



# Shareholder

A quarterly newsletter from Sealaska

INFORMATION ON ANNUAL MEETING, INCLUDING ELECTION RESULTS, ON PAGE 4 ▶



## New CEO Energizes Strategic Plan

Sealaska's new president and CEO Anthony Mallott assumed his role at the 41st annual meeting of shareholders on June 28, in front of 550 attendees, with 160 additional shareholder households viewing via webcast. He clearly laid out the plan and strategic objectives of his presidency and of the Sealaska management team to return Sealaska to profitability. The plan is based on the six key initiatives below.

"If today's meeting isn't proof of change, I don't know what is," said Mallott. "We've heard from many people about what is expected of Sealaska, and the great news is that these are the things we're already working on. There is tremendous strength in people coming together to accomplish goals under new leadership and direction." Read Mallot's letter to shareholders on page 2.

### SEALASKA'S SIX POINT STRATEGIC PLAN

The Sealaska board and management revised its strategic plan in December 2012. That plan will provide focus for the next five years.

"We should say that 2014 most likely won't be a profitable year without 7(i) revenue," said Sealaska President and CEO Anthony Mallott. "Being profitable before 7(i) is a true short-term goal of our strategy. Initially we've focused on cost reduction and restructuring our operating entities. Both are key to our strategic plan. To become profitable before 7(i) we need to make new operating investments or acquisitions."

1. **Narrow our operations by divesting our non-strategic operations and simplifying operations.**
2. **Make a new business acquisition.**
3. **Secure the remaining acreage of our ANCSA lands.**
4. **Reduce our general and administrative costs—what it takes to run our operations.**
5. **Restructure our government services division to streamline it, and develop this business.**
6. **Drive economic development in Southeast Alaska through innovative partnerships and the work of Haa Aani, LLC.**

## Joe Nelson Named New Board Chair

Sealaska directors met immediately following the 2014 annual meeting on June 28. At this meeting new leadership was appointed for the board and officers. Directors appointed Joe Nelson as the new board chair and Jackie Pata as vice chair. Chair Nelson shares his thoughts below.

*"It is with a great sense of respect that I accept the role of Sealaska board chair. As we take action that impacts shareholders I am guided with the knowledge and respect of our ancestors who fought for our land, upholding our Native ways and most importantly, with respect for all of Sealaska's current and future shareholders."*

*Sealaska has the largest shareholder base among the Alaska Native regional corporations. I understand we have much work ahead if we want to see Sealaska at the top as a financially strong Native corporation.*

*I'm confident together we can achieve this with the six point strategic plan and leadership team. We are well positioned for growth.*

*Despite our tough year in 2013, we stood committed to investing in our future by continuing to support the Sealaska scholarship program, Sealaska's internship program, the Board Youth Advisor position and Celebration 2014.*

*I applaud all thirteen candidates who put their names in the hat for the four director seats for the 2014 election. Shareholder engagement, whether it's through voting or asking questions, is a vital element for success.*

*On behalf of the Sealaska Board of Directors, thank you. Thank you for your advice and support as we chart a new path together for sustained profitability."*



Board Chair Joe Nelson

# CEO Letter

## CONTINUED PROGRESS AGAINST STRATEGIC PLAN



Anthony Mallott,  
President and CEO

This is my first letter to shareholders as your new president and chief executive officer. I want to take this time to tell you more about myself, and about Sealaska's plan for profitability and long-term success. This is your corporation, and we will work hard to earn your pride.

I'm honored and humbled by the opportunity to work for Sealaska tribal member shareholders.

I was raised in Yakutat and Juneau, Alaska and commercial fished from middle school through high school. I attended Stanford's School of Engineering, and was then employed with Bank of America working with corporate finance departments, investment managers, private equity firms and hedge funds. In 2006 I moved home to be the chief investment officer and treasurer for Sealaska. The board felt that the 18 years of financial and investment experience I have was the right background to lead us into the next stage of our operational growth and increased profitability through acquisitions.

The board and management are committed to communicating high-level financial forecasts with shareholders. The board has directed management to create transparent communications on Sealaska's financial status. Financial forecasting is difficult, and it often ends up being wrong, but we need to be able to describe to the shareholders how we accomplished our forecast when it is right, and describe what occurred when our forecast was off the mark.

