ALASKA SBDC
Alaska Small Business Development Center
UNIVERSITY of ALASKA ANCHORAGE

U.S. Small Business Administration
SBA
Your Small Business Resource

# ABOUT THE SBDC

CLIFF COCHRAN, MBA
KENAI PENINSULA CENTER DIRECTOR

# ALASKA SBDC

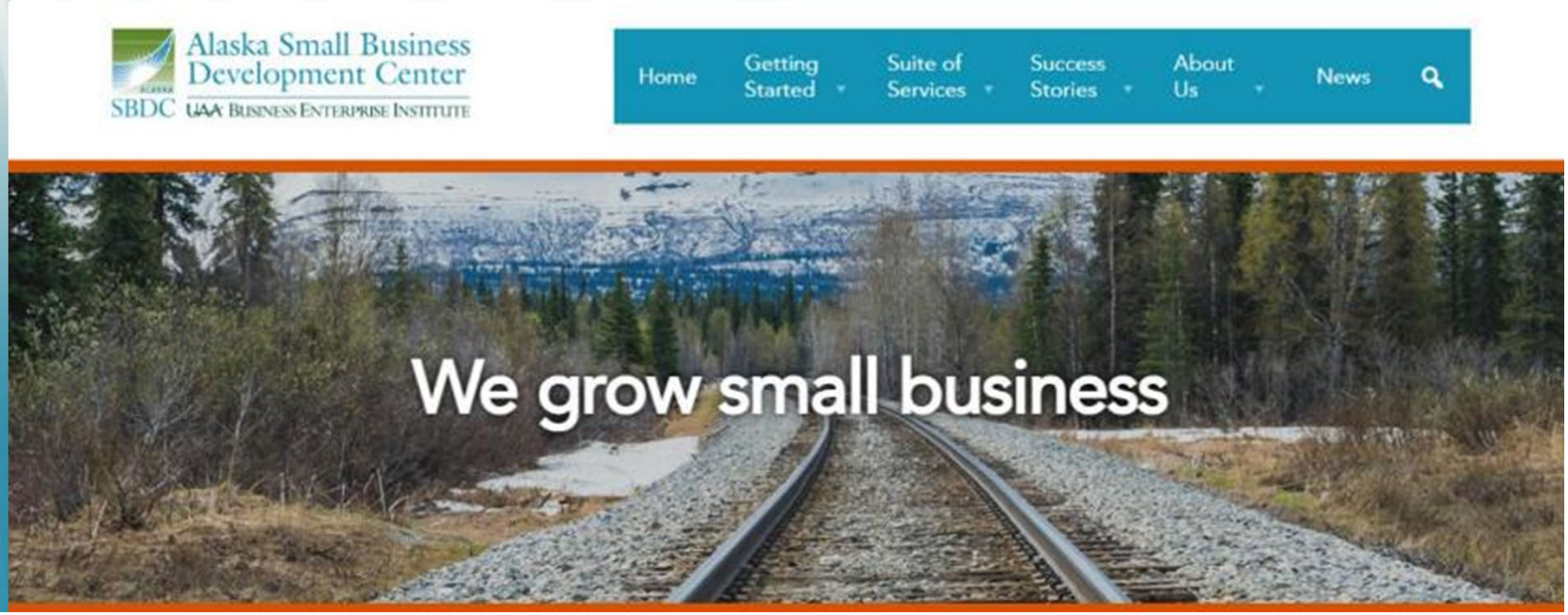
- Kenai Peninsula Director
  - Cliff Cochran, MBA

- Homer Business Advisor
  - Robert Green

- Seward Business Advisor
  - KellyAnn Cavaretta, MBA

# ALASKA SBDC

- What We Provide
  - No-cost, confidential business advising
  - Business workshops and webinars
  - Online resources and business tools



# Business Advising

| Top Topics (2025) | | Hours | % |
|---|---|---|---|
| 1 | Startup Assistance | 686.4 | 33.0 |
| 2 | General Assistance | 437.4 | 21.0 |
| 3 | Financing/Capital | 424.9 | 20.4 |
| 4 | Buy/Sell Business | 175.6 | 8.4 |
| 5 | Business Planning | 129.9 | 6.3 |

