

Item No.	9a
Date of Meeting	July 14, 2020

Maritime Blue/Port of Seattle Partnership

Advancing Washington State's Maritime Industry



Building a Blue Economy: A Progress Report

- Port of Seattle signed MOU last July with Washington Maritime Blue to advance maritime economic development initiatives
- Maritime Blue has made significant progress and produced good results in first year



Maritime Blue Partnership – Initial Goals

1. **Develop and pilot a maritime accelerator program** that will nurture promising maritime companies and entrepreneurs;
2. **Develop financing networks** and programs for small and emerging maritime companies;
3. **Advance development of the Port's maritime innovation center**
 - Provide administrative support for the maritime innovation center advisory committee
4. Supporting forums, projects and strategies to **reduce maritime greenhouse gas emissions**; and
5. Advance and advocate for **maritime workforce development**



Maritime Blue Innovation Accelerator

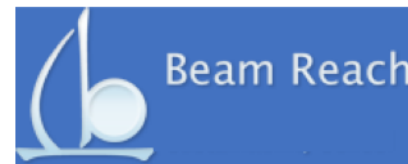
Four-month program taking no equity.

Diverse stages and sectors.

Mentors from business development and maritime/ocean.

Attracting diverse funding and capital; public, debt, equity, VC, Impacts, grants, etc...

ecoSPEARS



oneTANK from Glosten

EQULL



 **PUREWATERCRAFT**

FREEBOARD



About the Program (Turned Virtual)

Over the 4-month duration of the accelerator, the cohort was guided through learning sessions covering the following range of topics →

We've selected curriculum that is applicable regardless of stage --for some, courses may be an opportunity to refresh goals and objectives, and for others, they may be entirely new learnings. These sessions have been led by industry experts.

The cohort had the opportunity to engage 1:1 with dedicated mentors and the Maritime Blue Innovation Accelerator programming team throughout the journey.

/01 STAGE		/02 STAGE		/03 STAGE	
Pre-Launch		Validation		Growth	
Market Research Testing & User Feedback Customer Discovery Product Development Build Online Presence Business Planning Pitching Financial Modeling		Go-to-Market Strategy Startup Legal Toolkit Team Expansion Customer Experience Fundraising Customer Acquisition Content Marketing Social Impact		Hiring Business Development People Operations Sales Expansion Strategy Digital Marketing Data & Analytics M&A/Exit Strategy	
ADDITIONAL PROGRAM SUPPORT					
Mentoring Sessions 1-on-1 With Mentors, Experts, Labs Managers And WEiRs		Personal Development Productivity, Wellness And Leadership		Social Events Networking Events And Community Gatherings	
				Product-Focused Events Weekly Standups, User- testing, Pitch Practice + Demo Day	



Maritime Blue Innovation Accelerator - Metrics

“I entered this Accelerator program as a marine biologist trying to do something good for the environment and muddling along as a businesswoman trying to make that happen. As a result of this Accelerator program, I now have goals, a growth strategy, know what my value proposition is and how to digitally market that to highlight my competitive advantage”.

Nicole Baker – Net Your Problem



Maritime Blue Innovation Accelerator - Metrics

How did Covid Impact this initiative

11 Startups Chosen (from 200 + applications)

- 9 from US, 7 from WA State, 5 from King County
- 3 Women founders, 3 POC founders/co-founders

Launch Event – 157 Registered

Showcase Event - 500 + Registered, 350 unique visitors

Wins and Deals

- 1 Angel investment
- 2 Series A Equity Rounds being negotiated,
- 6 major customer contracts signed,
- 4 major customer contracts being negotiated,
- 500% increased revenue



Port of Seattle partners with coworking company WeWork on maritime business incubator

