

Sea Lion Corporation

Sea Lion Corporation (SLC) is the village corporation of Hooper Bay. Its core business activities are regional telecommunications and local services such as a store, government service contracting, and commercial real estate. The corporation's latest venture is cooperative management of the surrounding wildlife refuge with the U.S. Fish and Wildlife Service. This introduction of this program to map and monitor ATV use in the refuge was so successful in consolidating use corridors, it has been credited with increasing the number of nesting pairs of geese from 700 to 4,000 in two years. SLC also runs a sampling and testing program to monitor contaminants and disease in birds, fish, and mammals.

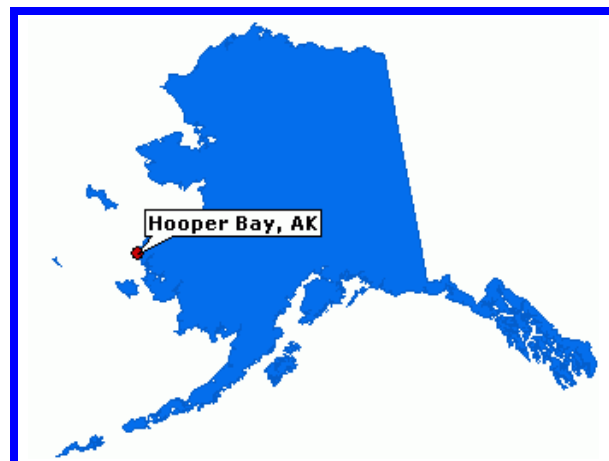
Community

Hooper Bay is located in the Yukon-Kuskokwim Delta, 100 miles northwest of Bethel on the coast of the Bering Sea. The community lies within the 19 million acre Yukon Delta Wildlife Refuge. It is the second largest village in the region and serves as a sub-regional health center for nearby Scammon Bay and Chevak. Commercial fishing and subsistence activities are the primary means of livelihood.

Business History

Sea Lion Corporation was established under the Alaska Native Claims Settlement Act (ANCSA). Members of the Village of Paimiut also live in Hooper Bay, and their ANCSA corporation, Paimuit Corporation, is located there too. SLC purchased the local store in its early days, but found it challenging to generate a profit.

In 1982, the corporation invested in the regional communications company, United Companies, Inc. (UCI) and today is the majority shareholder. Through its subsidiary, United Utilities, UCI provides local telephone service to Hooper Bay and 56 other villages in the Yukon-Kuskokwim Delta. UCI also owns Unicom, Inc., which provides long distance telephone, internet, distance learning, and wireless services throughout the region. Unicom has a multi-year contract to provide telemedicine services between 47 village clinics and the Yukon-Kuskokwim Health Corporation (YKHC) in



Hooper Bay, Alaska

Population:	1,157
Major Employers:	School, tribe, city government, commercial fishing and subsistence hunting, fishing
Location:	West coast of Bering Sea, northwest of Bethel
Ethnicity:	96% Yupik Eskimo
Median Income:	\$26,667

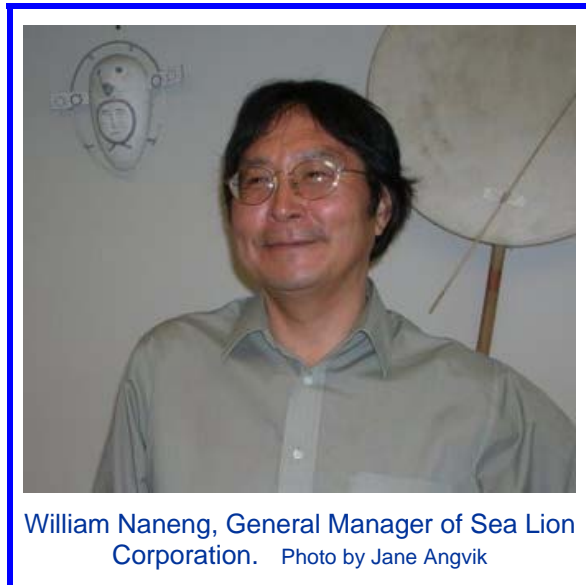
Bethel. UCI is a large company, with more than \$25 million in revenues in 2006, and the dividends to SLC are a major source of income for the village corporation.

In 1995, SLC constructed a 10,000 square foot office building on its lands in the village center to generate revenue through leases. Today the building houses SLC's corporate headquarters. Other tenants include the post office, the Alaska Commercial Company, UNICOM, and the U.S. Fish and Wildlife Service. This investment generates about \$100,000 annually for the corporation. SLC also owns and operates the Sea Lion Hotel, which is closed pending connection of water and sewer services to the facility.

In 2003, SLC began wildlife management activities at the Yukon Delta Wildlife Refuge, in cooperation with the U.S. Department of Agriculture and the U.S. Fish and Wildlife Service. With federal funds of \$116,000, the corporation created a program to protect the land and birds in the refuge. This initiative has been coordinated with the local tribal governments to safeguard the community's subsistence foods.