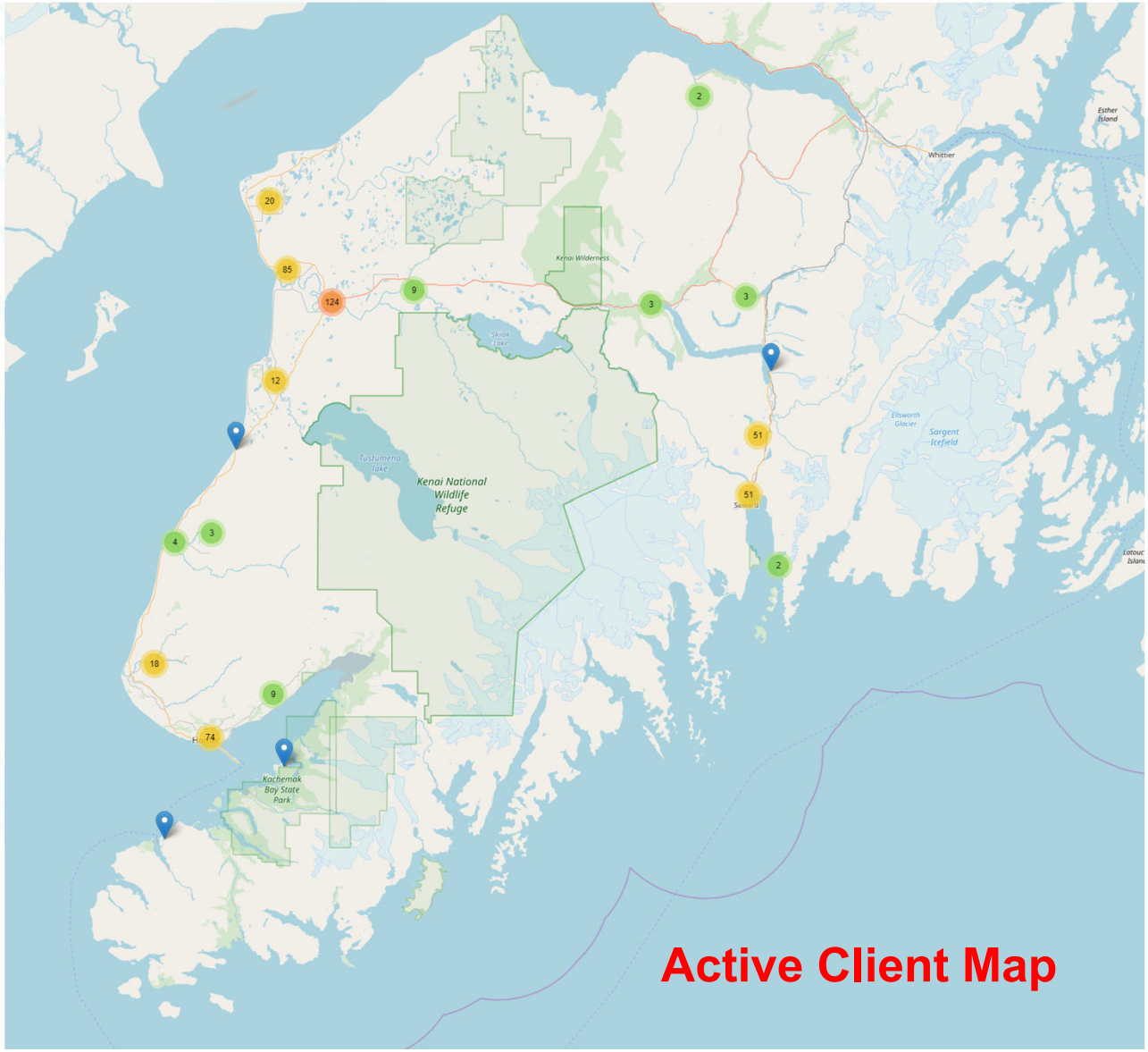
# Business Advising

| Top Industries (2025) | | Hours | % |
|---|---|---|---|
| 1 | Food Services | 342.9 | 16.5 |
| 2 | Accommodations | 235.1 | 11.3 |
| 3 | Retailers | 226.4 | 10.9 |
| 4 | Services | 201.3 | 9.7 |
| 5 | Arts & Entertainment | 186.5 | 9.0 |
| 6 | Manufacturers | 167.2 | 8.0 |
| 7 | Tour Guides | 117.4 | 5.6 |
| 8 | Rental & Leasing | 104.1 | 5.0 |
| 9 | Healthcare | 102.8 | 4.9 |
| 10 | Construction | 90.0 | 4.3 |

