



2019 IDAHO KNOWLEDGE REPORT

**THIS IS KNOWLEDGE.  
TURN IT TO ADVANTAGE.**

# DISRUPTION



2019  
IDAHO  
KNOWLEDGE  
REPORT

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## DEAR FRIENDS

A key area in growing a knowledge-based economy is supporting innovative industries that produce disruptive products and services. Clayton Christensen introduced the concept of “disruptive innovation” in his book *The Innovator’s Dilemma*. He used “disruptive innovation” as a way to think about successful companies and not just meeting customers’ current needs but anticipating their unstated or future needs. In Christensen’s writing, business disruption was a good thing. As technology continues to evolve at a rapid pace, companies in Idaho are driven by the intellectual property and ideas they develop.

Over the past two decades Idaho has been fortunate to witness disruptive innovation from several companies that are driving market demand. These industries have been in cloud services, the internet of things, agriculture, cybersecurity, energy, forest products, ecommerce, fintech, and more.

As you read through this report, reflect and think of entrepreneurs and companies that are developing disruptive products and how this innovation is changing your community. We must harness all such ideation in Idaho and create future 15-year plans to grow and develop a long-term knowledge economy.

Top areas of focus for growing a knowledge economy continue to be:

- Improving talent and student preparedness for optimal operation within, or in pursuit of, a knowledge-based economy
- Developing ever-stronger capital networks in Idaho
- The commercialization of ideas, allowing products and services to reach markets effectively
- A keen awareness of opportunities surrounding infrastructure, both existing and anticipated
- Quality of life—the underpinning to growing a knowledge economy with community benefits: better health, increased innovation, connections to the arts and social sciences, and enhanced educational heights as well as the stairs to reach them

The 2019 IDAHO KNOWLEDGE REPORT provides the necessary metrics to build a vibrant, more innovative economy. We need to focus on “disruptive innovation.” This collaborative report measures success and identifies strategic actions. To create change, our next, new, and bold initiatives must be fueled by local leaders and industry champions.

Let’s work collectively to build a stronger, more innovative Idaho.

Best,

Jay Larsen  
President & Chief Executive Officer  
Idaho Technology Council



*“We remain intently focused on public policies that support economic growth and prosperity. With your help, we will continue to make Idaho the place where our children and grandchildren want to stay.”*



Idaho’s unprecedented economic and population growth in recent years is a source of pride. It assures us we are doing a lot of things right - governing with responsibility, maintaining a high quality of life, and listening to businesses about what they need (and don’t need) from government.

Our rapid growth also challenges political and economic leaders to help replace traditional jobs by supporting an ecosystem where our technology industry can thrive. A diversified economy is a strong economy, and our success as a state depends on the success of our knowledge-based businesses.

I appreciate the work of the Idaho Technology Council in assembling leaders in industry, education, and workforce development to meet the needs of a growing tech industry in Idaho. THE IDAHO KNOWLEDGE REPORT recognizes different parts of the state have different needs. Thank you to all those who participate in these efforts. I personally appreciate the time and talent you dedicate to developing strategies that result in industry-leading products and services right here in Idaho. Your work is creating more opportunity for the citizens of our great state.

Sincerely,

Brad Little  
Governor of Idaho



The J.R. Simplot Company Headquarters in Boise, Idaho

## INTELLECTUAL PROPERTY, INNOVATION & IDAHO

Written by: Vid Mohan-Ram

Intellectual property has turned the corporate world upside down. In the mid-70s, companies in the S&P 500 estimated that 83% of their market value resided in their tangible assets – physical things the CEO and employees could touch and see, such as buildings, machines, equipment, inventory, and vehicles. Back then, companies attributed less than a fifth of their market value to intangible intellectual property assets such as patents, know-how, trade secrets, trademarks and copyrights. Fast forward forty years: those companies estimated that by 2015 intangible assets contributed to 84% of their market value. The tangible-to-intangible ratio flipped. During those four decades, intangible assets were reported to have displaced tangible assets as key indicators of a company's market value from 32% to 68% to 80% to 84%, decade-to-decade. Businesses are now emphasizing the value of intellectual property – a key category of intangible assets – over physical or brick-and-mortar assets. Intellectual property is not new. Its

value was cemented into the Constitution of the United States at the very formation of the country. That foundational text granted Congress the power to “promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries.” Thus originated our federal patent and copyright laws that govern the protection of innovations and creative works. Almost two hundred and fifty years later, the creativity inspired by this Constitutional power has skyrocketed. The number of utility patents filed in the United States leapt four-fold from 64,445 application filings in 1975 to 288,335 filings in 2015. An eight-fold increase was seen internationally: 36,569 international patent filings in 1975 to 301,075 filings in 2015. The realization and appreciation that design patents could become valuable intangible assets in the U.S. also grew significantly from 6,296 designs filed in 1975 to 39,097 designs filed in 2015.

Despite the increased utilization of the patent system, more than 50% of senior executives believe that trade secrets, not patents, are more important to their businesses. Trade secrets were traditionally governed by state law. But three years ago, the federal government enacted its own federal trade secret act to provide even more protections. Around that same time, 82% of executive respondents to a survey conducted by Baker McKenzie in 2017 said that their company trade secrets were important, if not essential, to their businesses. Nearly one-third ranked trade secrets as a top-five company concern and almost two-thirds said that company trade secrets and intellectual property are board-level issues. On this, it is worth noting that directors owe duties of fiduciary, care and loyalty to their corporation and shareholders to carefully manage intellectual property assets, issues, risks and opportunities, as they would any other corporate asset. When buying or selling material IP assets for example the board must be well informed

about IP due diligence in order to satisfy these duties. One court even suggested that corporate officers and directors may have an affirmative duty to monetize their intellectual property, including using litigation if need be.

In addition to these traditional aspects of IP assets – patents, know-how, trade secrets, trademarks and copyrights – there exist other forms of IP protections such as those related to protecting plants and crops (e.g., Plant Variety Protection certificates, and Plant Patents); geographical indications (e.g., only blue cheese aged in the natural caves of the Roquefort-sur-Soulzon region can be branded and sold as Roquefort Cheese); and traditional knowledge (e.g., cultural indigenous or folk lore, and genetic resources of specific countries).

At The J.R. Simplot Company, we are using IP to complement our largely commodity-based food and fertilizer businesses in ways that help provide exclusivity, create specialty products, enhance our reputation and goodwill and the services we offer, and establish long-term strategic thinking about both tangible and intangible assets.

I serve as Chief Intellectual Property Counsel and patent attorney responsible for our global IP portfolio. We routinely assess company innovations across a diverse landscape – everything from new food products and unique food shapes to fertilizer technologies and precision agriculture to genetic mapping of traits in animals and crops and bioengineering. We weigh the pros and cons of patenting versus trade secret protection. We also invest time protecting our brands and we work closely on designs for new copyrighted promotional materials. Our businesses are attuned to the crucial notion that non-technical business information can also be protected as trade secrets, such as financial information, market research and business plans.

We realize and appreciate the value IP assets have in complementing our innovations, which is why I have re-branded our practice as the IP & Innovation division within Legal.

Simplot is obviously but one company among many in this sophisticated and growing corporate landscape in Idaho. The number of patents filed by Idaho businesses between 2002 and 2014 fell from about 1,800 in 2002 to about 1,000 in 2014. But, having said that, nationwide, “Idaho had the 12th highest number of patents awarded per capita in 2017.” The Idaho Technology Council also reports that “according to the Kauffman Foundation, Idaho experienced a 48.6% rate of startup growth in employment over the previous 5 years.” Plus, the number of “high tech” jobs has risen 20% in Idaho from 38,945 to 46,747 jobs between 2010 and 2018.

All leaders within the growing number of Idaho companies must be involved in the valuation of these IP assets. IP valuation “is an art more than a science and is an interdisciplinary study drawing upon law, economics, finance, accounting, and investment.” Therefore identifying, exploiting and valuing your intangible assets takes dedicated and knowledgeable effort. “One of the key factors affecting a company's success or failure is the degree to which it effectively exploits intellectual capital and values risk. Management obviously need to know the value of the [IP] ... for the same reason that they need to know the underlying value of their tangible assets ... business managers should know the value of all assets and liabilities under their stewardship and control.”

On this point, business leaders speak highly and repetitively of “innovation” but they sometimes miss that innovations go hand-in-hand with intellectual property. Without acquiring and enforcing IP assets, how does a business stop someone copying its innovations? Sometimes it may only be when an innovation or confidential

information is stolen or walked out the door does the topic of IP even surface among business owners. By then any pleas for IP protection may be too late.

Idaho companies: don't be late, act now. Create that interdisciplinary team and consider engaging IP counsel to help take stock of your IP inventory. Focus hard on which IP assets are, or should be, key to your business and identify where there are gaps. Take steps now to identify, rank, and protect confidential information you want to keep as trade secrets. Make sure you have updated employee confidentiality agreements. Do a trademark audit and police the market for brands similar to yours. Assign copyrights on prototypes and blueprints to your company and learn whether your software or source code can also be copyrighted.

Idaho academia – this applies to you too: act now. Our universities are sitting on a treasure trove of research that could be perfected as IP rights and licensed to and commercialized by corporate sponsors in this state and nationwide.

At the end of the day, a corporate, academic, or statewide vision that melds innovation with intellectual property is a vision that encourages imaginative thinking, rewards corporate prudence and bolsters the Idaho economy.



**Vid Mohan-Ram**  
Chief Intellectual Property Counsel  
The J.R. Simplot Company

# EXECUTIVE SUMMARY

## 2019 IDAHO KNOWLEDGE REPORT - SUMMARY AND RECOMMENDATIONS

The Idaho Technology Council, the voice of the State's technology industry, is pleased to present the second annual IDAHO KNOWLEDGE REPORT (IKR). The information included here indicates new and broadening runways, identifies emerging "fuel" sources, and outlines proven trajectories that will help support and grow businesses within Idaho's knowledge-based economies. Growth and connectivity are Idaho's future. Towards that end, close attention has been paid to the disruption tactics used by some of the most successful companies in each region. May you take this knowledge and turn it to advantage.

### Northern Idaho



#### STRENGTHS

Strong Innovative Ecosystem  
Lifestyle  
Education

#### CHALLENGES

Access to Talent  
Workforce Housing  
Affordability for All

#### VISIONARY GOALS

Education  
Access to Talent  
Infrastructure

**Top 3 Disruptors:** Kochava, Chief Architect, North Idaho College

### North Central Idaho



#### STRENGTHS

Access to Talent  
Natural Resources  
Transportation

#### CHALLENGES

Broadband Infrastructure  
Access to Capital  
Workforce Housing

#### VISIONARY GOALS

Talent Recruitment  
Access to Capital  
Talent Retention

**Top 3 Disruptors:** Alturas Analytics, EMSI, Schweitzer Engineering

### Southwestern Idaho



#### STRENGTHS

Strong Innovative Ecosystem  
Ease of Access  
In-Migration

#### CHALLENGES

Infrastructure  
Public Image  
Affordability

#### VISIONARY GOALS

Infrastructure  
Partnerships  
Education

**Top 3 Disruptors:** The J.R. Simplot Company, Micron, Kount

### WHY IDAHO?

Idaho is consistently ranked by the Wall Street Journal, Kiplinger's, Forbes and others as one of the top 10 locations for business and family in the U.S., Idaho is the ideal setting for companies in search of an affordable, pro-business environment and a superior quality of life for employees and prospective employees. Idaho has a long history as the home of some of America's greatest business success stories, from Micron Technology, Idaho National Laboratory, the JR Simplot Company, Albertsons Corporation, HP, and several others to growing companies like Clearwater Analytics and Cradlepoint. The future of Idaho's knowledge-based economy is dependent on the continued success of the visionary entrepreneurs and companies that have brought us to this point as well as the inclusion of new disruptive leaders and organizations.

### WHY THE 2019 IKR?

The 2018 IKR provided an overall strategic, state-wide view of the fundamental metrics and analytics to build a knowledge-based economy. This first-of-its-kind report was modeled after similar efforts undertaken in Silicon Valley and North Carolina. This year's 2019 IKR builds on the original IKR and provides a higher fidelity look by examining Idaho's six economic regions from both quantitative (data and analytics) and qualitative (expert inputs from across the state) perspectives. Further, there are 2 very important focus-areas behind this year's report and a vibrant knowledge-based economy:

**VISION:** The story of Idaho and its most successful businesses are one of vision. Leaders looked out over the horizon and dreamed big goals of what they ought to accomplish and how to get there.

Importantly, knowledge-based economies are built by those at the "last mile of delivery". These local leaders who have an on-the-ground perspective know their region's strengths, challenges, and are also in the best position to establish long-term vision goals of 10-15 years to promote prosperity for their neighbors. To that end, the ITC is proud to have partnered with the state's six economic regions to establish Vision Teams. We're proud that industry leaders, economic development professionals, and educators formed regional Vision Teams and provided us their first iteration answering key questions, which are contained in the regional portion of this report.

**"VISION WITHOUT TASK IS DREAMING. TASK WITHOUT VISION IS DRUDGERY. VISION AND TASK, TOGETHER, CHANGES THE WORLD."**

Don Kemper, Founder of Healthwise, ITC Hall of Fame 2014

### South Central Idaho



#### STRENGTHS

Transportation  
Natural Resources  
Workforce Training

#### CHALLENGES

Access to Talent  
Rural Resources  
Building Inventory

#### VISIONARY GOALS

Entrepreneurialism  
Education  
Small-Scale Food Production

**Top 3 Disruptors:** Glanbia Nutritionals, Hamilton Manufacturing, Fabri-Kal

### Southeastern and Eastern Idaho



#### STRENGTHS

Workforce Education  
Innovation  
Energy

#### CHALLENGES

Education  
Access to Capital  
Transportation

#### VISIONARY GOALS

Leverage Regional Capabilities  
Access to Capital  
Strengthen Business Ecosystem

**Top 3 Disruptors:** Premier Technology, Inc., Idaho Central Credit Union, Inergy Solar  
**Top 3 Disruptors:** BioLogIQ, Inc., INL, Melaleuca, Inc.

## SUMMARY AND RECOMMENDATIONS - CONTINUED

### DISRUPTION: The 2019 IDAHO KNOWLEDGE REPORT theme.

Idaho has a history of disruptive entrepreneurs and companies, some well-known and others perhaps not as much. Through their disruptive innovation, they have driven economic growth in the past and will be instrumental to continued success in the future. To highlight these people and products across the state, the ITC asked the aforementioned Vision Teams to share their Top 3 amazing disruption stories. The result is the highlighting of 18 of Idaho's most disruptively successful companies and organizations, also contained within the Regional Section of the report.

What did the 2019 IKR find? Each page of this year's report provides valuable insights including updated data, analytics, disruptive company stories, regional economic status updates, and visionary goals. These conclusions underscore the fact that Idaho's overall economy is a patchwork of regional economies. However, interestingly, the regional responses when aggregated to a state-level provide several patterns of note. An executive summary of each follows:

#### **FINDING #1: Access to Talent is Essential – Idaho needs to continue improving its workforce to meet the demand of businesses that drive the economy.**

According to the Idaho Department of Commerce, the state's required workforce is projected to increase 18% over the next 10 years. This means Idaho will need 982,000 workers, up 149,000 from 2018's 833,000 person workforce. Where are they going to come from?

- Access to talent concerns are multi-faceted. Access to talent ranges from cultivating an in-state talent pool where people stay, to bringing back Idahoans who left in the past, to embracing the on-going in-migration of new Idaho residents.
- Talent needs are evolving. As Idaho's economy is adjusting, each region is modifying how it trains and educates its workforce. Regions are wrestling with how to increase high school graduation rates, the types of curriculum/courses to present, and partnerships at multiple educational levels, as well as education-to-business internships. A very common area of need is in the software arena and there are efforts at educational institutions such as Boise State University, the University of Idaho, North Idaho College, and other entities working to increase computer science graduates for this growing demand.

**"STEVE JOBS SAID '...MAKING AN INSANELY GREAT PRODUCT HAS A LOT TO DO WITH THE PROCESS OF MAKING THE PRODUCT, HOW YOU LEARN THINGS AND ADOPT NEW IDEAS AND THROW OUT OLD IDEAS.' WE HAVE IDAHO COMPANIES THAT ARE MAKING INSANELY GREAT PRODUCTS AND CREATING INNOVATIVE DISRUPTION!"**

Jay Larsen, ITC President/CEO

#### **FINDING #2: Infrastructure – Idaho needs to expand and update its infrastructure to keep pace with its growing economy and increased population.**

- Tangible Assets are one sub-category of infrastructure. Not only did the regions highlight common tangible infrastructure such as road, airports, and public transportation, other key areas for improvement include workforce housing and building inventory for prospective new companies.
- Intangible Assets are a second sub-category. A little less obvious is the need for Access to Capital by entrepreneurs and new business leaders. (Of note: The Idaho Technology Council's published document, the Idaho Deal Flow Report highlights this topic in greater detail, including one of the biggest issues being the availability of early-stage capital. The Deal Flow's key summary results start on page 46). Further, it's well-known Idaho is behind when it comes to broadband so efforts like the state's Broadband Task Force are key to undergirding its knowledge-based economy.

#### **FINDING #3: Innovation – Idaho needs to continue building its economy with the assistance of great entrepreneurs and great companies.**

- Idaho companies are innovative disruptors and there's capacity for more. Over the last two decades, the strength of the Idaho economy is starting

to show as innovative companies now account for a major part of Idaho's growth. Cradlepoint, Clearwater Analytics, MWI, Truckstop.com, and Kount are a few of those companies, all based upon computing technologies. During the same time, we've had great growth in food production and manufacturing within almost all regions of the state. Further, we're pleased to share the regional inputs of 18 amazing disruptive company stories, and there are many more. In all instances, it took visionary leaders and entrepreneurs to establish disruptive companies.

- Research & Development is a key factor. Idaho is fortunate to possess significant research and development capability and activities. Partnerships such as the one in Eastern Idaho with industry, education, and the Idaho Nuclear Laboratory, and the consortium of entities working on the food industry in South Central Idaho, are just a few great examples of R&D driving innovation.

#### **FINDING #4: Quality of Life (QoL) – Idaho needs to continue improving its QoL in ways that support businesses and citizens alike.**

Quality of Life, as highlighted by Idaho's economic region inputs, has many aspects, some common across the state and others more localized. Key QoL considerations include: the need for strong, innovative ecosystems where business, education, as well as local and state government representatives are integrated and working together to make decisions that maximize local economies; talented and appropriately-trained workforces available to drive innovation and disruption in local businesses; and appropriate wages and housing essential for Idaho citizens to live and thrive.

#### **RECOMMENDATIONS:**

A summary of the 2019 IKR, the second edition of this report, and a closer examination of local markets has been provided above. This intermediate level of fidelity enables the drawing of certain conclusions but, arguably, the most valuable application of this year's report is the visionary and strategic questions it poses for leaders and decision-makers. The included information demands serious consideration and action-oriented answers. The report's results are relative to Idaho Regional Vision Teams; entrepreneurs; leaders in business, education, and local and state government leaders; and other decision-makers.

The ITC recommends the following questions/issues be further explored:

#### **Idaho Regional Vision Teams – Economies thrive or die based upon the actions of those living in the region, living and executing at the "last mile of delivery". Questions for Vision Teams to consider ought to include, at a minimum:**

- Team Composition – Recognizing these teams have been set up for the first time ever, do we have the right people on the team to help shape our regional economic future? Who should we add from industry, economic development, education, government, or other areas to provide a diversity of experience and thought?
- Regional Economy Assessment / Vision – Did we correctly assess our region's economy, strengths, opportunities, and visionary goals?
- Team Sustainability / Economic Success – How do we ensure the team is sustainable, the region's economy and associated attributes are consistently reviewed, and that we meet our visionary goals?
- How to Support Your Industry/Entrepreneurs/Disruptions – Who are your region's next entrepreneurs? What are your region's new disruptions? How can you assist to continue your regional economic growth?

#### **Idaho Decision-Makers: Idaho Regional Vision Teams; entrepreneurs; leaders in business, education, local and state government leaders; and other decision-makers alike should consider the following questions:**

- 2019 IKR State Summary-level Results Application – How might leaders through their individual lenses apply the 2019 IKR summary results to what they do?
- 2019 IKR Regional Results Application – How might leaders through their individual lenses apply the applicable 2019 IKR regional results to what they do?

The maturation of regional teams (who are helping drive local initiatives) and application of this information by Idaho decision-makers will help make the difference for Idaho growing a knowledge economy. The ITC is excited to continue to partner with those who contributed to the 2019 IKR as well as those who take a vested interest in reading and applying its information to make Idaho better. We welcome your feedback as we continue to improve this report and are looking forward to our third edition in 2020!

# NORTHERN IDAHO

## Region 1 Team Point of Contact:

Gynni Gilliam, President & CEO, Coeur d'Alene Area EDC - Jobs Plus

# TOP 3 COMPANIES ACHIEVING DISRUPTIVE PROSPERITY IN NORTHERN IDAHO

## Kochava Inc.

201 Church Street; Sandpoint, ID 83864 | Founded 2011 | CEO Charles Manning



kochava.com



Kochava is the mobile phone industry standard for secure, real-time advertising data analysis and insight. Kochava helps people-based marketers establish identity, define and activate audiences, and measure and optimize their marketing across connected devices. Kochava is a Hebrew word meaning "star." The company vision came from observing stars in the night sky, where only about 5,000 can be seen with the naked eye at any given time when there are millions of galaxies each containing billions of stars hidden from our view.

