Annual Report on Operations
July 1, 2002 – June 30, 2003

maui economic development board, inc.
medb
Our Vision

A future in which abundant opportunities for rewarding employment are met by a qualified, resident workforce in Maui County, a community which honors its cultural heritage and natural environment.

Our Mission

To provide leadership and vision in our community for the responsible design and development of a strong and diversified economy.
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EXECUTIVE SUMMARY

“In our 20th Year”—we proudly proclaimed in 2002! It was a year for reflecting on the past, for learning from our past. Harvesting a Research & Technology Park from a pasture, bringing an incubation center to Maui, enlivening education with technology, ushering a new highway through an arduous process and opening career doors for our youth—boys and girls, we have persevered and transformed our community. We looked back on two decades and felt tremendous appreciation for the dedication this took from our board of directors and staff. And that dedication remained with us as we contemplated our actions for the future.

MEDB moved full speed ahead into its third decade, strengthening the foundations for our vision of “a future in which abundant opportunities for rewarding employment are met by a qualified, resident workforce in Maui County, a community which honors its cultural heritage and natural environment.”

And it was a year for contemplating our actions for the future. The “Maui’s Economic Future” conference opened this fiscal year, bringing residents together to ponder the potential for prosperity. It was only fitting that our longstanding, dedicated partner, Senator Daniel Inouye delivered the inspiring keynote address. Conference participants concluded that the community needed a clear common vision of its hopes for the future. MEDB with numerous partners undertook this task and Focus Maui Nui was born—already attracting hundreds of citizens across Maui County to discover the shared community values that will provide a basis for moving forward.

MEDB continued to work toward our own vision with practical strategies for bringing new businesses to the island and training a workforce to staff them. The Maui Research & Technology Center is home to 120 employees and produces $20 million in revenues. Building on this momentum and other successes, we received a $2 million grant from the Economic Development Administration to construct a new 35,000-square-foot high-tech business incubation facility, and began taking reservations from tenant prospects.

With a solid business message featured throughout our websites, newsletters, brochures and displays, we shared Maui County’s story at conferences on the mainland, with visiting scientists and potential business owners, showing the world that Maui is, indeed, more than beautiful sandy beaches. We nurtured high-tech businesses already in place with support and networking opportunities. We hosted conferences for scientists and meeting planners, helped sponsor high-profile festivals, and partnered with county and state agencies to promote economic development.

We made economics education a reality in 5 additional schools and exposure to the kinds of jobs that will be available to them as adults if they focus now on the basics of math and science. We encouraged women and underrepresented groups to enter science and technology careers. We helped employers in search of workers recruit women for nontraditional jobs and bring talented kama’aina back home. The Women In Technology program continued to be a national leader, publishing original research papers and winning grants for innovative projects.

Our efforts are paying off for Maui County. While the nation’s overall tech industry entered its third year of decline, Maui County surged ahead with an estimated 1,000 tech sector workers earning a median salary of $60,000 per year. The industry generated $120 million in revenue in 2003, with a combined industry payroll of $40 million. The local industry is expected to grow significantly in the next few years, and the current health of the sector can be attributed in large part to MEDB’s previous marketing, business attraction and infrastructure development efforts.

As our efforts in fiscal year 2002-2003 prove, we have no intention of slowing down.
GOAL ONE

Establish and maintain programs in new and existing areas and sectors where MEDB can add value

From high-tech meetings to Hollywood films, from preserving agriculture to planning a highway, MEDB lent its expertise and energy to a range of economic development and community-building projects.

MEDB’s Tech Meetings Maui told the High Tech Maui story at conferences both on- and off-island. Targeting gatherings where our federal and natural assets would be most likely to attract interest, MEDB partnered with other organizations to leverage resources and create a more effective draw at four nationally recognized conferences. Total estimated attendance at these gatherings was more than 15,000 people, and our presence produced several potential business leads. We joined our economic development board counterparts and the Department of Business, Economic Development & Tourism in marketing outreach in Palo Alto in May. On Maui, we participated in various events by providing collateral, hosting display booths and conducting presentations. The array of events included:

- **Tech Net Asia Pacific** in Honolulu, a large event for military, government and information technology professionals in the Asia-Pacific region, targeted because of its focus on defense projects. We met with two companies who are evaluating Hawaii for potential site expansion.

- **Core Technology for Space Systems** in Colorado Springs, where we coordinated our presence with the Air Force Research Laboratory (AFRL). Our booth complemented the AFRL displays by providing broader information about Maui’s tech community, especially as it supports the Air Force’s work.

- **Hawaii International Conference on Systems Science** in Kona, previously held on Maui. MEDB highlighted Maui as a location for research and systems, high-performance computing and industry/educational partnerships. We met with the conference chairs to discuss bringing the conference to Maui, learning it is a possible location if larger tracks are split off as a separate conference.

- **19th National Space Symposium**, in Colorado Springs. High Tech Maui was a strong presence as we reconnected with past contacts and established new ones and promoted Maui’s annual AMOS Technical Conference.

The High Tech Maui exhibit frequently draws the comment: “I didn’t know all of this activity was going on in Maui.”
The Meeting Visions series continued in 2002 on “Emerging Technology and the Meetings Planning Industry” held in December. Over 50 senior planners from industry leaders such as Nortel, Dell, Mitsubishi, Oracle, Microsoft, PeopleSoft, AOL and Cisco participated in presentations about technology products and services. Cosponsors included the Wailea resorts, the County of Maui, Hawaii Tourism Authority, and the Maui Visitors Bureau. The conference capitalized on our world class visitor assets to underscore Maui’s technology message.

