

News Release –

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Contact: [Joshua Berger](#), Washington Maritime Blue, (206) 747-0563

## **Investment study for Washington state maritime industry links opportunity to innovation**

### ***Maritime cluster organization develops investment framework to accelerate clean technology innovation and sustainability in Washington State's ocean economy.***

Seattle, WA - Days after Washington Governor Jay Inslee celebrated the start of work on the state's first hybrid-electric ferry, a study released by [Washington Maritime Blue](#) identifies investment opportunities. The highest growth sectors in the "Blue Economy" include technology solutions for water transportation, shipping, science and other ocean systems. The "Blue Economy" is the sustainable use of ocean resources for economic growth, improved jobs and ocean ecosystem health.

[The capital landscape study](#) released today follows up on the January 2019 release of [Washington State's Strategy for the Blue Economy](#) by Gov. Inslee's Maritime Innovation Advisory Committee. Washington Maritime Blue emerged from this strategy as an independent industry cluster alliance to promote growth in the state's Blue Economy.

The new study, completed by Next Street and partner firm TILT Investments for the Washington Maritime Blue alliance, researched potential funding structures to provide investment capital to support growth of the maritime sector throughout Washington state. The study includes a regional maritime capital landscape scan to better understand the nature of demand for capital in the maritime sector. It also analyzed whether the supply of capital currently meets these demands, and seeks to understand key gaps in this sector.

The study examined four peer cities – Boston, Oslo, Rotterdam and San Diego. Washington's powerful technology hub – especially for cloud computing - alongside significant maritime and advanced manufacturing industry clusters in the Puget Sound region, offer a uniquely attractive environment for potential investors. The state and local partners, including the Port of Seattle, have funded a Maritime Innovation Center and business accelerator to develop startups and small-to-medium-sized maritime technology companies with the goal to facilitate access to capital.

Additionally, the study presents frameworks and strategies to fill gaps from a variety of investment sources, including public and private capital. It also identified and describes 10 illustrative deals, from public infrastructure need in rural ports to clean technology startups in the state's Central Puget Sound tech hub. Some key findings include:

- Highest-growth sectors in the Blue Economy are those focused on technological solutions and those related to water transportation and shipping.
- People of color and women each represent less than 10% of small and medium-sized business ownership in Washington's maritime economy, a severe under-representation that may be driven by lack of access to capital.
- A strong Blue Economy industry cluster organization – such as Washington Maritime Blue - can help drive investment into the sector and identify priority investments.

- Compared to other industries, few equity providers are focused on maritime –they are either not knowledgeable or interested because of government regulations and concern about scaling and exit potential.

To connect investors to these opportunities the study identified action items that will accelerate the growth of the Blue Economy. They include:

- Pilot a Maritime Blue Accelerator to assist small and medium-sized businesses and startups with mentorship and other support services including access to funders.
- Identify potential target investors and share a Capital Suppliers Asset Map of debt, equity and grant sources for startups, early -stage, growing and mature small and medium-sized businesses.
- Develop strategies to support increased investment in Washington’s maritime economy, including identifying philanthropic partners who can help lower or remove risk from investments.
- Better understand the causes of under-representation of women and people of color in Washington’s Blue Economy and create mitigation strategies.
- Build a playbook for corporate partnerships with small and medium-sized businesses in the maritime economy to stimulate innovation and growth while supporting emerging businesses.

**Dr. Lisa Brown**, Director of the Washington State Department of Commerce, said, “This work by Washington Maritime Blue exemplifies our core strategy of creating long-term growth by focusing on key industry sectors that drive our diverse regional economies. We are constantly vigilant about ‘what’s next’ – where are the most promising growth opportunities and what must we do today to ensure we are strengthening communities for years to come.”

**Joshua Berger**, Governor Inslee’s Maritime Sector Lead and Board Chair of Washington Maritime Blue, believes, “This study gives us the necessary context and data to start finding creative and appropriate ways to fund key demonstration projects and commercialize new technologies here in Washington. It will help us identify ways to invest in our growing center of excellence for maritime clean technology - from shipbuilding, freight logistics to fisheries - with a focus on decarbonization, digitalization and equitable access for rural and under-represented communities.”

According to **Marina Linhart**, CEO, Next Street, "The blue maritime industry in Washington State offers a unique range of untapped investment opportunities with a trifecta of impact through environmental innovations, preserving native-owned businesses, and strengthening rural economies. We hope this work will loosen the spigot for capital to flow."

**Melanie Audette**, Senior Vice President at Mission Investors Exchange adds, “One of the first steps we see in place-based impact investing is an assessment of community needs, capital gaps and capital flows. By using the instructive and clear gaps and the deal illustrations identified in the report—as well as drawing on collaborative partners—readers can craft next steps to accelerate investment. It couldn’t be soon enough.”

You can find a link to the complete [Washington Maritime Blue Landscape Study here](#).

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For questions or more information, contact:



Joshua Berger

Governor's Maritime Sector Lead, Washington State Department of Commerce

Founder and Board Chair, Washington Maritime Blue

Joshua.berger@commerce.wa.gov

Mobile: 206-747-0563

### **About Washington Maritime Blue**

*[Washington Maritime Blue](#) is a strategic alliance for maritime innovation and sustainability as an independent cluster organization to implement Washington State's Strategy for the Blue Economy delivered by Governor Jay Inslee's Maritime Innovation Advisory Council. As a partnership between industry, public sector, research and training institutions, and community organizations the mission is to create a world-class, thriving, and sustainable maritime industry through knowledge sharing, collaborative research and development, commercialization, business and workforce development. Washington Maritime Blue is working to promote growth in the Blue Economy, champion maritime clean tech innovation, establish best practices, and identify and support enterprises that foster sustainable development by increasing living-wage jobs, promoting a healthy environment, and empowering resilient communities.*

### **About Next Street**

*[Next Street](#) was founded in 2005 with the belief that small businesses are the engines of inclusive growth in underserved markets. Serving as trusted advisor to some of the country's most dynamic organizations, we are a mission-driven advisory firm revolutionizing how our clients provide capital, customers, and services to small businesses and entrepreneurs. We provide our clients with strategies and tools to drive equitable small business growth and create a more an inclusive US economy. Next Street also directly serves hundreds of individual businesses every day through tailored small business development services and programs.*

### **About TILT Investments**

*[TILT](#) is a mission aligned investment management firm supporting people and institutions to regenerate our society. We partner with individual and institutional investors to develop investment portfolios that generate financial and non-financial returns in alignment with our clients' unique needs, values and beliefs.*