# Business Advising

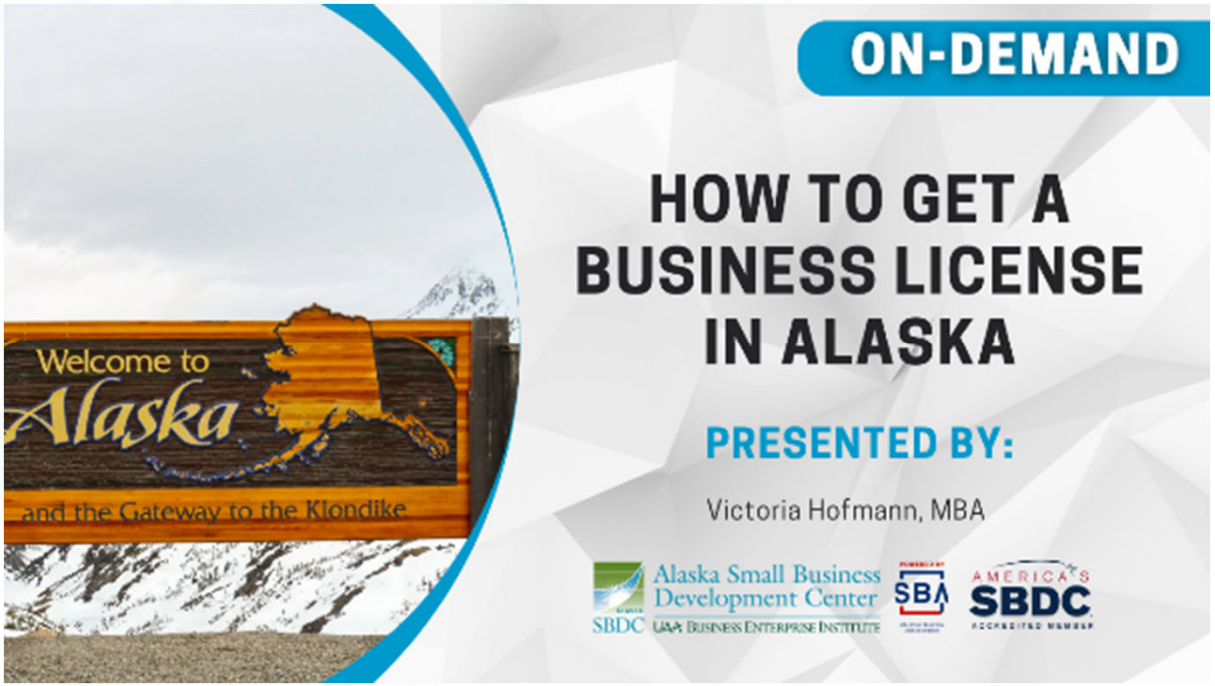
| Top Communities (2025) | | Hours | % |
|---|---|---|---|
| 1 | Seward | 545.9 | 26.3 |
| 2 | Homer | 542.3 | 26.1 |
| 3 | Kenai | 495.8 | 23.9 |
| 4 | Soldotna | 327.5 | 15.8 |
| 5 | Sterling | 38.8 | 1.9 |

# Business Advising



# WORKSHOPS

- Over 80 Topics Include
  - Starting a Business
  - Bookkeeping Basics
  - LLCs in Alaska



# RESOURCES

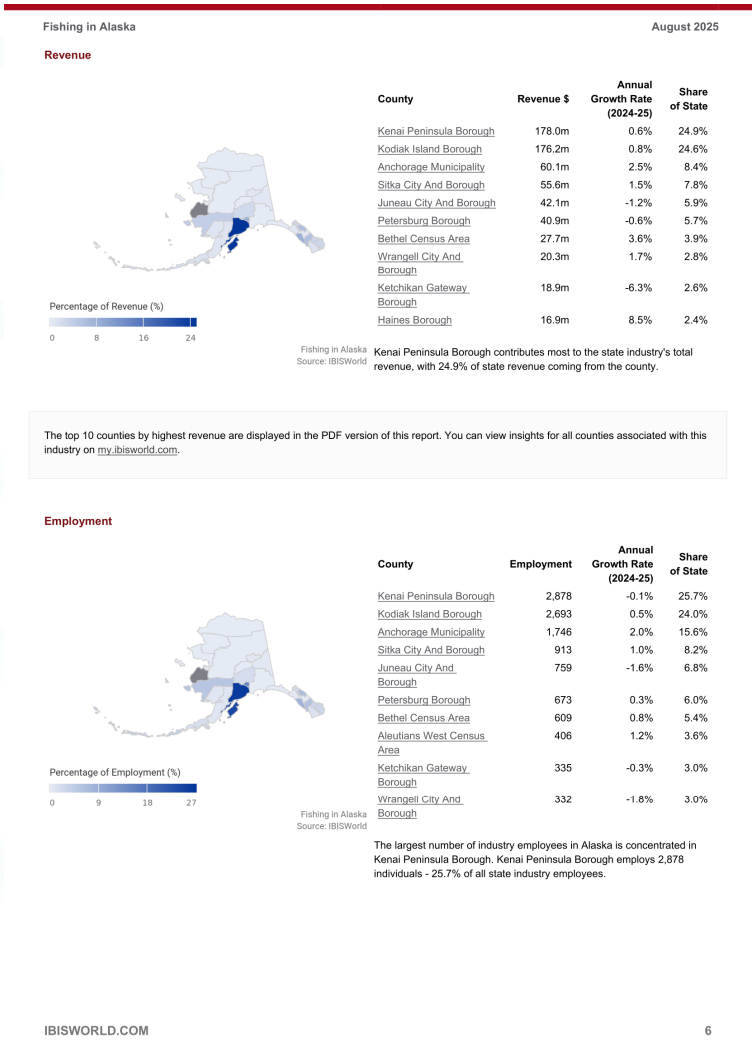
- Proprietary Tools
  - Financial projection models
  - Business plan templates
  - Focused industry toolkits
  - Business valuation guide
  - Small business FAQs