The series has positioned us to take Meeting Visions on the road as we did in May in Palo Alto, California. Nearly 20 senior meeting planners attended.

The Tech Meetings Maui program helped host technical meetings and business visitors. These included facilitation of a Federal Emergency Management Agency training session, welcoming the Earthquake Engineering Research Institute, greeting the Environmental Research Aircraft Sensor Technology team, and meeting with the representatives of a prospective school of pharmacy. We also met with a number of entrepreneurs and organizations considering a business presence on Maui.

MEDB was pleased to continue a partnership with the Maui Film Festival at Wailea, which drew more than 17,500 guests, including top film celebrities and national press, and generated an estimated $21 million in visitor dollars. The 5-day event expanded on the allure it has created in its first three years with a wonderful blend of film, music, dance and cuisine. Director Barry Rivers’ prowess in creating and securing promotional partners yielded major sponsorships from Vanity Fair, Landmark Theaters, NASA and Tommy Bahama, in addition to the Hawaii Tourism Authority.

Similarly, successful marketing initiatives produced spots on CNN and numerous national articles, over 219,000,000 impressions in all. In its fourth year, MFFW has achieved Major Festival status from the state’s Hawaii Tourism Authority, in recognition of the maturity of the event and its potential to contribute significantly to Hawaii’s economic goals.

"Hawaii’s answer to Sundance. Attendance has soared, and the Maui Film Festival is beginning to attract free-spending movie enthusiasts from California, the state that Hawaiian tourism officials depend upon more than any other.”
—John Horn, Los Angeles Times

Capitalizing on the health and wellness market sweeping national and international audiences, three seasoned Maui event organizers are presenting the first annual LifeFest Maui. MEDB was asked to assist with securing a Hawaii Tourism Authority grant and worked closely with the organizers as part of LifeFest’s advisory committee. The Wailea resorts figured significantly again as partners to the event.
This year also saw MEDB’s greater involvement in the agriculture industry through participation in the development of an **agriculture strategic plan** for Maui County. The Women In Tech program included both HC&S and Monsanto in the first annual High Tech Maui Holiday Job Fair which opened both companies to tech-oriented prospective employees.

MEDB followed the progress of the **Kihei-Upcountry Maui Highway** as it made its way through the state Department of Transportation to Final Record of Decision and selection of the design consultants.
GOAL TWO
Develop and promote technology and its applications as an industry for Maui and the State

High-tech businesses are lining up to be the first tenants in the new building to be built by MEDB in the Maui Research & Technology Park. In May 2003, MEDB commemorated the receipt of a $2 million grant from the Economic Development Administration of the U.S. Department of Commerce to construct a new 35,000-square-foot building to further assist the development of high tech businesses in Maui. We were joined in the ceremonial check presentation by the Department of Commerce’s Assistant Secretary for Economic Development out of Washington, D.C., Dr. David Sampson, Regional Director Leonard Smith; and Gail Fujita, EDA Economic Development Representative whose area of responsibility includes Hawaii. Our local officials included Mayor Alan Arakawa, Council Chair Dain Kane, and MEDB’s board of directors. The EDA grant required a demanding and complicated grant application process, including an oral presentation in Seattle in October 2002. The grant represents about one-third of the projected cost of the $6.5 million project. Since the grant award in May, MEDB secured a purchase agreement with the Park’s partners and has since worked on meeting the agreement’s requirements and seeking funding for the balance of the project’s costs. MEDB is striving for an early 2005 completion.

The new building already has received letters of intent from potential clients, including some who seek more incubation space after getting their start at the existing Maui Research & Technology Center.

Under MEDB management of the MRTC program, a state incubator for high-tech businesses, has been full for the past four years, providing a starter home for businesses that are producing increasing numbers of jobs and revenue. In this fiscal year, the MRTC housed 120 employees, with an estimated annual payroll of $6 million and client company revenue of $20 million. Thirty prospective clients made serious inquiries, and five new companies moved in during the year, including a new optics laboratory. MEDB expects to apply the extensive knowledge and network it has developed in more than a decade of experience in managing this important engine for high-tech growth in the Maui R & T Park as it fills and operates the new building.

Working with the Small Business Development Center, MEDB capitalized for a second year on a full MRTC through the Maui TechOhana program. Maui TechOhana provides business support services and networking and learning opportunities for individuals involved in high-tech industries. More than 500 attendees participated in TechOhana events, with presentations on technology product licensing, Act 221 high tech incentive legislation, Maui’s astronomy assets, and other tech and business-related subjects.
Maui TechOhana also offered member companies residing outside the fully-occupied MRTC, a post office box and package receipt service, an office for the day, conference room and projector use, and service provider office availability.

**High Tech Maui** expanded its set of marketing tools by adding a series of one-sheet profiles on technology companies in Maui County. The profiles respond to an often-heard request from prospects for more in-depth information on other companies already here. Attention is focused on the most promising sectors for Maui (dual use, space, optics, agribiotech, energy and environmental sciences). The new format allows us to tailor the collection to meet the specific interests of individuals or businesses.

Knowing that many former islanders are home for the holidays, MEDB set the **High Tech Maui Holiday Job Fair** for December. The job fair targeted visiting former Mauians and students attending colleges on the mainland, as well as MCC students, introducing them to tech job opportunities on Maui. The job fair also leveled the playing field for Maui companies, who might not have the opportunity to attend campus recruitment fairs on the mainland. With 15 Maui based-technology employers, the event attracted more than 350 job seekers, 80 percent of whom were Maui County residents. Fifteen technical job placements have resulted to date.

