



HUNA TOTEM CORPORATION

# Shareholder update

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Spotlight on board member Edward Davis

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Busy times for culture and heritage

## Dear Shareholder,

I want to first take this opportunity to wish you and your family a Happy New Year. This past year was another roller-coaster ride for the corporation. We hit several high points with recent business successes but we also had some low points relating to financial performance as we ride out an ailing economy. In this business update, I would like to "accentuate the positives" with a quick review of the past 12 months:



Sam Furuness

- At the annual meeting, I stepped in as the new Chief Executive Officer when Peter Hocson made the decision to retire.
- Huna Totem acquired 21.8 percent ownership of a bank holding company which owns 62 percent of First Coastal Bank in Los Angeles, Calif.
- Keith Skaflestad has filled the position of land watch services, which was created to monitor corporate lands in the Hoonah area. He ensures access compliance and keeps a watchful eye on HTC land.
- Point Sophia Development Company, the joint venture operating partner for the Cannery Point project, signed a contract with a major cruise line. Work is underway to build an attractive tourist destination, slated to open in 2004.
- Don Rosenberger was hired as the new executive to pursue other tourism operations in and around the Hoonah/Juneau area. Rosenberger has a 20-year track record in executive-level tourism marketing and development.



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Huna Totem board members and Point Sophia Development Company management at the signing of a contract to bring visitors to Cannery Point.

L-R Back Row: Ernest W. Hillman, Jr.; Edward M. Davis; Samuel J. Furuness; Paul White, Jr.; Russell A. Dick; Ernest Jack; Ronald D. Williams; Johan A. Dybdahl; Mike Deppner; Tom Suss.

L-R Front Row: Wm. O. "Ozzie" Sheakley, Bertha M. Franulovich, Albert W. Dick, Tom Zaruba.

- McPhee Publishing launched a new website, [www.juneau.com](http://www.juneau.com). This move created a new and promising profit center for Huna Totem. McPhee is a wholly owned subsidiary.
- The corporation made a total of \$706,000 in distributions to shareholders in 2002.

In the coming months, we will report to you the financial results for 2002. You also will have the chance to ask questions of board members at the upcoming shareholder community meetings planned for this Spring. I look forward to keeping you updated this year.

Sincerely,  
Sam Furuness  
Chief Executive Officer

## New shareholder database up-and-running

By now you likely have noticed that your distribution checks have a new look. That's because the new shareholder database is in operation.

The new and improved system allows Huna Totem staff an easier task of updating shareholder records and it improves the efficiency of corporate mailings, such as the distribution checks.

These changes are expected to reduce administrative and operating costs. We appreciate the positive feedback we have been getting from shareholders.

## 2003 Annual Meeting Notice

To All Shareholders,

This is the first notice to shareholders of the Annual Meeting of Shareholders of Huna Totem Corporation to be held June 21, 2003 at the Alaska Native Brotherhood Hall in Hoonah, Alaska. Registration to vote opens at 9:30 am and the Annual Meeting commences at 10:00 am local time.

Each voting shareholder of record will receive a management proxy packet.

Any shareholder who runs as an independent candidate for the Board of Directors is required to comply with all State of Alaska proxy laws and regulations. A copy of each independent candidate's proxy card and other published material to be used in soliciting proxies must be filed with the Alaska Department of Community and Economic Development, Division of Banking, Securities, and Corporations, in Juneau, Alaska, and must be furnished to each shareholder from whom a proxy is solicited either in person or by mail.

If you have questions regarding this notice, please write the corporation at the Juneau corporate office, call our shareholder toll free number: 1-800-428-8298, or send an email to: [shareholders@hunatotem.com](mailto:shareholders@hunatotem.com).

# Davis says diversification is key to our company's survival

Huna Totem board member Edward Davis says the corporation's best chance for growth and survival during these difficult times is through a mixture of business opportunities and a sensible investment policy.

"The corporation is financially strong and I want to see the corporation get back on track towards profitability," Davis said. "I believe the way to do this is to stay on course with the strategic direction to diversify the corporation's investment holdings and to maintain a conservative investment policy."

He says the corporation's recent entry into tourism is a good example of diversification.

"As many shareholders are aware, our tourism operator partner recently reached a major milestone by signing an agreement with a major cruise line for our Cannery Point project," he said. "This is an unprecedented event for the corporation and everyone stands to profit from this — income for the corporation, jobs for shareholders, and a financial boost for the city of Hoonah and the State of Alaska."

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**"The corporation is financially strong and I want to see the corporation get back on track towards profitability..."**

**EDWARD DAVIS**

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"To land such a significant contract during a time of slow economic activity in both Alaska and the U.S. is remarkable ... It paints a bright future," he said.