**Financial Ratio Analysis**

| Ratio | | Formula | Year One | Year Two | Year Three | Industry (NAICS): 722515 | Significance |
|---|---|---|---|---|---|---|---|
| **Liquidity** | | | | | | | |
| Current Ratio | = | Current Assets / Current Liabilities | 0.79 | 2.04 | 2.82 | 2.75 | *Measures solvency: A ratio of 1.50 means that for every $1 of current liabilities, the company has $1.50 in current assets with which to pay.* |
| Quick Ratio (Acid Test) | = | (Cash + Accounts Receivable) / Current Liabilities | 0.38 | 1.41 | 1.96 | 1.81 | *Measures liquidity: A ratio of 1.50 means that for every $1 of current liabilities, the company has $1.50 in cash and AR with which to pay.* |
| **Safety** | | | | | | | |
| Debt-to-Equity Ratio | = | Total Liabilities / Total Equity | 2.17 | 0.51 | 0.34 | 2.81 | *Measures financial risk: A ratio of 0.75 means that for every $1 of equity, the company owes $0.75 to its creditors.* |
| Interest Coverage Ratio | = | Earnings Before Interest & Taxes / Interest Expense | 4.49 | 19.26 | 35.18 | 4.95 | *Measures safety: A ratio of 15 means that for every $1 of interest owed, the company has $15 in earnings in which to pay.* |

# RESOURCES

- IBISWorld Access
  - Global leader in industry intelligence
  - 5,000+ industry reports
  - Updated 6-12 months
  - $995 value each, free to SBDC clients



Fishing in Alaska — August 2025

**Revenue**

| County | Revenue $ | Annual Growth Rate (2024-25) | Share of State |
|---|---|---|---|
| Kenai Peninsula Borough | 178.0m | 0.6% | 24.9% |
| Kodiak Island Borough | 176.2m | 0.8% | 24.6% |
| Anchorage Municipality | 60.1m | 2.5% | 8.4% |
| Sitka City And Borough | 55.6m | 1.5% | 7.8% |
| Juneau City And Borough | 42.1m | -1.2% | 5.9% |
| Petersburg Borough | 40.9m | -0.6% | 5.7% |
| Bethel Census Area | 27.7m | 3.6% | 3.9% |
| Wrangell City And Borough | 20.3m | 1.7% | 2.8% |
| Ketchikan Gateway Borough | 18.9m | -6.3% | 2.6% |
| Haines Borough | 16.9m | 8.5% | 2.4% |

Percentage of Revenue (%)
0 8 16 24

Fishing in Alaska
Source: IBISWorld

Kenai Peninsula Borough contributes most to the state industry's total revenue, with 24.9% of state revenue coming from the county.

The top 10 counties by highest revenue are displayed in the PDF version of this report. You can view insights for all counties associated with this industry on my.ibisworld.com.

**Employment**

| County | Employment | Annual Growth Rate (2024-25) | Share of State |
|---|---|---|---|
| Kenai Peninsula Borough | 2,878 | -0.1% | 25.7% |
| Kodiak Island Borough | 2,693 | 0.5% | 24.0% |
| Anchorage Municipality | 1,746 | 2.0% | 15.6% |
| Sitka City And Borough | 913 | 1.0% | 8.2% |
| Juneau City And Borough | 759 | -1.6% | 6.8% |
| Petersburg Borough | 673 | 0.3% | 6.0% |
| Bethel Census Area | 609 | 0.8% | 5.4% |
| Aleutians West Census Area | 406 | 1.2% | 3.6% |
| Ketchikan Gateway Borough | 335 | -0.3% | 3.0% |
| Wrangell City And Borough | 332 | -1.8% | 3.0% |

Percentage of Employment (%)
0 9 18 27

Fishing in Alaska
Source: IBISWorld

The largest number of industry employees in Alaska is concentrated in Kenai Peninsula Borough. Kenai Peninsula Borough employs 2,878 individuals - 25.7% of all state industry employees.