MEDB interfaced regularly with the activities of the **Air Force Research Laboratory** particularly with AFRL’S public awareness and community outreach needs. MEDB helped improve local understanding of the highly technical worlds of astronomy and optics research. This included publishing the semiannual AMOS newsletter, circulated to more than 4,000 scientists and government stakeholders, preparing collateral materials and maintaining the website, all with informative content and engaging graphics. MEDB also coordinated logistics and events for scientific and military visitors to Maui Space Surveillance Site on Haleakala and the Maui High Performance Computing Center.

Planning for the annual **AMOS Technical Conference**, managed by MEDB, is woven throughout the year and reaches a crescendo as the seven-day event approaches. Held in September at the Wailea Marriott Hotel, it attracted 325 participants from government agencies, the scientific community and a number of international organizations. Up from 275 in 2001, we anticipate conference attendance will grow by 25% again in 2003.

“The detailed planning and coordination that went into the development and execution of the AMOS/MSSS event for the last two years has been superb... Maui is such a great place to visit and the AMOS Technical Conference is really a high quality technical conference that we enjoy attending.” - Joe P. Golden, Director, Militarily Critical Technologies Program

MEDB facilitated many side meetings during the conference, and coordinated optional tours of Maui Space Surveillance Site and Maui High Performance Computing Center, the Big Island’s Mauna Kea Observatories and the Pacific Missile Range Facility on Kauai. The published
proceedings include more than 100 papers and poster presentations from leading scientific experts. Economic impact of the conference amounted to more than $750,000, in addition to the new business partnerships it generated for AFRL.

MEDB continued to convene the Federal Network group quarterly, bringing together the various entities who receive federal Department of Defense funding. Through the Federal Network sessions, MEDB seeks to collaborate and coordinate initiatives which further their common business development and operational interests. Past results of the ongoing dialogue included paid internships through the Center for Adaptive Optics and improved technical library access in partnership with the Business Research Library.
GOAL THREE

Support and enhance educational and workforce development programs that prepare Maui County’s youth and adults for the jobs of the 21st century

MEDB made its presence felt in areas ranging from 4-H groups to digital cinema to trade unions in order to reach important goals in educational and workforce development, building the pipeline from education to employment in science, technology, engineering and mathematics.

If Maui County is to thrive, its residents must be ready for the jobs of the future. To ensure that no one is left behind, tomorrow’s workforce must match island demographics in terms of gender and ethnicity, with proportional representation by women and people of color. MEDB helped the community work toward this goal through its Women In Technology program, the Digital Crossroads Conference and multi-tracked education-to-work programs.

MEDB’s Women In Technology program has emerged as a national leader in innovative workforce development projects, with programs designed to guide underrepresented groups toward well-paid jobs in technology and nontraditional fields. The goal is not only to facilitate girls/women into new career opportunities, but also to promote the overall economic development of Hawaii’s technology industry by building a skilled resident workforce.

MEDB realizes the importance of starting early, before math phobia and other adolescent social pressures sidetrack young people who have scientific or mathematical potential. With augmented funding from the County of Maui and Kamehameha Schools the program outreach was expanded to younger grades—serving middle and elementary school students.

As a U.S. Department of Labor national pilot and demonstration project, WIT takes its responsibilities seriously and widely disseminates results of its program models. Six of WIT’s peer-reviewed papers were published and presented at national/international technical and policy conferences last year.

WIT also made statewide presentations and joined in strategic discussions on the local level, reaching more than 2,500 teachers, counselors, parents, administrators and students with information on engaging and retaining students in science, technology, engineering and math fields. The program continued to build upon relationships with industry, keeping on the pulse of what skills business needs. WIT provides the critical intersection, as employers become more aware of Hawaii’s potential for developing skilled workers, and teachers learn that high-tech jobs are available and growing right here at home for students with aptitude and training.
Some of this year’s accomplishments exemplify the multi-faceted strategy of Women In Technology:

- **Future Scientists and Engineers of America (FSEA)**—Wisconsin is a long way from Hawaii, but it shares with Maui the challenges of rural communities trying to access technical skills. WIT will serve as a model for Wisconsin through a new U.S. Department of Agriculture (USDA) grant for a groundbreaking program to establish FSEA clubs at the elementary and middle-school level and in traditional rural groups such as 4-H and Girl Scouts. As regional director for the Hawaii chapters of the FSEA, WIT supports chapters in Maui County public high schools and provides informational meetings with students, educators, parents and businesses. Last year, WIT introduced FSEA to the county’s public intermediate schools, including Molokai and Lanai. WIT also leveraged the successful launch of the program on the Big Island and Kauai.

- **Project EAST** (Environmental and Spatial Technology)—MEDB provided pivotal advocacy and support for the more than 480 students participating in Project EAST programs in Maui County high schools. For the third consecutive year Maui students brought home top honors from the National Project EAST Partnership Conference, held in March 2003. Among the immediate community benefits: Project EAST students from King Kekaulike High School designed the HC&S web site, and the County of Maui used Project EAST data collection to map energy consumption in Kihei, travel patterns on the roadways, and migration of mice to track the potential spread of typhus.

- **EXCITE Camp**—Twenty intermediate school girls of Native Hawaiian ancestry enjoyed hands-on engineering activities, learned about science and technology in the context of their cultural heritage, and were mentored by young women studying or employed in these fields during visits to the Maui Space Surveillance Complex, the Institute for Astronomy and the Maui High Performance Computing Center in August 2002.

