

# WORLD TRADE CENTER ALASKA NEWS

## FOR IMMEDIATE RELEASE

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### Alaska Edges \$4 Billion in Annual Exports - World Trade Center Alaska Celebrates 20 Years

Alaska's international trade reached an important milestone in 2006. For the first time in its history, Alaska's yearly exports to overseas markets were set to top the \$4.0 billion mark in December. News of this approaching milestone was announced at World Trade Center Alaska's 2007 Statewide Economic Forecast Luncheon, conducted in mid-January at the Sheraton Anchorage Hotel.

"The final 2006 numbers aren't in yet, but the data for January through November shows that the state's exports have already reached \$3.9 billion," according to Greg Wolf, Executive Director of World Trade Center Alaska, in Anchorage. Once the month of December is added, Wolf expects Alaska's export total to reach the \$4 billion mark. He also indicated that this would mark the fourth consecutive year of double-digit export growth.

"In some export sectors, the increase can be attributed to higher prices being realized for these commodities," said Wolf. "The minerals sector is a good example: from 2005 to 2006, the market price for zinc, Alaska's largest mineral export, doubled in price," he noted.

Leading the export surge was the increase in value of mineral and other exports to China and Canada. Shipments to Korea also rose in 2006, reaching an all-time high. Exports to China have quadrupled since 2001, topping \$400 million in 2006. "China's economic rise and its voracious appetite for natural resources has been the predominant force influencing Alaska's export growth over the past five or six years," said Wolf, who has been an economic development professional and export advocate in Alaska for the past 18 years. "Not only are they buying more of our resources, but this increase in demand from China and other rapidly growing economies has led to higher market prices," he said.

Amidst the cheer for Alaska's good fortune, Wolf also noted that his organization, World Trade Center Alaska, turns 20 this year. "From our beginnings in 1987, we have grown as an organization and have worked with many Alaska companies to find and pursue business opportunities overseas" he continued. The Center has been particularly effective helping Alaskan companies find export opportunities in high growth Asian markets and the Russian Far East. "Many in the US forget that

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our western states are very much a part of the Asia-Pacific economy," Wolf noted. "California, for example, ships about 30 percent of their exports to Asia-Pacific countries, while Washington and Alaska send 40 and 65 percent, respectively. If you rank Alaska in terms of the percentage of exports relative to its gross state product, we would rank eighth in the nation; fourth if export value per capita is considered. The world's appetite for healthy diets is increasingly being met by the wild-caught bounty of Alaska's vast ocean resource," Wolf said.

One of Alaska's major shipping companies, Lynden International, has been a member of World Trade Center Alaska from its earliest days. "I've been delighted to see the growth in this organization's membership over the years, to see it parallel the rise in exports," said Dennis Mitchell, Regional Manager Alaska, for Lynden. "But their success is due to the service they provide Alaska's businesses, including ours. Being a member opens a lot of doors in overseas markets. For 20 years, they've been doing a remarkable job, building economic ties with our important trading partner nations," he added.

Tom Case, Dean of the University of Alaska, Anchorage, College of Business and Public Policy, said that in a state primarily engaged in natural resource extraction, the World Trade Center is also an important business ally in terms of finding new market opportunities for value-added products.

"WTC Alaska provides businesses with the resources and technical assistance they need to take their domestic-only operations to the next level. While being an asset to current businesses, they've also provided a wonderful hands-on experience for business students, our next generation of industry leaders," Case said.

Aside from technical assistance and resource information, WTC Alaska puts on seminars, has monthly programs, holds annual economic forecast events and leads international trade missions. The organization is funded by a combination of private and public sector support. "In that regard, our mission is for all Alaskan businesses," Wolf said.

"We are on the cutting edge to find the next big markets for Alaska's exporters," Wolf continued. "Every day we get to work with some of the most innovative and progressive companies in the state. It's great work because exports are a growing component of the state's economy. And that means exciting days ahead for Alaska and the Trade Center, one of 300 centers in 78 countries."

For more information about World Trade Center Alaska, visit the website: <http://www.wtcak.org/> or call 907 278-7233.

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Note Editors:

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Greg Wolf is available for interviews to expand on the positive outlook for Alaska trade. Please contact Greg Galik for help.

A segment graph is attached detailing the makeup of Alaska trading - by country.

A full copy of Greg Wolf's presentation regarding Alaska Trade is on their website:

<http://www.wtcak.org/EF2007R/GWEF2007.pdf>