The Seattle Times

The Maritime Executive
INTELLECTUAL CAPITAL FOR LEADERS

Washington Maritime Blue Picks First Innovation Accelerator Cohort



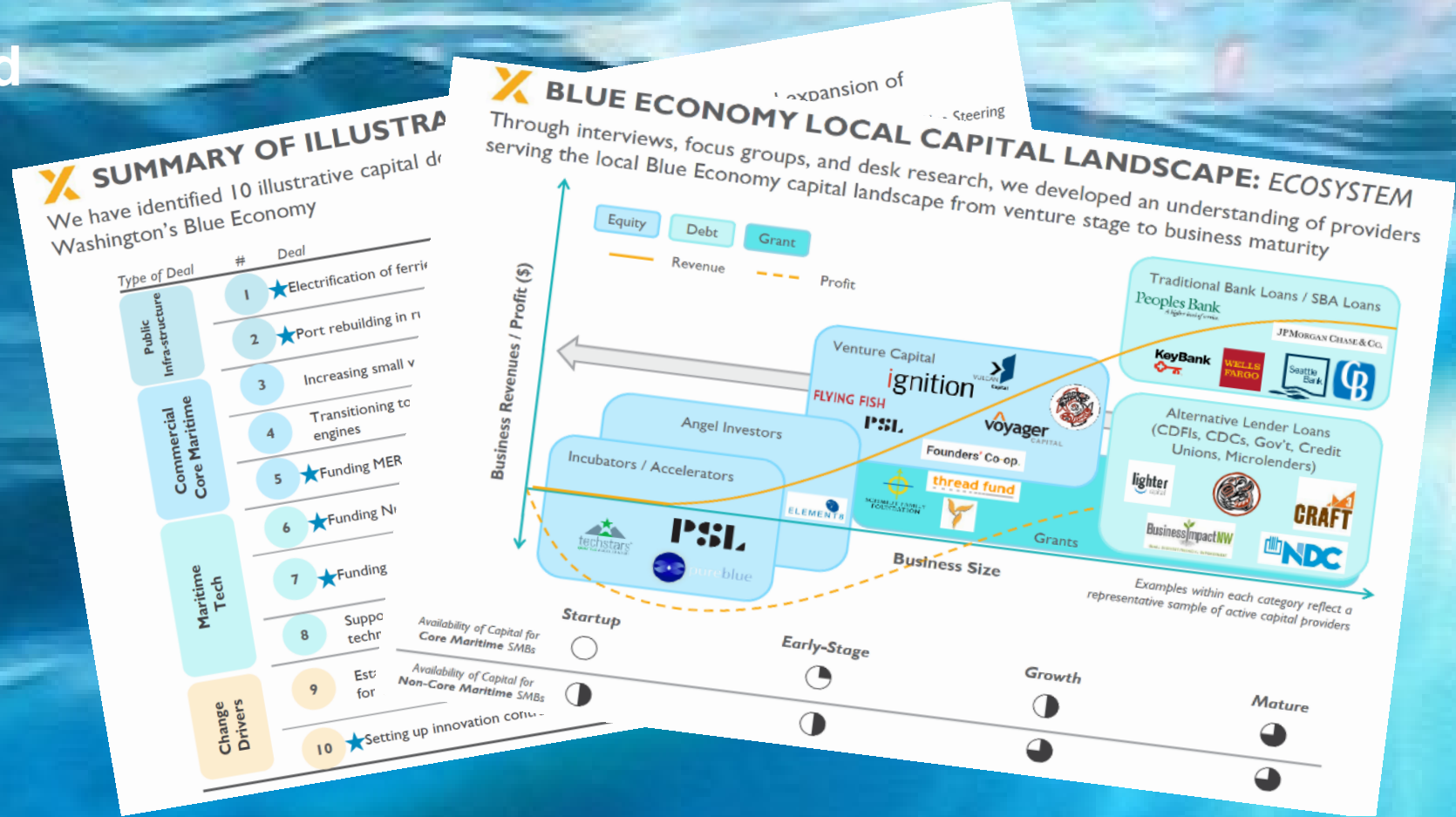
Capital Landscape Study

There is a particular need for early-stage capital.

Venture Capital is NOT seeking out Maritime.

Clusters, incubators, & accelerators can create vetted and supported pipelines of new deals

Government and philanthropic grants can help de-risk investments.