Sealaska has always operated on a long-term strategic plan, and this plan was adjusted in 2012 to focus on sustainable profitability. Sealaska has achieved significant operating restructuring and narrowing of operations since 2012. We sold two operations that did not fit our long-term strategy—not fully aligning with our core Native values or offering little ability to provide shareholder employment. The sales that occurred and another that will occur soon accomplish two positive things: they allow us to focus our oversight on fewer operating entities that fit our long-term strategic plan, and they also provide capital to make new investments.

A very important step in fulfilling our strategic plan is securing our final land entitlement. With passage of this legislation, Sealaska will be able to continue contributing to the region's livelihood through a sustainable timber harvest plan, and mineral development performed in an environmentally sensitive manner. The board and management share a philosophy that we need to create profit from our land, but within a strategy that requires us to protect our land, be environmentally sensitive and create "social license", or community acceptance, to other innovative uses of our land base.

As we move forward, we have streamlined Sealaska's government contracting and government services entities under a single holding company called Sealaska Government Services. We are confident this restructuring will provide cost savings and operational efficiencies, but will also provide a strong base for business development efforts.

Sealaska is committed to investing in the region for a sustainable Southeast Alaska, and Haa Aani, LLC is key in this effort. Haa Aani, LLC achieves its economic development goals by creating entrepreneurial opportunities for our communities through innovative partnerships. This scale of business development along with larger, sustainable core industries like fisheries, timber harvesting, and mineral development will contribute to a thriving Southeast region.

I want to reaffirm that Sealaska is firmly dedicated to following our core Native values and providing strong support to our cultural, educational and policy partners, such as Sealaska Heritage Institute.

**To begin providing clearer information around Sealaska's current financial status, I want to highlight that we are on a path to profitability in 2014. This is a significant turnaround from the 2013 results and we are making material strides towards our strategic goals. However, 2014 should be considered a transition year as a significant amount of change has occurred for the corporation. The sales of non-core operating entities will set us up well for future growth through acquisitions, but has the effect of bringing down our revenues in 2014.**

**We are moving forward with an acquisition process that will bring new net income to Sealaska, but both the income and revenue that come along with increased operating investment activity will not show material effect until 2015. This is important for shareholders to understand. I look forward to highlighting continued progress towards our strategic plans along with providing you greater information around the key milestones that will lead us towards financial sustainability.**

Sincerely,

Anthony Mallott



## Rocky Pass Seafoods Update

Rocky Pass Seafoods (RPS) began production on June 18, 2014. This is the fourth season for the fish plant in Kake, Alaska. For the 2014 season, Copper River Seafoods will be purchasing most of the product from RPS, and Vice President of Sales Dave Stafford visited RPS on the first day of production. Copper River Seafoods will be offering wild salmon from the waters of Southeast Alaska to its worldwide client base.

RPS is a joint venture between Kake Tribal Corporation and Haa Aani, LLC and a partnership focused on bringing economic opportunity and financial benefits to the community of Kake. This type of economic development in the Southeast region is the core mission of Sealaska's wholly owned subsidiary Haa Aani, LLC.



Copper River Seafoods VP of Sales Dave Stafford

## Sealaska Environmental Services Awarded Contract



On July 23, 2014 Sealaska Environmental Services, Inc. (SES) was awarded a three year, nearly \$7 million competitive task order for Environmental Remediation Program Services Joint Base Lewis-McChord & Yakima Training Center, Washington. The

team included SES and Tetra Tech in a traditional prime/subcontractor relationship, and was chosen over six other proposals to provide all remedial services "fence to fence," under SES's contract with the Seattle District of the US Army Corps of Engineers. This is the first major success under SES' strategy to expand contaminated site and contaminated groundwater remediation from a mostly Navy-client base to other federal and commercial clients in the Pacific Northwest.

SES is a wholly owned subsidiary of Sealaska and was created in 2003 to build on Sealaska's core capability of being responsible caretakers of land. The work of SES in environmental remediation fulfills a core value of Sealaska as a company that manages land and resources for perpetual use. SES graduated from the Small Business Administration's 8(a) program in 2013 and is now in open competition for contracts.

Since inception, SES has returned dividends to Sealaska of \$10 million on an initial investment from Sealaska of \$1.5 million. SES's success in winning competitive contracts will help fulfill Sealaska's financial goal of being profitable from operations without ANCSA Section 7(i) money.