The program's first priority was to enhance the goose population in the refuge. To this end, SLC monitored ATV use and developed a strategy to minimize the number of four-wheeler routes through the refuge. In 2004, they counted 700 nesting pairs of geese and identified and mapped 88 ATV trails. After an extensive community education effort, SLC hardened only five community access routes to various sections of the refuge. Staff oversaw subsequent ATV use for two years, encouraging residents to use these five routes rather than scattering use across the refuge. As a result, within two years the goose population increased to more than 4,000 nesting pairs. Now that they have seen the impact of changes in ATV use patterns on the bird population, community residents are supportive of the management practices instituted to protect the land.

SLC has also created a partnership with the tribal governments of Hooper Bay and Paimiut to monitor the health of the fish and animals on which the people of Hooper Bay depend. The main goal of this project is to address concerns local residents have about the integrity of their subsistence foods. Samples of fish, whales, seals, and birds were gathered and tested for contaminants such as PCB. In 2007, in collaboration with the Yukon-Kuskokwim Health Corporation, the program started testing birds for indications of bird flu. They sampled three hundred birds in Hooper Bay and found no evidence of bird flu in any of the geese tested there. Testing conducted in the other 10 villages participating in the program produced the same result. One person in each community was responsible for the testing, and all the testers worked with students who learned how to take and analyze samples from wild geese. Testers received a monthly stipend from a World Wildlife Fund grant administered by SLC.



William Naneng, General Manager of Sea Lion Corporation. Photo by Jane Angvik

Economic and Community Impact

Sea Lion Corporation has six full-time and 15 part-time employees. Part-time employees include students who are learning methods of sampling wild birds and animals for evidence of contaminants or disease.

Some income comes from contracts with the U.S. Fish and Wildlife Service and the U.S. Department of Agriculture. Earnings are also generated by the management of SLC's properties and the corporation's financial investments. UCI, with more than \$25 million in revenues in 2006, provides dividends to Sea Lion Corporation. SLC donates more than \$25,000 each year to community charities.

Much of the corporation's contribution to the wellbeing of Hooper Bay comes from its leadership in coordinating efforts with other community institutions. In 2004, the corporation, the city, two tribal organizations, the electric utility, and the school joined forces to develop the Community Economic Development Plan. SLC advocates this approach to community planning because it understands that this type of cooperation creates more economic opportunity for the business and more employment opportunities for shareholders.

Sea Lion Corporation, wildlife management program	
Employment:	6 full-time, 15 part-time
Percent Local:	100%
Percent Native:	100%
Ownership:	Sea Lion Corporation
Legal Status:	Alaska Village Corporation
Years in Operation:	34 years

Business Management

William Naneng, who grew up in Hooper Bay, has served as general manager of Sea Lion Corporation since 2003. After studying accounting at the University of Alaska Fairbanks, he returned home and became involved in the village corporation. Under his leadership, the corporation has explored the various economic opportunities presented by the surrounding 23 million acre wildlife refuge. Naneng believes that management of the wildlife refuge is exactly the type of activity the corporation should engage in to provide local people with jobs, since local residents are knowledgeable about the land and the resources of the area. He wants to expand the relationship with the U.S. Fish and Wildlife service beyond field work to the development of overall management strategies for the land and resources of the region. Several Hooper Bay residents are currently studying wildlife management at university with the intent of returning home to work in the profession.

Naneng has focused the corporation's efforts on becoming a catalyst for community cooperation between the city government, the tribal governments, and the corporation. "We pool our different strengths to work together for the entire village. The tribes are eligible for federal funding, while the city has a strong relationship with the state, and the corporation owns the land. It is in the corporation's interest that we all work together." He also said the goal of the corporation is to advance the entire community by promoting job growth and increased economic prosperity.

Challenges and Lessons Learned

Sea Lion Corporation experienced a very difficult period when the corporation was being established. It weathered a \$3 million dollar loss by developing a new income stream with its UCI investments and revenue from the new office building in Hooper Bay. Its improved its accounting practices by engaging professional financial managers, who have trained the board and staff to analyze financial statements and to think long-term in relation to investments.

Instead of hiring many people to work directly for the corporation, SLC looks for ways to increase the capacity of all the community's organizations. They now understand that some work is better accomplished by the tribal or city government. As a result, the corporation has streamlined its staff and increased earnings.

Its relationship with the U.S. Fish and Wildlife Service has pointed SLC in the direction of land and resource management. The corporation participated in a surveyor training program this year to position SLC to contract with the Bureau of Land Management to survey its own lands next year. A lesson learned is that local expertise is a key to securing resource management contracts with federal agencies.

Sea Lion Corporation's board and staff devoted a lot of time in 2003 and 2004 to reviewing and revising the corporate vision and mission, and to articulating the core values that guide the business. Naneng believes that taking the time to reassess these big picture elements of their business has facilitated their recent success. SLC is now considering the establishment of an 8(a) entity to expand contracting opportunities with the federal government.