Blue Economy Funding Portal - MVP

- A searchable database portal that lists funding sources and opportunities for maritime companies (early stage to established)
- A system to identify new investment opportunities
- Dashboard showing investment opportunity trends

Name	Capital Type	Investment Size	Investment Term	Geographic Focus	Industry Focus
PSE Grant Association	Grant	100k	1yr	Washington	Energy
Wells Fargo Bank	Debt	20k	4yr	West Coast	Workforce
Ferry ASC NW	Equity (Private)	500k	2yr	Pacific Northwest	Boating
World Bank	Venture Capital	100M	5yr	Nationwide	Transportation
University of WA	Equity (Public)	10k	0yr	Washington	Education



Youth Maritime Collaborative



A partnership between service providers, educational institutions, and employers to make maritime an accessible option for low-income youth and youth of color.



Youth Maritime Collaborative

- MB was chosen by the Port to administer the Youth Maritime Collaborative initiative and implement programs that increase access to maritime career pathways for youth of color and girls
- MB has worked to develop YMC's organizational capacity:
 - ☑ Developed 2020 operational plan, budget and milestones
 - ☑ Developed a resource database for maritime youth workforce development
 - ☑ Secured further funding for YMC activities



Youth Maritime Collaborative Internships

- Secured 10 private sector employers for “*Launch 206*” summer internship program for 18 Seattle Public School CTE students
 - Workforce Development Council providing stipend for interns
 - Interns will earn High School credits
 - Goodwill designed and implemented Equity Training for the maritime employers hosting interns
- City of Seattle funding internship program for college bound students with interest in STEM and Maritime

Logos here

**Thriving,
Low
Carbon
Industry**

Blue Forward:

Washington State Ferry Electrification

Seattle Waterfront Decarbonization Strategy

JIP: Puget Sound Pilot Zero-emission Feasibility Study

JIP: ZF3: Zero-emission Foiling Fast Ferry

JIP: Green Hydrogen for Tacoma Maritime





BLUE FORUM

R&D Pathways for Maritime Energy Solutions



Industry Members



Organizational Partners



A Strategic Alliance for Maritime Innovation and Sustainability

A partnership to implement Washington State's Strategy for the Blue Economy - a thriving maritime economy, a healthy ocean & marine environment, equitable & resilient communities.

Research Institutions



Public Partners



Global Enterprise for the Blue Economy





Organizational Development & Sustainability

Current Board of Directors include:

Chair - Joshua Berger, WA Commerce

Vice-Chair - Lauren Offenbecher, SSA Marine

Vice-Chair - Eleanor Kirtley, Green Marine

Secretary - Simon Geerlofs, PNNL

Treasurer - Deloit Wolfe, Impact Washington

Ann Avary, NW Center of Excellence for Marine

Kurt Beckett, Northwest Seaport Alliance

Commissioner Fred Felleman, Port of Seattle

Kyle Johnson, Jamestown S'klallam EDA

Cosmo King, ioCurrents

Vesa Koivumaa, Wartsila

Dennis McLerran, Cascadia Law Group

Bob Miyamoto, University of WA - APL

Barbara "b.g." Nabors Glass, Seattle Goodwill

Amy Scarton, Washington State Ferries

Andy Stewart, Amazon

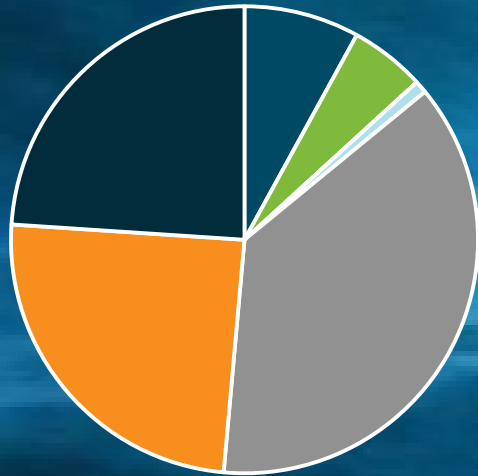
Ex-Officio, Rep. Gael Tarleton, WA State Legislature

The organization has taken significant steps towards organizational sustainability by diversifying revenue, increased operational capacity and Board leadership.