IBISWORLD.COM 6

# RESOURCES

- ProfitCents Access
  - National leader in industry benchmarking
  - 1,400+ industry reports
  - Ratio analysis and business valuation
  - $2,750 value each, free to SBDC clients

**INDUSTRY FINANCIAL DATA AND RATIOS**

View Formula Key

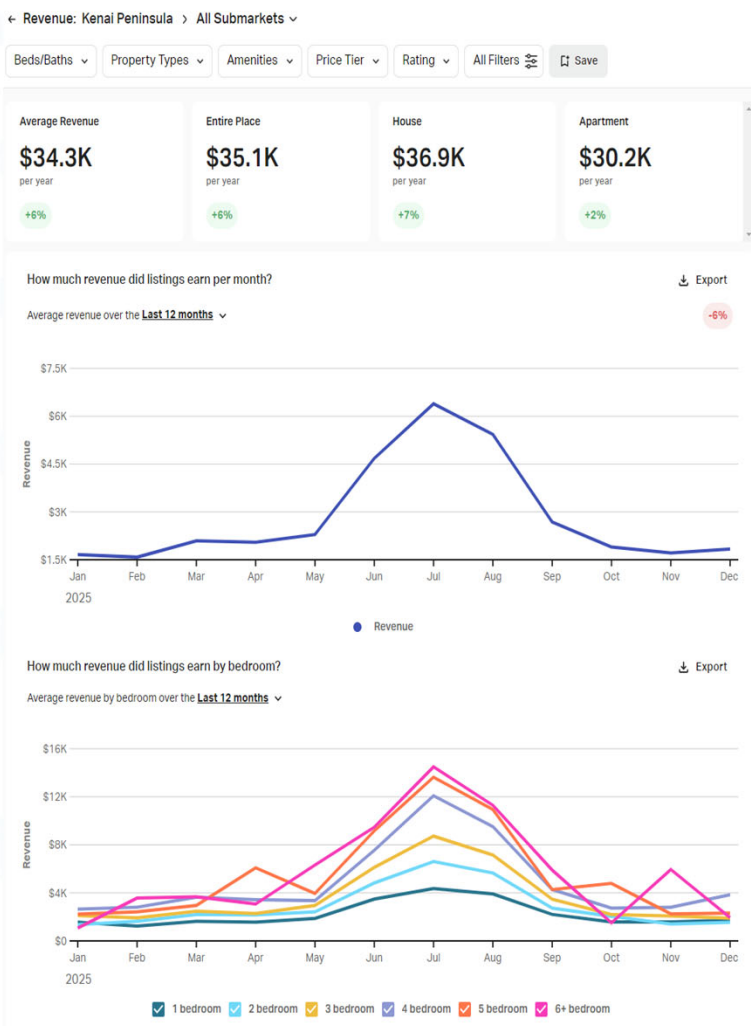
Average by Year (Number of Financial Statements)

| Financial Metric | Last 12 Months (729) | 2025 (731) | 2024 (3,026) | Last 5 Years (23,218) | All Years (100,724) |
|---|---|---|---|---|---|
| Current Ratio | 4.09 | 4.08 | 3.70 | 4.54 | 3.06 |
| Quick Ratio | 3.07 | 3.06 | 2.67 | 3.36 | 2.14 |
| Gross Profit Margin | 63.22% | 63.14% | 62.67% | 61.45% | 59.69% |
| Net Profit Margin | 5.75% | 5.75% | 3.17% | 6.04% | 2.73% |
| Inventory Days | 16.17 | 16.14 | 14.93 | 14.29 | 14.69 |
| Accounts Receivable Days | 0.46 | 0.47 | 0.51 | 0.49 | 0.53 |
| Accounts Payable Days | 12.27 | 12.24 | 11.10 | 10.99 | 14.37 |
| Interest Coverage Ratio | 9.79 | 9.77 | 9.25 | 12.46 | 10.10 |
| Debt-to-Equity Ratio | 2.45 | 2.46 | 2.73 | 2.64 | 2.86 |
| Debt Service Coverage Ratio | 5.69 | 5.69 | 6.19 | 7.21 | 6.11 |
| Return on Equity | 53.96% | 53.84% | 47.69% | 57.28% | 49.97% |
| Return on Assets | 29.07% | 29.00% | 23.76% | 30.22% | 20.84% |
| Gross Fixed Asset Turnover | 4.11 | 4.10 | 4.27 | 4.44 | 4.17 |
| Profit per Employee | $11,900 | $11,900 | $3,171 | $4,456 | $2,285 |
| **Growth Metric** | **Last 12 Months (111)** | **2025 (111)** | **2024 (1,662)** | **Last 5 Years (12,390)** | **All Years (52,710)** |
| Sales Growth | 8.04% | 8.04% | 3.64% | 17.38% | 6.73% |
| Profit Growth | 34.95% | 34.95% | 6.70% | 13.86% | 14.97% |
| **Industry-Specific Metric** | **Last 12 Months** | **2025** | **2024** | **Last 5 Years** | **All Years** |
| **Food Costs to Sales** | 29.70% (22) | 29.70% (22) | 26.90% (50) | 28.60% (383) | 27.20% (3629) |
| **Sales per Seat** | -- | -- | -- | $11,701 (15) | $11,194 (842) |
| **Sales per Square Foot** | -- | -- | -- | $463.47 (22) | $400.15 (871) |
| **Seat Turnover** | -- | -- | -- | 1.13 (6) | 1.65 (460) |
| **Direct Labor Ratio** | 29.70% (18) | 29.70% (18) | 29.70% (40) | 27.60% (327) | 28.20% (1711) |
| **Food Costs to Food Sales** | 27.50% (10) | 27.50% (10) | 30.80% (20) | 34.40% (252) | 34.80% (2369) |
| **Beverage Costs to Beverage Sales** | 26.60% (10) | 26.60% (10) | 24.60% (17) | 23.20% (223) | 26.80% (1821) |
| **Revenue per Employee** | -- | -- | $58,050 (10) | $65,733 (67) | $54,717 (3830) |
| **Beverage Costs to Sales** | 4.70% (11) | 4.70% (11) | 5.90% (29) | 5.10% (297) | 6.70% (2400) |