Raised in Hoonah, Davis, 33, was elected to the board in 2001 and serves on the Executive, Audit, and BrightStar Oversight committees. He holds a bachelor's degree in business administration and a minor in economics from Southern Oregon State University.

He was recently promoted to Marketing Manager for Seattle-based Sealaska Timber Corporation, his employer of ten years. Davis says he appreciates the opportunity to use his education and skills to benefit his Native corporations, a goal he has carried with him for nearly a decade.

"The decision to work on behalf of my

at a glance

**Edward Davis**

**Tlingit name:**

Koox Ko-Naak

**Clan:**

Chookaneidei

Eagle of the

Cedar House

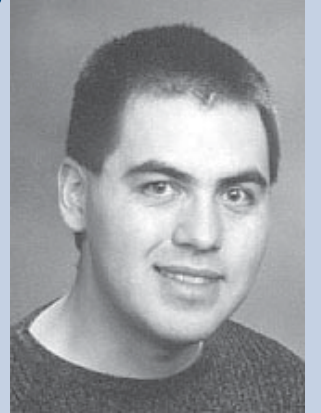
**Age:** 33

**Residence:** North Bend, Wash.

**Year elected:** 2001

**Current board committees:**

Executive, Audit, BrightStar Oversight



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

regional and village corporations was made just out of high school," Davis said. "I knew at some point in my life the corporations would play a meaningful and valuable role for me as a shareholder and as an Alaska Native."

The recent financial and economic woes have not deterred him because he has a grasp of why, and what, if anything, can be done about it.

"In 2001, the corporation reported a net loss, much of which was due to a very poor performance in the stock market, and in 2002 there was little improvement."

"Because the bulk of our company's assets are in the form of an investment portfolio, much of the results are driven heavily by what's going on in the markets and the economy," he explained. "Whether you are in real estate, travel, retail, or investment industries, your financial results are tied to consumer confidence. Unfortunately, consumer sentiment has yet to rebound."

"On the positive side for Huna Totem, we have a conservative investment policy to minimize risk which helps to preserve shareholder equity," he said. This conservative investment policy also carries over to the Settlement Trust, which despite another difficult year for stocks was down only 2.2 percent for 2002. In comparison, the

**Davis** *Continued on Page 4*

# Heritage Foundation has active agenda

## Repatriation workshop hosted

In December 2002, the Heritage Foundation hosted a three-day NAGPRA workshop. NAGPRA is a Federal law that enables Native Americans to seek return of culturally significant objects from museums and Federally funded agencies.

SHI President Rosita Worl, National Park Service officer Tim McKeown and other experts led workshop discussions. HHF Trustee Marlene Johnson and Executive Director Joe Leahy were among eleven Southeast Alaska Native groups in the workshop.

## Mt. Fairweather/Snail House claim continues

The Heritage Foundation and Hoonah Indian Association are continuing the Mt. Fairweather/Snail House's NAGPRA claim to repatriate its *at.oow* from the University of Pennsylvania Museum. The recent NAGPRA workshop gave new strategies for pursuing the Snail House claim.

## Hoonah students in leadership program

Hoonah students took part in last Fall's AFN Elders & Youth Conference and the ANB / ANS Grand Camp convention through HHF Youth Leadership program grants. Gordon Greenwald organizes Youth



I-r: Grace Villarreal, HHF Trustee; Bertha Franulovich, HTC Director; Marlene Johnson, HHF Trustee / Board Secretary; Penny Coronell, HHF Trustee participated in the 2003 Clan Workshop Planning Meeting.

Leadership program for Hoonah City Schools. Future programs include talks with key Alaska Natives about the Alaska Native Claims Settlement Act, current subsistence issues, and parliamentary procedures.

## 2nd quarter/winter semester grants

George Carteeti	Michelle Martin
Mary Alice Cook	Elizabeth Mayeda
Renee Culp	Skyler Mazon
Bradford Dybdahl	Alice McKibbin
Travis Dybdahl	Alice Nichols
Geoffrey Glover	Karen Orazio
Bernice Hinchman	Sharon Parks
Johan Hinchman	Melinda Phillips
Lily Hudson	Paul Rowley
James Johnson	Julia Sheakley
Darrelene Karlson	Frances Warden
Karle Kendall	Richard Wolfe

## HTC Director Williams shares traditional knowledge

While in Hoonah for the ANB / ANS Grand Camp Convention, Huna Totem Corporation Director Ronald Williams talked with 8<sup>th</sup> grade students. He described how and where the Huna people traditionally hunted and fished for their subsistence. Williams also talked about the Huna Tlingit's traditional medicines and cultural protocols.