### Claim to Disruption

Kochava is a disruptive force in measuring the results of advertising to smartphone users. Some of the largest companies and ad agencies in the world use Kochava data tools. Kochava enables the visibility into and management of billions of data points, millions of users, and hundreds of millions of dollars in lifetime value (LTV) and promotional ad spend. Their Unified Audience Platform empowers their customers to see and manage their data and unleash the power of their connected audiences.

Established in 2011, founder and CEO Charles Manning saw the need to better understand the feedback loop of user acquisition, engagement, and LTV (lifetime value) for mobile applications. Through the process

of creating apps for customers from a wide range of industries, his team developed a mobile measurement platform that shed some light on what media advertising efforts were converting and the effectiveness of their mobile ad spend.

Headquartered in Sandpoint, Idaho, Kochava has sales and agency representation in major markets worldwide, but grows their development and engineering infrastructure in the North Idaho region. The company follows the "Life 2.0" concept, from Forbes magazine publisher, Rich Karlgaard, that promotes the process of choosing to live in a location that you love while remaining globally relevant with exciting and interesting work. Kochava leverages picturesque downtown Sandpoint

as their "Company Campus," using it as a great selling point for recruiting smart, talented people. They currently have 70+ software engineers and account managers that enjoy the full lifestyle benefits provided by the twin features of a great ski resort and an enormous mountain lake.

Sources: [www.kochava.com](http://www.kochava.com); and, "Kochava: A Star Is Born with Mobile Measuring Software," *Forbes*, May 5, 2016

## Chief Architect®

6500 N. Mineral Drive; Coeur d'Alene, ID 83814 | Founded 1992

## Chief Architect®

[www.chiefarchitect.com](http://www.chiefarchitect.com)



Chief Architect Software is a leading developer and publisher of 3D Architectural home design software for builders, designers, architects and home DIY enthusiasts. For the professional market, the company publishes the Chief Architect® software product line; the most popular product for residential home design. And, for the home DIY enthusiast market, the company publishes the top-selling Home Designer® product line. The two product lines are compatible allowing professionals and home enthusiasts to easily share ideas.

### Claim to Disruption:

This company was the first to design and publish architectural design software for Windows and has maintained that competitive market-priority by extending to the Mac and mobile platforms. Chief Architect's 3D software uses smart building technology with a number of unique software patents. As you draw walls and place architectural objects like doors, windows and cabinets the program creates a 3D model. Automated building tools make it easy to create construction drawings,

a materials list, 360° renderings and Virtual Reality.

Chief Architect products have disrupted their market by designing superior user interface experience, intuitive 3D modeling and features/price points well below the large design firm standard product. The result being that the Coeur d'Alene-based Chief Architect has become the largest player in their home design market.

The Company was founded in 1992 by a Coeur d'Alene native in Palo Alto, CA. By the late 1990's, the company relocated to Coeur d'Alene where it is now headquartered with around 100 employees including software engineers, marketing, sales, customer support and administrative staff.

Sources: [www.chiefarchitect.com](http://www.chiefarchitect.com)

## North Idaho College



1000 W Garden Ave. Coeur d'Alene, ID 83814 | Founded 1933 | President Rick MacLennan

[www.nic.edu](http://www.nic.edu)



The purpose of North Idaho College is to meet the diverse educational needs of students, employers, and the Northern Idaho communities it serves through a commitment to student success, educational excellence, community engagement, and lifelong learning.

### Claim to Disruption:

North Idaho was built on timber and mining natural-resource advantages. In 1933 the North Idaho College (NIC) was founded. When those industries began to lose their competitive edge in the mid-1980's, the region needed a new economic strategy for the future. Transformation began with a new vision for higher education and Municipal and State investment in the community college jumpstarted a change in local business opportunities.

NIC is now a metamorphic force in developing talent for those industries that are shaping the future of the region - software, aerospace, robotics, healthcare.

- Our largest industry is healthcare and the college is an essential source of nurses and skilled healthcare technicians.
- The Workforce Training Center in Post Falls is the regional focus for existing

short-term and on-demand workforce training currently enrolling 518 students in electrical, plumbing, and HVAC apprenticeship programs.

- The new Parker Technical Education Center is 110,000 sf of state-of-the-art training for highly skilled trades.
- The NIC program in Cybersecurity has National Security Agency and Department of Homeland Security accreditation, a designation held by a small number of community colleges nationally.
- The Center for Entrepreneurship and Innovation is the newest initiative at NIC focusing on business management and startup development. The CEI GIZMO maker-space has grown from 2,500 sf to over 11,000 sf with programs that include art, computer programming, and nationally competitive robotics teams. One of Idaho's only virtual-reality labs is in GIZMO.

In 2018, North Idaho College was recognized as the Entrepreneurial College of the Year by NAACE, a national community college association. Collaboration with the University of Idaho and integration between the two schools' computer science programs have produced a powerful talent-development path for future software and robotics companies. The Innovation Collective, a private entrepreneurship project, has matured into a large co-working facility with extensive opportunities in mentoring and leadership development.

Sources: Regional Vision Team

## THE CURRENT AND FUTURE LANDSCAPES OF NORTHERN IDAHO

North Idaho's economy is strong, vibrant and growing. In the past five years, the region's population and job growth (9.6%; 12.7%) outpaced the nation (3.7%; 8.2%) by over 4%. Though historically built on timber and mining, the region's economy is now more diverse. Preeminent industries include healthcare, tourism, manufacturing, and lumber; with software and aerospace emerging as promising new fields.

Knowledge-based businesses are a key part of the future. The region's robust telecommunications network is based on fiber-optic backbone services from strong telecom providers - Intermax, Fatbeam and Frontier. Intermax just won a \$11 million FCC initiative to extend fixed-wireless broadband service into rural parts of the region. Fatbeam is using e-rate programs to extend fiber to service many school districts in the region and extend their middle-mile service. A strong entrepreneurial culture has emerged in the region - led by quality-of-life appeal, good public

schools, and new higher-ed programs offered by North Idaho College, Lewis-Clark State College, and the University of Idaho. The Innovation Collective hosts an annual Think Big Festival and has transformed an old, unused building into a co-working space that is a beehive of entrepreneurial activity.

The current focus for Northern Idaho is to cultivate more knowledge-based businesses to join our existing core: Rohinni, Ednetics, Pipl, Advanced Input Systems, Raycap, Continuous Composites, Quest Aviation, Empire Aerospace, Kochava and Chief Architect.

### STRENGTHS:

#### 1. Strong, Innovative Ecosystem

A number of "champions" in this area are committed to making things happen and ensuring the region's success - both in new and existing industries. Angel and venture investment money has proven to be readily available for promising ventures.

#### 2. Lifestyle

North Idaho is mountain-and-lake country with low population-density yet close to a major airport in Spokane. The region has clean air, clean and abundant water, and a moderate climate. North Idaho also enjoys more affordable housing costs than Seattle or Silicon Valley.

#### 3. Education

This region offers a strong K-12 public education system and three higher-education choices - North Idaho College, Lewis-Clark State College, and the University of Idaho. Next door, in Spokane, Washington, there are five more higher-ed institutions at which North Idaho scholars may choose to enroll.

### CHALLENGES:

#### 1. Access to Talent

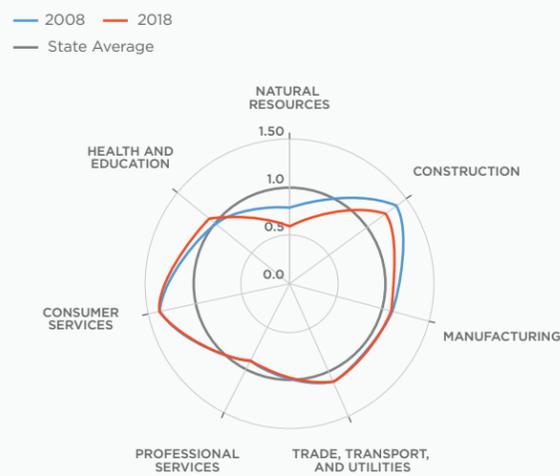
Northern Idaho is well poised to improve post-GED go-on rates and add skills to its workforce. The dual-enrollment program between area high schools and North Idaho College is yielding remarkable results. Lifestyle advantages are steadily attracting talent from Puget Sound and Cali-

fornia. With specific, measurable action-items to increase the area's number of higher-education graduates, the region will continue to cultivate critical economic depth. However, it is essential that Northern Idaho look for opportunities now to foster regional allegiance and spheres of technical expertise in order to engage the brightest minds hoping to contribute to a global society. Over the next two decades, this new workforce will ideally choose to shape the world from the comfort of Idaho's pristine northern landscape.

#### 2. Workforce Housing

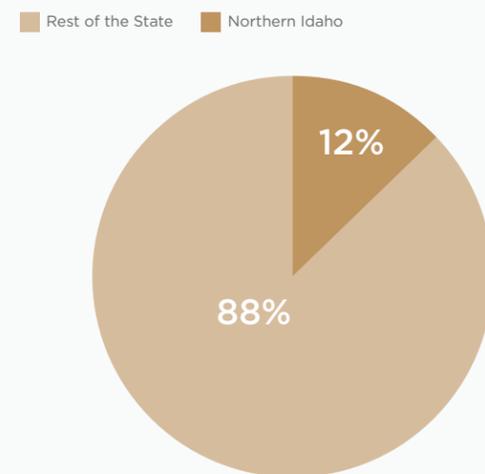
While this region offers relative relief to newcomers, the same wage-to-cost-of-living disparity is effecting Northern Idaho residents as it is denizens across the United States. Rising land costs, rising transportation costs, rising construction costs, rising regulatory (building codes) costs are all driving affordability beyond the reach of low-skill wage levels. Sourcing and funding housing options, as well as dedicated civic planning that examines both temporary and long-term livability systems is one of the most pressing issues facing regional leadership today.

### NORTH CENTRAL IDAHO



Data Source: Bureau of Labor Statistics

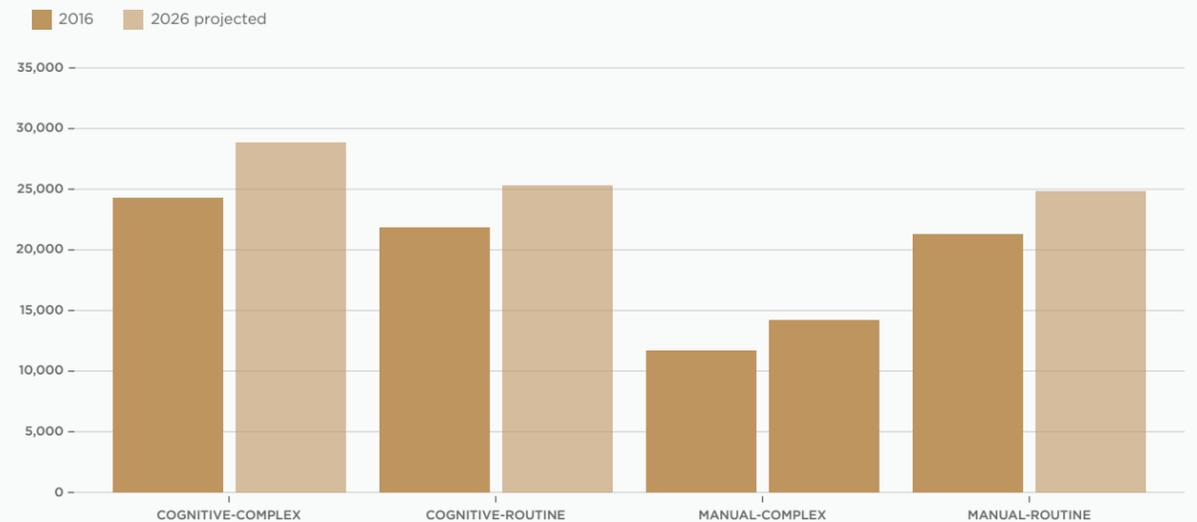
### SHARE OF TOTAL EMPLOYMENT



Data Source: Bureau of Labor Statistics

### NORTHERN IDAHO EMPLOYMENT

\* Full overview of complex or routine, cognitive and manual job narrative on page 57



Data Source: Bureau of Labor Statistics

## CHALLENGES (CONTINUED):

### 3. Affordability for All

Northern Idaho is determined to increase wage-levels throughout the entire community. The long-term solution is to create a more specialized workforce through post-secondary education. Regional academic institutions will then feed to-be employees to local companies and higher wage-levels will naturally ensue. In the short term, the region is looking to attract future-focused businesses; encouraging residents to create innovative products or services; and building bridges that span every community, generation, and industry. Working together, an equitable labor environment and aggressive economic engine is within reach.

## SETTING SIGHTS

### Visionary Goal #1: Educational Outcomes

Northern Idaho will tackle the factors that are persuading high school graduates to immediately join the workforce—without seeking any additional skillset training. An extraordinarily low unemployment rate lures young people towards independence-granting jobs at entry-level wages. Influencers include the immediate gratification of a paycheck, the appetite for a shiny new car (or a big white pickup), peer behavior, encouragement from home, financial autonomy, and social media culture/conditioning. As a community, Northern Idaho will explore how to address each of these influencers. Young people will come to see the value of more education and how their persistence can open more doors to brighter futures.

### Visionary Goal #2: Access to Talent (Software)

There is considerable urgency surrounding a talent-pipeline for software skills. Computer software is at the core of every technology company. Startups and relocated companies in this region cannot rely on Silicon Valley or Seattle wages to attract talent. For Northern Idaho's vision to work, the talent pipeline must be built locally. Good progress is being made, but existing avenues have not yet reached that critical mass wherein the talent-pool swells to meet the region's opportunity.

### Visionary Goal #3: Infrastructure

Northern Idaho needs to grow its infrastructure. Local and State government should be encouraged to invest in those public structures that support business expansion. Appropriate funding for public schools is the cornerstone. Infrastructure for roads, bridges, water, sewage, and accelerated regulatory processing are the next most important objectives. Flexible rulings by local governments regarding zoning and construction licenses are essential; in an ideal world such decisions would be obtained at the speed of highly-competitive business rather than the pace of bureaucracy. A new facility or remodel that has to wait nine weeks for a building permit or six months for a rezone makes this region non-responsive.

# NORTH CENTRAL IDAHO

Region 2 Team Point of Contact:

Karl Dye, President & CEO, Valley Vision

## TOP 3 COMPANIES ACHIEVING DISRUPTIVE PROSPERITY IN NORTH CENTRAL IDAHO

### Schweitzer Engineering Laboratory



2821 Juniper Dr, Lewiston, ID 83501 | Founded 1982 | Principal Edmund O. Schweitzer

selinc.com



The mission of SEL is to make electric power safer, more reliable, and more economical.

### Claim to Disruption

SEL invents, designs, and builds digital products and systems that protect power grids around the world. This technology prevents blackouts and enables customers to improve power-system reliability and safety at a reduced cost. A 100-percent employee-owned company headquartered in Pullman, Washington, with a major manufacturing presence in Lewiston, Idaho, SEL has manufactured products in the United States since 1984 and now serves customers worldwide.

at one-eighth the size, one-tenth the weight and one-third the price. Schweitzer's digital technology led to reduced design work in protection and control systems, flexible operation options and increased reliability, resulting in reduced cost. SEL sells products in over 160 countries, can claim around 900 patents, and employs over 5000 brilliant minds. SEL continues to receive industry recognition with titles such as Fortune's 100 Best Companies to Work For, the 2015 and 2016 Fortune's 15 Best Workplaces in Manufacturing and Production, and the Palouse Knowledge Corridor Entrepreneur of the Palouse Award.

Sources: selinc.com

The company's disruptive innovation legacy begins with its founder and president, Edmund Schweitzer III, who was inducted into the National Inventor's Hall of Fame for his Digital Protective Relay which replaces existing relays

# Alturas Analytics, Inc.



1324 Alturas Drive; Moscow, ID 83843 | Founded 2000 | Principal: Robin Woods

alturasanalytics.com



Alturas Analytics, Inc. are Liquid Chromatography-Tandem Mass Spectrometry (LC-MS/MS) and Gas Chromatography-Tandem Mass Spectrometry (GC-MS/MS) bioanalytical experts, leading the future of bioanalysis. This premier Contract Research Organization provides liquid chromatography (LC) and GC-MS/MS bioanalytical research support in drug discovery and drug development.

## Claim to Disruption:

Alturas has a long-standing dedication to intensive research and reserves resources for the development of new bioanalytical applications and technologies, publications, presentations, and conference attendance. Among other past contributions to industry research, Alturas pioneered technology for use with bioanalytically challenging translucent fluids extracted from spotted crabs.

to adapt to changing timelines and rapid turnarounds for sample analysis and data delivery. With an increase in the development of highly specific and targeted drugs, Alturas is prepared to address the demand of clientele ranging from virtual startups to many of the most dominant pharmaceutical, biotechnology and medical device manufacturers in the world.

experts driven to create a premier contract research organization (CRO) focused on high performance tandem mass spectrometry (HPLC-MS/MS) bioanalysis. The team is committed to unmatched quality science, excellent customer service, and private ownership.

Sources: alturasanalytics.com

From scientific operations to quality assurance, the Alturas staff has the skills and experience

Founded in 2000, Alturas Analytics was launched by a core team of bioanalytical

# Economic Modeling Specialists International (EMSI)



409 S. Jackson Street; Moscow, ID 83843 | Founded 2001 | Principal: Andrew Crapuchettes

www.economicmodeling.com



EMSI uses data to drive economic prosperity. EMSI accomplishes this by informing and connecting three critical audiences: people (looking for good work), employers (looking for good people), and educators (looking to build good programs and engage students).

## Claim to Disruption:

EMSI provides the best labor-market data available to professionals in higher education, economic development, workforce development, talent acquisition, and site selection. Their data, which covers more than 99% of the workforce, is compiled from a wide variety of government sources, job postings, and online profiles and résumés.

Ultimately, EMSI poses the following proposition to others, "Don't make critical talent market decisions with limited or incomplete data—you and your stakeholders deserve better. If you want to get ahead of the game, you need the truth." EMSI's headquartered in Moscow, Idaho, but has extended presence and serves clients across the US, the UK, Canada, and Australia.

Sources: www.economicmodeling.com

EMSI data is used to solve a variety of problems: align programs with regional needs, equip students with career visions, understand regional economic and workforce activity, and find and hire the right talent.

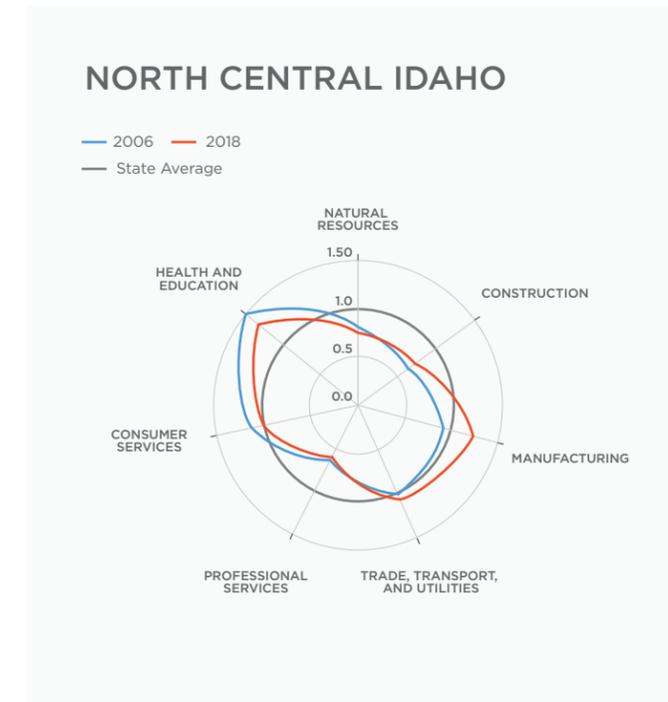
# THE ONCE AND CURRENT LANDSCAPES OF NORTH CENTRAL IDAHO

North Central Idaho is the cradle of The Territory, and eventual State, of Idaho. The Idaho land-grant research university, the University of Idaho, was founded and established in Moscow one year before statehood in 1889. The economy of the region was initially built on natural resource development beginning with mining and soon followed by agriculture and the forest-products industries. This economic base of education and natural-resource development is still thriving and growing today, but the talent needed to fuel its growth has evolved.

