



# **ANNUAL REPORT**

2022/23

## LETTER FROM THE PRESIDENT & CEO

**T**he intertidal zone is akin to a bustling innovation ecosystem, where the tides of creativity ebb and flood. Just as diverse species adapt and evolve in this dynamic realm between land and sea, ideas intermingle, collide, and transform, sparking a symphony of innovation. Like resilient organisms that find ingenious ways to survive in ever-changing conditions, entrepreneurs, inventors, and dreamers thrive in the intertidal zone, harnessing the energy of uncertainty and forging new frontiers of possibility.” —ChatGPT

Five years ago, our region’s industry, government, research, and community leaders were just starting to meet. We worked to ideate, analyze, and strategize a plan to organize, invest, and enable our role as a global center of excellence in maritime. Today we are leading the nation in innovation, sustainability and equity across maritime oceans, and fisheries - the Blue Economy.

As our organizational infrastructure matures to manage our continued growth, we’ve continued to develop new projects and programs, support more start-ups, and seed further initiatives; we’ve created and hired new positions and expanded our global impact. A few highlights from our last year include:

- The new **One Ocean Accelerator** graduated its first cohort of international startups.
- Completed the first **voluntary vessel slowdown** in WA waters through our **Quiet Sound** program.
- With the support of employers and community-based organizations, we kicked off the new **Youth Maritime Career Launch** paid internship program.
- Formed the **BlueWind** collaborative to activate our OSW supply chains.
- Won funding for the **Tacoma Blue Edge Network** and living 5G lab tied to our Incubator.
- And so much more....

All this is to further our mission and support our members’ goals. Whether industry, research institution, public agency, community organization, investor, or funder - together we are accelerating the pathway toward a sustainable and equitable Blue future.

In Partnership,



Joshua Berger  
Founder & President/CEO



## BLUE VENTURES



The past year of Maritime Blue entrepreneurial programming has seen tremendous growth for both the companies and the organizations that support them. Whether helping Silverback Marine find a new HQ in Tacoma, WA or connecting Sea Potential with resources that have helped them gain new customers to enable them to change the employment landscape of the maritime industry, the entrepreneurial programs at Maritime Blue continue to evolve and find new ways to have a positive impact. This year, Maritime Blue attended SXSW for the first time, planting the flag for the Blue Economy in the entrepreneurship space with our West Coast partners.

## MARITIME BLUE INNOVATION ACCELERATOR

Maritime Blue's fourth wave comprised companies solving big problems and changing the world in many ways. This year's founders were ensuring the safe transport of dangerous chemicals, facilitating the monetization of private docks, or creating a better tool to detect corrosion using AI. The companies that came through this year's program (Atargis, Berkeley Marine Robotics, CargoCheck, Dockshare, Gybe, HyperKelp, and qualiTEAs) are being led by some of the most brilliant founders we have ever worked with.



## HIGHLIGHTS FROM OUR FOURTH WAVE COHORT

**Atargis Energy:** Secured funding from a top energy company's VC fund and has secured more non-dilutive federal funding.

**CargoCheck:** Made significant connections during the program and currently working with a major energy company on a pilot project.

**Dockshare:** Opened a crowdfunding campaign and raised more than \$75,000 in the first few days.

**Gybe:** Secured additional funding and working hard to close out the rest of their funding round. They also were able to secure several letters of intent from major terminal operators and manufacturers.

**HyperKelp:** Secured contracts to deploy and build buoys with the Marines and the Navy. They continue to secure non-dilutive funding.

## TACOMA MARITIME INNOVATION INCUBATOR

We continue to see a tremendous amount of success from our Tacoma Maritime Innovation Incubator (TMII). This year, the program was awarded a Small Business Innovation Fund grant from the Economic Development Board of Pierce County, bringing \$200K to the program. TMII also received a grant from the Port of Tacoma. The program's second cohort (Air Mobility, Homeostasis, Innov8social, Kara Technology, Terrestrial, and WhyGreene) is thriving and will graduate in November 2023.



