategize Incentives for Recap of Fishing Fleet + Support Distant Waters issues		Met with Governor

2015 – 2017 ACCOMPLISHMENTS *continued*

CLIENT

FREEZER LONGLINE COALITION

BUSINESS CLIMATE	WORKFORCE DEVO	NOTES
Strategize Incentives for Recap of Fishing Fleet + Support Distant Waters issues		Met with Governor

CLIENT

ANDRIES BREEDT

BUSINESS CLIMATE	WORKFORCE DEVO	NOTES
Support business plan and product development		

CLIENT

EZE FERRY**PUBLIC PRIVATE PARTNERSHIP**

Coordinate funding and strategy for electric ferry with Skagit County

CLIENT

ART ANDERSON ASSOC.**PUBLIC PRIVATE PARTNERSHIP**

Coordinate funding and strategy for electric ferry with Skagit County

CLIENT

BRADKEN

CLIENT

INTELLIJET**PUBLIC PRIVATE PARTNERSHIP**

Support communications and business plan development

CLIENT

KITSAP SHIPYARD**PUBLIC PRIVATE PARTNERSHIP**

Support communications and business plan development

2015 – 2017 ACCOMPLISHMENTS *continued*

CLIENT

GLOBAL SUPPLY

PUBLIC PRIVATE PARTNERSHIP

Support communications and business plan development

CLIENT

SAN JUAN COUNTY DC

BUSINESS CLIMATE

WORKFORCE DEVO

NOTES

Support contacts and SRF
application for training program

CLIENT

ALASKA & PUGET SOUND LEADERSHIP SUMMIT

PUBLIC PRIVATE PARTNERSHIP

Coordinate and facilitate Summit between elected officials and industry leaders between AK and PS

CLIENT

ALASKA BUSINESS FORUM

PUBLIC PRIVATE PARTNERSHIP

Support Agenda and Topic sections

CLIENT

UA FAIRBANKS

PUBLIC PRIVATE PARTNERSHIP

Develop sustainable maritime communications plan

CLIENT

UW BOTHELL

BUSINESS CLIMATE

WORKFORCE DEVO

NOTES

Support development of Marine
Engineering program

2015 – 2017 ACCOMPLISHMENTS *continued*

CLIENT**WSU OLYMPIC**

BUSINESS CLIMATE	WORKFORCE DEVO	NOTES
	Support development of Marine Engineering program	

CLIENT**WA SEA GRANT**

BUSINESS CLIMATE	WORKFORCE DEVO	NOTES
	Support funding mechanism for workforce programs	

CLIENT**SEATTLE MARITIME ACADEMY**

BUSINESS CLIMATE	WORKFORCE DEVO	NOTES
	Join TAC and support funding and expansion of program	

CLIENT**WDFW**

BUSINESS CLIMATE	WORKFORCE DEVO	NOTES
Support AIS state program development		

CLIENT**NORTH PACIFIC FISHERIES MANAGEMENT COUNCIL****PUBLIC PRIVATE PARTNERSHIP**

Support for Developing Staff to assist Council

CLIENT**PAC FISH**

BUSINESS CLIMATE	WORKFORCE DEVO	NOTES
	Work with federal delegation to fund MARAD's Shipyard grants	

2015 – 2017 ACCOMPLISHMENTS *continued*

CLIENT**NW SEAPORT ALLIANCE**

BUSINESS CLIMATE	WORKFORCE DEVO	NOTES
Port Competitiveness; technology, HMT, Transportation, Regulatory Reform		

CLIENT**PORT OF EVERETT**

PUBLIC PRIVATE PARTNERSHIP
Support TIGER Grant

BUSINESS CLIMATE	WORKFORCE DEVO	NOTES
Support MTCA funding		

CLIENT**PORT OF SEATTLE**

PUBLIC PRIVATE PARTNERSHIP
Support Port Competitiveness and Communications

CLIENT**PORT OF SEATTLE**

BUSINESS CLIMATE	WORKFORCE DEVO	NOTES
Strategize Incentives for Recap of Fishing Fleet		