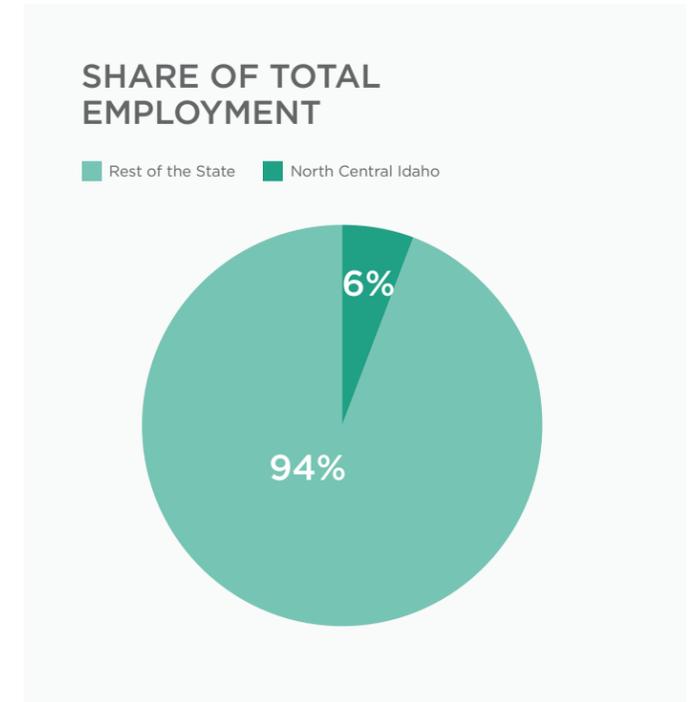
The major industries in North Central Idaho require a trained and skilled workforce that can program, operate, troubleshoot and repair automated equipment and their controllers. This talent is still provided by the same land-grant research university, The University of Idaho, as well

as Lewis-Clark State College and workforce training centers. The talent supply also comes from Washington State University and Walla Walla Community College located just across the border in Pullman and Clarkston, Washington, respectively. These four higher-education institutions produce over 10,000 graduates every year.

The agricultural industry, which has also become more efficient and now requires fewer workers with a greater amount of training or education, produces bountiful yields of wheat, barley, lentils, peas and garbanzo beans. Many of these commodity crops are exported through the Port of Lewiston, the most inland seaport on the West Coast of the United States and the only port in the state of Idaho.



Data Source: Bureau of Labor Statistics



Data Source: Bureau of Labor Statistics

## STRENGTHS:

### 1. Access to Talent

Though the region is considered to be rural in many regards, North Central Idaho is fortunate to have a number of educational institutions in the region that produce well-educated graduates ready to join the workforce. Thanks to the region's borders, communities here benefit from proximity to the University of Idaho and Washington State University, as well as Lewis-Clark State College and Walla Walla Community College. At any one of these four institutions, students are able to master capabilities ranging from apprenticeships to one-year certificates to PhD's.

### 2. Natural Resources

North Central Idaho is home to an abundance of natural resources. It is situated with large tracts of agricultural lands that are able to produce a number of crops, including dry land wheat. The area has extensive forest stands that are a combination of federal, state, and private lands

which are sustainably managed and have significant impacts on the regional economy. Further, the goods produced in North Central Idaho are able to be effectively and efficiently transported through a combination of land (roads) and water (ports, major river systems) infrastructure resources.

### 3. Transportation

North Central Idaho contains a regional airport in Lewiston and another just across the border in Pullman, Washington, which are right-sized for present needs but contain room for expansion as demand requires. Additionally, while outside perception may be that the lack of an interstate highway is a negative, in reality the infrastructure in place supports agriculture, timber, and manufacturing industry needs. For example, 14,000 trucks per day of products are transported from the region.

## CHALLENGES:

### 1. Broadband Infrastructure

It is widely understood that Idaho's broadband infrastructure and capabilities are trailing behind the majority of states. Future economic success in North Central Idaho will require equal access to world-class broadband infrastructure throughout all five of the region's counties. Currently, download speeds in larger towns such as Moscow and Lewiston are at "okay" levels. However, in some of the more rural portions of the region, communities still are limited to dial-up capabilities.

### 2. Access to Capital

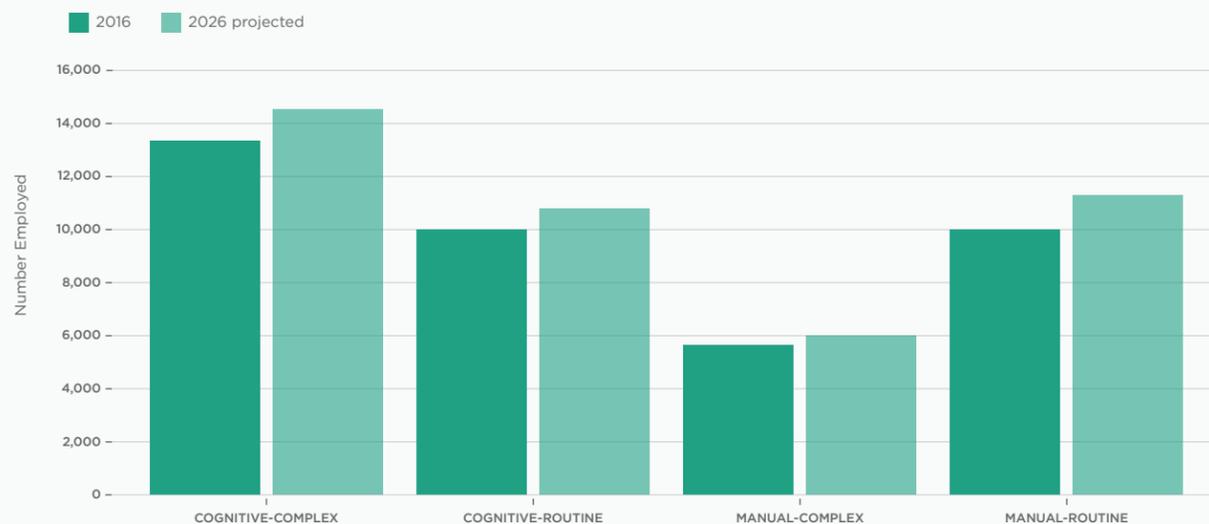
The region lacks access to non-traditional capital for start-up entrepreneurial development. Recognizing the importance of entrepreneurs to the regional economy, North Central Idaho is pleased that the University of Idaho offers

entrepreneurial courses and is building foundations for future local-industry leaders. However, without the access to local capital, entrepreneurs in many instances decide to move to other locations where the necessary ingredients (including capital) are available.

### 3. Workforce Housing

The region is facing a lack of adequate, affordable housing for the workforce. While the overall cost of living is reasonable for North Central Idaho, workforce housing availability and costs have become emerging challenges. Additionally, some areas have the wrong mix of available homes; rentals versus entry-level versus middle-to-upper level homes.

## NORTH CENTRAL IDAHO EMPLOYMENT



Data Source: Bureau of Labor Statistics

## SETTING SIGHTS

### Visionary Goal #1: Access to Talent (Remain Home)

North Central Idaho is not assured that Access to Talent will remain a strength over the next 10-15 years. The region will need to proactively continue existing efforts and create talent pipelines connecting young people to educational and training pathways. These, in turn, will lead to the in-demand, high-paying local jobs of the future—right here at home.

### Visionary Goal #2: Access to Capital

North Central Idaho needs to create access to local, non-traditional capital wells that can provide equity investments to start-up companies. Such entities will help diversify the region's industries and add the types of jobs graduates will be looking for in the future.

### Visionary Goal #3: Access to Talent (Return Home)

As it has been said in some circles, "...our greatest export is our kids." While much of the North Central Idaho population attends local schools and remains in the workforce, the portion that leaves is still too high. This region is looking to build remote connections with alumni and graduates of the area's colleges and universities. North Central Idaho wants to show them how they can come home with their companies and talent, thereby enriching the region's innovation ecosystem.

# SOUTHWESTERN IDAHO

## Region 3 Team Point of Contact:

Charity Nelson, Director of Economic Development, Boise Valley Economic Partnership (BVEP)

# TOP 3 COMPANIES ACHIEVING DISRUPTIVE PROSPERITY IN SOUTHWESTERN IDAHO

## J.R. Simplot Company

P.O. Box 27 Boise, ID 83707-0027 | Founded 1929 | CEO Garrett Lofto



www.simplot.com

The J.R. Simplot Company company's mission is to help feed the world's population. The company is one of the largest privately held food and agribusiness companies in the nation, though at heart we're as small as a single farmer. We pioneer innovations in plant nutrition and food processing, research new ways to feed animals and sustain ecosystems, and strive to feed a growing global population. At Simplot, we're in the business of Bringing Earth's Resources to Life.

### Claim to Disruption

The J.R. Simplot company is one of the legacy companies in the Treasury Valley that has helped to significantly impact the area and the economy. Their disruption began with a huge development in the potato world in the 1940's - commercially-viable frozen french fries. This innovation changed the face of potato production as well as the fast food industry but Simplot's influence did not stop there. In the 1980's J.R. Simplot supplied start-up capital for Micron Technology, another disruptive company headquartered in the Boise area. Simplot's ability to make an impact that extends beyond its own industry is one of the reasons that it was selected as an important disruptive company in the region. Funding and partnerships stemming from the J.R. Simplot Company have affected many different

industries, organizations and companies through the decades from charitable giving to start-up funding and joint ventures to supply chain development.

The Company's vertical integration - seed production, farming, fertilizer manufacturing, frozen-food processing, and food brands and distribution - has nurtured a diverse array of internal talents and resources, creating a symbiosis that few other organizations achieve. They are also leaders in agribusiness research with technology improvements that are revolutionizing plant research and food production. The construction of their large new global headquarter building in downtown Boise is a great visual reminder of their immense impact on the region.

Source: Regional Vision Team

## Micron Technology, Inc.

8000 S. Federal Way Boise, ID 83716 | Founded 1978 | Principal: Sanjay Mehrotra



www.micron.com



As the leader in innovative memory solutions, Micron is helping the world make sense of data by delivering technology that is transforming how the world uses information. Through the company's global brands - Micron, Crucial and Ballistix - we offer the industry's broadest portfolio. Micron is the only company manufacturing today's major memory and storage technologies: DRAM, NAND, NOR and 3D XPoint™ memory. Micron's solutions are purpose built to leverage the value of data to unlock financial insights, accelerate scientific breakthroughs and enhance communication around the world. From its roots in Boise, Idaho, Micron has grown into an influential global presence committed to being the best memory company in the world. This means conducting business with integrity, accountability, professionalism and supporting our global community.

### Claim to Disruption:

Micron Technology is a world leader in innovative memory solutions and storage that accelerate the transformation of information into intelligence, inspiring the world to learn, communicate and advance faster than ever. They deliver the world's broadest portfolio of technologies at the core of today's most significant disruptive breakthroughs such as artificial intelligence, Internet of Things and autonomous vehicles. With more than 40 years of technology leadership and 40,000 patents contributing to the advancement of the industry, Micron's team of engineers, researchers and business thinkers share a common goal: to use their expertise in the relentless pursuit of innovation for our customers, partners and communities.

Micron's impact on the memory and storage industry is evidenced by the extensive number and depth of patents and their continued unveilings of new memory products. They continue to be one of the largest private employers in the region and their business travelers and ex-patriots significantly impact the entire community from retail to air service. The vendors and suppliers that serve these employees multiply Micron's economic wake even further. The company's charitable giving, specifically focused on STEM education, promotes excellence in regional education and empowers local youths.

Micron began in 1978 as a four-person semiconductor design company in the basement of a Boise dental office. With the help of local investors (J.R. Simplot among them) this small shop was able to grow into a major manufacturer. By 1980 they had broken ground on their first fabrication plant, and then just a few years later they introduced the world's smallest 256K DRAM. In 1994, they earned a spot on the Fortune 500 list and steadily grew into an industry leader through their technology innovations, key partnerships, and strategic acquisitions around the world.

Sources: Regional Vision Team

## Kount

1005 W. Main Street Boise, ID 83702 | Founded 2007 | Principal: Brad Wiskirchen



www.kount.com



Kount delivers best-in-class digital fraud prevention solutions which are used by 6,500 brands globally, helping clients to reach their digital innovation goals.

### Claim to Disruption:

Kount's patented technology combines device fingerprinting, supervised and unsupervised machine learning, a robust policy and rules engine, self-service analytics, and a web-based case-management and investigation system. Kount's solutions stop fraud and increase revenue for digital businesses, acquiring banks, and payment service providers.

With rapid increases in cyber risks, as well as the ability to disrupt global financial security and an individual company's stability, cybersecurity solutions have become a corporate priority.

Kount understood this and leveraged patented technology that was originally developed at another Idaho-based powerhouse, ClickBank, where Kount CEO Brad Wiskirchen then served as CEO. "ClickBank grew up in the sale and distribution of digital goods," explained Brad. "We invented and patented the technology to protect our own merchant accounts and over time we realized the technology would be something that would greatly benefit others. So, we interviewed the top 100 internet retailers in the world to find out what they'd like in a fraud control solution and we built it."

Kount's history of disruption began at the forefront of its inception - it asked its customers what was needed as it related to protection. This approach made the creation of Kount's solution easy for customers to understand, easy to adopt, and easy to implement. Kount's all-in-one SaaS platform simplifies fraud detection allowing customers to accept more orders from more people across the globe with confidence.

Sources: Regional Vision Team

## THE ONCE AND FUTURE LANDSCAPES OF SOUTHWESTERN IDAHO

The Boise Metro region's business success has been crafted on the backs of local leaders who sought to combine innovation, hard-work, and vision to create a lasting community of commerce. Legacy companies like the J.R. Simplot Company, Micron Technology, Hewlett Packard and Albertsons Companies helped create a reputation that Idaho was a place which could feed the world but also create disruptive technology and ideas. The strong agricultural roots of this community are still evident in the region's thriving food-processing industry and have now been parlayed into agricultural and food research and development. Similarly, localized expertise in computer hardware and accessories from Micron and HP have created the impetus for new technology companies.

### STRENGTHS:

#### 1. Strong Innovative Ecosystem

Southwest Idaho not only benefits from a heritage of legacy companies, but the area is also attracting a new

generation of technology-based companies poised to expand and diversify Idaho's knowledge-based economy. From FinTech companies like Clearwater Analytics and VisitPay to media companies like BlackBox VR and Curious Media, the region is seeing growth and innovation in an abundance of arenas. Local industry is scaffolded by a deliberate and growing education system that is providing targeted support. For example, Boise State University is maturing its computer science program, with 115 degrees conferred in the 2018-2019 school year compared to 31 just four years ago. Trailhead, a robust incubator and coworking space, is a unique kind of accelerator helping new companies to grow and succeed. The Shakespeare Festival, Freak Alley, Opera Idaho, and the Treefort Music Festival indicate a thriving art scene in the region as well.

#### 2. Ease of Access

The Boise Metro is certainly growing, but an ease-of-access persists which makes this community a great place to start and grow businesses. Boise has the privilege of being the state's largest city and the seat of government in Idaho. Businesses can easily gain access to elected officials and most industry leaders are readily available to

support up-and-comers. The region plays host to several higher education opportunities including Boise State University, the second largest university in Idaho, College of Western Idaho, the fastest growing community college in the country, Idaho College of Osteopathic Medicine (ICOM), Idaho's Medical School and two private liberal arts institutions (College of Idaho and Northwest Nazarene University). In addition, there is a level of affordability and livability that grants citizens the ability to spend more time enjoying mountain bike rides, trail runs and floats on the river, just minutes from the city center.

#### 3. In-Migration

Early in 2019, Boise was ranked the #1 place to live in the United States by liveability.com. People are moving to the Valley at a rate that is more than three times the national average and more than 40% of those moving into the metro are between 20 and 44 years old. This means that, although unemployment rates are at historic lows across the country, people are moving into the valley to bolster our workforce.

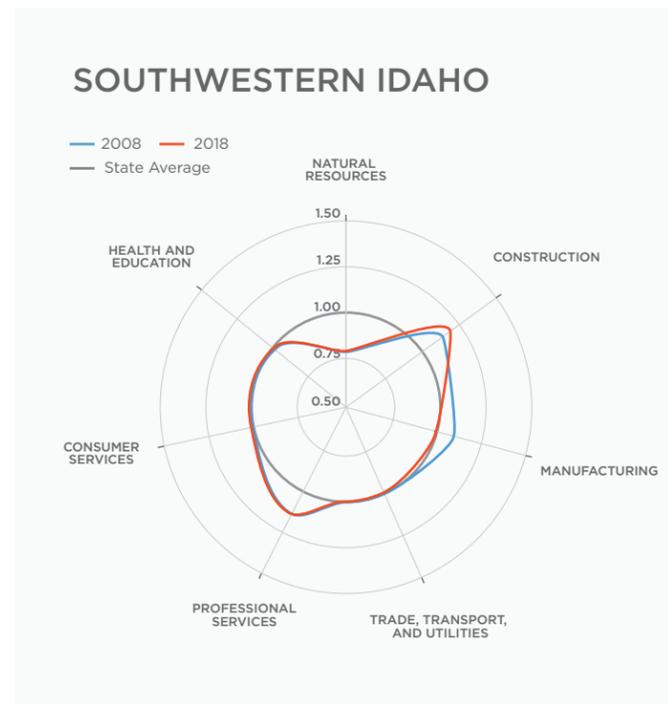
### CHALLENGES:

#### 1. Infrastructure

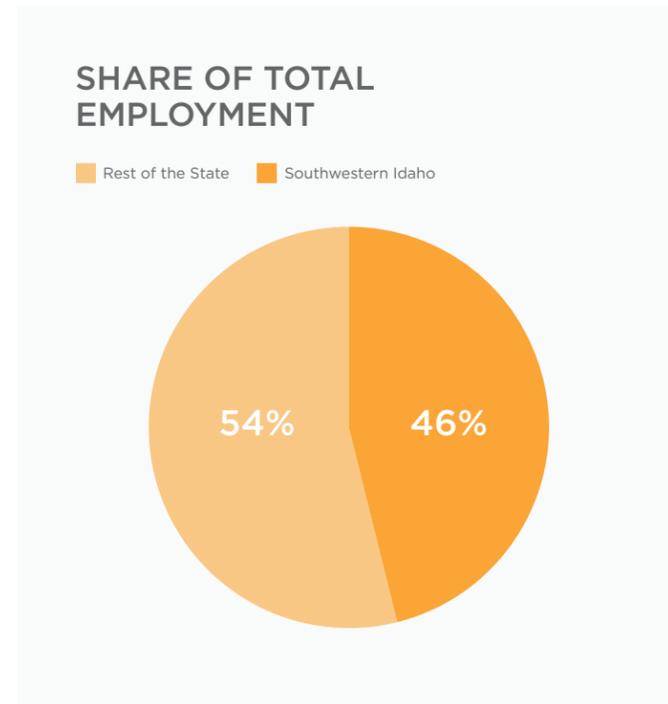
Growth in opportunities in this region has brought about an impressive population increase. The rising number of people living in the Treasure Valley is already contributing to inflated traffic and commuting times. With projections indicating that the population is likely to continue growing, the region is anticipating exponential strain on existing infrastructure which will hasten long-term infrastructure planning and implementation. Among the critical issues to be addressed are public transportation expansions, more air service connections, and the continuous extension of existing roadways.

#### 2. Image/Perceptions

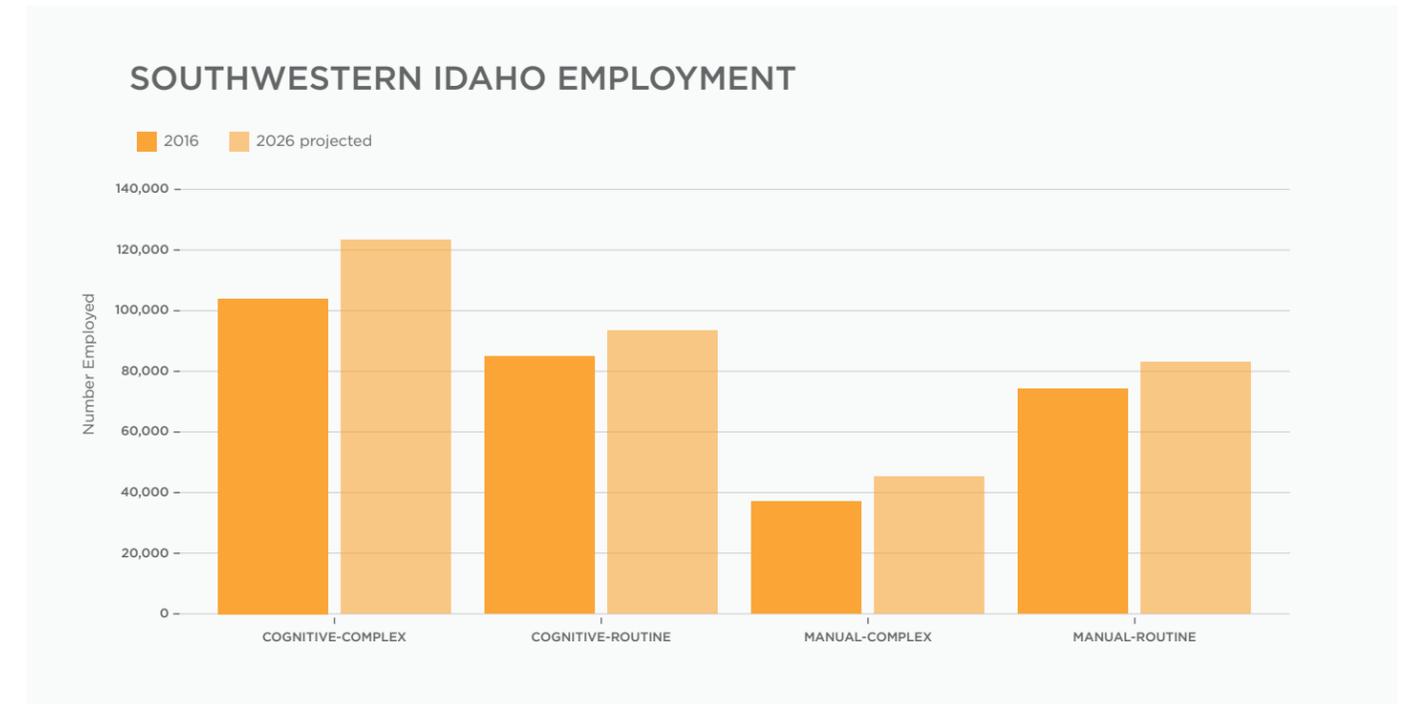
While Idaho, the Boise Metro, and the Treasure Valley continue to mature, there are lingering perceptions based on urban myths, old information or simple lack of information. Many people outside of the state know very little about Idaho and thus assume that there is a lack of sophis-



Data Source: Bureau of Labor Statistics



Data Source: Bureau of Labor Statistics



Data Source: Bureau of Labor Statistics

## CHALLENGES (CONTINUED):

tication and education here. Publications often conflate data from the Boise Metro and Idaho as a whole, painting the whole state with a rural brush stroke that is often not representative of the Boise Metro.