- **MentorNet**—WIT continued to partner with MentorNet, a national Presidential-award winning initiative that pairs community college, undergraduate and graduate women in math, engineering and related sciences and technologies with engineers and scientists working in industry and national labs. The program provides mentors and mentoring by e-mail for female students enrolled at all nine campuses throughout the University of Hawaii system.

- **Tech Careers Day: I am the future**—A special outreach this year brought 31 students from Lanai High School and 9 from Molokai High School to join 23 of their fellow students from Maui Island for a two-day immersion in technology. WIT planned/supported travel for the off-island students carefully so that they could be on Maui in

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Ever wondered about the inner workings of your computer? EXCITE Camp participants learned first-hand how to take one apart.

Students learned the theory of displacement in this hands-on FSEA experiment.

Teamwork, planning, and execution were the key to success in this Robotic Arm activity.
time to take full advantage of the entire event. Day one opened with a panel of young technology professionals, followed by visits to Maui Research & Technology Park companies, and concluded with a challenging engineering game. For day two, students visited the Maui Space Surveillance Complex atop Haleakala.

- **Center for Adaptive Optics Akamai Internships**—Eleven Maui Community College students interned last summer at Maui and Hawaii Island organizations working in adaptive optics, the science of sharpening images produced by optical systems such as telescopes, cameras and the human eye and other related technologies. WIT convened the fruitful partnership including CfAO, MCC, and Maui industries and further spearheaded recruitment for the inaugural Akamai Internship program targeting students interested in pursuing a career in science, technology, engineering or math fields. After a five-day MCC short course in general optical principles and adaptive optics, participants were matched with local industries for eight-week paid internships. One-third of the student interns were women, and two-thirds were from underrepresented groups.

- **Introduce a Girl to Engineering Day**—WIT coordinated four events as part of National Engineering Week, two on Maui, one on Hawaii Island, and one on Oahu. Nearly 70 middle and high school female students shadowed engineering professionals and received a first-hand introduction to engineering, its diverse applications and its importance to society.

- **WANTO (Women In Apprenticeship and Non-traditional Occupations)**—WIT has broadened its scope to help women break into the trades as apprentices, thus preparing them to earn considerably more than in traditional females jobs, while supplying labor for fields where there is a shortage of skilled workers.

WIT was one of eleven grantees (out of more than 500 applicants) awarded second-year funding by the U.S. Department of Labor Women’s Bureau to provide technical assistance to employers to recruit and retrain women in apprenticeships and other nontraditional occupations.

As a result, 70 women were placed into apprenticeships during 2001 and 2002, with an additional 10 women pending placement. Women participating in registered apprenticeships almost doubled from 2001 to 2003, from 99 of 3,060 placements, or 3.2% in 2001, to 180 of 3,543 placements, or 5.1% in 2003. This increase is directly attributable to WIT’s work under the WANTO grant.
World-renowned professionals provided in-depth instruction on multimedia software and design techniques at the Digital Crossroads Hawaii conference, held November 2002. MEDB developed the conference with support from the Hawaii Tourism Authority, County of Maui and Maui Community College. More than 60 individuals from the mainland, Oahu, the Big Island and Maui attended sessions moderated by major names in the digital media world.

The conference showcased MCC’s new Ka’aike Technology Center and strengthened relationships with key industry stakeholders. Publicity showcasing Hawaii as an ideal training location for digital media included mailings to more than 15,000 potential registrants, one-on-one meetings, local and national news releases and a website which drew 200 inquiries.

Digital Crossroads Hawaii featured top industry talent:
Steve Broback, Cofounder, Thunder Lizard Productions and President, Avondale Media; Jim Heid, Author, Contributing Editor, MacWorld; Jack Davis, Author, Photoshop Wow: Tips and Tricks; Lisa Lopuck, Author, Designing Multimedia and Web Design for Dummies; Dan Doerner, Freelance Illustrator, Designer and Digital Imaging Specialist; Kelly Goto, Author, Web Redesign: Workflow That Works

Digital Crossroads Hawaii took full advantage of the state of the art Ka’aike Technology Center on the campus of Maui Community College.
GOAL FOUR

Ensure that the community is an integral part of the process that drives economic development in Maui County

The businesses that flourish in our community affect our environment in such fundamental ways as the quality of the air we breathe, the kinds of homes we can afford and the amount of traffic on our roads. The jobs that business provides shape our days and determine how well we can support our families. Our youth will choose to stay on the island, or to leave, depending on how fulfilling the work is that they can find here. It is vital, therefore, that the citizens of Maui are active participants in deciding the direction of our county’s economic future. One of our major thrusts in the past year was to prepare the community to articulate its needs, opinions and values in ways that foster constructive dialogue about economic development.

What should our future be? That was the question posed to leaders from government, business, education, and community organizations at the reprise of “Maui’s Economic Future.” The 1981 conference on the economy led to MEDB being formed in 1982 to shepherd our community’s way into diversification through high tech. In July 2002, MEDB marked its 20th anniversary with a reprise the dialogue that began two decades earlier at the first conference. For two days, more than 175 members of the community joined 20 presenters to considered the issues that matter for economic stability in the county. Traditional topics such as jobs, technology, the tax structure and training opportunities were central to the discussion. But the conference also focused on subjects sometimes overlooked: housing, public education, youth development, the environment, community interconnectedness and corporate accountability. A conference summary appears in the appendix, and detailed reports of the conference are posted on the MEDB website.

Roundtable discussions at this conference ultimately called for the development of a shared vision based on the concerns of all Maui residents. With a shared vision in place, the components could be designed to achieve the vision.