## OYSTER FEST 2014

During Oyster Fest 2014, more than 10,000 oysters were consumed in downtown Juneau. Haa Aani, LLC promotes its mariculture program through the annual Oyster Festival. Mariculture Manager Anthony Lindoff says the Sealaska subsidiary works with individual oyster farmers in the region, and that there is a potential to create a \$30 million oyster industry in Southeast because of its icy cold waters. This effort is part of Haa Aani's goal to promote economic development in Southeast Alaska, especially in industries that are compatible to Alaska Native lifestyles.



Anthony Lindoff, mariculture manager at Haa Aani, LLC shucking oysters at 2014 Oyster Fest

Sealaska is committed to communicating with shareholders on a consistent basis, and we invite you to connect with us on social media. Join us on Facebook, Twitter, YouTube and Flickr.



## Introducing the 2014–2015 Board Youth Advisor



### ALYSSA LONDON

*"I am honored to be selected as the Sealaska Board Youth Advisor. My goal is to contribute a helpful perspective with my industry experience in technology, and by being a new thinker and voice at the table. What I am most excited for is to learn how seasoned, experienced business leaders discuss and strategize the direction of a company. If you would like to contact me or let me know of how I can be of service on the board reach out to me on Twitter @londonalyssa."*

Alyssa is a shareholder whose Tlingit family is originally from Angoon. Her Tlingit name is Yax Yeidi and she is Eagle Killerwhale. Alyssa graduated from Stanford University in 2012 with a degree in comparative studies in race and ethnicity, and currently works for a digital business development company in Seattle, Washington.

## Ross Soboleff Elected to Board

Ross Soboleff of Juneau, Alaska is the newest member of the Sealaska Board of Directors, elected at the annual meeting of shareholders on June 28. The Sealaska board announced in May that three incumbents were seeking re-election and the fourth seat would be open in 2014 to be filled by an independent candidate.

Sealaska's official blue proxy allows for shareholders to run as independent nominees. With the addition of an independent slate in the 2014 election, there was robust independent candidate activity. A total of 13 independent nominees appeared on two separate proxies. Soboleff's slate was able to use discretionary and directed votes to win the open seat.

*"I am grateful to my running mates and all the shareholders who shared ideas with us during our campaign to elect independent candidates,"*

*said Soboleff. "I'll work with the board and management to get Sealaska on a profitable path. It will be challenging but I am here to contribute and to help our corporation succeed."*

The son of the late Dr. Walter and Genevieve Soboleff, Ross is Haida and Tlingit, *Killisnoo* and *Howkan*. He is Eagle/*Sgalans* (Sculpin and Frog) and his Haida name is *St'aast*, and his Tlingit name is *Eech Té*.

Ross is a professional communications consultant through his business RVS Communications, a legislative aide in the Alaska Legislature during session, and a power troller in the summer season. He has a bachelor's degree in community service and public affairs from the University of Oregon, Wallace School of Community Service and Public Affairs. Ross has four children, and lives in Juneau with his wife Jane Lindsey.



Ross Soboleff

## 2014 Annual Meeting Results

Sealaska shareholders voted on one resolution and elected four directors for three-year terms, as indicated in bold. The resolution to limit the use of discretionary voting on the Sealaska proxy failed to meet the standard required for approval. It needed 999,940 votes to pass but only received 555,242 Yes votes. The resolution received 574,115 No votes.

### BOARD OF DIRECTORS RESULTS:

<b>Edward Thomas:</b>	<b>677,440</b>
<b>Sidney Edenshaw:</b>	<b>674,874</b>
<b>Rosita Worl:</b>	<b>674,447</b>
<b>Ross Soboleff:</b>	<b>508,216</b>
Mick Beasley:	472,611
Myrna Gardner:	390,509
Ralph Wolfe:	244,425
Carlton Smith:	206,829
Margaret Nelson:	156,551
Karen Taug:	151,966
Michelle McConkey:	137,691
Will Micklin:	112,261
Edward Sarabia Jr.:	102,166

## Sealaska Recognizes Retiring Leaders

Sealaska recognized the long-term service of retiring President Chris E. McNeil Jr., retiring Executive Vice President Rick Harris, former Director Byron Mallott who did not seek re-election to the board this year, and Director Albert Kookesh who is retiring as chair but will remain on the board.