### 3. Affordability for All (Income inequality)

The Boise Metro continues to be an affordable place to live, currently rated at 97% of the national average for cost of living. Historically, the Boise area has had a disproportionately small number of multifamily housing options. Although there has been a great deal of construction in this space in the last several years, the region is not yet keeping up with demand. This housing shortage is driving housing costs up at a rate that is outpacing wage growth.

## SETTING SIGHTS

### Visionary Goal #1: Infrastructure

The region's infrastructure must be updated to accommodate population growth and enhance business opportunities. This will require reliable and consistent funding sources for infrastructure that is needed at a local level. Transportation options must be increased to enable a significant percentage of the population to get to work without driving a vehicle. This will require more public transit alternatives and business growth in outlying communities allowing people to work where they live. Further, the addition of direct airline flights to the east coast will open up more opportunities for business expansion and investment in this region.

### Visionary Goal #2: Partnerships

This community has strong partnerships. Local educational institutions listen to and collaborate with regional industry to create programs that meet specific workforce goals. For example, the College of Western Idaho, in partnership with the Idaho Association of General Contractors, created a 4-week course to prepare students to enter the construction industry. In the future, it is hoped that these partnerships will mature to the point that the education systems will anticipate and match the needs of the business community, at a broad level. Such public/private partnerships will form quickly—as the need arises—and government, industry and academia will work together seamlessly to move the community and economy forward. There are brilliant examples of this occurring today but there will be great value in more and deepening partnerships.

### Visionary Goal #3: Educational Outcomes

It was not all that long ago that the Boise Metro was a small agrarian community. Now, as the region grows into a larger metro, there is an opportunity for continued maturation in local education. The Boise Metro is fortunate to have high schools that rank in the top 1000 schools nationally and a designated doctoral research university. However, it would be beneficial to see further opportunities unfold; leading, eventually, to a more educated and specialized workforce. The greatest opportunities for education expansion exist on both ends of the educational lifecycle; early childhood and post-secondary. The Idaho College of Osteopathic Medicine (ICOM), which recently opened its doors, is a great addition to the region's higher education offerings. The region would like to see this momentum carry forward with the incorporation of a traditional medical school.

# SOUTH CENTRAL IDAHO

## Region 4 Team Point of Contact:

Connie Stopher, Executive Director, Southern Idaho Economic Development

# TOP 3 COMPANIES ACHIEVING DISRUPTIVE PROSPERITY IN SOUTH CENTRAL IDAHO

## Glanbia Nutritionals



161 4th Ave South, Twin Falls, ID 83301 | Founded 1997 | Principal: Siobhan Talbot

[www.glanbianutritionals.com/en](http://www.glanbianutritionals.com/en)



Glanbia is a science-led, global nutrition group dedicated to delivering better quality ingredients to many of the world's greatest brands.

### Claim to Disruption

Glanbia partners with companies to improve the functionality and quality of their products, and to help them develop the innovations they need to keep growing. They offer expertise in food science and supply chains, deep knowledge of customers and their categories, and a dedication to the art and science of nutrition.

Glanbia's team of food scientists have expertise across a wide range of disciplines, and provide R&D, production, and logistical help for proteins, bioactives, plant-based nutrition, aseptic beverages and flavors. Their deep understanding of consumers, category trends, and end-to-end product development helps customers consistently bring new products to market. Glanbia's impact is felt through

the scale at which they operate, providing services for thousands of products in food and beverages, supplements and cosmetics, and even animal nutrition. They just might be the most important food company you've never heard of, providing ingredients for many of your favorite products.

Glanbia's integrated teams of Product Managers, R&D, and Insights and Marketing collaborate with customers to develop the solutions that help them lead their categories. Supported by three Innovation Centers (including one in Twin Falls, Idaho), they've pioneered the nutritional bar category, developed accelerated cheese aging techniques and invented a cross-flow microfiltration process that sets the standard

for whey proteins. From new product ideas to more efficient processes, their innovations keep them and their customers at the front of the nutritional industry.

Sources: Regional Vision Team

# Hamilton Manufacturing



Address: 901 Russet St, Twin Falls, ID 83301 | Founded 1962 | Principal: Christy Hamilton

www.hmi-mfg.com/



Hamilton Manufacturing Inc. produces the highest quality products in the erosion control, dust control, and insulation industries.

## Claim to Disruption:

Hamilton's Hydromulch is a hydroseeding technology that is used broadly throughout the world to solve many difficult environmental problems, enabling soils to remain in place long enough for mother nature to take hold. Hydromulch has been used to reseed mountainsides after fires in Washington and North Carolina and places in between. It has helped reclaim mining operations in Peru, steep slope vegetation in Panama, and prevented landslides in Spain. The product can be applied via air or land and is valuable for use in solar farms, wind parks, forest fire remediation, residential job sites, pipeline stabilization, and road side construction.

The mulch is made of strong natural fibers, homogenized with a tackifier to ensure erosion control success without restricting natural growth. This product was designed to withstand heavy rains over a long period of time on steep slopes. It quickly mixes with water to flow smoothly and evenly allowing for uniform distribution, then bonds to soil as it dries which creates even growth.

A second Hamilton product known as Thermolock is a cellulose insulation, superior for sound control, fire protection, mold and mildew prevention, as well as energy efficiency.

Like all Hamilton products, the insulation is made from 100% recycled materials and produced with over 50% renewable energy making it the greenest on the market.

Adapting its existing patents, Hamilton is also working to bring to market a dust control product for construction sites called Knockout.

Sources: Regional Vision Team

# Fabri-Kal



2457 Washington Ave, Burley, ID 83318 | Est: 1950 (Michigan); 2015 (Burley, ID) | Burley Plant Manager Grant Waschuk

www.economicmodeling.com



Fabri-Kal is committed to producing packaging in a safe and environmentally responsible way. They push the envelope every day through design and manufacturing advances. They use innovative materials and reduce packaging where possible. They are committed to reducing their environmental impact and the impact of the products they produce. They are also extremely committed to being transparent about their products, process, and the impact that they have, showing a real commitment to the planet and their customers.

## Claim to Disruption:

Fabri-Kal provides excellent quality products while using renewable, plant-based resources and post-consumer recycled materials. Additionally, all their products are 100% made in the USA. They manufacture "Greenware" food packaging that is made out of plant fiber and is compostable. In an environment where consumers are making purchasing decisions on the impact of the packaging, Fabri-Kal is leading the way in innovative design and a transparent manufacturing process. Not only are their packaging products compostable, they are also made from an annually renewable

plant source. This ensures that they are safe for the planet and sustainable. With the Magic Valley's focus on food, having a green, cutting-edge packaging facility here is an incredible asset not only for our community, but for food producers and manufacturers who are looking for green responsible ways to package their food products.

Sources: Regional Vision Team

# THE ONCE AND CURRENT LANDSCAPES OF SOUTH CENTRAL IDAHO

This region was founded with agricultural roots that are still strong today. The Magic Valley is considered "America's most diverse food basket" and is home to one of the country's largest dairy industries, the world's largest trout producer, the world's largest yogurt processing facility, and a whole host of other global producers and processors. This diversity has created a strong R&D sector around food science, workforce training programs and higher education opportunities to support these industries, and infrastructure to support the growth these companies are continuing to experience. These food sectors have remained strong even during recessions and are projected to continue to grow well into the future. With abundance in dairy production and available water for processing, the Magic Valley has the ability to assist existing businesses and welcome new companies to the region. The region has also developed small clusters in packaging and plastics that have resulted in part due to the food processing focus in the region. These other industries are essential to the area's existing food processors and serve as a great asset for future companies who are looking to come to the Magic Valley.

## STRENGTHS:

### 1. Transportation

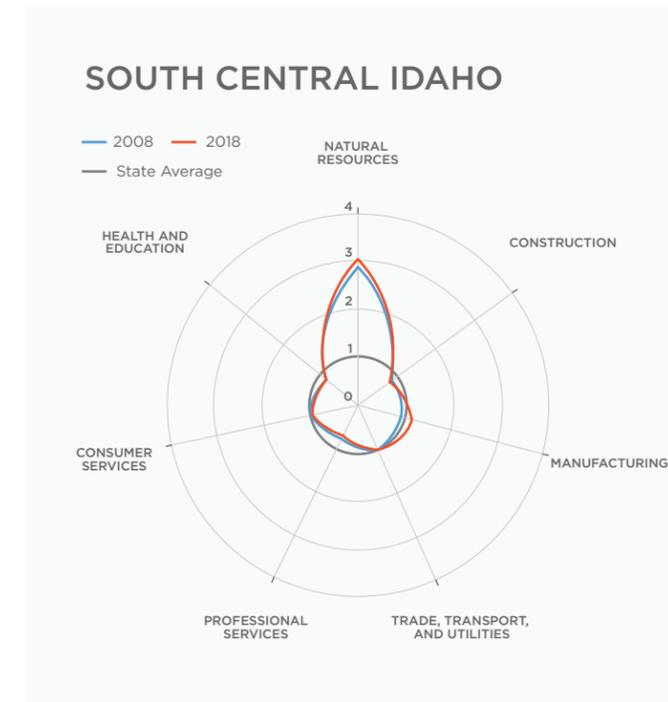
Reliable transportation capabilities are vital for businesses and impact cost, product delivery, and the receiving of supplies. South Central Idaho is fortunate to be strategically situated along large-capacity rail lines and a primary interstate highway. Additionally, current regional air service offers quick access to a major airport in Salt Lake City and local leaders are actively seeking to expand the number of connecting options. In addition to the area's strong transportation foundation, intermodal capabilities are being explored.

### 2. Natural Resources

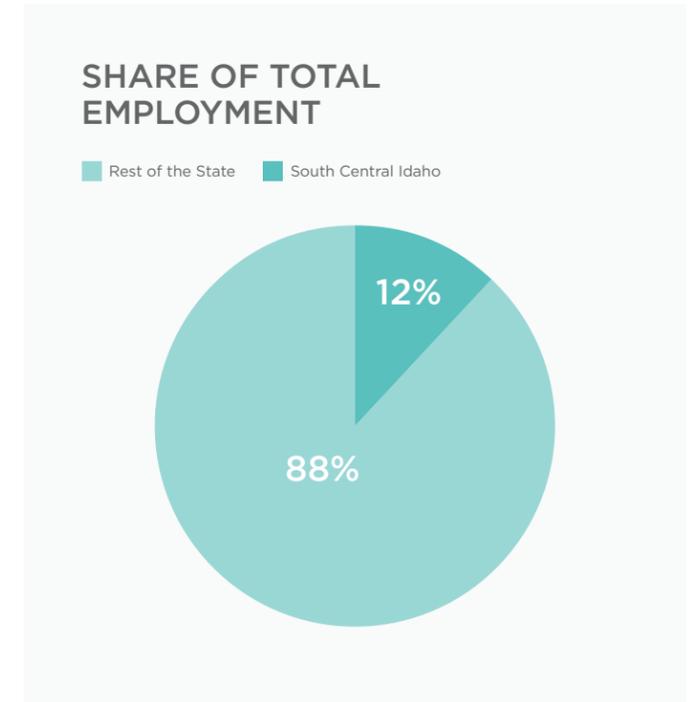
South Central Idaho is blessed with an abundance of natural resources, most notably reliable water sources now and into the future. Recognizing that industry is water-intensive, the region has been deliberate in the protection and use of water resources. From servicing expanding industry, to watering agricultural crops, to growing residential communities, reliable access to water promises continuing prosperity now and into the future.

### 3. Workforce Training (College of Southern Idaho)

This region is focused on the link between education and industry. The College of Southern Idaho (CSI)



Data Source: Bureau of Labor Statistics



Data Source: Bureau of Labor Statistics

## STRENGTHS (CONTINUED):

is a tremendous asset for the region and is always ready and willing to meet with business to assure CSI graduates are educated and trained to meet the needs of industry. Oftentimes referred to as the region's "secret weapon", CSI has developed a Bachelor's in Food Science degree program that melds well with local industry. Additionally, the university's Advanced Technology and Innovation Center has been beneficial in serving as a location where industry-specific equipment is placed in the hands of students to gain experience in preparation for potential work opportunities.

### CHALLENGES:

#### 1. Access to Talent (Availability of Additional Workforce)

The region's economy is doing well with a very low unemployment rate (currently around 2.3%). As a region with a relatively small population in a small state, South Central Idaho has fewer people to put to work. For all of the great work being accomplished here, including the workforce training highlighted as a regional strength, the region is

tackling the challenge of gaining additional talent in several ways. The focus on education to better prepare students for the jobs of today and the future, coupled with higher high school graduation rates are both increasing the eligible workforce. Additionally, recruitment programs that reach beyond regional boundaries are being deployed in order to reach millennials and veterans, for example, persuading them to see the value of living and working here.

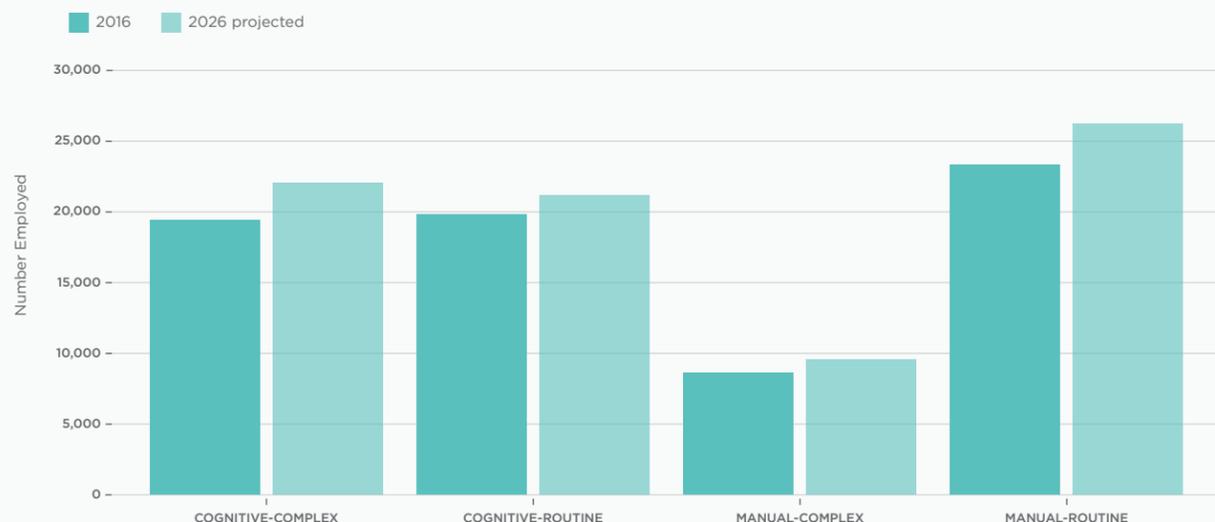
#### 2. Rural Community Resources

The ability for some small, rural communities to thrive in today's knowledge-based economy is a challenge. The availability of resources—spanning money, infrastructure, and capacity—aren't always available in the region's smallest most rural communities. For example, multiple local communities are benefiting from large communities supporting them across a range of expertise to include: economic developing, zoning, governance, infrastructure, as well as how to seek and apply for grants. Ultimately, these are the key activities necessary to attract industry and workforce to such communities.

#### 3. Available Existing Building Inventory

In many instances, businesses begin their search for new locations based upon available brick-and-mortar facilities. A by-product of significant regional growth is a reduction in the availability of existing building inventory. While the region has benefited from multiple large entities moving into the area and building from the ground up, existing inventory can be an impediment to smaller businesses considering relocating to South Central Idaho.

## SOUTH CENTRAL IDAHO EMPLOYMENT



Data Source: Bureau of Labor Statistics

## SETTING SIGHTS

#### Visionary Goal #1: Entrepreneurialism

Create a culture of entrepreneurship (incubators, pitch conferences, etc.) that encourage and enable those aspiring businesses to start, grow, and innovate.

#### Visionary Goal #2: Education

Significantly improve educational outcomes (go on rates, graduation rates, etc). Without better educational outcomes, it will be difficult to cultivate innovative tech because the talent pool will not have the skills to support these home-grown companies or to attract growing companies to the region. Education is the cornerstone to growing an innovative and resilient economy.

#### Visionary Goal #3: Small-Scale Food Production

Create a hub of small, food-company entrepreneurs and food companies. With South Central Idaho's focus on food and food science, many of the necessary ingredients to develop start-up food companies have been met. Working collaboratively, this region and its future industry leaders can innovate and change food.

# SOUTHEASTERN IDAHO

## Region 5 Team Point of Contact:

Teresa McKnight, CEO, REDI

# TOP 3 COMPANIES ACHIEVING DISRUPTIVE PROSPERITY IN SOUTHEASTERN IDAHO

## Inergy Solar

880 N. 5th Ave., Pocatello, ID 83201 | Founded 2014 | Principal: Sean Luangrath

inergytek.com



Southeastern Region

Energy Industry

Inergy Solar is the leader in consumer portable power with a mission to provide the world with affordable solar power. We are accomplishing this mission by making consumer portable energy storage systems. Our "bottom up" consumer approach of offering smart, portable, all-in-one, off-grid battery backup solutions makes solar power available to virtually everyone -- especially those in developing countries.

### Claim to Disruption:

Inergy's unique consumer product approach to solar + storage makes the technology affordable, easy-to-use, and accessible to the general population and thereby making it a scalable solution. This "bottom up" approach to energy storage + solar PV results in high renewable-energy penetration on and off the grid and increased grid resilience. With over 6,000 of its "small" systems throughout the U.S. and some international markets, Inergy has helped thousands of households gain access to needed power.

Inergy Solar continues to develop innovative portable power technology and will enjoy a "first mover" advantage by being the first to embed "smart" and power sharing (micro grid) features into its portable generators. The integration of micro grid control features to portable solar generators is first of its kind as

there are no currently commercially available portable energy storage system that can also connect to the utility grid.

Unlike grid-tied home solar systems, which are expensive, have major components permanently mounted to the home, require roof-space with access to abundant sunlight and therefore are only accessible to half of US households, Inergy's "large" smart portable solar-powered generator can operate on and off-grid, weighs as little as 35 pounds, is portable and can be paired with "plug and play" portable solar panels and set up anywhere sunny, which means almost every household can use this system. Furthermore, because the system is portable, it can be easily relocated to another residence or taken on camping trips to provide power off the electric grid.

Starting in Eastern Idaho with less than a handful of employees, Inergy has blossomed over the past 3 years and now employs several dozens of people who believe in our mission of bringing affordable renewable energy to the world and making a difference in our local communities.

Sources: Regional Vision Team



## Premier Technology, Inc.

1858 W. Bridge Street; Blackfoot, ID 83221 | Founded 1996 | CEO Shelley Sayer

www.ptius.net



Southeastern Region

Manufacturing Industry

Premier Technology is a private, woman-owned company based in Eastern Idaho. The company was founded in 1996 with a primary focus on manufacturing. Since that time, Premier has grown to be a full-service engineering, manufacturing and construction management company employing over 300 highly skilled professionals. Premier's reputation of delivering on-time, quality work has gained the trust of its clients affording them opportunities to serve as a resource for a wide variety of clients.

### Claim to Disruption

Customer's specific metal fabrication needs are paramount in the execution of Premier's mission. As a result, their customer base has grown to include Department of Energy, mining companies around the world, food and beverage packagers and commercial nuclear innovators. Premier's spirit of innovation and willingness to move far beyond traditional fabrication has skyrocketed the company's

rapid growth. Premier Technology, Inc has successfully linked global vision and diversification to become home to 300 employees and over 100 million dollars in sales. In just twenty-three years Premier has become a leader in manufacturing in Idaho and in the nation. Premier has a strong company culture of extreme ownership in the customer experience.

