



HUNA TOTEM CORPORATION

Shareholder update

what's inside

Newest board member seeks change

An abundance of jobs in Hoonah

Board reduces its fees

to the other shore

WE OFFER OUR CONDOLENCES AND SYMPATHY TO THE FAMILIES AND LOVED ONES OF OUR RECENTLY DECEASED SHAREHOLDER

Victor Johnson, 50

\$132,000 paid to 88 elders

Since July, 88 elders have received a total of \$132,000 from the newly established Elders' Benefit Trust.

At this year's annual meeting, shareholders overwhelmingly approved the establishment of a special fund to pay each original shareholder a one-time \$1500 cash benefit upon reaching their 65th birthday.

Checks are mailed within two weeks of birthdays. Shareholders are reminded that they are responsible to pay federal income taxes on this distribution.

New chief executive: Stabilize and grow Huna Totem resources

Weeks before starting his new position as chief executive for Huna Totem, Robert Wysocki had laid out a plan for his first month on the job. For years, he had watched from the sidelines how Huna Totem had grown into a multi-million dollar company — but he also knew that the company was experiencing some growing pains.

"Growth is good, but it has to be managed in a way so that our assets and resources are protected and can generate profits and opportunities for the shareholders," Wysocki said.

To this end, the Icy Strait Point (aka *Can-ner-y Point*) tourism development project and the company finances are his priority.

"Icy Strait Point is a significant investment for us and my plan is to secure financing with favorable interest rates so we can cost effectively complete the development to bring tourists and job opportunities into the community — without exhausting other



New CEO Robert Wysocki

financial assets," he said.

After an extensive executive search, the Huna Totem Board of Directors tapped 36-year-old Wysocki to grow the corporation and bring Huna Totem back to profitability.

"The Board of Directors wanted an Alaska Native who understands our people and our culture, a person familiar with Native corporations, and someone with broad operations experience and a solid education," said Board Chair Albert Dick. "We

also wanted someone with a 'take charge' attitude and who possesses energy and a vision ... We feel Bob Wysocki meets our expectations and qualifications."

For the past 11 years, Wysocki moved up the ladder at Sealaska Corp., accumulating a wealth of experience in finance, operations, strategic planning, and project management. Starting as an intern in the early 90's, he moved through the ranks of five management and executive positions, ranging from finance

New CEO *Continued on Page 3*

State Supreme Court upholds ruling in favor of Huna Totem

The Alaska Supreme Court has ruled in favor of Huna Totem Corp., clearing the corporation's board of directors of any wrongdoing relating to how the Shareholders' Settlement Trust was set up and how it was controlled, said Board Chair Albert Dick.

"The Board of Directors and management are pleased with the court's ruling and we look forward to putting an end to a long and costly legal battle," said Dick. "The ultimate goal of the Settlement Trust was to provide long-term economic benefits for current and future Huna Totem shareholders, and for this reason, we are thankful that the Trust will remain in place."

In March, 2000, a group of Huna Totem shareholders filed a class action lawsuit claiming that the corporation provided incomplete and misleading information when shareholders were asked to vote on establishing the settlement trust in 1994.

Juneau Superior Court Judge Patricia Collins ruled in favor of the corporation in July 2001, but the plaintiffs appealed that decision to the Alaska Supreme Court. 🌿

Job opportunities through Icy Strait Point Tourism Project in Hoonah

If you're seeking employment in Hoonah, there's an abundance of them available – or soon to be available in the coming months – through Huna Totem's Icy Strait Point (formerly known as *Cannery Point*) project. The following is a list of positions needed.

- Accountants
- Accounting Technicians
- Aviation workers
- Bartenders
- Cooks
- Carpenters
- Cashiers/retail clerks
- CDL bus drivers
- Computer operators
- Cultural hosts
- Diesel mechanics
- Dock hands
- Electricians
- Heavy equipment operators
- Human Resource Generalist
- Laborers
- Landscape laborers
- Laundry workers
- Longshoremen
- Maintenance workers
- Museum staff
- Office personnel
- Operations manager
- Painters
- Payroll Clerks
- Personnel Dispatchers
- Sanitation workers
- Security guards
- Shop keepers
- Theatre workers
- Tour guides
- Tug boat operators
- Waiters
- Warehouse workers

If you are interested in any of these positions, please contact Johan Dybdahl, PSDC President at 907.789.8018. Or write Mr. Dybdahl at Point Sophia Development Corp., Jordan Creek Centre, Suite 22, Juneau, AK 99801.