*This benchmark has been set according to where a healthy business within the industry would perform (if applicable).

# RESOURCES

- AirDNA Access
  - National leader in STR data analytics
  - Kenai Peninsula plus seven submarkets
  - Proprietary occupancy and revenue data
  - $400 value each, free to SBDC clients



# RESOURCES

- KPB Sales Tax Data
  - Gross revenues by industry and jurisdiction
  - Number reporting for revenue per business
  - Eight years of data for pre/post-COVID trends
  - $2,500 value, free to clients

| City of Homer | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Gross Sales Quarterly | | | | | | | | |
| | Dec-24 | Sep-24 | Jun-24 | Mar-24 | Dec-23 | Sep-23 | Jun-23 | Mar-23 |
| ADMINISTRATIVE, WASTE MAN | 968,641 | 1,248,385 | 1,058,186 | 767,413 | 1,018,400 | 1,074,062 | 1,102,604 | 781,125 |
| # of businesses reporting | 34 | 34 | 36 | 32 | 32 | 32 | 35 | 32 |
| AGRICULTURE, FORESTRY, FI | 2,504,244 | 4,951,609 | 4,455,216 | 511,629 | 2,940,337 | 3,993,684 | 2,506,327 | 101,798 |
| # of businesses reporting | 24 | 26 | 24 | 11 | 19 | 18 | 21 | 12 |
| ARTS AND ENTERTAINMENT | 359,233 | 1,030,215 | 673,459 | 317,377 | 432,869 | 1,134,917 | 680,982 | 317,429 |
| # of businesses reporting | 37 | 35 | 31 | 21 | 33 | 31 | 29 | 18 |
| CONSTRUCTION CONTRACTING | 46,928,035 | 12,517,661 | 12,570,803 | 13,030,760 | 24,264,339 | 12,067,734 | 13,192,948 | 10,487,344 |
| # of businesses reporting | 143 | 142 | 143 | 123 | 148 | 128 | 148 | 121 |
| EDUCATIONAL SERVICES | 210,562 | 154,543 | 144,723 | 144,362 | 158,246 | 103,538 | 132,044 | 118,987 |
| # of businesses reporting | 20 | 19 | 22 | 20 | 19 | 18 | 19 | 18 |
| FINANCE AND INSURANCE | 91,332 | 54,604 | 29,969 | 29,142 | 38,859 | 70,276 | 63,562 | 32,244 |
| # of businesses reporting | 12 | 8 | 11 | 9 | 10 | 12 | 12 | 9 |
| GUIDING | 639,601 | 17,429,847 | 6,658,121 | 464,416 | 480,576 | 14,032,775 | 567,356 | 316,265 |
| # of businesses reporting | 27 | 83 | 81 | 27 | 24 | 84 | 80 | 24 |
| HEALTHCARE & SOCIAL ASST | 1,410,267 | 541,377 | 567,244 | 468,700 | 1,419,105 | 568,658 | 444,187 | 550,654 |
| # of businesses reporting | 14 | 8 | 9 | 10 | 15 | 11 | 9 | 10 |

# RESOURCES

- SBDCNet Research
  - GIS ring study demographic analysis
  - Retail gap and leakage analysis
  - Census, labor, and consumer data tools
  - Only available through SBDC advisors