Spurred by the conclusions of the conference, MEDB, the County of Maui and the Maui Chamber of Commerce took on the task. A 26-member Advisory Team, itself a microcosm of diversity, was formed and provided invaluable perspective on how best to engage the community at the most grassroots level. Focus Maui Nui’s process ultimately benefited from lessons of past efforts. The Team worked with Fern Tiger Associates to create a series of branding actions for Focus Maui Nui.
We officially launched the process on May 3 by gathering the Mayor, County Council members, state legislators and other community leaders to canvas residents at shopping malls and neighborhoods personally inviting them to take part. Canvassing was supported by subsequent direct mail solicitations, ads and presentations throughout the community, including Molokai, Lanai and Hana.

A team of 15 trained facilitators helped ensure consistency and professionalism in the small group sessions of 10-15 people. Pre-implementation included creating an engaging script and attractive materials for the 90-minute forums, establishing a website, publicizing the project using multiple media from print and radio to a flyer in household water bills, holding a public launch and scheduling the forums. MEDB fielded hundreds of calls, emails and faxes, and set up a database to deal with this flood of input.

_The session with YouthBank was highly successful. The youth “got it” from the outset. You can count on the outcomes as authentic. They realized that their opinions about the future of Maui are being taken into account. What a privilege for them to be participants._

—Jim Crowe, Youth Coordinator, Maui Economic Opportunity

We will benchmark Focus Maui Nui’s success by measuring the following program goals: reaching a minimum of 1,000 residents; engaging the disenfranchised; successful discussion of critical matters in a nonconfrontational spirit; demonstration that this diverse community still shares common values and goals; participation by residents of remote areas; and extensive documentation of this very complex visioning process.

Sessions will conclude in August 2003. Clearly, Focus Maui Nui has been of great value to the community even before the results are compiled and shared, which is projected for December 2003. Existing networks were strengthened and new ones built, and collaboration with other partners will result in adaptations of the Focus Maui Nui approach to new audiences.

Economics is a life skill. As they prepare to make decisions about entering the workforce and choosing career paths, it is a critical part of our investment in our children’s future. MEDB adheres to the strategy of reaching our youth on economic concepts through their teachers. We expanded our Economic Literacy program in the schools building to 100 K-12 teachers now trained to incorporate economics or financial curriculum in the classroom. They represent a reach of more than 2,000 students each year. In all of our offerings, the emphasis has been on improving access to—and considerably reducing the expense of—training by arranging for on-island opportunities.

We offered the five-week online course in Fundamentals of Economics again with the assistance of project consultant and MCC economics instructor, Cynthia Foreman. The second offering came with an added feature. When the course was first offered, we learned that many teachers are not versed in writing or creating curriculum and lesson plans which represented a challenge because the teachers are meant to produce lesson plans in the workshop. Ms. Foreman found a solution in colleague Dr. Kathleen Flickinger whose area of expertise is in instructional design and pedagogy.
Dr. Flickinger led the course participants through a workshop entitled *The Opportunity Cost of Winging It* which provided teachers with the skills to identify the necessary and/or missing components of effective lesson plans. She along with Ms. Foreman provided networking sessions to support the teachers and to encourage peer-to-peer learning. MEDB continued to host the online bulletin board feature of the course. Here is what a few of the teachers said about the learning experience:

"I was impressed with the way the online course was set up. I found the website easy to use, which made my time use more efficient. Also, Cynthia provided some very supportive and helpful feedback."

"...the online format was very convenient because I could do it whenever I had time and it was available at home or school."

"I really appreciated the neat lesson ideas [from the course] and the refresher of economic terms."

We assisted in bringing Kaufmann Foundation’s *Mini-Society*—an experience-based instructional system targeted primarily for teaching entrepreneurship, economics, and citizenship concepts to students ages 8 to 12—training to Maui, offering 13 teachers plus Ms. Foreman an opportunity to remain on-island for training in this demanding but also very rewarding curriculum.

Our third opportunity capitalized on the Harry Potter craze. Through our partnership with the Hawaii Council on Economic Education, we became acquainted with two nationally renowned Ball State University professors, DeVon Yoho, Ph.D. and Sally Jo Vasicko, Ph.D. who created *Harry Potter’s Economy and Polity*. The course uses the popular children’s series to teach economics and the relationship to government policies. Plans are in place for a teacher workshop in early August 2003 on Maui.

Students in Ray Hart’s 5th-grade class at Kamalii Elementary School rewarded MEDB’s investment in training by earning first place in the annual statewide *Stock Market Simulation* competition. The elementary school students’ simulated investment portfolio earnings beat those of high school teams across the state.

* [I predict] “a large group of wealthy children coming out of this program because they will know the basics of economics and investing.”

—Ray Hart
GOAL FIVE

Gather and analyze economic information, determine appropriate actions, and communicate information in most effective format to our community.

Our citizens must have comprehensive, accurate and timely information if they are to make good decisions for our community. Throughout the year, MEDB screened and organized information on economic issues and opportunities, and issued communications through a variety of media about economic matters of public interest:

The Focus Maui Nui community visioning project warrants special mention because of the multi-media strategies used to inform the public about the opportunity. Direct mail initially alerted numerous formal and informal community groups. The public launch on May 3 was televised on the evening news of the three major Hawaii TV stations. Ads in The Maui News occurred over several days. Radio spots ran several times a day for two weeks urging participation. Flyers were stuffed into all county water bills. A special Focus Maui Nui website received hits throughout the May to August period from curious citizens. Editorial coverage featuring session participants personalized the forum experiences. We did presentations to community groups ranging from the Puerto Rican Cultural Association to the Kahului Rotary to the Business & Professional Women. All of the above proved effective in branding the project as we reached into the community with telephone calls; there was already a level of awareness of the project as we talked with residents.