Russell Dick envisions what Huna Totem will become two decades from now

Twenty years from now, Huna Totem is a new measurement – a standard of success – for Native village corporations. It has transformed itself into a strong, competitive force in the global economy. It is well diversified and is providing economic benefits to shareholders wherever they live.

Two decades from now, the corporation is maintaining and fostering the importance of our culture and heritage. It is a voice of leadership that protects Alaska Native and American Indian rights and self-sufficiency.

This is the kind of corporation Huna Totem board member Russell Dick is working towards.

“As we delve into a new era of global economies and expansion, it is the charge of the next generation's leadership to continue the successes of Huna Totem. We must maintain and grow our financial and cultural strengths and the shareholders we represent,” he said.

First elected to the Board of Directors last year, Russell, age 30, is the newest and youngest decision maker.

“When I ran for a board seat last year, I felt I was ready to provide a meaningful contribution to Huna Totem.”

RUSSELL DICK

With an eye on long-term goals, he has specific goals he would like to see the Board and the new Chief Executive accomplish during his first term:

- Return Huna Totem to profitability through reduction of corporate expenses and divestiture of nonperforming and underperforming assets.
- Reorganize resources and strategic vision to position HTC to expand into growing markets in the global economy.
- Successful construction and operation of the Icy Strait Point (formerly known as “Cannery Point”) tourism project.
- Establishment of an Elders' Benefit Trust.

at a glance

Russell Dick

Clan:

Kaagwaantaan, Eagle of the Wolf House

Age: 30

Residence:

Juneau, Alaska

Year elected: 2002

Current board committees:

PSDC Partners' Committee

Huna Totem's representative on First Coastal Bank's board



Note: In an effort for shareholders to get to know their board members better, this is the third of a series of profiles on your elected board members.

- Protect and advocate for important cultural programs for our youth.
- Create strategic business alliances in the federal contracting arena.
- Open opportunities for shareholder employment – not only in the traditional “labor” pool, but in management areas, as well.

Russell feels he brings a unique blend of intellect and skill to help accomplish these long-term and short-term goals.

“When I ran for a board seat last year, I felt I was ready to provide a meaningful contribution to Huna Totem,” he said.

He said he has been pleased with what the board, management and new chief executive have accomplished his first year.

“The board took the initiative to put the Elders' Benefit Trust on the ballot for shareholders, and the board and executive management have been working closely together to reduce expenses at all levels. We all can take pride in these accomplishments.”

For the past six years, Russell has been employed by Native regional corporation Sealaska Corp. as natural resources manager, executive manager of Alaska Coastal Aggregates, and currently as director of diversity solutions.

Dick Continued on Page 4

Board of Directors reduces its fees in belt-tightening mode

The Huna Totem Board of Directors recently voted to reduce its board fees by half until the corporation returns to profitability, said Board Chair Albert Dick.

“Changes and cuts have to start at the top,” Dick said. “The board members know they must ‘lead by example’ and we are doing our part to reduce costs to help turn around the company.”

Robert Wysocki, the new chief executive, said many cuts have already taken place this year and more are planned.

- All full-time staff took a five percent reduction in wages and a five percent

reduction in retirement benefits.

- McPhee Publications, a wholly owned subsidiary of Huna Totem, was shut down to eliminate operating expenses.
- Two full-time staff positions were cut in an organizational restructuring.
- Board of Directors fees were reduced by 50 percent until the company returns to profitability.
- Corporate travel has been minimized.
- Other belt-tightening measures are being examined.

New CEO *Continued from Page 1*

manager of the natural resources department to corporate controller.

He holds a master’s degree in business from the University of Washington, a bachelor’s degree in accounting from the University of Alaska, and a bachelor’s degree in business administration (with a focus in operations management) from Central Washington University.

Looking to new business ventures, Wysocki said he wants to find ways to leverage the company’s assets to grow the company. One avenue is to utilize the corporation’s minority status, possibly in 8(a) contracting to become a player in homeland security and diversity supply, he said.

“These are some of the ideas I will discuss with the Board and together we will build a solid strategic plan on where we want to be and how we’re going to get there,” he said.