SBDCNet
NATIONAL INFORMATION CLEARINGHOUSE

Retail Market Power® | Opportunity Gap by Retail Store Types

claritas

**Trade Area:** 99504 (Anchorage, AK)

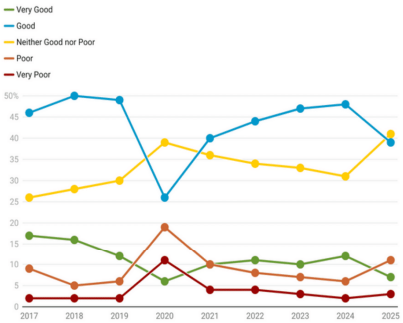
| | 2024 Demand ($) | 2024 Supply ($) | Opportunity Gap/Surplus ($) |
|---|---|---|---|
| **Totals** | | | |
| Total retail trade including food and drink (NAICS 44, 45 and 722) | 845,482,175 | 429,491,693 | 415,990,482 |
| Total retail trade (NAICS 44 and 45) | 743,089,220 | 361,169,779 | 381,919,441 |
| **Motor Vehicle and Parts Dealers** | | | |
| Motor vehicle and parts dealers (NAICS 441) | 172,574,423 | 51,239,690 | 121,334,732 |
| Automobile dealers (NAICS 4411) | 140,334,431 | 31,688,447 | 108,645,984 |
| New car dealers (NAICS 44111) | 125,188,500 | 25,040,936 | 100,147,565 |
| Used car dealers (NAICS 44112) | 15,145,931 | 6,647,512 | 8,498,419 |
| Other motor vehicle dealers (NAICS 4412) | 17,277,233 | 0 | 17,277,233 |
| Recreational vehicle dealers (NAICS 44121) | 7,084,688 | 0 | 7,084,688 |
| Motorcycle, boat, and other motor vehicle dealers (NAICS 44122) | 10,192,545 | 0 | 10,192,545 |
| Boat dealers (NAICS 441222) | 3,967,151 | 0 | 3,967,151 |
| Motorcycle, ATV, and all other motor vehicle dealers (NAICS 441228) | 6,225,394 | 0 | 6,225,394 |
| Automotive parts, accessories, and tire stores (NAICS 4413) | 14,962,759 | 19,551,243 | -4,588,484 |
| Automotive parts and accessories stores (NAICS 44131) | 9,438,992 | 15,116,574 | -5,677,582 |
| Tire dealers (NAICS 44132) | 5,523,766 | 4,434,669 | 1,089,098 |
| **Furniture and Home Furnishings Stores** | | | |
| Furniture and home furnishings stores (NAICS 442) | 15,215,330 | 8,258,251 | 6,957,079 |
| Furniture stores (NAICS 4421) | 8,386,699 | 4,539,461 | 3,847,238 |
| Home furnishings stores (NAICS 4422) | 6,828,632 | 3,718,790 | 3,109,841 |

# RESOURCES/RESULTS

- Small Business Survey
  - Most robust small business pulse in Alaska
  - Excellent KPB participation
  - Trusted by lenders and economic stakeholders
  - Nearly a decade of trend data

## Financial Outlook Trends Amid Economic Challenges

**Financial Outlooks of Alaska Small Businesses (2017–2025)**




*Alaska's small businesses have demonstrated remarkable resilience through pandemic turbulence only to face renewed uncertainty in 2025 as tariff impacts ripple through the economy.*

Alaska small businesses have weathered significant economic turbulence since 2017, as revealed by the latest SBDC survey data.

After maintaining stable positive outlooks through 2019, the pandemic triggered a dramatic collapse in 2020, with confidence plummeting by nearly half (from 61% to 32% reporting "Good" or "Very Good" conditions) while negative sentiment surged fivefold to 30%. The years 2021-2024 showed remarkable recovery, with business optimism steadily rebuilding to pre-pandemic levels.

However, the 2025 Quick Pulse survey marks a concerning reversal with the introduction of new tariffs, causing positive outlooks to drop by 14 percentage points and uncertainty to reach its highest level since the pandemic.

The sudden shift from confidence to caution signals that trade policy changes are creating significant business uncertainty throughout Alaska.

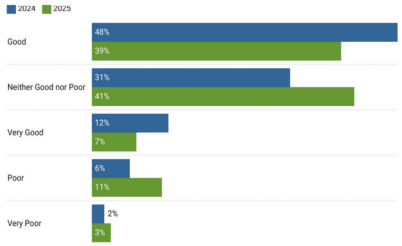
The 2024-2025 comparison reveals a significant shift toward uncertainty in Alaska's small business outlook. Positive sentiment has declined sharply, with businesses reporting "Good" or "Very Good" conditions falling from 60% to 46%.

Most notably, neutral responses ("Neither Good nor Poor") jumped by 10 percentage points to reach 41%, indicating businesses are increasingly hesitant to make definitive forecasts.

Negative sentiment nearly doubled from 8% to 14% in the first few months of 2025. This is the highest level of negative sentiment since the height of the COVID pandemic in 2020 and indicates that businesses are struggling to adjust to the new economic headwinds.

**A Shift Toward Uncertainty in 2025 Business Outlook**

Alaska small businesses report a more cautious financial outlook for the year ahead. Compared to 2024, positive sentiment has dropped 14 percentage points, while neutral and negative views are on the rise.