Source: Regional Vision Team

## Idaho Central Credit Union

4400 Central Way; Chubbuck, ID 83202 | Founded 1940 | CEO Kent Oram

www.iccu.com



Southeastern Region

Banking Industry

Idaho Central Credit Union's mission is to help members achieve financial success.

### Claim to Disruption:

ICCU has been ranked a top performing credit union in the nation by S&P Global Market Intelligence, a Best Place to Work in Idaho, and is the leading lender in auto loans and mortgages in Idaho. In the past 12 months, ICCU has helped over 24,000 members buy a car, and over 3,990 members buy a home. ICCU is also ranked as a top credit union in the nation in returning value to its members.

Idaho Central Credit Union (ICCU) was organized as a state-chartered credit union in 1940. The credit union's administrative office is in Chubbuck, Idaho. Idaho Central has

over 1,200 employees serving over 360,000 members with 36 locations throughout the state and over \$4.4 billion in assets. Idaho Central is a full-service, federally-insured financial institution.

ICCU has grown with a strong commitment to Idaho communities. In 2018, ICCU had a presence at over 1000 community events and ICCU team members volunteered 9,260+ hours to support nonprofit organizations.

ICCU opened four new branches and completed total rebuilds of two branches in 2018. Their most recent project is a new data center in Chubbuck. In the planning of this building, ICCU selected as many local contractors and suppliers as possible, thus providing a large economic boost for companies in Bannock County during the construction process.

Sources: Regional Vision Team



# EASTERN IDAHO

## Region 6 Team Point of Contact:

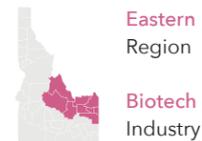
Teresa McKnight, CEO, REDI

# TOP 3 COMPANIES ACHIEVING DISRUPTIVE PROSPERITY IN EASTERN IDAHO

## BioLogiQ, Inc.

2400 E. 25th St.; Idaho Falls, ID 83404 | Founded 2011 | Principal: Brad LaPray

www.biologiq.com and www.nuplastiq.com



Eastern Region

Biotech Industry

The company's goal is to provide plant-based biopolymers that enable material and energy reductions, recyclability, and/or biodegradability, helping to build a world free of the pollution caused by plastics.

### Claim to Disruption

BioLogiQ's NuPlastiQ BioPolymer is a 100% natural, plant-based resin that can provide unique properties when blended with other plastics. When combined with traditional plastics such as polyethylene, polypropylene, or polystyrene, it will reduce use of fossil fuel-based plastics and greenhouse gas generation. It also has the capability to strengthen the total compound and can maintain the recyclability of the partner resin as well.

Further, NuPlastiQ has been certified by the USDA as having 100% bio-based content and is certified to be both industrial compostable and marine biodegradable. When combined with other biodegradable resins, it can help reduce the finished cost and potentially accelerate biodegradation as well.

Sources: Regional Vision Team



## Idaho National Laboratories (INL)



2525 Fremont Dr; Idaho Falls, ID 83402 | Founded 1949 | Principal: Director Mark Peters

www.hmi-mfg.com



Eastern Region

Energy Industry

INL is the nation's leading laboratory for nuclear energy research, development, demonstration, and deployment. The institution is dedicated to ensuring the nation's energy security with safe, competitive and sustainable energy systems and unique national and homeland security capabilities.

### Claim to Disruption:

The INL is a key part of Eastern Idaho's "corridor of innovation." Several key examples of its positive impacts include:

A. Energy R&D / Production: Small Modular Reactor (SMR) project. The INL's 890 square mile site is playing host to SMR technology being developed by NuScale Power. The proposed SMR plant would have 12, 60-megawatt modules that could generate 720 megawatts of clean electricity (if operating at 100 percent capacity) in a relatively small footprint. The plant is expected to be fully operational by 2027. INL supports research

for NuScale Power as well as other research for advanced nuclear reactors. This project will employ over 3,000 workers during the construction phase and bring over 300 permanent jobs to Eastern Idaho. It is a first-in-kind technology that will revolutionize energy across the globe.

B. Community Partnerships / Key Part of Growing a Strong, Innovative Economy: The INL is integrated with the community and across the state in many aspects. As INL grows, it provides opportunities for community

colleges and universities to leverage access to INL resources and recruit more students and faculty; for qualified vendors, suppliers and contractors to deliver services to INL while attracting new customers; and for entrepreneurs to license what we created and make it available outside the lab.

Sources: Regional Vision Team

## Melaleuca, Inc.

4609 W. 65th South; Idaho Falls, ID 83202 | Founded: 1985 | Principal: Frank VanderSloot

www.melaleuca.info



Eastern Region

Supplements Industry

Melaleuca, Inc. is, "Enhancing the lives of those we touch by helping people reach their goals." This mission statement permeates the company's culture, its business model, values, and initiatives. Equally important, all levels of management are trained to apply the mission of "enhancing lives" and "helping people reach their goals" to decisions that impact customers, marketing executives, employees, vendors and the communities in which Melaleuca operates.

### Claim to Disruption:

As an Idaho-based manufacturer of healthcare and wellness products, Melaleuca generates more than \$2 billion in annual sales revenues, operates in 19 countries, and employs 4,400 people around the globe. Its online catalog of 450 different products range from vitamins and health supplements to non-toxic household cleaners, personal care and skin care products, cosmetics, and essential oils. Nearly every single Melaleuca product is proprietary and exclusive, using higher quality, natural ingredients that are safer in the home and for the environment.

Melaleuca goes head-to-head against the grocery, drug, and department store brands, and each product is developed and tested to outperform the market leaders. To do that, Melaleuca must compete against the largest

corporations and advertisers in the world. But how can Melaleuca compete against these mega-brands when it's only a fraction of their size? Simply put, the answer is innovation. First, it creates superior products - using high quality, natural ingredients - that outperform those found in the retail stores. And second, it competes by changing where consumers buy its products. Instead of relying on mass merchandising stores like its competitors, Melaleuca customers buy directly from the manufacturer. This strategy allows Melaleuca to bypass the exorbitant costs of retail outlets, warehousing, middle men and advertising campaigns. It also allows Melaleuca to invest those dollars into making higher quality products and compensating the individuals who refer new customers to the company. The results speak for themselves:

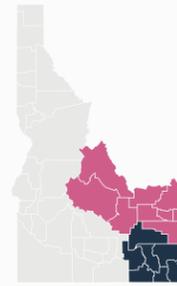
- Two million households order Melaleuca products every month.
- As one of North America's top 100 e-commerce companies, Melaleuca is the state of Idaho's largest e-commerce company.
- Melaleuca has a 97% reorder rate.
- Melaleuca has established itself as one of the youngest billion-dollar entrants in the consumer products industry in the United States.
- Through its innovative referral program, Melaleuca has paid more than \$5.6 billion to customers who have referred others to the company.
- In 2018, Melaleuca's total economic impact across Idaho was \$1.166 billion - a
- 97% increase since 2011 when the economic impact study was last completed.

Sources: Regional Vision Team

## THE CURRENT AND FUTURE LANDSCAPES OF SOUTHEASTERN IDAHO

Eastern Idaho's economy (which spans Regions 5 and 6) is strong and diverse, a result of private and public-sector entities that provide stability and consistency. An area comprising of 14 counties, covering nearly 29,000 square miles and containing a population of more than 350,000 people, Eastern Idaho boasts the second largest workforce in the State. A thriving agriculture industry provides a solid foundation, and includes major crops like potatoes, barley, and quinoa. Forty-four percent (44%) of Idaho's food production is produced in Eastern Idaho. In the past two decades, clusters have emerged in healthcare, advanced manufacturing, technology and energy have formed in the region. This growth is fueled by Idaho National Laboratory, the nation's lead nuclear energy research and development facility, as well as other federal installations such as; The Department of Homeland Security, U.S. Navy, U.S. Department of Energy, Department of Defense, and the Federal Bureau of Investigation. In addition, Eastern Idaho has become known as a "Live - Work - Play" place with two national parks that stimulate healthy lifestyle, tourism and recreation industries in Eastern Idaho.

The Eastern Idaho region is also a medical hub that serves the growing need of medical services for patients in several states. Within a 40-mile radius, Eastern Idaho houses



## THE STATE OF IDAHO RECOGNIZES EASTERN IDAHO ACROSS TWO REGIONS: REGION V AND REGION VI

Region 5 contributes to Eastern Idaho's diverse economy. Approximately one in five jobs are concentrated in goods-producing industries including agriculture and agriculture related manufacturing, advanced manufacturing, mining and minerals processing and high-tech semi-conductor component production. Service sector jobs are largely dominated by state and local government jobs supported by the presence of Idaho State University and the Shoshone-Bannock Tribes. Additionally, the region's logistics sector is expanding with the development of the Frigitek cold storage and rail service projects, which will support food and agriculture processing. The construction industry in the region has grown significantly since the last recession. In the past year, construction grew by 4.8%, four times faster than the average regional industry growth. This growth can be attributed to a number of ongoing and recently completed construction projects, some of which include ongoing expansions at the Idaho Central Credit Union, Farm Bureau and the FBI data center located in the region's largest community, Pocatello-Chubbuck.

three major modern Hospitals, a Cancer Center, a Burn Center, and a Cardiac Center as well as hundreds of supporting diagnostic facilities, medical laboratories, outpatient facilities and medical support businesses.

Eastern Idaho has a well-established education sector including two major universities and a community college. Currently, there are 50,000 students attending these schools in Eastern Idaho every semester.

This FBI expansion project holds a lot of promise for the region as it has the potential to expand the region's professional and business services sector. The FBI Expansion will provide the following economic impact:

- 350 new Data Center jobs & 150 Administrative jobs; 500 total new jobs
- 160 spinoff jobs
- Resulting wages generate an estimated \$65 million economic impact annually.
- A driving force behind mall area dining development
- Construction expansion creates approximately 1,728 jobs and \$158 million of economic impact in Region 5

Three specific projects have the potential to bring more high-tech jobs into the region. Premier Technology has already begun a \$15 million expansion in the city of Blackfoot (Bingham County). Another project is a proposed walkable-bikeable community in Pocatello-Chubbuck called the Northgate Siphon Road Development. This development is expected to bring 10,000 residential units, a shopping and retail district, commercial and industrial sites, and an IT Park supporting 6,000 high paying IT jobs. The third project is the new eCobalt Solutions plant, which will process ore from their new mine in Salmon, Idaho, and convert it into components for lithium batteries that will power products from flashlights to cars.

Malting, Anheuser Busch and InteGrow contribute to Idaho's ranking as the #1 malt barley producing state in the nation. Eastern Idaho's focus on science, technology, and renewable energy is only part of the reason NuScale has chosen this region to build the world's first Small Modular Reactor (SMR)—a \$2.4 billion project. In addition, Idaho National Laboratory broke ground this year on a new Cybercore Integration Center and Collaborative Computing Center that will bring hundreds of high paying sustainable jobs to the area. Idaho National Laboratory spurs innovation across the region. Scientists and engineers develop new patents that offer the opportunity to commercialize INL developed technology by transferring intellectual property to industry. Spin offs from Idaho National Laboratory include companies in the medical isotope, ceramic fibers, and cybersecurity industries.

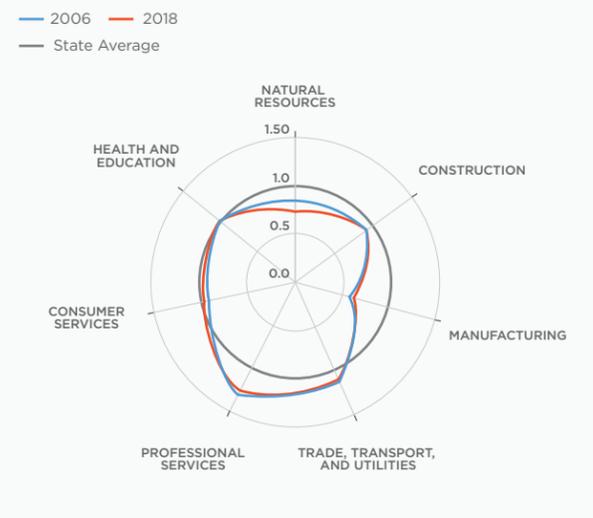
The Healthcare industry here has grown by 230% over the last two decades in Eastern Idaho. This swelling industry employs thousands across the region and supports numerous specialized healthcare facilities ranging from Oncology to Nephrology. Just this year, Mountain View and Bingham Memorial broke ground on expansions. The Idaho Falls Community Hospital opened, and Eastern Idaho Regional Medical Center opened the only burn program in the state of Idaho, Wyoming, Montana, and North Dakota.

### SOUTHEASTERN IDAHO



Data Source: Bureau of Labor Statistics

### EASTERN IDAHO



Data Source: Bureau of Labor Statistics

## THE CHANGEABLE AND IMMINENT LANDSCAPES OF EASTERN IDAHO

As described in the Region 5 summary, Eastern Idaho's economy is strong and diverse; a result of private and public-sector entities that provide stability and consistency. An area comprising 14 counties, covering nearly 29,000 square miles and containing a population of more than 350,000 people, eastern Idaho boasts the second largest workforce in the State. The region is home to thriving agricultural, healthcare, advanced manufacturing, technology and energy industries.

Region 6 is recognized as the I-15 Research and Innovation Corridor supported by a longstanding agricultural industry. Eastern Idaho companies like Great Western

**STRENGTHS:**

**1. Workforce and Education**

Talent is eastern Idaho's greatest strength. Two major universities and strong industry collaborations help the region prepare an emerging workforce for Idaho and the global economy. Idaho State University (ISU) in Pocatello, Brigham Young University-Idaho (BYU-I) in Rexburg, the ISU and University of Idaho joint University Place campus in Idaho Falls, and the College of Eastern Idaho (CEI) community college bring 50,000 students to the area every semester. The Center for Advanced Energy studies (CAES), the Idaho National Laboratory (INL) Cybercore Integration Center, and their Collaborative Computing Center will play lead roles in training Idaho's future technology and energy workforce.

**2. Innovation**

Beginning in 1949, and through development and operation of 52 original test reactors, INL built the R&D Foundation that helped establish the commercial nuclear energy industry in the United States and around the world. Those innovations continue today as the laboratory works with industry to develop and deploy the next generation of nuclear reactors. That includes the NuScale small modular reactor, which is scheduled to be built on the INL 890

square-mile desert site and which could begin producing 720 megawatts of carbon-free electricity for the Utah Associated Municipal Power Systems (UAMPS) in 2027. These innovations also include 2-to-20-megawatt micro-reactors, which could be used to power remote communities, industrial operations, and military installations. Working with the private sector, INL is a world leader in electric vehicle battery testing, evolutions in battery storage, and advancements in medical isotope technology.

**3. Energy**

Eastern Idaho features a plethora of hydropower resources, an emerging wind power industry, solar power, and nuclear energy. The city of Idaho Falls features its own utility, Idaho Falls Power, producing its own hydro and wind power. Idaho Falls Power also is part of the Utah Associated Municipal Power Systems (UAMPS) that is attempting to build the world's first small modular reactor on the Idaho National Laboratory desert site. Eastern Idaho's unique position of diverse energy sources and the region's growing energy sector make it the energy corridor for the entire state of Idaho.

**CHALLENGES:**

**1. Educational Outcomes**

Like all of Idaho, Eastern Idaho companies find themselves facing a looming worker shortage, especially those educated in the science, technology, engineering and mathematics (STEM) fields. Eastern Idaho also faces a shortage of trained technicians and mechanics—people who operate and repair equipment. Eastern Idaho organizations are working with local schools to promote STEM learning with Idaho colleges and universities to shape curriculum—all while encouraging businesses to bring in hundreds of interns each summer. A partnership between the state of Idaho and INL to build two new facilities, the Cybercore Integration Center and Collaborative Computing Center, will help train Idaho students for careers in the rapidly growing areas of cybersecurity and computer modeling and simulation.

**2. Access to Capital**

Eastern Idaho has innovation in its DNA—from the development of the commercial nuclear energy industry to major advances in electric vehicle batteries, cybersecurity and agriculture. With a unique asset in INL, and the federal government encouraging commercialization of national laboratory research, the private sector in Idaho has unrivaled opportunities to produce products borne of

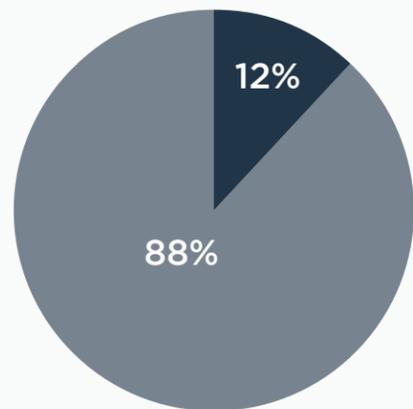
innovation and capable of changing our nation's energy and security future. Finding the capital to bring these innovations to the marketplace can be challenging; however, with a rise in the entrepreneurial landscape in eastern Idaho, this will change.

**3. Transportation**

Because Eastern Idaho is a world leader in energy research, cybersecurity and broader clean energy research, it consistently receives visitors from throughout the nation, and around the globe. As more private-sector companies emerge with global customers, they face the same challenge of having the ability to quickly and efficiently get where they need to go. In addition, with more companies recruited to Eastern Idaho, CEO's will require the ability to fly in and out of Eastern Idaho airports the same day. A lack of an international airport in the region will prove increasingly inconvenient until it becomes debilitating. Industry and municipal leaders will need to work together to address large-scale transportation issues which, if handled appropriately, will ensure future economic engagement and will play a factor on growth.

**SHARE OF TOTAL EMPLOYMENT**

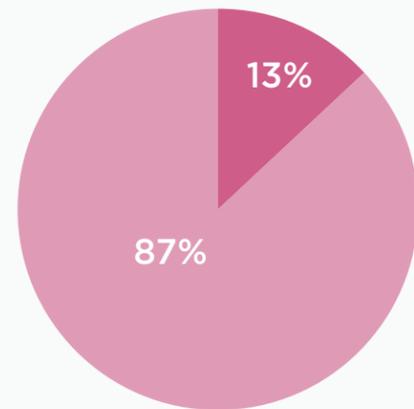
Rest of the State South Central Idaho



Data Source: Bureau of Labor Statistics

**SHARE OF TOTAL EMPLOYMENT**

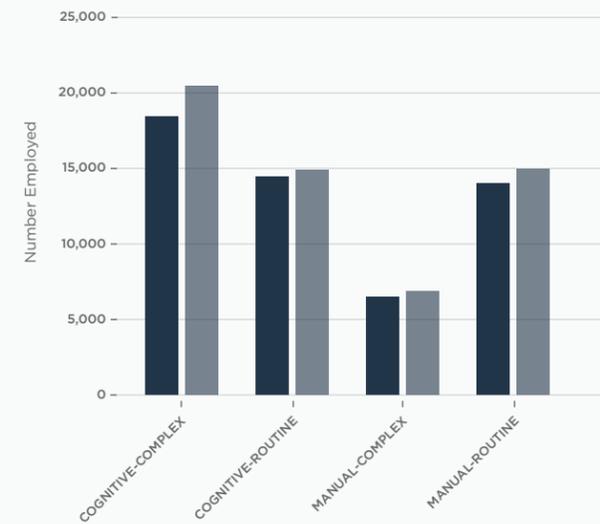
Rest of the State Eastern Idaho



Data Source: Bureau of Labor Statistics

**SOUTHEASTERN IDAHO EMPLOYMENT**

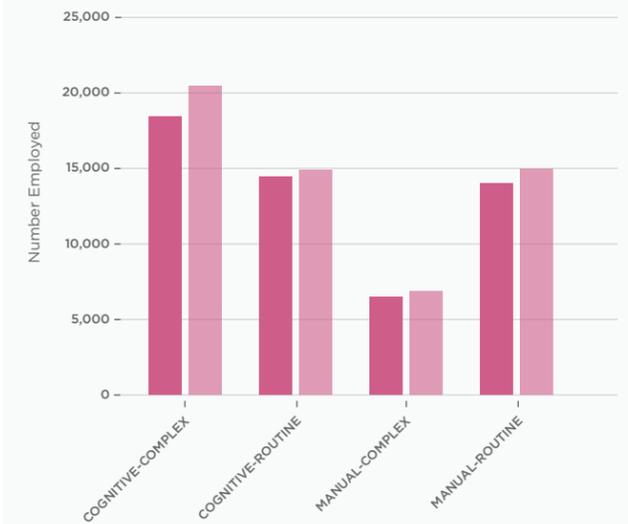
2016 2026 projected



Data Source: Bureau of Labor Statistics

**EASTERN IDAHO EMPLOYMENT**

2016 2026 projected



Data Source: Bureau of Labor Statistics

## SETTING SIGHTS

### Visionary Goal #1: Integrate/Leverage Regional Capabilities

The region is eager to effectively market itself by leveraging Eastern Idaho's combined research, economic, and quality-of-life assets. The area's workforce, education systems, transportation, capital allocation, and incentives are thriving in the current economic climate, but we cannot rest on our achievements, there is always room to grow on every front. There are excellent examples of ambitious opportunities ripening to fruition within the region; one example being the INL disruption narrative within this report. Additional activities and ventures of a similar nature will be part of the action plan for growing the Eastern Idaho's economic ecosystem.