### LOOKING TO LEARN MORE?

Go to [www.sealaska.com](http://www.sealaska.com)

- Watch Anthony Mallot's speech from the annual meeting
- View handouts from annual meeting and community meetings
- Read the latest shareholder news

## Meet the 2014 Sealaska Interns



### DANA BRESEMAN

**Intern For:** Natural Resources  
**Location:** Juneau, Alaska  
**Prior Intern:** 2nd rotation as intern  
**School:** Jacobs University Bremen  
**Program:** Integrated Social Sciences



### JAMIE EVERSON

**Intern For:** Building Management/  
Human Resources  
**Location:** Juneau, Alaska  
**Prior Intern:** 1st rotation as intern  
**School:** Chabot College  
**Program:** Environmental Compliance  
Management



### ELLE KASBOHM

**Intern For:** Haa Aani, LLC  
**Location:** Juneau, Alaska  
**Prior Intern:** 1st rotation as intern  
**School:** University of Wisconsin  
Whitewater  
**Program:** Bachelor of Science  
in Economics



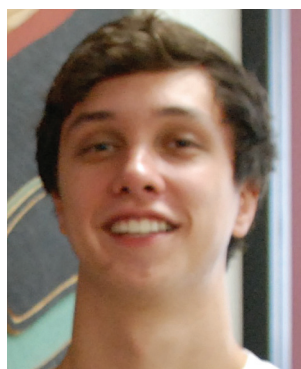
### WILLIAM LAUTH

**Intern For:** Communications  
**Location:** Juneau, Alaska  
**Prior Intern:** 2nd Rotation as Intern  
**School:** Leeward Community College  
**Program:** General Communications



### CALEB PITTMAN

**Intern For:** Haa Aani, LLC  
**Location:** Juneau, Alaska  
**Prior Intern:** 1st rotation as intern  
**School:** Utah Valley University  
**Program:** Business Management



### ZACHARY PRICE

**Intern For:** Records/Legal  
**Location:** Juneau, Alaska  
**Prior Intern:** 1st rotation as intern  
**School:** Rutgers University  
**Program:** Criminal Justice/  
Political Science



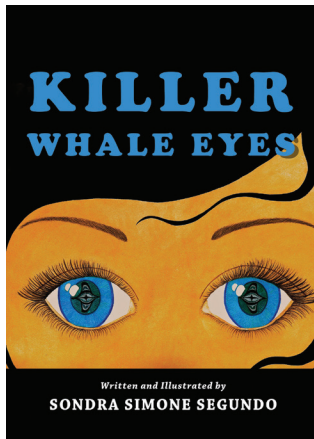
### NICOLE MAGGIE GEORGE

**Intern For:** Sealaska Heritage Institute; Education Department  
**Location:** Juneau, Alaska  
**Prior Intern:** 1st Rotation as Intern  
**School:** Pacific University  
**Program:** Environmental Studies with concentration in  
politics and government, and minor in Mandarin Chinese

Providing job training and work experience for Sealaska shareholders, direct descendants of shareholders, and spouses is a top priority for Sealaska. It aligns with our core Native value of *Haa Latseen | Íiti' Dagwiigáay | Na Yugyetga'nm* (meaning strength and leadership) by providing educational and employment opportunities.

If you are interested in the program, email [gail.cheney@sealaska.com](mailto:gail.cheney@sealaska.com).

## Sealaska Heritage Institute Releases Children's Book



SHI has published a children's book inspired by Haida stories in an effort to increase the volume of materials available to teach Southeast Alaska Native culture to young people. *Killer Whale Eyes* was written and illustrated by Sondra Simone Segundo of the Raven Clan, Double Fin Killer Whale Crest, Brown Bear House. It was inspired by Haida stories and beliefs. *Killer Whale Eyes* tells the story of a young Haida girl who is lost at sea but who shows her loved ones that this world is truly magic. The book includes a CD with a song by Sondra.