INNOV8SOCIAL

KARA  
TECHNOLOGY



## SEATTLE MARITIME BLUE INCUBATOR

At the end of the fiscal year, we announced the launch of our Seattle Incubator program modeled on the existing success in Tacoma. It will be a place-based initiative for very early-stage entrepreneurs to gain access to resources and networking opportunities in the blue economy in Seattle. Programming begins in September.

## ONE OCEAN INNOVATION ACCELERATOR



BUSINESS  
FINLAND

KOSME  
Korea SMEs and Startups Agency

This year, we piloted a new program: the One Ocean Innovation Accelerator, targeted at international maritime startups looking for a soft landing in the United States. We accepted seven companies, two from Finland, and five from Korea (Elomatic, Gigachan, JJ & Companies, Microsystems, Muveen, and Rewake). Programming concluded in March, and since then, all six companies have filed paperwork to set up offices in Washington state. This program was made possible by WA Department of Commerce, Korea SMEs and Startup Agency (KOSME), and Business Finland.



microsystems

MUVEEN





## EQUITY ENGAGEMENT

### YOUTH MARITIME COLLABORATIVE (YMC)



The Youth Maritime Collaborative (YMC) meets monthly to discuss relevant events, happenings and best practices & solutions to creating equitable and accessible pathways into the maritime industry, both occupational & educational. On average, we host 30+ participants. YMC stakeholders express their gratitude for our effort to keep these meetings recurring monthly as it provides a hub for maritime-based and community-based organizations to build network and relations.

### EXPANDED MARITIME COLLAB (EMC)

This year, the EMC provided four programs - one in the fall, three in the spring - to high school juniors and seniors from Seattle Public Schools and Highline Public Schools. At the Center for Wooden Boats fall program, students learned sailing theory, the art of rigging, and learned to sail on Lake Union. In the spring, EMC offered three programs: small craft boating with Sail Sand Point, tall ship operations with Sound Experience on the Schooner Adventuress, and marine science with Sea Potential.

### HIGHLIGHTS FROM EMC



## YOUTH MARITIME ACCELERATOR PROJECT (YMAP)

The Youth Maritime Accelerator Project (YMAP) is our summer career awareness and part-time internship program. This summer, we served 15 participants who were able to find a sense of belonging and foundation within the maritime industry with their time with us. The youth participated in a nationally-accredited “Grads of Life” curriculum where they were taught professional development soft skills. In addition, interns were matched with maritime employers to practice their skills in the workplace. Each Friday, interns were introduced to fun, interactive and engaging maritime-related activities that allowed them to get more first hand experience and knowledge, including kayaking with the Youth Marine Foundation, tours with Tacoma Boat Builders, and a “day in the life” at Washington State Ferries, the US Coast Guard, and Navy.

## YOUTH MARITIME CAREER LAUNCH (YMCL)

This year, Maritime Blue was awarded a three-year contract from the Port of Seattle for the pilot of the Youth Maritime Career Launch (YMCL) program. This spring, we participated in three maritime employer roundtables to hear what skills, qualifications, and credentials employers look for in entry-level employees. These roundtables also focused on the best DEI practices to recruit, sustain, and retain diverse talent. From our conversations we compiled a list of employers who were capable of onboarding an entry-level intern to prepare them for a career at their respective companies. Each YMCL intern is paid a stipend through Maritime Blue and receives wrap-around support from community partners who engage with the intern every step of the way. From tracking progress and aiding improvement, the YMCL cohort will be primed for success. Interns also receive \$500 toward PPE, materials, toolboxes, transportation, etc. By lowering the financial barriers to starting a maritime career, we can increase the chances of career placement. The Youth Maritime Career Launch program will begin in September 2023.

## JOINT INNOVATION PROGRAMS

The 2022-2023 year has been a big one for our Joint Innovation Program. We’ve spent the last 12 months updating our programmatic framing and engagement strategy, and refining our mission to ensure that we’re meeting our ecosystem’s needs where they’re at, while also challenging them to push the boundaries of the innovation cycle. This means leaning into our bread-and-butter as the convener of our members and partners to use collaboration to drive innovation from early stage market development to technology demonstrations and Joint Innovation Projects (JIPs).