### Visionary Goal #2: Access to Capital

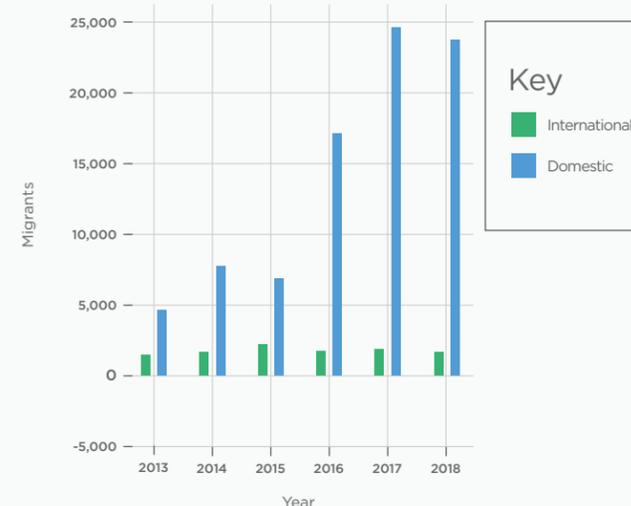
With changes in the landscape, Eastern Idaho is seeing more entrepreneurial activities and start-ups emerging. Leaders are exploring a targeted capital campaign to bring VC and Angel funding to Eastern Idaho. All opportunities that will open or build pipelines to capital are being actively pursued.

### Visionary Goal #3: Strong, Innovative Ecosystem

Eastern Idaho is actively stimulating the Entrepreneurial climate in the Region. Coordinated efforts in this sector include the leveraging of assets from incubators, accelerators, networking activities and groups of active entrepreneurs. While progress has been made, there are still incredible opportunities to be discovered.

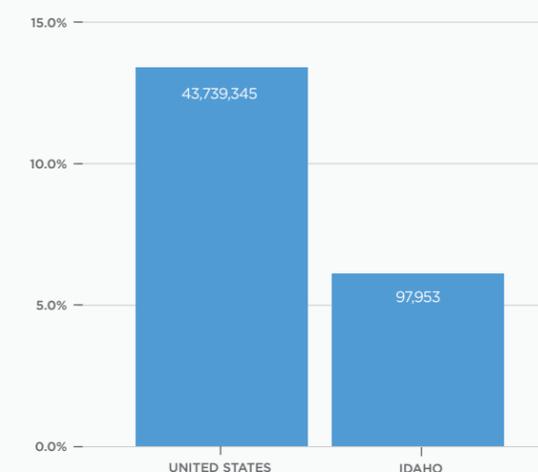
# PROFILE OF IDAHO

## MIGRATION



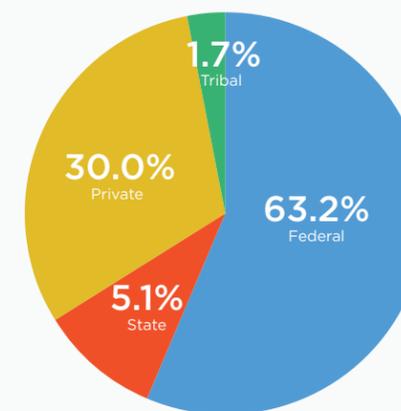
Data Source: Census Bureau, 2016 5-Year Estimates

## FOREIGN BORN



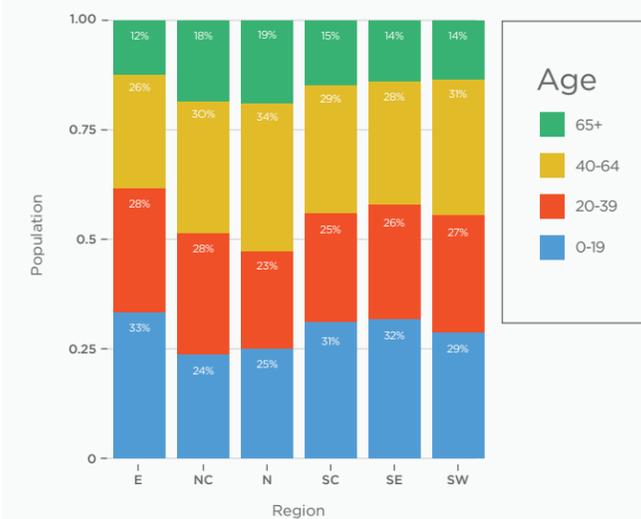
Data Source: Census Bureau, 2016 5-Year Estimates

## PUBLIC LAND AREA 2018



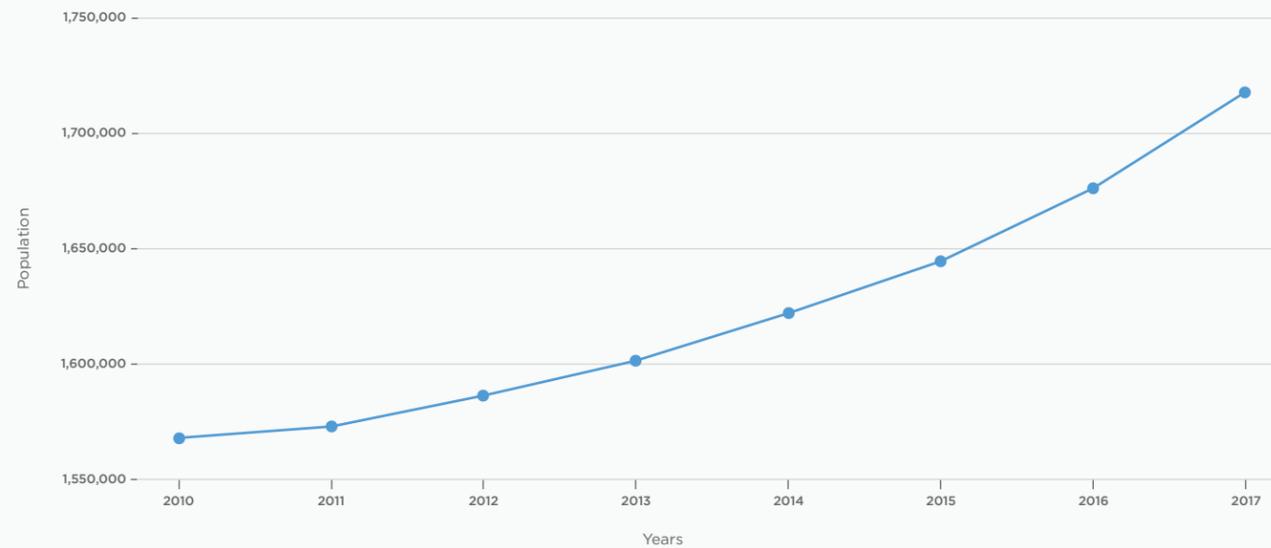
Data Source: Idaho Department of Lands

## REGIONAL POPULATION DISTRIBUTION



Data Source: Census Bureau, 2016 5-Year Estimates

## IDAHO POPULATION



Data Source: Census Bureau, 2017 Population Estimates

## JOB GROWTH: NUMBER OF JOBS WITH PERCENT CHANGE OVER PRIOR YEAR

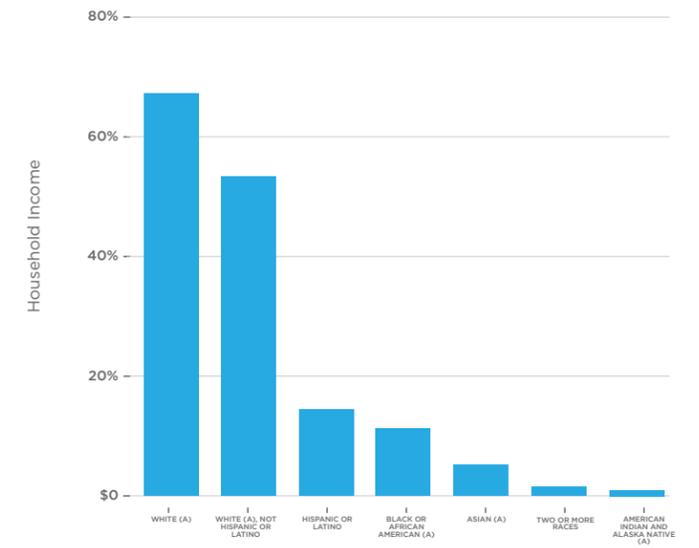


Data Source: Bureau of Economic Analysis, 2018

**IDAHO'S PER CAPITA INCOME GREW BY \$1,329 FROM 2017 TO 2018, INCREASING BY 3.2 PERCENT TO \$43,155. HOWEVER, THIS INCREASE WAS LESS THAN THE \$2,072 INCREASE OF 4.0 PERCENT FOR THE NATION.**

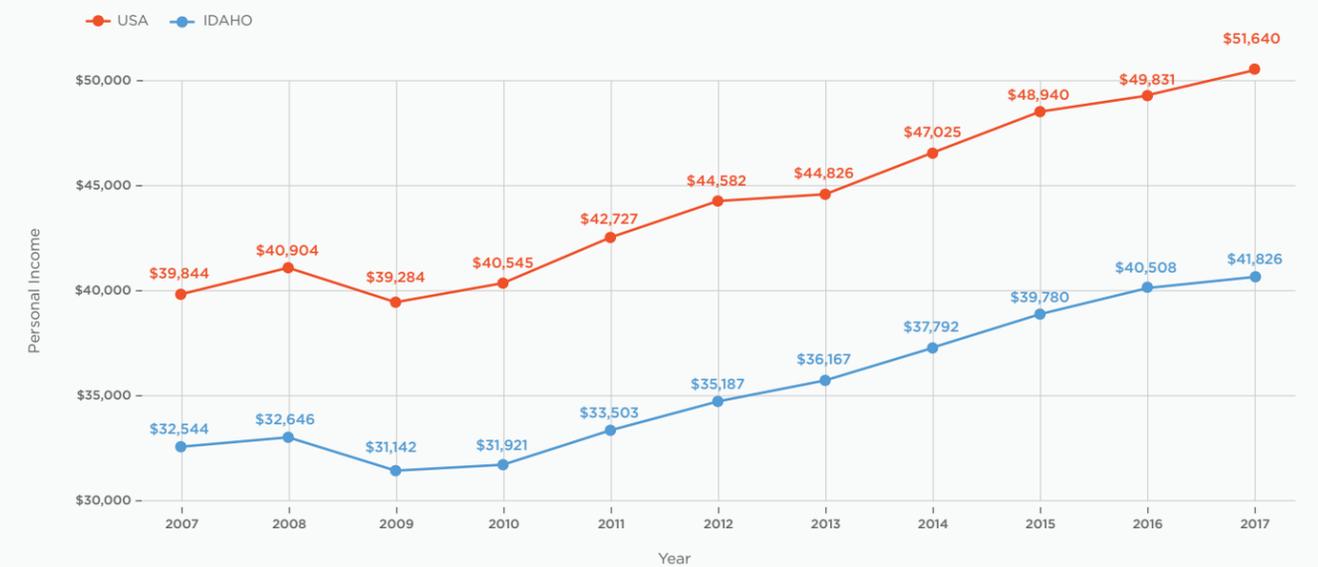
Idaho's per capita income is 19.7 percent below the national income level of \$53,712. Since 1969 – the beginning of the data series – Idaho has averaged 16.3 percent below the national per capita income. The largest gap was in 2011 with 21.6 percent below, and the smallest gap was 4.6 percent below in 1974.

## ETHNIC ORIGIN



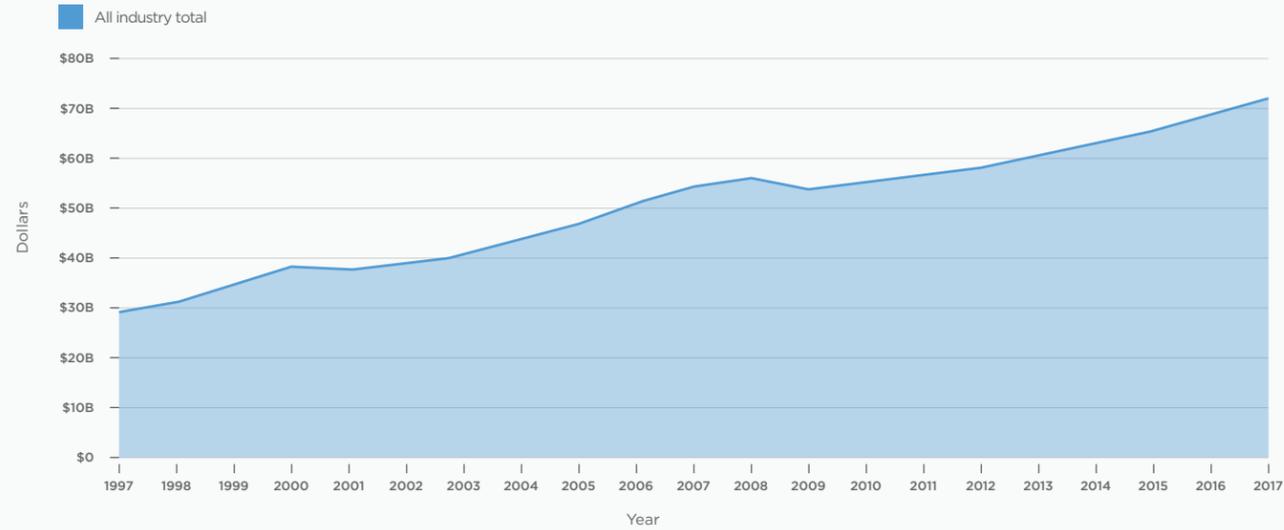
Data Source: Census Bureau, 2016 5-Year Estimates

## PER CAPITA PERSONAL INCOME



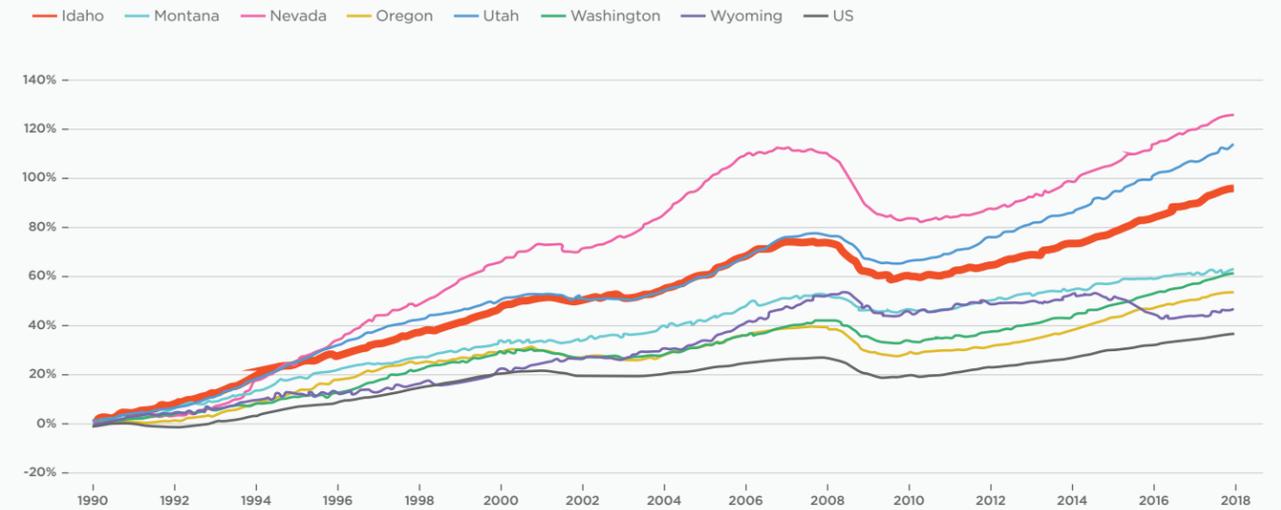
Data Source: Bureau of Economic Analysis, 2017

## IDAHO GROSS DOMESTIC PRODUCT (IN CURRENT DOLLARS)



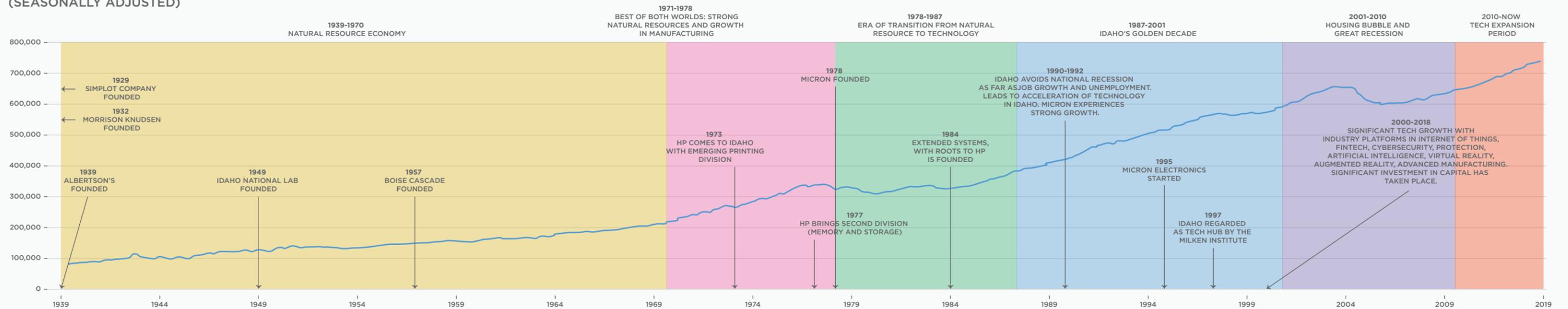
Data Source: BEA.Gov - interactive data application

## TOTAL NONFARM JOB GROWTH FROM 1990: IDAHO AND ITS SURROUNDING STATES



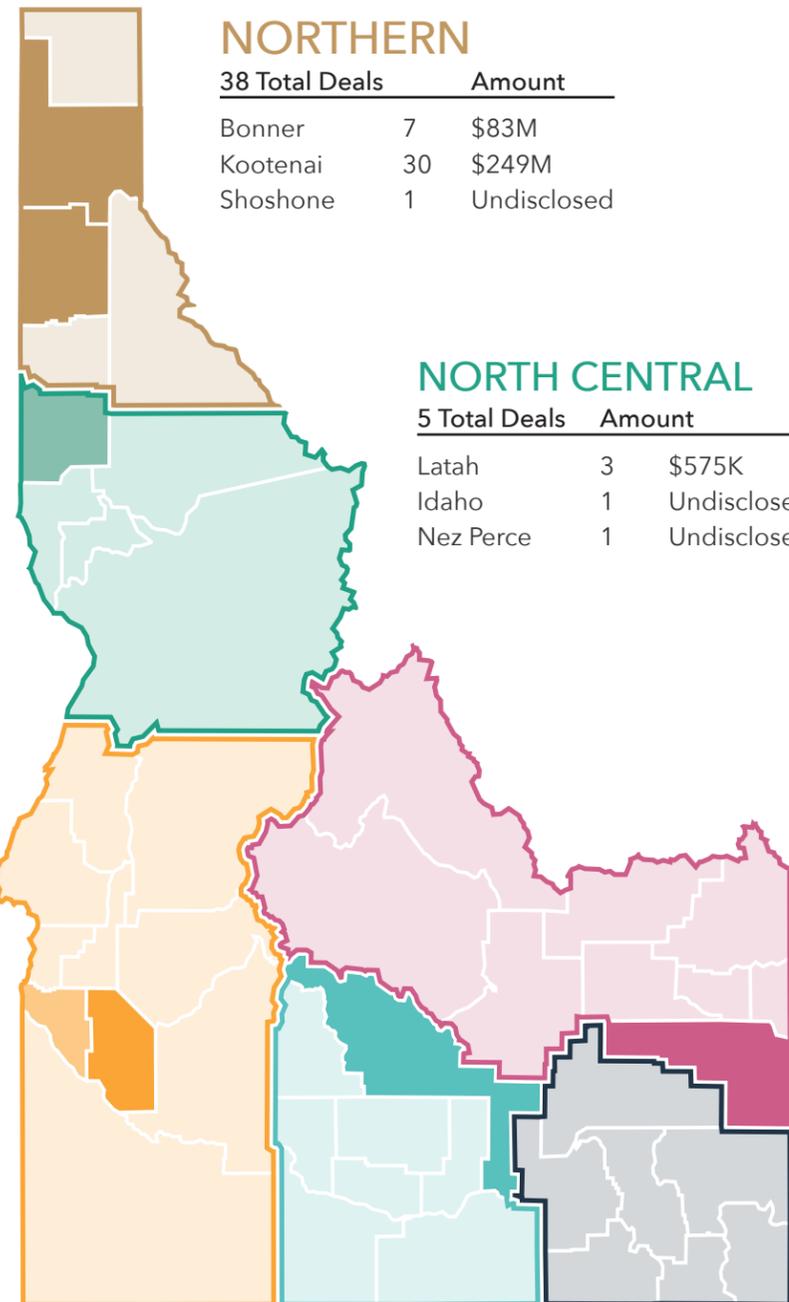
Data Source: Idaho Department of Labor

## IDAHO TOTAL NONFARM JOBS (SEASONALLY ADJUSTED)



Data Source: Idaho Department of Labor

# DEAL FLOW



## NORTHERN

County	# of Deals	Amount
Bonner	7	\$83M
Kootenai	30	\$249M
Shoshone	1	Undisclosed