## HHF trustees set dates/topics for Hoonah's 2003 CLAN WORKSHOP

Set for April 24 - 26, 2003 in Hoonah, the HHF's annual Clan Workshop will include group discussions and individual Clan sessions about cultural Huna protocols. Planned highlights include HTC's Welcoming Dinner, a Clan photo in regalia, and a potluck dinner of traditional foods. See the HHF website—[www.hunaheritage.org](http://www.hunaheritage.org)—for a tentative agenda. 🐻



I-r: Jackie Dick; Russell Dick, HTC Director; Frank White, Sr. at a dinner following the 2003 Clan Workshop Planning Meeting.

## get well

HUNA TOTEM WISHES THE FOLLOWING SHAREHOLDERS AND/OR SPOUSES A SPEEDY RECOVERY. OUR THOUGHTS AND PRAYERS ARE WITH YOU.

Karl Greenwald, Sr.  
Millie Jack  
Esther Kaze  
George Mayeda, Sr.  
Victoria Watkins  
Julie Williams  
Mamie Williams  
Mary Wilson

Shareholder Lily White has recently returned to her home in Hoonah after an extended stay at the Bartlett Regional Hospital. We are pleased to know Lily is doing much better and is back at home.

## Former Princess executive hired to pursue tourism developments

Donald J. Rosenberger, a former Juneau resident and executive for Princess Cruises, has been named the new vice president of tourism development for Huna Totem Corporation.

"Don brings to the corporation a long history in tourism operations and experience in the Southeast Alaska market," said Huna Totem CEO Sam Furuness.



"The corporation will benefit from Don's 20 years of experience in directing strategic acquisitions, capital projects, and operational expansions for regional and international travel and hospitality leaders," said Board Chair Albert Dick.

"He is a definite asset to our executive management team."

**Rosenberger** *Continued on Page 4*

## to the other shore

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

Eva Davis, 93  
Sidney Greenwald, 56  
George W. Obert Jr., 65  
Dorothy Rhodes, 42



## Huna Totem Corporation

9301 Glacier Highway  
Juneau, Alaska 99801-9306

**JANUARY 2003**

PRESORTED  
FIRST-CLASS MAIL  
U.S. POSTAGE PAID  
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PERMIT NO. 18

### JUMBO

*It's been a year  
Since we had to  
Say goodbye  
Tears still falling  
Heart still aching  
Missing you everyday  
Remembering your voice  
Your laugh  
And your hands  
Remembering your stories  
Your advice  
And your wisdom  
Your life touched so many  
I hope that you know  
How much you are missed  
How much you are loved  
Thank you Dad  
For all that you've done  
I pray I can sit next to you,  
When my journey is done.*

— Suzi



We would like to take this opportunity to thank all of you who showed unselfishly your support during the hardest year of our lives. It is hard to believe that it has been over a year already since Jumbo (Dad) passed away. We miss him very much and your prayers, love, and support have helped us each day. Thank you.

— Mrs. Ruth James & Family


## Rosenberger

*Continued from Page 3*

As an outside professional consultant to Huna Totem Corp. and Point Sophia Development Company (PSDC), Rosenberger was a key player in garnering the recent contract with a major cruise line for the Cannery Point project.

His chief responsibilities moving forward include researching and pursuing tourism opportunities in the Glacier Bay National Park and assisting with HTC's oversight of the Cannery Point development and operation. Don will also be available as a resource to PSDC.

During his 16-year tenure with Princess Cruise Lines, Rosenberger was instrumental in the profitable Alaska capital expansion of Princess Cruises into the rail and resort business, doubling revenues and servicing thousands of guests annually. He has also held various sales and marketing positions for Western Airlines and Pacific Northern Airlines.

Rosenberger moved to Juneau in 1946 and graduated from Juneau/Douglas High in 1961. He currently resides in Washington with his wife and family. 


## Davis *Continued from Page 2*

Alaska Permanent Fund was down 5.4 percent over the same period. Some companies heavily invested in equities had as much as a 51 percent loss — and this is why it's so important to keep with our current investment policy.”

Another key ingredient to a business's success is communication, Davis says.

“Before coming on board, I believed HTC needed to improve communication with its shareholders,” he said. “We now have a new website and we are making improvements to the shareholder newsletter to incorporate more news about the investments of HTC while still allowing for shareholder pictures and stories.”

In closing, Davis said he appreciates shareholder support. “I want to thank all the shareholders for their continued support they have given the corporation despite these tough economic times. We will weather these tough times together.”

“With a well-defined strategic plan that encompasses diversifying its core business investments, the Board of Directors, officers, and staff are focused on implementing their strategic initiatives to overcome obstacles to ensure HTC achieves its financial goals. Gu'nalcheesh.” 



## how to contact us

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