# RESULTS

## Five-year trend for level of client satisfaction

# RESULTS

## Last Five Years

| | |
|---|---|
| Clients Advised | 1,532 |
| Advising Hours | 10,118.7 |
| Jobs Supported | 2,110 |
| New Businesses Confirmed | 230 |
| Change in Sales | +$54.6 million |
| Capital Secured | $59.1 million |

# Success Stories

Little Alaskan

Urgent Care of Soldotna

Salmon Sisters

Kenai River Shave Ice

Changing Tides Therapy Services

Breeze Inn Hotel • Restaurant • Lounge Seward Alaska

KB Laser Wash Car & Dog Wash Est 2023

Red Eye Rides

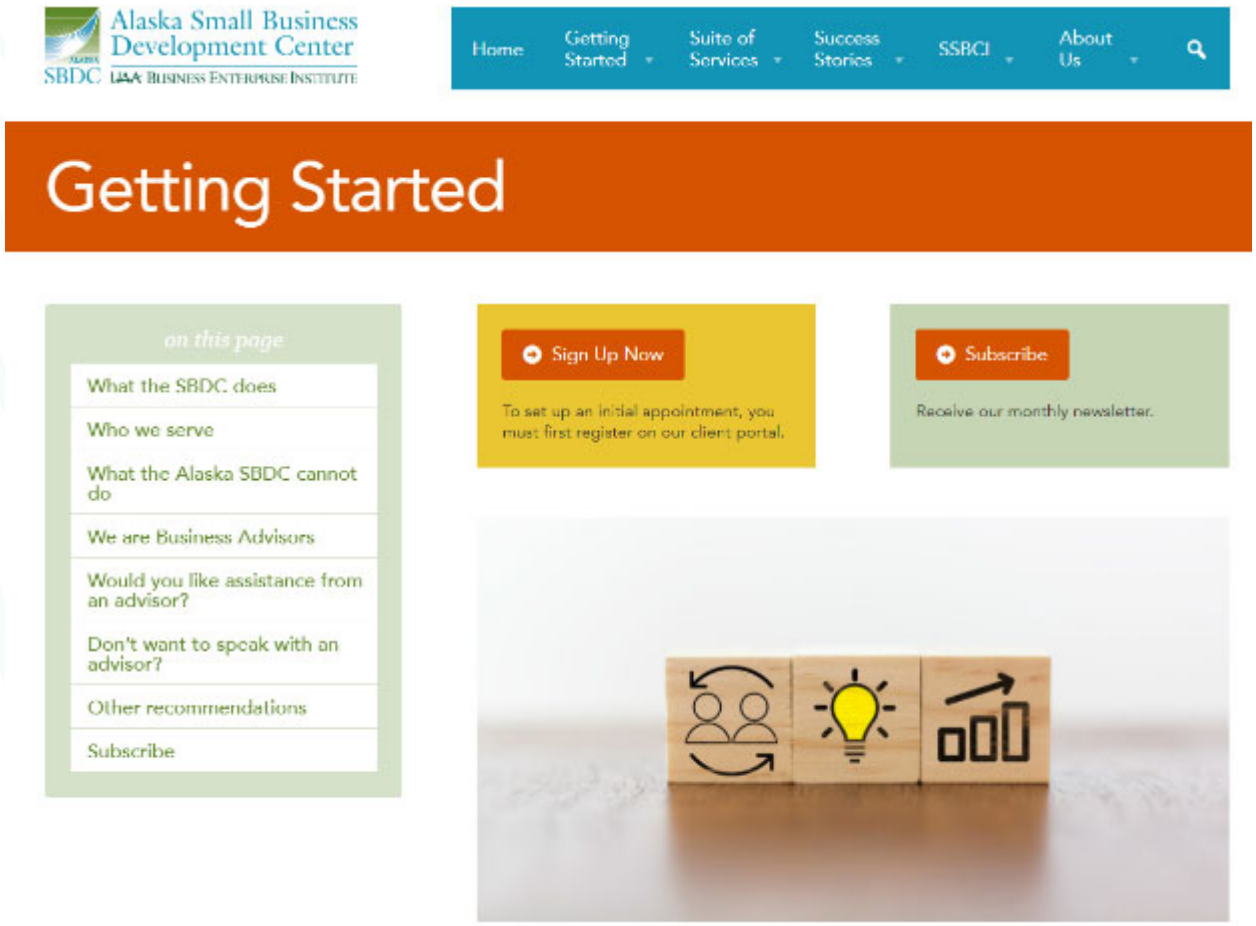
Nomad Shelter

Jumpin' Junction

Resurrect Art Seward, Alaska

# How to Start

Visit aksbdc.org and click Getting Started



# THANK YOU

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