Buy through [jineit.com](http://jineit.com) or email [donald.gregory@sealaska.com](mailto:donald.gregory@sealaska.com)

## SHI, Yakutat Tribe Sponsor Tlingit Language Immersion Retreat



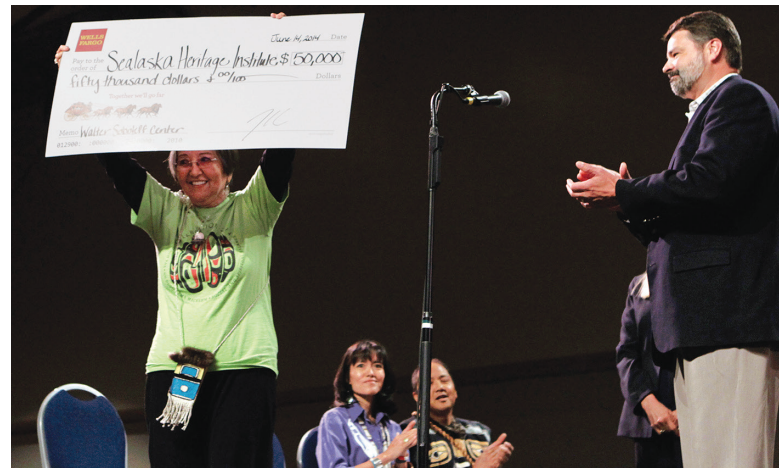
SHI in partnership with the Yakutat Tlingit Tribe hosted a Tlingit language immersion retreat in Yakutat in June. The retreat focused on language immersion techniques and fluency techniques for expedited language proficiency. Fifty-six people from six Southeast Alaska communities, Anchorage and Canada participated in the five-day retreat. The event included teams participating in SHI's Tlingit Mentor-Apprentice Program.

## Annual Report Now Available



SHI's annual report showing highlights of programs in 2013 is now available. Read a PDF at [www.sealaskaheritage.org](http://www.sealaskaheritage.org) or request a hard copy from Kathy Dye at [kathy.dye@sealaska.com](mailto:kathy.dye@sealaska.com). This year's edition includes QR codes to play videos about our programs on your smart phone. You can also watch a highlights video at <https://vimeo.com/90685578>. Thanks to everyone who made 2013 a great year!

## Wells Fargo Gives \$50,000 for Walter Soboleff Center



A huge thank you to Wells Fargo, which donated \$50,000 to SHI for the Walter Soboleff Center during Celebration 2014. Also, many thanks to Rod Worl and Dawn Dinwoodie, who gave a \$25,000 donation during Celebration!

For a complete list of everyone who made donations to the center during Celebration, see our [Celebration 2014](#) page at [www.sealaskaheritage.org](http://www.sealaskaheritage.org).

## SHI Sponsors Latseen Hoop Camp



SHI is holding its annual Latseen Hoop Camp in Juneau this year for 5th–12th grade students. This is a unique program that teaches Native languages through basketball. Students are on site in Juneau from August 4–8.

To get the latest, follow us on Facebook and Twitter, sign up for enews at [www.sealaskaheritage.org](http://www.sealaskaheritage.org) or contact [michael.hoyt@sealaska.com](mailto:michael.hoyt@sealaska.com).

## Wayne Price Sweeps Art Competition

Artist Wayne Price took five awards at SHI's biennial Juried Art Show and Competition, including best of show for his "Dancing Raven Hat". Other prizes were awarded as follows: **Northwest Coast Customary Art:** 1st place–Pauline Duncan; 2nd place–Wayne Price; 3rd place–Deborah Head-Aanutein. **Northwest Coast Customary-Inspired Art:** 1st place–Teri Rofkar; 2nd place–Della Cheney; 3rd place–Lily Hope. **Formline Art:** all prizes went to Wayne Price. Thanks to our juror David R. Boxley. Video of the awards ceremony and art can be watched at [vimeo.com/98044786](https://vimeo.com/98044786).

# Skipper Doug Chilton Leads and Inspires Canoe Journeys

**WOOCH EEN ATOOXÁA | SGIK' ÍDAAL | SHAGGIET SHAGGIET SHI'IK**

Tlingit artist Doug Chilton is the leader of the One People Canoe Society. His job as a canoe skipper is to motivate people to pull together. He has led canoe journeys throughout Southeast Alaska and Washington's Puget Sound.

Doug says his passion for canoes began in 2000. Fourteen years later, efforts of the One People Canoe Society have renewed interest in Tlingit, Haida and Tsimshian cultures.

Visit [www.sealaska.com](http://www.sealaska.com) to hear more of Doug's story.



## In Memory

Sealaska pays tribute to shareholders who have recently walked into the forest.