As we move into sharing the findings of Focus Maui Nui with the community, we will again look to multi-media solutions.

In other matters, we used similar strategies to ensure that the community has easy access to information about economic data, concepts, issues and opportunities:

- **Community Profile**—The Maui County Community Profile, located on the website and available on CD-ROM, now incorporates analyses, commentary and comparisons with other communities to help businesses considering a Maui County start-up or relocation. The county overview, infrastructure, business incentives, workforce development, and living-on-Maui sections include analytical data as well as statistics.

- **Media Relations**—We talked regularly with reporters to assist with stories about new businesses, new legislation, or outcomes of projects.

- **Websites**—A strong internet presence is critical to MEDB’s economic development activities. Business prospects, potential partners and even prospective hires are regularly tapping our websites either before or after meeting with us, resulting in a significant increase in hits. Recognizing that they must be more than digital brochures, the sites demand ongoing attention to sustain their value as an economic resource through updating of information, of navigation and of visual appeal.
In addition to the Focus Maui Nui website, MEDB tended to three other sites: High Tech Maui, MEDB and the newly launched Women In Tech web site. WIT was at last able to obtain the www.womenintech.com domain name and establish a dedicated presence.

- **High Tech Maui Newsletter**—If "the medium is the message," the newsletter made the right move by initiating email distribution. Hard copies of the newsletter are still available for distribution at conferences, via mail and in marketing information packages. Quarterly distribution totals approximately 10,000. The High Tech Maui website now includes a full historical archive of newsletters back to 1997.

- **Community Presentations**—Speaking with informal or formal groups in the community about MEDB’s projects or programs are relished opportunities which occur throughout the year. A sampling of groups this year included the Maui Farm Bureau, Maui Board of Realtors, Lahaina Rotary and St. Anthony High School’s senior science class.

- **Community Participation**—Through active membership in a variety of entities, MEDB offers its perspective to other economic development related activities in the community. These ongoing interactions occur with the Maui Chamber of Commerce; Tri-Isle Resource, Conservation and Development; Nonprofit Executive Directors Association, Workforce Investment Board, and the Maui Visitors Bureau.
GOAL SIX

Ensure economic development in Maui County is culturally and environmentally appropriate

The people of Maui County care about the unique multi-cultural beauty of its people and delicate natural environment. MEDB’s mission and vision embrace these values.

Our work therefore encourages development of policies and programs that are sensitive to and proactive in protecting our cultural heritage and precious environment. At the conference on “Maui’s Economic Future” for example, we looked at new ways to strengthen and diversify the economy and considered solutions complementary with cultural and environmental values as well as corporate social responsibility.

MEDB brings this perspective of weaving cultural and environmental values into the economic development context to the various board deliberations that it serves on including the Maui Chamber of Commerce, the Tri-Isle Resource, Conservation and Development Council, Maui Nonprofit Executive Directors Association, Workforce Investment Board, Maui Historical Society, Commission on the Status of Women, and Maui Business & Professional Women.

Our interactions with the AFRL on Maui led to their active involvement in new and continuing community activities. We began concept development on a “Sense of Place” orientation program in collaboration with the AFRL and leadership from the native Hawaiian community. At the core of the program will be a video series which engagingly builds understanding of the historical and cultural significance of Haleakala in the context of our island home. Other supporting materials will become a part of the presentation which will familiarize all Air Force Research Laboratory and Institute for Astronomy employees and contractors who work at the suite of telescopes of the Maui Space Surveillance Site and University of Hawaii’s site.

For the middle school level, the marriage of science and culture relative to Haleakala are the underpinnings of the innovative teaching methods that anchor Excite Camp. Now in its third year, MEDB united the resources of AFRL and Kamehameha Schools to “excite” girls about astronomy and optical science.

As I look at all the wonderful opportunities I’ve had, it becomes apparent how much I’ve benefited from the WIT program and its partnership with education and business. They have played an integral role in turning my dreams into reality.
Kawai Kuluhiwa, Astronomy Student, Excite Camp Mentor

The Future Scientists and Engineers of America program which began in the high schools has reached into the middle school levels. All FSEA schools must comply with the requirement of reflecting the demographic breakdown of their school communities including gender, ethnicity, and socio-economic levels.

Elements of these two programs give students an understanding of science in the context of real-world applications and their host culture.

MEDB lent support again to the expansion of the Maui Film Festival at Wailea which realized unprecedented success in 2003, its 4th year. The MFFW’s wonderful blend of Hawaiian culture into its world-class marketing and offerings is exemplary of perpetuating cultural values in a commercial endeavor.
GOAL SEVEN
Maximize potential for economic development through collaboration with statewide organizations

Hawaii’s geographic position, multicultural community and unique physical attributes make cooperative efforts by statewide organizations both efficient and desirable. Throughout the year, MEDB enhanced linkages to public and private sector organizations interested in an affecting economic development and partnered with appropriate agencies and projects.

MEDB serves on the board of directors of the Economic Development Alliance of Hawaii (EDAH) which is a statewide nonprofit organization initiated by the economic development boards. We are joined by our counterparts from the other economic development boards across Hawaii. This year our strategic planning discussions produced a renewed purpose and direction to the future actions of the organization. One of EDAH’s projects works to stimulate new or strengthen existing Pacific tropical ornamental fish businesses through a grant process.