CLIENT**PORT OF SEATTLE**

BUSINESS CLIMATE	WORKFORCE DEVO	NOTES
	Support Workforce development priorities	

CLIENT**PORT OF SEATTLE**

PUBLIC PRIVATE PARTNERSHIP
Support Incubator development

2015 – 2017 ACCOMPLISHMENTS *continued*

CLIENT

PORT OF TACOMA

BUSINESS CLIMATE

WORKFORCE DEVO

NOTES

Port Competitiveness; technology,
HMT, Transportation, Regulatory
Reform

CLIENT

CITY OF SEATTLE LANDER STREET

PUBLIC PRIVATE PARTNERSHIP

Support TIGER Grant

CLIENT

CITY OF SEATTLE YOUTH EMPLOYMENT

BUSINESS CLIMATE

WORKFORCE DEVO

NOTES

Support placement of interns in top
maritime businesses

CLIENT

NW SEAPORT

BUSINESS CLIMATE

WORKFORCE DEVO

NOTES

Support Youth Development
programs

CLIENT

CENTER FOR WOODEN BOATS

BUSINESS CLIMATE

WORKFORCE DEVO

NOTES

Support Youth Development
programs

2015 – 2017 ACCOMPLISHMENTS *continued*

CLIENT

VIRGINIA V

BUSINESS CLIMATE	WORKFORCE DEVO	NOTES
	Support Youth Development programs	

CLIENT

SOUND EXPERIENCE

BUSINESS CLIMATE	WORKFORCE DEVO	NOTES
	Support Youth Development programs	

CLIENT

SOUND EXPERIENCE - PROCLAMATION

BUSINESS CLIMATE	WORKFORCE DEVO	NOTES
	Support proclamation for Adventuress	

CLIENT

AMSEC

PUBLIC PRIVATE PARTNERSHIP
Support Govt. Contracting

BUSINESS CLIMATE	WORKFORCE DEVO	NOTES
	Support Workforce priorities	

CLIENT

PUGET SOUND SHIP REPAIR ASSOC.

PUBLIC PRIVATE PARTNERSHIP
Support Govt. Contracting

BUSINESS CLIMATE	WORKFORCE DEVO	NOTES
	Support Workforce priorities	

2015 – 2017 ACCOMPLISHMENTS *continued*

CLIENT

VIGOR - POLAR

PUBLIC PRIVATE PARTNERSHIP

Support Federal delegation for Polar Funding

CLIENT

VIGOR HITC

BUSINESS CLIMATE	WORKFORCE DEVO	NOTES
	Support Training center expansion through multiple funding sources incl. SRF	

CLIENT

VIGOR - GOV

BUSINESS CLIMATE	WORKFORCE DEVO	NOTES
General Support around Environmental Efforts, Jobs, Recap		Met with Governor

CLIENT

VIGOR - FISH RECAP

BUSINESS CLIMATE	WORKFORCE DEVO	NOTES
Strategize Incentives for Recap of Fishing Fleet		Met with Governor

CLIENT

WELLS FARGO

BUSINESS CLIMATE	WORKFORCE DEVO	NOTES
Strategize Incentives for Recap of Fishing Fleet		

2015 – 2017 ACCOMPLISHMENTS *continued*

CLIENT

COMMERCIAL BANK

BUSINESS CLIMATE

WORKFORCE DEVO

NOTES

Strategize Incentives for Recap of Fishing Fleet

CLIENT

ARMSTRONG MARINE

BUSINESS CLIMATE

WORKFORCE DEVO

NOTES

Meet regarding efforts to expand in Port Angeles

CLIENT

PORT OF PORT ANGELES

BUSINESS CLIMATE

WORKFORCE DEVO

NOTES

Meet regarding efforts to expand in Port Angeles

CLIENT

GREEN MARINE

PUBLIC PRIVATE PARTNERSHIP

Provide input and industry contact for program

CLIENT

SALTCHUK

PUBLIC PRIVATE PARTNERSHIP

Support Communications Plan

CLIENT

HMS GLOBAL

PUBLIC PRIVATE PARTNERSHIP

Support connections to ferry development

2015 – 2017 ACCOMPLISHMENTS *continued*

CLIENT

SAFE BOATS

BUSINESS CLIMATE	WORKFORCE DEVO	NOTES
Support Trade and Export Opportunities	Support workforce priorities	