## NORTH CENTRAL

County	# of Deals	Amount
Latah	3	\$575K
Idaho	1	Undisclosed
Nez Perce	1	Undisclosed

## EASTERN

County	# of Deals	Amount
Bonneville	9	\$29M
Custer	1	\$420K
Jefferson	1	Undisclosed
Madison	2	\$733K
Teton	1	Undisclosed

## SOUTHEASTERN

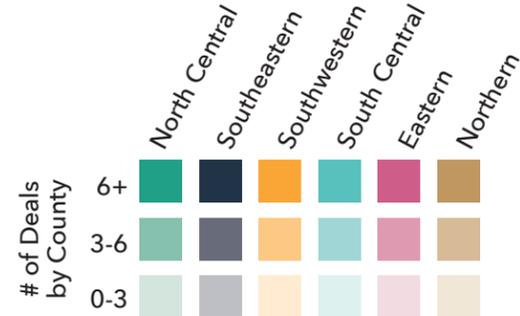
County	# of Deals	Amount
Bannock	1	Undisclosed
Bingham	2	Undisclosed

## SOUTHWESTERN

County	# of Deals	Amount
Ada	81	\$1,356M
Canyon	5	\$1M
Owyhee	2	\$2M
Payette	2	Undisclosed
Valley	2	Undisclosed

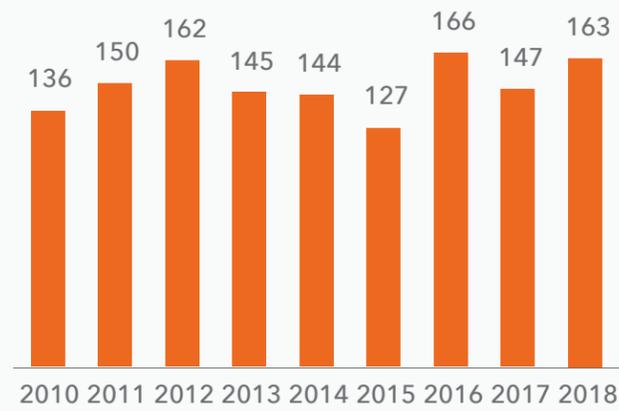
## SOUTH CENTRAL

County	# of Deals	Amount
Blaine	8	\$13M
Camas	1	\$1M
Twin Falls	2	\$3M

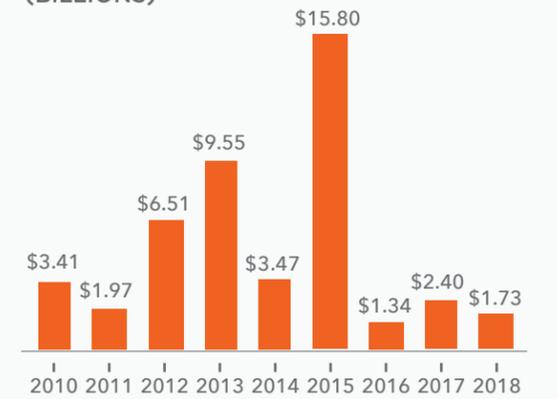


The deal flow report highlights Idaho companies that are starting, growing, and thriving. A key part of their success is access to capital, which the deal flow report captures.

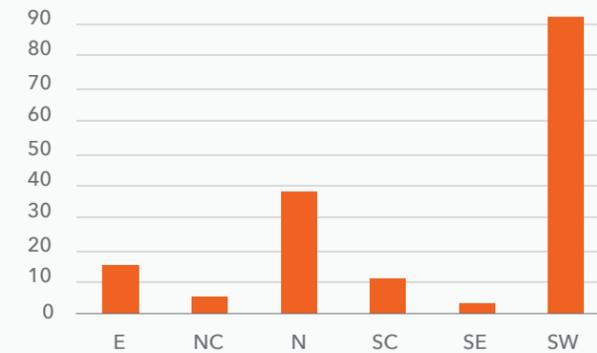
## NUMBER OF DEALS



## \$TOTAL VOLUME (BILLIONS)



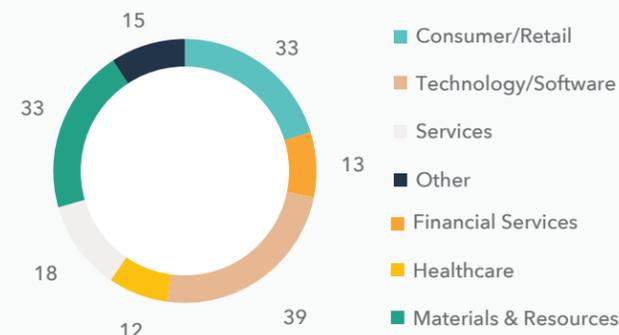
## DEAL COUNT (BY REGION)



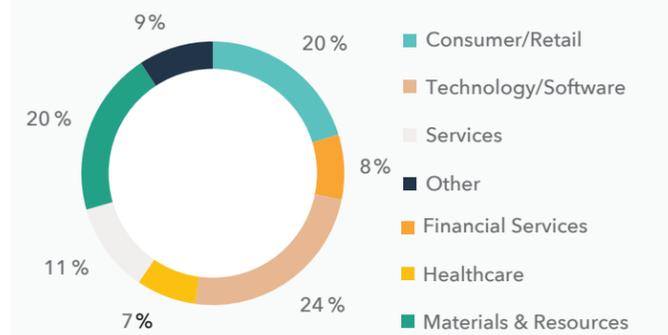
## AVERAGE DEAL AMOUNT (BY REGION; MILLIONS)



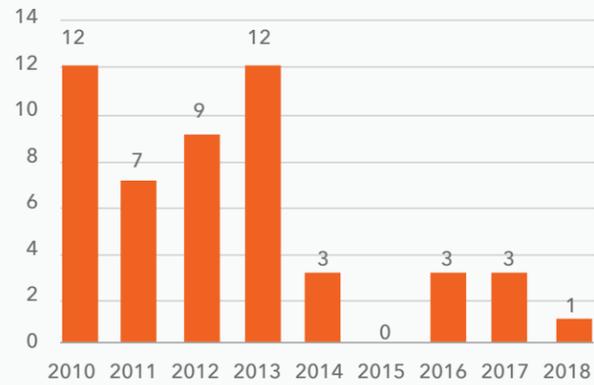
## NUMBER OF DEALS (BY INDUSTRY - #)



## TOTAL DEAL VOLUME (BY INDUSTRY - %)



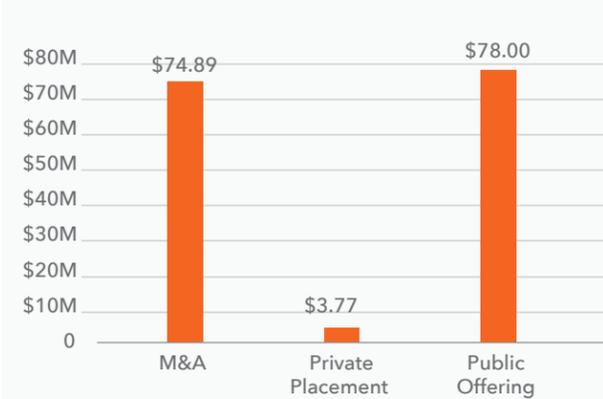
### PUBLIC OFFERINGS (NUMBER OF DEALS)



### PUBLIC OFFERINGS (\$ VOLUME - MILLIONS)

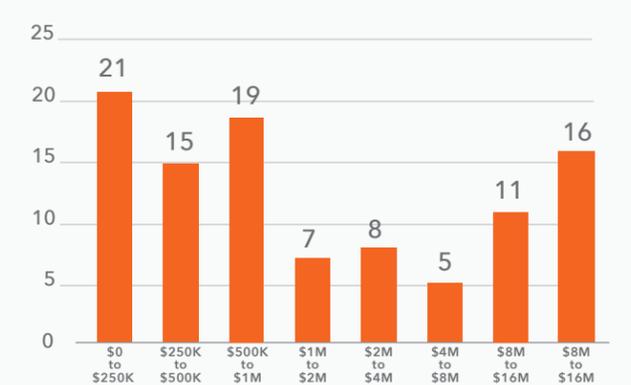


### AVERAGE DEAL AMOUNT (BY DEAL TYPE)

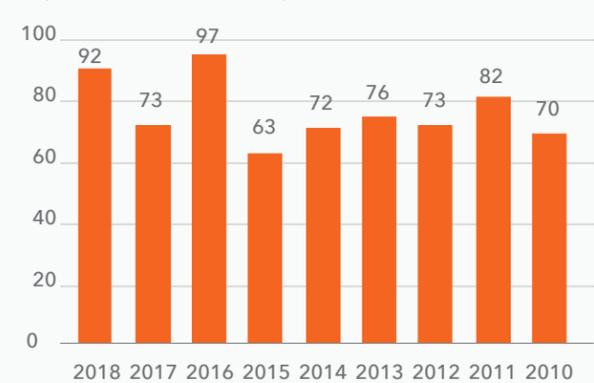


### 2018 DEAL SIZE DISTRIBUTION

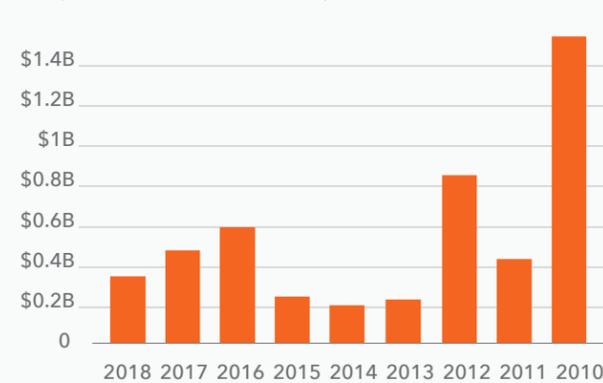
\*this graph shows the distribution for deals with disclosed amounts



### PRIVATE PLACEMENT (NUMBER OF DEALS)



### PRIVATE PLACEMENT (\$ VOLUME - BILLIONS)

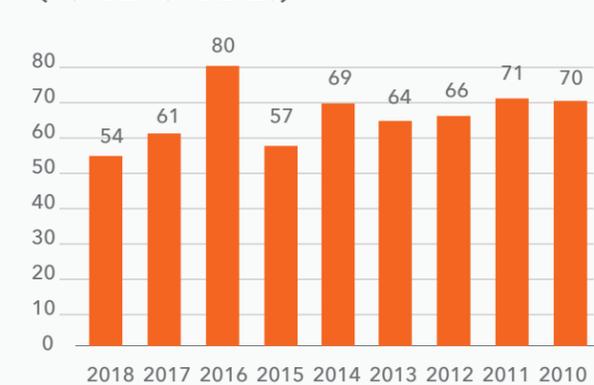


### CONSISTANT PERFORMERS

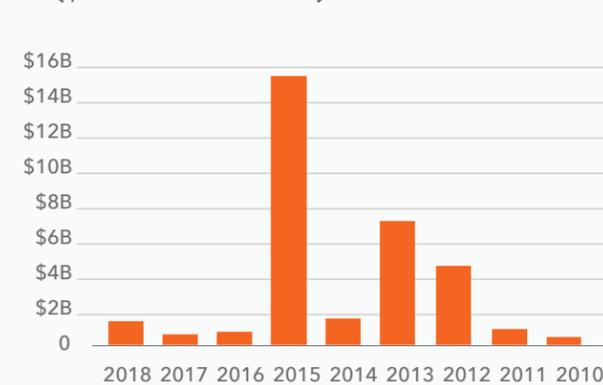
# OF YEARS A COMPANY HAD A TRANSACTION IN THE DEAL FLOW REPORT SINCE 2010



### MERGERS & ACQUISITIONS (NUMBER OF DEALS)



### MERGERS & ACQUISITIONS (\$ VOLUME - BILLIONS)



### DEAL FLOW DISCLAIMER

We have used commercially reasonable efforts to collect and publish accurate and reliable information in the Deal Flow Report. However, readers should understand that the information contained herein has been collected from several different sources and not all of the information contained in this publication has been independently verified, substantiated, or audited. Accordingly, we make no representation or warranty as to the accuracy, reliability, adequacy, or completeness of the information contained herein. Readers should also understand that this publication does not necessarily contain an exhaustive list of all transactions completed during 2018 in the State of Idaho because many transactions were confidential, not made public and/or were not reported. Inclusion in this publication of the logos of companies that completed transactions during 2018 does not imply endorsement or sponsorship of or ownership by trademark holder.

#### Sources used in compiling the 2018 Deal Flow Report

- Capital IQ (PE/VC database)
- Pitchbook (PE/VC database)
- PrivCo (PE/VC database)
- Idaho Reg D Filings
- SEC Form C Filings
- Company Press Releases
- Direct Contact of Idaho Companies

Hours spent compiling, analyzing data, and designing the 2018 Deal Flow Report

Over 700 hours

Special thanks to Brigham Young University and the Marriott School of Business for sponsoring our 2018 Deal Flow Interns:

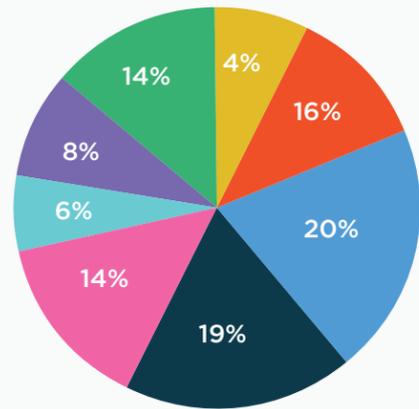
Adam Hurd  
Jordan Hurd  
Coltin Barney  
Carter Scoresby

Maddie Wood  
Bethany Brimhall  
Hunter Hutchens

# ECONOMY

## SHARE OF EMPLOYMENT

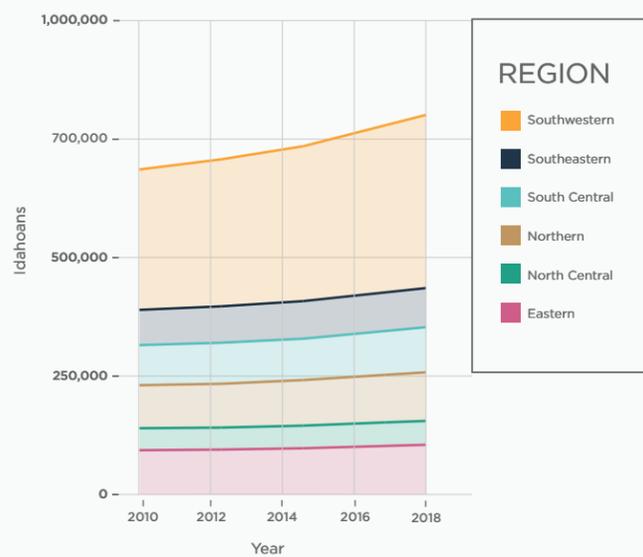
- Consumer Services
- Education
- Government
- Healthcare
- Natural Resources
- Production
- Trade, Transportation, Utilities
- Professional and Financial Services



**IDAHO CONTINUED ITS STRONG GROWTH AND REACHED NEW HEIGHTS IN 2018 WITH A NEW TOTAL AVERAGE OF 737,300 NON-FARM JOBS. IT WAS A SLIGHTLY STRONGER YEAR OF GROWTH WITH 3.1 PERCENT INCREASE FROM 2017 TO 2018 COMPARED TO 3.0 PERCENT FROM 2016 TO 2017.**

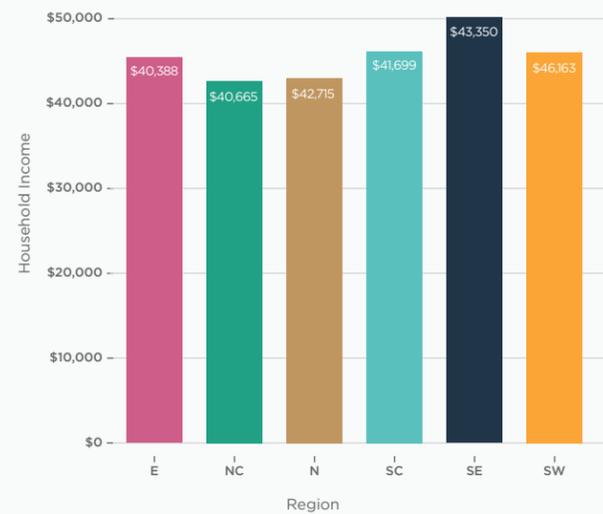
Data Source: Bureau of Labor Statistics,

## IDAHO EMPLOYMENT



Data Source: Bureau of Labor Statistics

## MEDIAN HOUSEHOLD INCOME BY REGION



Data Source: Census Bureau, 2016 5-Year Estimates

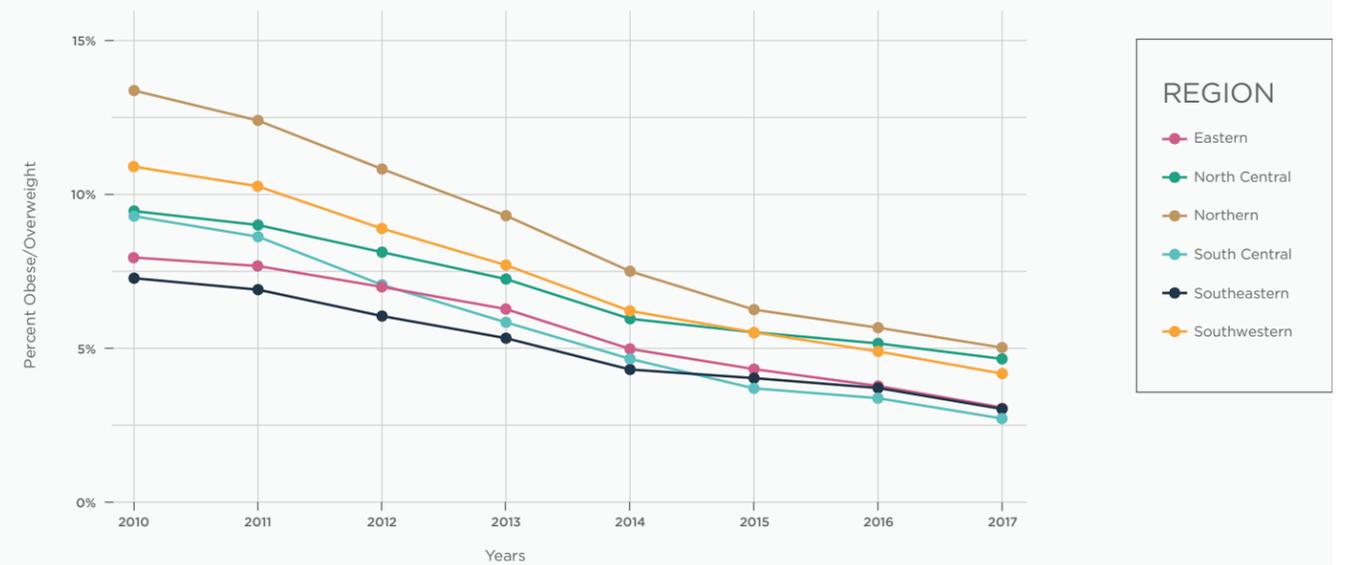
## EMPLOYMENT

Idaho's employment rate has been increasing steadily in all regions, most notably in the Southwestern part of the state. Since 2010, Idaho has added over 140,000 new jobs. Job growth has recovered since a dip during the recession of 2008, and has surpassed pre-recession levels. The rate of job growth has also been rising consistently since 2010. Between 2017 and 2018 Idaho saw a 3.3% increase in jobs, continuing a trend of strong growth. The Southwestern region saw the most growth between 2010 and 2018, followed by the Northern, South Central, and Eastern regions. Idaho's two largest areas of economic activity are trade, transportation, and utilities, and professional and financial services. Areas of future economic opportunity include workforce development and innovative entrepreneurship.