EDAH members joined forces along a couple of fronts this past year. We presented our respective economic strengths and challenges and our views of where the state’s partnership would be most effective. At the committee’s request, MEDB subsequently gathered 15 Maui businesses for a video conference session with the committee to relate the most pressing challenges they are facing. In May, we traveled to Palo Alto to send a collective message about high tech business opportunities in each of our counties and the related job prospects these represent particularly for kama‘aina looking to return home.

In January, Jeanne Skog was elected chair of the Hawaii Council on Economic Education. We have worked closely with HCEE since launching our Economic Literacy program. MEDB’s conference planning strengths will be applied to HCEE’s first annual Economic and Financial Literacy Conference in August at which Senator Daniel Akaka will keynote. Senator Akaka is dedicated to achieving the goals of economic and financial literacy.

The Women In Technology program achieved its state-wide implementation goal through expanded partnerships with Hawaii Island Economic Development Board, Kauai Economic Development Board and the first Oahu-based MEDB employee hire. Divina Corpuz joined the WIT team as a classic “kama‘aina come home” recruit, she will lead our rural Oahu education and workforce strategies.

Leslie Wilkins completed her tenure as chair of the Hawaii State Commission on the Status of Women, where she helped facilitate a partnership with the University of Washington and Wider Opportunities for Women to produce The Self-Sufficiency Standard for Hawaii. In April 2003, we anchored a press conference releasing this in depth study that provides specific county and sub-county data on the actual costs of meeting a family’s basic needs. The market-basket approach to documenting the cost of living also revealed that only 2 of the top 10 occupations in Hawaii have wages that are above the self-sufficiency standard. The report further suggests the need to invest public resources (either directly, or in the form of tax breaks) in those industries and economic opportunities that will yield higher-paying jobs.
Women In Technology program expanded collaboration with the University of Hawaii’s College of Engineering to improve recruitment from the neighbor islands. We hosted the UH Career Office and conducted orientation on MEDB, High Tech Maui and WIT to build understanding of the opportunities for graduates. Our WIT program sponsored neighbor island high school female student participation at the UH Manoa Engineering Expo in January, where students toured labs and competed as teams in various engineering activities.

*It (MentorNet) has provided me encouragement and confidence in going through a computer science degree.*

Jennifer Tom, Maui Community College Student

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A total of 97 students participated in MentorNet across the University of Hawaii system in 2002-2003.

![Baldwin High School students attend UH Manoa Engineering Expo to pursue career options in Engineering.](image)
As of April 2003

The Honorable Alan Arakawa  
Mayor  
County of Maui

Mr. Radha Arora  
General Manager  
Four Seasons Resort

Mr. Allen As hitomi  
Complex Area Superintendent  
Department of Education

Captain Eugene Bal, III  
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Mr. Don Forrester  
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U.S. Department of Labor
U.S. Department of Labor, Women’s Bureau
Verizon Foundation
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CONFERENCE SUMMARY

Maui’s Economic Future
July 1 & 2, 2002

Summary of Roundtable Discussion Group Reports and Recommendations

Conference participants met three times over the two days to discuss local economic issues and future-planning. Six roundtable groups, each with roughly 15 members, discussed a series of prepared questions before compiling their recommendations and reporting back to the entire participant group. Some of their suggestions mirrored basic findings from prior discussions about promoting economic development, while new ideas also emerged as the groups considered how the county could be innovative in meeting present challenges. Following is a summary of key recommendations from these discussions.

1. In moving forward with its economic plans, Maui County must develop a shared vision based on the concerns of all Maui residents.

Participants agreed that Maui County is well positioned to build on its economic progress of recent decades to continue working for a better future. However, it was generally acknowledged that a singular plan for the future, based on principles shared by the full range of demographic and interest groups on the islands, does not yet exist. Maui County should seek the input of a broad cross-section of local residents in developing a strategic vision for the future, one that stems from a collective notion about what’s best for the county and its residents. This vision, in turn, would guide decision-makers in planning for growth or development and determining spending priorities. Conference participants suggested that leaders in government, business, and the nonprofit sector should be held accountable to this vision, which would represent the public’s priorities and objectives for action.

2. Maui should work to strategically diversify the economy through combined efforts across sectors.

It was recommended that the county continue its work to diversify Maui’s economic base with a number of considerations in mind. First, while working to attract new businesses representing such industries as high technology, Maui should seek simultaneously to support the existing mainstays of the visitor industry and agriculture. Thus, Maui could benefit by combining programs to encourage traditional economic ventures with newer ones – for example, by offering incentives to companies that develop technology for hotels or farms or by capitalizing on existing relationships with the military to encourage further federal space and technology research in Maui County. Secondly, diversification should be viewed as the shared task of the public and private sectors based on efforts by county officials, business owners, educators, and local community members. Finally, the goal of diversification should be to contribute to a more stable economy without destabilizing the visitor industry or farming. Participants encouraged the county to explore options for attracting new revenue-generating industries that will help pique outsiders’ interest in the islands. Such ventures might include film, sports, or distance education.
3. In reaching out to prospective partners, the county must **capitalise on and shape the Maui brand** to communicate the many incentives for doing business in Maui.

Maui offers a number of important assets to those who would do business in the county. Among its most well-known advantages are a temperate climate, natural beauty, a healthy and pollution-free environment, and the “aloha spirit” of its people. But the county should also raise awareness about the strengths that often go less publicized. Examples of this include Maui’s powerful and growing bandwidth, the deep work ethic of its residents, local government innovations such as tax breaks and incubator programs for new businesses, and the “time zone advantage” that allows companies to work with the mainland U.S. and East Asian countries during the same business day. Future branding of Maui products and services should be strategic and tailored to communicate the appropriate message to target audiences, while encouraging employers to see the full range of Maui’s strengths.