Wilbert P. Almeida – Lafayette, CA (87)  
 Allen E. Applegate – Pahrump, NV (76)  
 Josephine Armstrong – Jefferson, IA (75)  
 Raymond Bellarosa – Colchester, CT (50)  
 Sonia Faye Burdette – Klamath Falls, OR (54)  
 Mary Burton – Ketchikan, AK (76)  
 Dean H. Compo – Stockton, CA (74)  
 Alma J. Courtway – Vancouver, WA (72)  
 Alton Ike Cropley – Juneau, AK (92)  
 Janelle Dart – Seattle, WA (44)  
 John K. Davis Jr. – Sitka, AK (86)  
 Charles M. Dewitt – Haines, AK (82)  
 Lorene E. Douglas – Ketchikan, AK (81)  
 Della C. Downs – Annapolis, MD (61)  
 Dori L. Engelstad – Escondido, CA (89)

Cyril W. George Sr – Juneau, AK (91)  
 Willie J. Grant – Hoonah, AK (74)  
 Christina Halstead – Aurora, OR (71)  
 Carrol R. Hamilton – Enterprise, AL (89)  
 Margaret (Maggie) Hamley – Everett, WA (93)  
 Donald F. Hoff Jr. – Hixson, TN (61)  
 Fred Hopkins – Juneau, AK (71)  
 Morris Jack Sr. – Angoon, AK (77)  
 William John Jackson – Anchorage, AK (52)  
 Paulette M.E. James – Sitka, AK (17)  
 Jean A. Johnson – Vancouver, WA (59)  
 Josephine G. Kanosh – Sitka, AK (64)  
 Peter H. Keene Jr. – Klawock, AK (77)  
 John J. Littlefield III – Sitka, AK (89)  
 Ronald R. Lusk – Las Vegas, NV (61)  
 George Mally Jr. – Cedar Rapids, IA (60)  
 Lillian Marvin – Juneau, AK (75)  
 Mary A. Merrill – Aberdeen, WA (93)  
 William A. Milton – Yakutat, AK (60)

Alice M. Modig – Kirkland, WA (59)  
 Carmelita R. Monares – Sacramento, CA (57)  
 Robert E. Nicoletti – Spring Valley, CA (75)  
 Edward L. Parish – Anchorage, AK (52)  
 Marie Cope Parks – Anchorage, AK (80)  
 Sarah Peele – Kirkland, WA (88)  
 Dealva G. Perkins – Anchorage, AK (79)  
 Carol A. Petticrew – Wasilla, AK (75)  
 Edna L. Putvin – Grapeview, WA (49)  
 Willard M. Reese – Ketchikan, AK (95)  
 Jaime Lee Scudero – Ketchikan, AK (37)  
 John M. Sharclane – Hoonah, AK (61)  
 Julianna D. Smith – Molalla, OR (69)  
 John A. Thompson – Everett, WA (61)  
 Lisa Marie Unanski – Phoenix, AZ (40)  
 Margaret E. Ward – Ketchikan, AK (64)  
 Patricia L. Wheaton – Juneau, AK (55)  
 George F. Williams – Sultan, WA (74)  
 Martha L. Williams – San Leandro, CA (89)

Please note that Sealaska will publish shareholder names only after the Shareholder Relations Department has received proper documentation.

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## Sealaska Board Provides Remarks on House Resolution 3109

The House Natural Resources Subcommittee on Fisheries, Wildlife, Oceans and Insular Affairs held a hearing on House Resolution 3109 on Wednesday, July 23, 2014. H.R. 3109, introduced by Congressman Don Young, would amend the Migratory Bird Treaty Act to exempt traditional and customary Alaska Native handicrafts from being penalized under the federal act. Sealaska Board Vice Chair Jacqueline Pata offered remarks to H.R. 3109.

Sealaska Heritage Institute sought an amendment to the federal act to ensure Alaska Natives and American Indians would not be prosecuted for traditional and customary uses.

*"I believe that there are many misconceptions about the use of migratory bird parts and erroneous assumptions that convey a false impression that this amendment will facilitate an exponential growth in the use of migratory bird parts or feathers. This is simply untrue."*

– Jackie Pata, Sealaska Vice Chair

Visit [www.sealaska.com](http://www.sealaska.com) to read and view Pata's full testimony.

# VISIT [WWW.SEALASKA.COM](http://WWW.SEALASKA.COM)

## August 2014

Sealaska  
One Sealaska Plaza, Suite 400  
Juneau, AK 99801-1276  
800.848.5921 toll-free



Our **PURPOSE** is to strengthen our people, culture and homelands.

Our **VISION** is to be an Alaska Native enterprise of excellence built on our core cultural values.

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