CLIENT

YOUTH MARITIME TRAINING ASSOC

BUSINESS CLIMATE	WORKFORCE DEVO	NOTES
	Support Youth Development programs	

CLIENT

WASHINGTON STEM

BUSINESS CLIMATE	WORKFORCE DEVO	NOTES
	Serve on Career Connected Learning Advisory Board	

CLIENT

US DEPT. OF TRANSPORTATION - MARAD

PUBLIC PRIVATE PARTNERSHIP

Connect to local Leaders, distribute feedback and opportunities

CLIENT

ILWU - LONGSHORE

BUSINESS CLIMATE	WORKFORCE DEVO	NOTES
Work on Regulatory Alignment and Reform, Jobs - MTCA		

2015 – 2017 ACCOMPLISHMENTS *continued*

CLIENT

TRANSPORTATION INSTITUTE

BUSINESS CLIMATE	WORKFORCE DEVO	NOTES
Port Competitiveness; technology, HMT, Transportation, Regulatory Reform		

CLIENT

SEATTLE REGIONAL PARTNERSHIP

BUSINESS CLIMATE	WORKFORCE DEVO	NOTES
	Advisory Board on middle wage job reform	

CLIENT

UW - APPLIED PHYSICS LAB

PUBLIC PRIVATE PARTNERSHIP

Support Clean Tech Development in Maritime

CONCLUSION - FINANCIAL AND JOBS IMPACT OF YOUR WORK

Important strides that have been accomplished since 2013 fall within the goals set out by the Industry Sector Lead Program, including: Fostering collaborative public/private; Growing and diversifying with a strong business climate; and, Encouraging the development of a 21st century workforce. Ultimately, this work has supported growth in Gross Business Income and Jobs throughout the state.

The Maritime Sector Lead has been uniquely positioned since its inception to support economic development, industry cohesiveness, communication, and workforce development in the industry. What has been noted by industry leaders and stakeholders is that never before has there been this level of directed attention paid to the industry. The role has been vital to the creation and success of the first ever state-wide industry association that incorporates the diversity and interdependence of the many sub-sectors that make up the industry. Beyond the broad policy and coordination priorities of the Washington Maritime Federation, the Sector lead has been able to represent, facilitate and communicate maritime industry interests with the Governor's office, local, state and federal elected officials and agencies.

Examples of major work that the Sector Lead program has supported include:

- port competitiveness around the state, including the successful development of the Northwest Seaport Alliance
- direct engagement by employers and definition of the diverse pathways into maritime jobs,
- support for successful education and training programs,
- small business retention, recruitment, expansion and trade/export support in various sub-sectors of the industry across rural, urban and underserved communities across the state,
- a cohesive communication platform and conduit to better relay the story of economic impact and sustainability through clean technology and best management practices,
- engagement and education on policy priorities including input to the Joint Legislative Task Force for the Economic Resilience of Maritime and Manufacturing,
- modernization and recapitalization of the North Pacific Fishing Fleet and Fisheries Management Council,

- facilitation of relationship building and shared economic development opportunities between Washington and Alaska
- engagement of stakeholders and agencies for regulatory reform seeking predictably in permitting for business development, port competitiveness and essential industrial lands.

Utilizing the Sector Lead's maritime sector strategy and ability to leverage resources and relationships the maritime industry will continue to support financial gains and job growth. Building on the successes delivered on industry collaboration, trust and facilitation direct stakeholders and the public will continue to realize healthy and thriving communities, a prosperous economy, and sustainable infrastructure.



Department of Commerce

OFFICE OF ECONOMIC DEVELOPMENT & COMPETITIVENESS

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