Participants provided examples of how the county may choose to brand itself for specific industries. In promoting the islands’ technological potential, Maui could be marketed as an ideal site for companies to pilot or test their products in a microcosm of the United States that is uniquely isolated and appropriately reflective of the nation’s diversity. And, as one of the healthiest places in the country, Maui could cite statistics about residents’ longevity and fitness when approaching potential business partners in exercise or expedition companies, healing and treatment centers, wellness centers, medical or biotech companies, or senior housing facilities interested in meeting the needs of the aging Baby Boomer population. Finally, it was suggested that the visitor industry could play a part in promoting the island as a place for more than just relaxation and beaches by giving tourists more opportunities to learn about marine science, astronomy, and other educational topics through targeted programs.

4. **Education and workforce training are top priorities** as Maui seeks to attract businesses and well-paying jobs to the islands.

Assured that Maui is taking positive steps toward the establishment of a four-year public university, participants considered additional actions for securing access to education and training that will help current and future workers prepare for a diverse economy. A first priority should be shoring up gaps in the current educational system so that, from early childhood through college, students are able to receive quality instruction in Maui County. Discussion groups recommended that the state pursue options for spurring educational excellence through competition and investments in more than one university statewide. Primary and secondary schools should be held accountable for teaching creative thinking and problem-solving to foster entrepreneurial thinking in young people. If schools consistently fell short in reaching educational goals, conference participants suggested that the county explore pros and cons of having a Maui educational system independent of the state.

To meet the needs of potential employers, the county could conduct a survey of businesses to determine priorities for local educational and training programs. High schools should seek opportunities to partner with local businesses for internships, mentoring, and school-to-work programs to broaden students’ exposure to the working world. The county should also expand training options available for those already in the workforce to encourage career advancement and on-the-job excellence.
Finally, participants recommended that the county work to advance economic education among youth and adults so that more residents would make wise financial and business choices. Some roundtable groups said that economics should be in the core curriculum for high school students. Others suggested that a campaign be waged to educate local investors and encourage them to investigate business ventures in their own communities deserving of capital.

5. Economic development must complement efforts to preserve natural habitats and culture in Maui and to provide housing that is affordable to local residents.

To remain true to Maui’s lifestyle and values, economic growth must not come at the price of the local natural environment, the islands’ history, or the people who make Maui home. Rather, plans for improvements in the economy need to address residents’ environmental and cultural concerns, as well as their interest in being able to purchase homes in the community. It was recommended that the county integrate economic thinking into its current planning for a “smart growth” framework in Maui. Such “smart economics” would entail merging the strategies and principles of smart growth land use with residents’ vision for responsible economic development.

Participants suggested that the visitor industry continue offering programs that highlight Hawaiian culture and history, as well as the natural environment (eco-tourism), so that tourists play a role in cultural and environmental conservation. In looking at possibilities for serving rural and poor communities on the islands, discussion groups recommended exploring the possibility of creating “enterprise zones” in Maui County to stimulate job growth and investment in the areas where these things are most needed.

6. Maui County should make creative investments in infrastructure to address the needs of the community and local businesses.

Participants called for immediate action to bring viable systems for public transportation, more accessible water, high-quality harbors, and the latest in communications technology and networks. The roundtable groups expressed a conviction that local leaders would be well equipped to handle these and other challenges once provided with a guiding community vision and principles (as mentioned in Recommendation #1). Leaders were encouraged to be creative in leveraging funds from the federal government and the private sector to meet immediate needs. Furthermore, local government should address the sometimes overlooked hurdle of regulatory bureaucracy, which may have blocked responsible infrastructure and business developments in the past. Roundtable groups suggested that the government work to improve its data collection and information systems and to ensure regulations and public policy are streamlined so that responsible businesses and developers won’t encounter extreme hurdles in relocating to Maui.

7. The county should deepen the community’s commitment to agricultural ventures in order to strengthen local farming and contribute to sustainability on the islands.

Maui has made significant strides in agricultural biotechnology, aquaculture, and diversified agriculture – all of which help to reduce the county’s dependence on imports and bring additional revenue to the islands. But during a time when fewer young people seem to be planning careers in agriculture and when farmers face mounting global competition, conference participants noticed a need for special support for this industry. It was recommended that the county explore options to expand education and training for farmers and for those considering farming careers, while looking into ways to ease regulations that limit the industry’s ability to export products or expand within the county. Some participants noted that logistical obstacles to running bed and breakfasts
on farms should be addressed, so that these small businesses can be legitimized and supported as the larger accommodations have been.) It was recommended that Maui examine opportunities for research to help farmers become more forward-thinking in anticipating agricultural demand and trends around the world. Such research could lead to further diversification of crops into specialty areas such as gourmet vegetables, specialized timber, or industrial hemp for clothing.

8. The achievement of economic and other goals depends in part on the county’s ability to build supportive community networks invested in Maui’s advancement.

Because community improvement will require residents working together, summit participants believed that local government and businesses should strive to foster and build upon existing pools of social capital by supporting professional networking associations, community volunteerism, voter registration drives, and other projects that promote and maximize civic engagement. Employers were advised to create more time for community activities by adopting policies such as flexible work hours and family leave. Conference attendees urged government to do its part by making bureaucratic processes as open and accessible as possible and by creating programs that encourage leadership in the next generation. These measures will have an enduring impact, as an increasing number of local citizens feel engaged in and committed to the community’s progress.