Meanwhile, some immediate changes are taking place in communications and budget reductions.

“Everyone in the corporation can expect regular communications from now on,” he said. Board members will have instant and

easy access to corporate finances and monthly reports on the computer via intranet. As for shareholders, he’s looking at ways to enhance existing tools – such as the website and newsletters – to communicate with shareholders in and outside Alaska. The goal is “timely and consistent” news and information for everyone.

Cost-saving measures in administrative staff and company operations have occurred, in light of the economy and the company’s financial picture. Overall, there will be more savings through cuts in board member fees, travel, and other corporate spending, he said. *Please read more about budget cuts in above story.*

Wysocki supports the cultural and educational side of Huna Totem through the Huna Heritage Foundation programs.

“As a Sealaska scholarship recipient and former corporate intern, I believe in educational and training programs,” he said. “We have to grow and develop Alaska Natives, to bring the next generation into key management positions.”

Wysocki, a Tsimshian, is not a newcomer to Hoonah and has made Southeast, Alaska, his home. “I love the lifestyle, the outdoor and recreational activities, the weather, and mostly, the people.”

His family is from Ketchikan and his wife’s family is from Juneau. He has lived in the Capital City for most of the past 12 years, working in Hoonah and spending his spare time there, too.

“Hoonah is a special place for me. When I was with Sealaska, I logged many hours there doing timber appraisals and inventory management. I also spent a lot of time active with subsistence, mostly hunting and

“We have to grow and develop Alaska Natives, to bring the next generation into key management positions.”

ROBERT WYSOCKI

get well

HUNA TOTEM WISHES THE FOLLOWING SHAREHOLDER A SPEEDY RECOVERY. OUR THOUGHTS AND PRAYERS ARE WITH YOU.

Christine Jack

congrats

DUANE & BAMBI JACK announce the arrival of a baby boy, Duane Andrew Jack, Jr., born July 10. He weighed 7 lbs. 12 ozs.

JASON & ROXANNE SHARCLANE also announce the arrival of a baby boy, Xaviery Collin Sharclane, born July 30. He weighed 8 lbs.

fishing, in and around the community,” he said. “It’s a place where I can relax and clear my mind.”

Wysocki recently attended a community meeting in

“Hoonah is a special place for me.”

ROBERT WYSOCKI

Hoonah where he got the chance to meet and interact with shareholders and elders.

“I received a warm welcome and I am encouraged by the positive remarks and comments by shareholders,” he said. “I look forward to becoming more of a community member and putting my time, energy and efforts into making Huna Totem a corporation we will continue to be proud of.” 🐻



Huna Totem Corporation

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Russell Dick *Continued from Page 2*

During his tenure, he has gained valuable experience in legislative affairs on the state and federal level, and has governmental experience in laws and relations affecting business activities and functions.

On a planning and budget level, Russell has coordinated the development of long-term strategic plans aimed at innovative diversification opportunities to generate cash flow while reducing costs. He also has implemented financial strategies to increase profits.

Russell holds a bachelor's degree in business and accounting from the University of Phoenix, a bachelor's degree in industrial engineering from Stanford University, and an associate's degree in business administration from Gray Harbor College.

To achieve business success, Russell believes that today's rapidly changing business environment demands that Huna Totem reshape its strategic thinking and how we measure the success and accomplishments of Huna Totem both financially and culturally.

"We must 'think outside the box' to create new and innovative opportunities that build on our foundation," he said. "Moreover, creating financial growth, increased rates of return, and larger divi-

dends requires a shift from a passive operating structure to a more active enterprise engaged in business alliances on a global scale."

He says change won't come easy, but change is necessary.

"We will run into difficulties, but it is through change that we will achieve the goals set forth in our corporate mission, it is through change that we will maintain Huna Totem's position as the envy of village corporations, and it is through change that we will set a new standard of and for Native corporations," he said.

Russell realizes that changes and achieving goals are not done overnight, but past and present leadership have built a solid foundation to work with.

"HTC has been a strong company and has suffered through some difficult times in the past in its quest to become a profitable, well-respected and admired Native corporation," he said. "I attribute our business success to the dedication, loyalty, and perseverance of our leadership at all levels. They have laid the building blocks that poises Huna Totem to rise to the next level of preeminence. I feel privileged to be a part of the 'new blood' to help take us to the next level." 🍂