Funding Facts and Figures

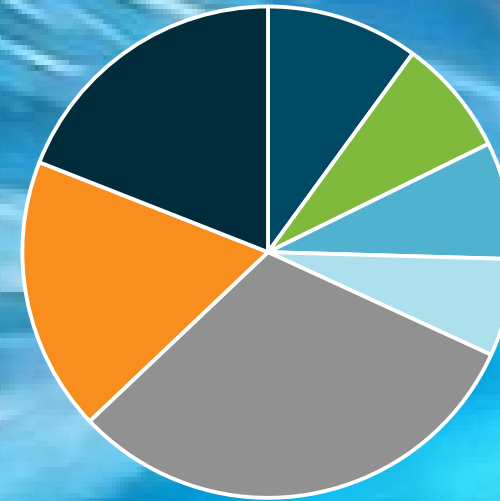
2018-20 Revenue



- Membership/Sponsorship 8.4%
- Philanthropy 0%
- Federal 39.3%
- Local (incl PoS) 25.2%
- Program Revenue 5.5%
- Events .9%
- State 25.9%

Total Revenues 1.5 years = \$1.27M
Port Funding = \$300,000

Projected 2020-21 Revenue



- Membership/Sponsorship 10%
- Philanthropy 7.7%
- Federal 31%
- Local (incl. PoS) 19%
- Program Revenue (JIPs) 7.7%
- Events 6.4%
- State 18%

Annual Budget = \$1.94M
Port Funding (projected) = \$250,000

Maritime Blue Partnership

- Based on our Memorandum of Understanding the following priorities have been established for partnership with Maritime Blue over the next year:
 - **advance** second round of **maritime innovation accelerator program**
 - **Expand Youth Maritime Collaborative** career connected learning initiative
 - **Collaborate on greenhouse gas reduction** initiatives that positively impact Port operations
 - **Diversify funding sources** and develop strategic plan for **MB Board development**
- MB will be in second year of funding to administer Youth Maritime Collaborative initiative (\$100,000)
- Economic Development Division is recommending authorization/execution of \$150,000 to support accelerator program and MB organizational development
 - Will seek authorization of new contract at August 11th Commission meeting