We have continued to support the development of a decarbonized maritime sector here in the PNW through:

- Our active JIPs of the Zero Emissions Fast Foil Ferry (results of the preliminary design and replicable business model funded through the FTA AIM program available in early Fall 2023), and the Tacoma Green Hydrogen project (demonstration of formic acid as a liquid hydrogen carrier for port charging and fueling applications anticipated in 2024 with funding awarded to OCOchem from WA Commerce, the USDOE, and Centralia Coal Transition Board);

- Hosting and participating in numerous roundtable discussions with international delegations, federal agency representatives, and you, our membership, to provide a look at how our region is looking at this pressing topic;
- Serving on the Advisory Board for the PNWH2 Association and supporting their DOE Hydrogen Hub application with an eye on the role and importance of ports and maritime in the future hydrogen economy;
- Co-hosting Washington State Ferries' Industry Day;
- Continuing to support the PNW2AK Green Corridor initiative led by the Port of Seattle as a First Mover and knowledge partner.



We continue to see renewable ocean-based energy as key to achieving our region's green electron goals and have sought to understand the impacts, concerns, and benefits for WA's engagement in the Floating Offshore Wind industry. In furtherance of this work, we are establishing the BlueWind Collaborative to convene and activate WA's offshore wind supply chain.

With the PNW's expertise in green technologies, maritime, and technology, we've continued to pursue pathways to digital transformation for the Blue Economy. This is highlighted especially in many of the technologies coming out of our Ventures work, but also in the efforts of our team and partners with the Tacoma Blue Edge 5G Network JIP. With an award from WA Commerce, we'll be seeing the world's first port-based 5G private network in operation this coming fall.

Our team has also facilitated member-to-member/government/partner introductions to drive JIP development, partnerships, funding identification, and knowledge sharing. This includes supporting our Build Back Blue Coalition partners and sharing the success stories of their projects with our national and international network. Our BBB coalition has continued to seek alternative forms of funding and our partners are seeing successful expansion of their existing project scopes and partners.

## QUIET SOUND

**Milestones in Killer Whale Conservation:** Quiet Sound reached several milestones this year in its mission to better understand and reduce the effects of acoustic and physical disturbances from large commercial vessels on the endangered Southern Resident Killer Whales in Washington waters.

We completed the first trial of a voluntary large vessel slowdown for whale protection. This slowdown invited bulk, cargo, container, cruise and tanker vessels to voluntarily slow down



from October 24, 2022 to January 12, 2023 across a 20 nautical mile stretch of critical whale habitat. Quiet Sound measured the underwater noise reductions related to this slowdown, tracked vessel participation and vessel speeds, and monitored whale presence through partnerships with community science organizations.

In the slowdown trial:

- 70% of vessel transits participated in the slowdown
- Southern Resident Killer Whales were present in the slowdown area for 43% of the days of the trial
- Underwater noise was reduced by about 2.8 dB, about a 48% reduction in noise intensity
- There were no impacts to maritime safety and minimal impacts to maritime trade

These results are very positive. Quiet Sound's workgroups and Leadership Committee designed a 2023-2024 slowdown based on what we learned last season. This year's slowdown will begin this fall when the Southern Residents arrive in Puget Sound.

**NOAA recognizes Quiet Sound with award:** NOAA has chosen Maritime Blue as the 2023 Partner in the Spotlight for Quiet Sound's exceptional efforts related to the conservation and recovery of Southern Resident Killer Whales. This award is given to one organization or initiative every other year. We are honored by this award, which belongs not to us but to the coalition of people across the state who have come together to make data-driven changes in commercial shipping for the conservation of these whales.

**Funding:** Quiet Sound thanks State Senators Rolfes and Lovelett and Representative Lekanoff for leading the legislative work in this year's session that resulted in a 40% increase in the state's support for our work. We also thank Senator Cantwell for including Quiet Sound as a Congressional priority for FY 2024 and Representative Del Bene for her support for Quiet Sound's successful application for funding from the National Fish and Wildlife Foundation.

We recognize and thank the Quiet Sound Leadership Committee. Their connection to the water and the whales, experience and expertise are invaluable to the program.