Appendix

Direct Revenue



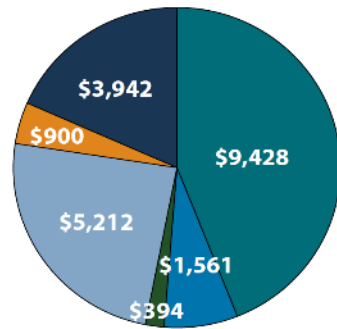
Indirect/Induced Revenue



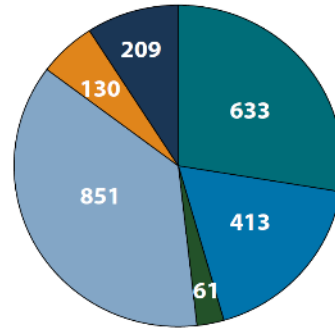
Combined Impact to WA Economy



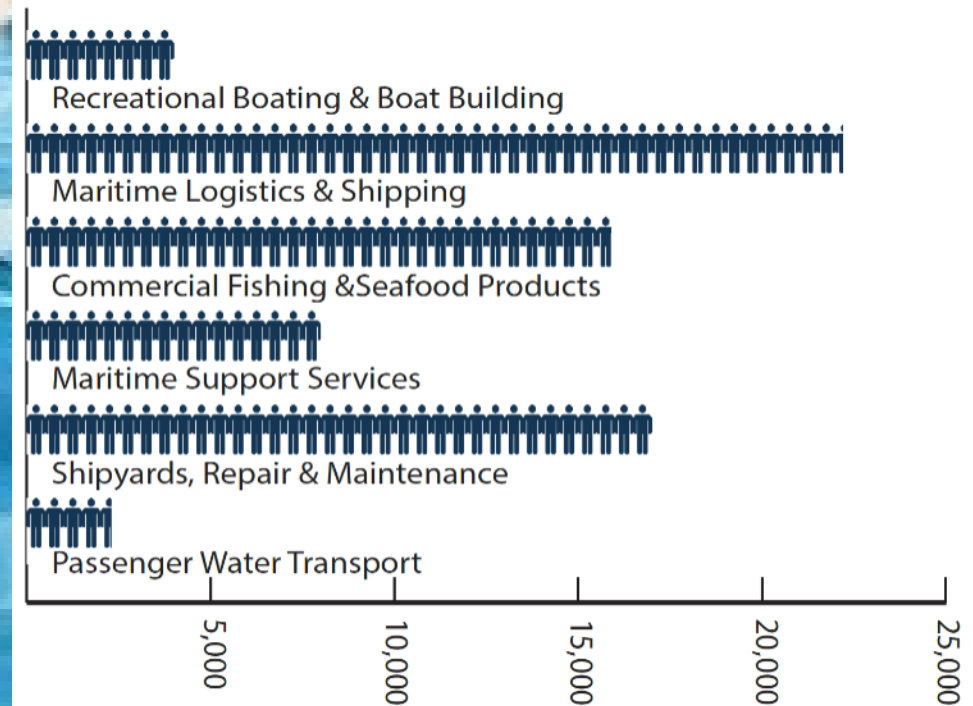
Revenues (\$millions)



Establishments (Total: 2,300)



- Recreational Boating & Boat Building
- Maritime Logistics & Shipping
- Commercial Fishing & Seafood Products
- Maritime Support Services
- Shipyards, Repair & Maintenance
- Passenger Water Transportation



The maritime industry paid nearly **\$4.5 billion** in wages in 2015 with average salaries of **\$65,300**. In comparison, the state's average wage in 2015 was **\$56,700** (does not include benefits).

Industry-wide, revenues have grown **2.4%** per year from 2012 to 2015, with the largest growth rate in Maritime Logistics & Shipping at **5.2%**.

Maritime Sector's Economic Impact



Thriving, Low-carbon Industry

Deep Decarbonization: Accelerate the transition of Washington's maritime industry to a low-carbon future.

Initiative 1:
Low-carbon maritime technologies on board

Initiative 2:
Low-carbon shore side infrastructure

Initiative 3:
Strategies for emissions reductions

13 CLIMATE ACTION

Global Innovation Hub

Blue Innovation: Drive the commercialization of emerging blue technologies.

Initiative 1:
Digital transformation

Initiative 2:
Modernization of fishing and seafood industries

Initiative 3:
Collaborative R&D

Initiative 4:
Maritime Innovation Center

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

Growing Gateways

Working Waterfronts: Lead the nation in efficient, clean, and safe maritime practices across all sectors of the industry.

Initiative 1:
Smart Ports

Initiative 2:
Infrastructure & regulatory strategy

Initiative 3:
Green Gateway

8 DECENT WORK AND ECONOMIC GROWTH

21st Century Workforce

Workforce Development: Next generation of an inclusive and diverse maritime workforce with technological expertise and access to clean, healthy, living wage jobs.

Initiative 1:
Career pipeline, pathways, & connections

Initiative 2:
Inclusivity, support, & outreach

4 QUALITY EDUCATION

World-Class Cluster

Cluster Coordination: A formal cluster organization will drive implementation of Washington Maritime Blue to ensure a strong maritime industry founded on competitive companies and an attractive business environment.

Blue Focus:
Communications & Marketing

Blue Forum:
Knowledge Sharing

Blue Forward:
JIP* & Business Services

Blue Force:
Training & Education

Blue Finance:
Funding & Investment

17 PARTNERSHIPS FOR THE GOALS

*Joint Industry Projects (JIP)

What Does a Cluster Organization do?

General cluster development

- Networking activities
- Facilitate collaboration
- Strengthen the knowledge base
- Improve practices and efficiency
- Attract investors and talent
- Communications and marketing
- Drive commercialization
- Connect to education and training
- Advocacy and awareness

Innovation collaboration

- Set research priorities
- Facilitate funding / financing
- Accelerate tech development
- Joint industry projects

Knowledge collaboration

- R&D and education initiatives
- Build international relationships
- Direct Advisory services'