## BLUE HUB

The Blue Hub is home to Maritime Blue as well as several member and partner companies. It also houses the Seattle Innovation Accelerator and Incubator. Meeting space including our Board room is available at no cost to members and for a small fee for non-members. In the last year, the Blue Hub has hosted roundtable discussions, DEI luncheons, tours, and social events. Visitors have included international delegations, students from the Maritime High School, the Alaska Harbormasters, Society of Naval Architects and Marine Engineers (SNAME), the U.S. Department of Energy, and more.



Our staff was able to take a tour of our future - the Maritime Innovation Center at the former Ship Supply building - in February. Restoration and remodeling is set to break ground this calendar year.

## OUR TEAM



**JOSHUA BERGER**  
President/CEO



**DANIEL PULSE**  
Interim CFO



**DEVON EMILY THORSELL**  
VP of Operations



**RACHEL ARONSON**  
Program Director, Quiet Sound



**VEASNA HOY**  
Program Director, Equity  
Engagement



**CASSIDY FISHER**  
Program Director, Joint Innovation



**ROBERT BROWN**  
Employer Engagement Manager



**LEASIA JOHNSON**  
Youth Programs Manager



**KARINA MARTIJA-HARRIS**  
Tacoma Community Manager



**ANGEL MENCHACA**  
Operations Manager



**CAITLIN O'MORCHOE**  
Program Manager, Quiet Sound



**CAMILLE SMITH**  
Contract and Finance Manager

## OUR BOARD OF DIRECTORS

### EXECUTIVE COMMITTEE

**Simon Geerlofs**, Chair | Pacific Northwest National Laboratory

**Eleanor Kirtley**, Vice Chair | Green Marine

**Jason Jordan**, Secretary | Northwest Seaport Alliance

**Pat Beard**, Treasurer | City of Tacoma

### BOARD MEMBERS

**W Joe Allen** | Jamestown S'Klallam Economic Development Administration

**Ann Avary** | Center of Excellence in Marine Manufacturing and Technology

**Nico de Golia** | Middlebury Institute, Center for the Blue Economy

**Caitlin Hardy** | Kongsberg Maritime

**Stephanie Jones-Stebbins** | Port of Seattle

**Cosmo King** | ioCurrents

**Vesa Koivumaa** | Wärtsilä

**Patty Rubstello** | Washington State Ferries

**Chris Rye** | TOTE Maritime

**Senator Liz Lovelett**, ex officio | Washington State Senate, District 40

## OUR FINANCES

Fiscal Year — July 1 to June 30

### FY 2022-23

Revenue	
Federal Grants	\$869,998
State Grants	\$350,875
Local Contracts	\$688,637
Philanthropic Grants	\$764,742
Rental Income	\$78,418
Membership/Sponsorship	\$118,499
Other Income	\$2,906
<b>Revenue Total</b>	<b>\$2,874,075</b>
Expenses	
Program Expenses	\$468,007
Technology	\$18,417
Payroll	\$1,515,797
Professional Services	\$218,711
Travel	\$50,695
Business Expenses	\$47,023
Facilities	\$152,011
<b>Expense Total</b>	<b>\$2,470,661</b>
<b>Net Income</b>	<b>\$403,414</b>

### FY 2023-24

Projected Revenue	
Federal Grants	\$512,975
State Grants	\$830,954
Local Contracts	\$1,338,572
Philanthropic Support	\$1,106,600
Rental Income	\$92,350
Membership	\$75,000
Sponsorship	\$240,000
Events	\$5,750
<b>Revenue Total</b>	<b>\$4,202,201</b>
Planned Expenses	
Program Expenses	\$915,871
Technology	\$48,500
Payroll	\$1,735,911
Professional Services	\$924,277
Travel	\$202,355
Business Expenses	\$106,200
Facilities	\$165,536
<b>Expense Total</b>	<b>\$4,098,653</b>
<b>Net Income</b>	<b>\$103,548</b>



# OUR MEMBERS

## INDUSTRY MEMBERS



## RESEARCH INSTITUTIONS



## PUBLIC AGENCIES, TRIBES, AND MUNICIPALITIES



## COMMUNITY PARTNERS