### Why is this important?

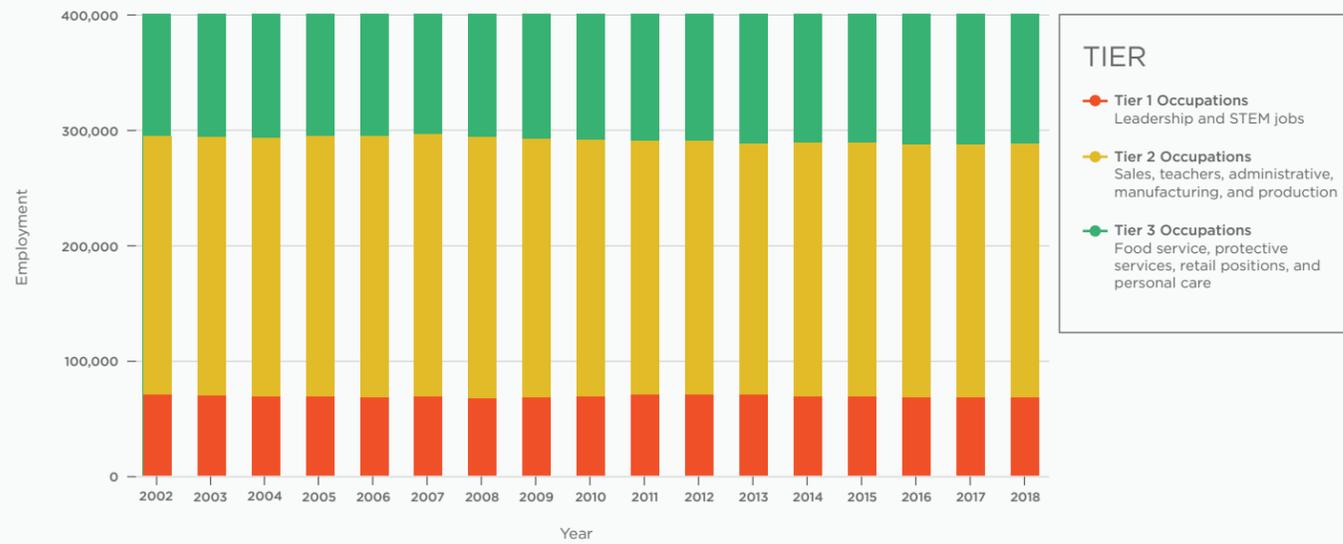
A strong and stable labor pool is the backbone of a strong and stable economy. Idaho's labor force is its strongest economic asset, and can be expected to become stronger through increased workforce development. Having a strong labor force provides Idaho with the opportunity to leverage that resource for additional return.

## ANNUAL UNEMPLOYMENT



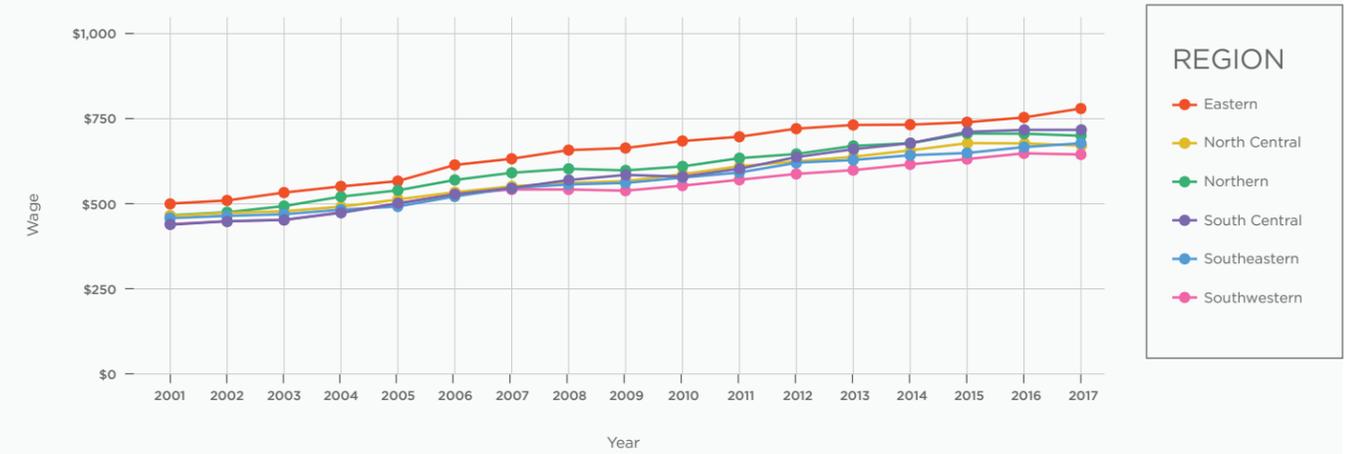
Data Source: Bureau of Labor Statistics

## PERCENT OF TOTAL EMPLOYMENT BY TIER



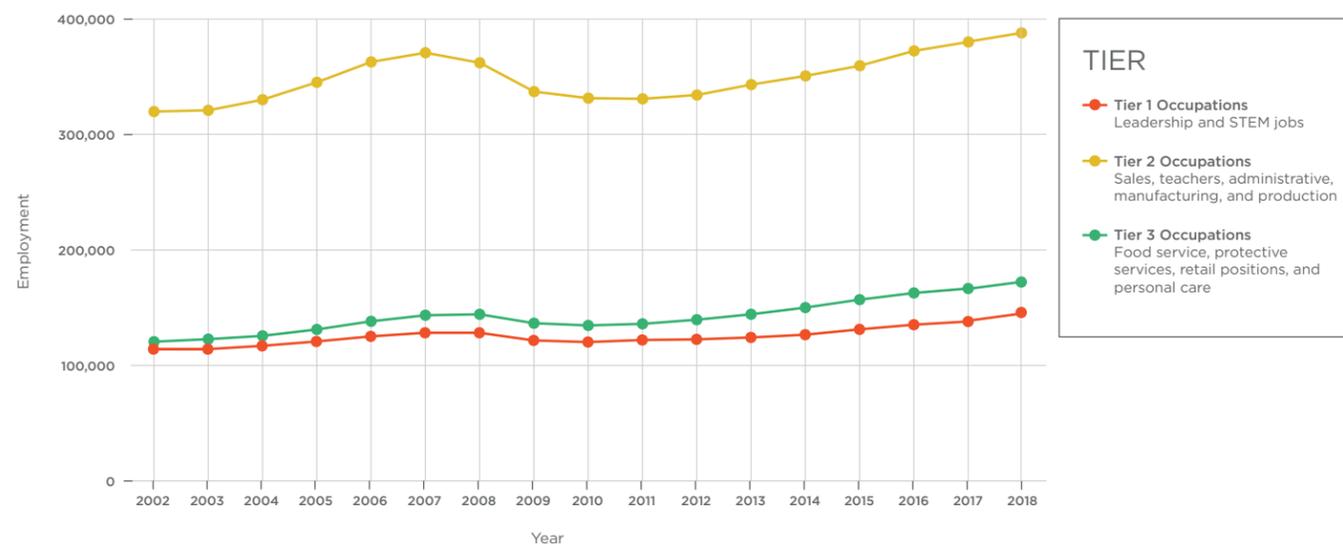
Data Source: Bureau of Labor Statistics

## AVERAGE WEEKLY WAGES



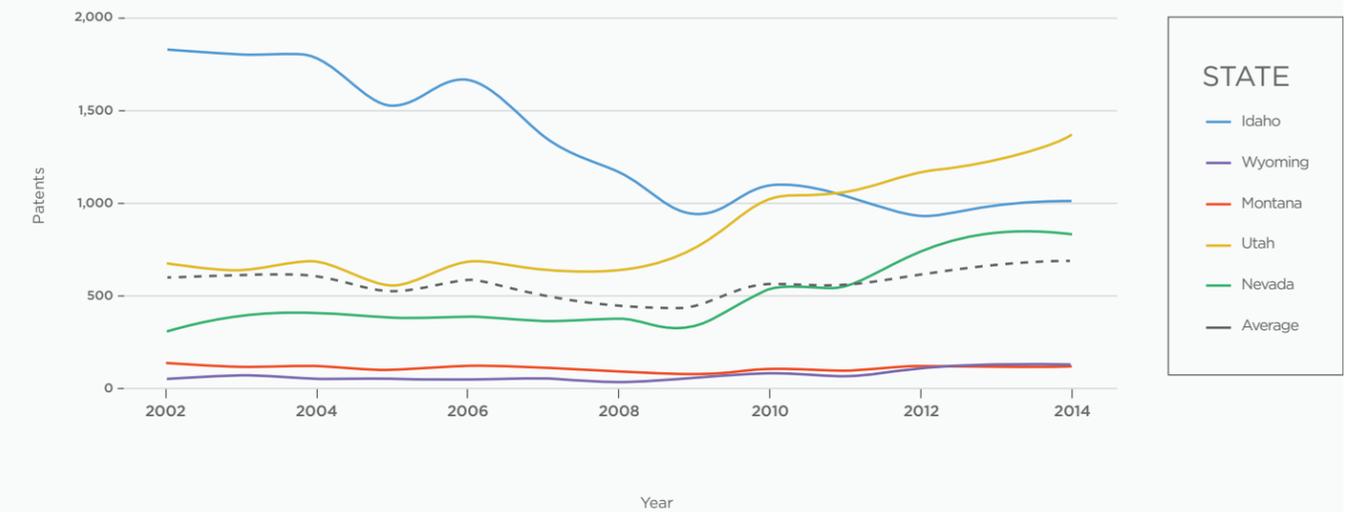
Data Source: Bureau of Labor Statistics, 2017 State Occupational Employment and Wage Estimates

## TOTAL EMPLOYMENT BY TIER



Data Source: Bureau of Labor Statistics

## NUMBER OF PATENTS EACH YEAR (BY STATE)



Data Source: US Patent and Trademark Office

## TOP 50 HOT JOBS IN IDAHO

RANK	TITLE	2016	2026	GROWTH %	WAGES	STEM
1	Software Developers, Applications	2027	2639	30.2%	\$ 41.19	STEM
2	Registered Nurses	13180	17045	29.3%	\$ 30.79	STEM
3	Medical and Health Services Managers	1873	2357	25.8%	\$ 40.00	STEM
4	Construction Managers	1507	1891	25.5%	\$ 37.30	
5	Nurse Practitioners	659	890	35.1%	\$ 48.96	STEM
6	Physician Assistants	616	818	32.8%	\$ 47.89	STEM
7	Health Specialties Teachers, Postsecondary	801	1033	29.0%	\$ 35.45	STEM
8	Information Security Analysts	515	671	30.3%	\$ 39.39	STEM
9	Pharmacists	1564	1825	16.7%	\$ 58.42	STEM
10	Industrial Machinery Mechanics	2376	2927	23.2%	\$ 25.26	
11	Market Research Analysts and Marketing Specialists	1408	1798	27.7%	\$ 24.18	
12	Physical Therapists	887	1120	26.3%	\$ 36.86	STEM
13	Loan Officers	2776	3339	20.3%	\$ 26.59	
14	Respiratory Therapists	603	912	51.2%	\$ 27.12	STEM
15	Healthcare Social Workers	599	751	25.4%	\$ 26.92	
16	Industrial Engineers	1111	1282	15.4%	\$ 43.28	STEM
17	Occupational Therapists	426	534	25.4%	\$ 39.73	STEM
18	Administrative Services Managers	1491	1726	15.8%	\$ 32.24	
19	Diagnostic Medical Sonographers	304	411	35.2%	\$ 36.29	STEM
20	Management Analysts	1758	2026	15.2%	\$ 31.11	
20	Heavy and Tractor-Trailer Truck Drivers	12279	14747	20.1%	\$ 19.08	
22	Accountants and Auditors	4193	4800	14.5%	\$ 28.30	
23	Cost Estimators	1136	1337	17.7%	\$ 26.49	
24	Interpreters and Translators	2034	2676	31.6%	\$ 17.27	
25	Training and Development Specialists	1131	1342	18.7%	\$ 25.30	
26	Radiologic Technologists	901	1108	23.0%	\$ 26.42	STEM
27	Nursing Instructors and Teachers, Postsecondary	257	335	30.4%	\$ 31.58	STEM
28	Maintenance Workers, Machinery	899	1118	24.4%	\$ 20.85	
29	Health Educators	551	666	20.9%	\$ 25.70	
30	Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products	6348	7260	14.4%	\$ 24.86	
31	Surgical Technologists	669	844	26.2%	\$ 22.80	STEM
32	Sales Engineers	203	245	20.7%	\$ 45.22	STEM
33	Operations Research Analysts	418	523	25.1%	\$ 29.59	STEM
34	Cardiovascular Technologists and Technicians	350	460	31.4%	\$ 28.46	STEM
35	Speech-Language Pathologists	432	528	22.2%	\$ 34.56	STEM
36	Secondary School Teachers, Except Special and Career/Technical Education	5055	5810	14.9%	\$ 23.04	
37	Real Estate Sales Agents	884	1076	21.7%	\$ 21.57	
38	Bus and Truck Mechanics and Diesel Engine Specialists	1701	2058	21.0%	\$ 18.81	
39	Financial Analysts	414	492	18.8%	\$ 33.69	
40	Social and Community Service Managers	937	1112	18.7%	\$ 23.65	
40	Insurance Sales Agents	1475	1750	18.6%	\$ 20.94	
40	First-Line Supervisors of Production and Operating Workers	3814	4338	13.7%	\$ 25.72	
43	Education Administrators, Postsecondary	998	1137	13.9%	\$ 36.83	
44	First-Line Supervisors of Mechanics, Installers, and Repairers	2551	2898	13.6%	\$ 27.68	
45	Physicians and Surgeons, All Other	1136	1301	14.5%	\$ 56.46	STEM
46	Managers, All Other	1296	1466	13.1%	\$ 38.18	
47	Middle School Teachers, Except Special and Career/Technical Education	2623	3013	14.9%	\$ 24.18	
48	Elementary School Teachers, Except Special Education	7408	8504	14.8%	\$ 21.52	
49	Web Developers	831	1008	21.3%	\$ 22.43	STEM
50	Operating Engineers and Other Construction Equipment Operators	2203	2557	16.1%	\$ 20.88	

## COMPLEX OR ROUTINE, COGNITIVE AND MANUAL JOB NARRATIVE

Understanding how technology has changed the U.S. labor market is critical to our ability to understand how the economy is changing, and has transitioned and adjusted to these changes. One way of categorizing jobs is to classify them as either cognitive or manual and routine or complex. Routine jobs are occupations governed by a clear set of steps or a process that is repeated. Classic examples include an assembly line worker who repeats the same process of putting components together, or a telemarketer or customer service representative who follows a script when assisting a customer. Non-routine jobs, which are not governed by a predictable process, are more likely to require abstract thinking, judgment, creativity, situational adaptability and interpersonal skills.

Examples of occupations in the four categories include:

- **Cognitive-complex:** managers, engineers, scientists, artists, etc.
- **Manual-complex:** food preparation, personal care and retail workers, etc.
- **Cognitive-routine:** office and administrative staff, telemarketers, etc.
- **Manual-routine:** production and transportation workers, etc.

There is a strong correlation between the routineness of a job, both cognitive and manual, and the likelihood it can be automated. Cognitive-complex jobs, while less receptive to automation, are jobs at the forefront of technological development, driving the advancements that filter out into the rest of the economy. As cognitive-complex jobs help open the economy to expansion, manual-complex and routine jobs are critical to building it and maintaining infrastructure.

## HIGH TECH

	2010 JOBS	2018 JOBS	CHANGE	% CHANGE
Idaho	38,945	46,747	7,802	20.0%
Northern	3,647	4,601	954	26.2%
North Central	1,246	1,682	436	35.0%
Southwestern	24,821	28,134	3,313	13.3%
South Central	2,106	2,576	470	22.3%
Southeastern	3,160	4,113	953	30.2%
Eastern	2,813	3,038	225	8.0%
United States	10,831,176	13,135,849	2,304,673	21.3%

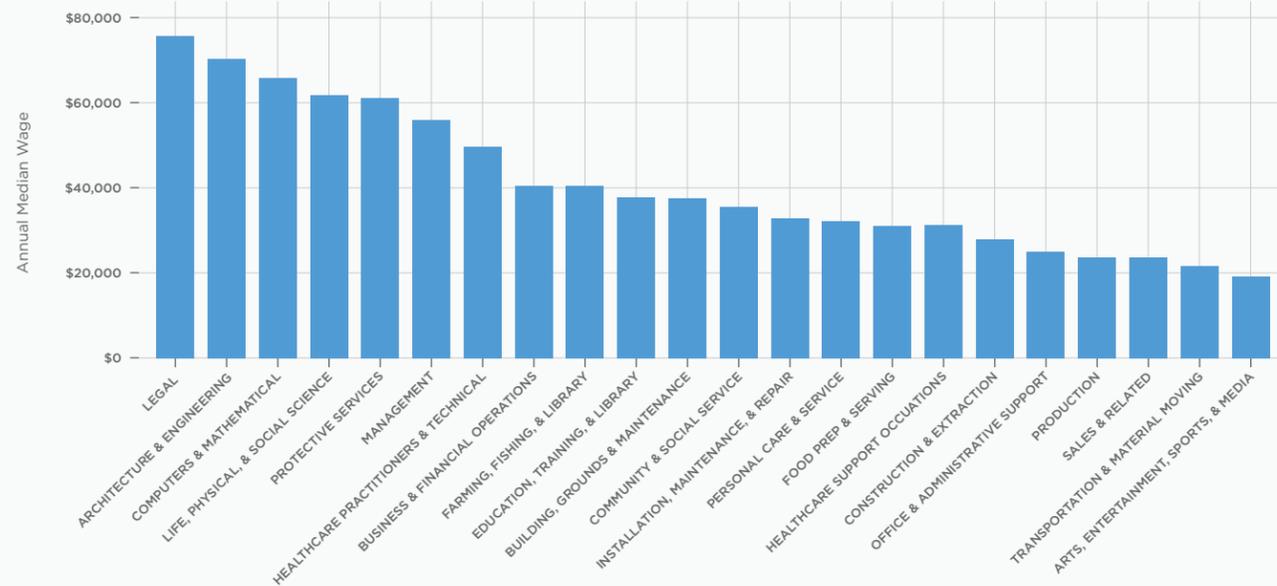
Data Source: Idaho Department of Labor

## COGNITIVE COMPLEX BY REGION

	2016	2026	GROWTH	GROWTH RATE
Northern	8913	10797	1884	21.1%
North Central	4074	4529	455	11.2%
Southwestern	41275	49859	8584	20.8%
South Central	6520	7683	1163	17.8%
Southeastern	6645	7613	968	14.6%
Eastern	9897	104463	566	5.7%
United States	77324	90944	13620	17.6%

Data Source: Idaho Department of Labor

## MEDIAN PAY BY OCCUPATIONAL CATEGORY



Data Source: Bureau of Labor Statistics, 2017 State Occupational Employment and Wage Estimates

## AVERAGE EARNINGS PER JOB (2017)

	TECH JOBS	ALL JOBS
Idaho	\$102,106	\$49,880
Northern	\$75,467	\$46,061
North Central	\$67,996	\$47,590
Southwestern	\$113,570	\$53,554
South Central	\$82,496	\$43,403
Southeastern	\$88,304	\$44,750
Eastern	\$76,822	\$47,726
United States	\$123,063	\$65,369

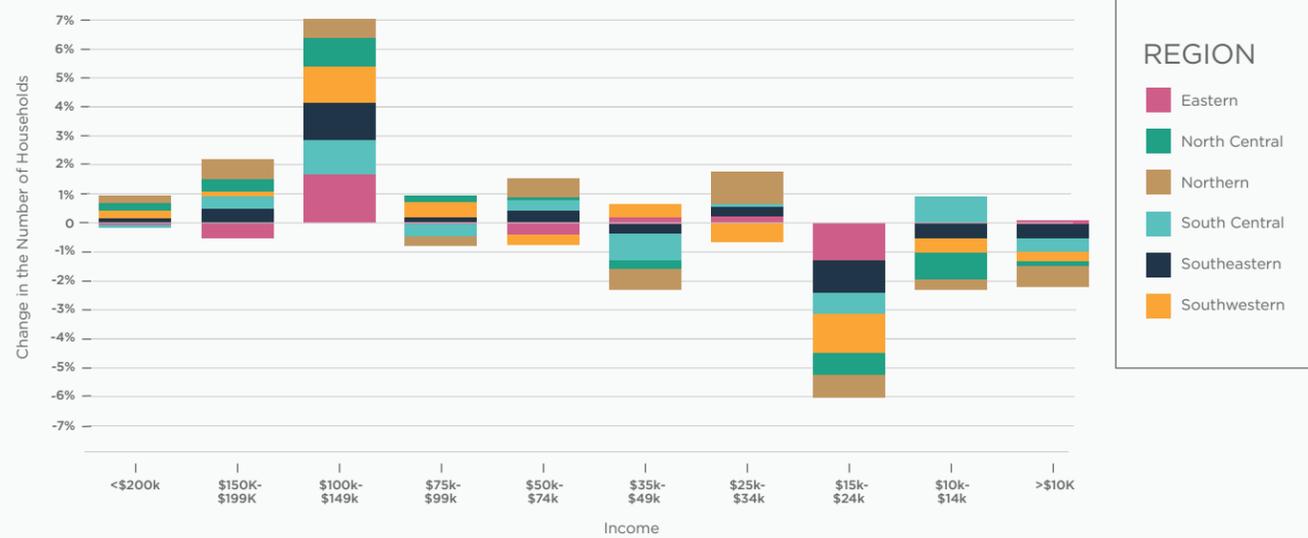
Data Source: Idaho Department of Labor

## REGIONAL TRENDS

	2010 JOBS	2018 JOBS	CHANGE	% CHANGE
Idaho	666,065	795,626	129,561	19.5%
Northern	83,629	97,094	13,465	16.1%
North Central	45,050	47,826	2,776	6.2%
Southwestern	296,527	367,871	71,344	24.1%
South Central	86,477	100,789	14,312	16.6%
Southeastern	62,924	69,041	6,117	9.7%
Eastern	87,246	102,243	14,997	17.2%
United States	137,918,676	156,893,765	18,975,089	13.8%

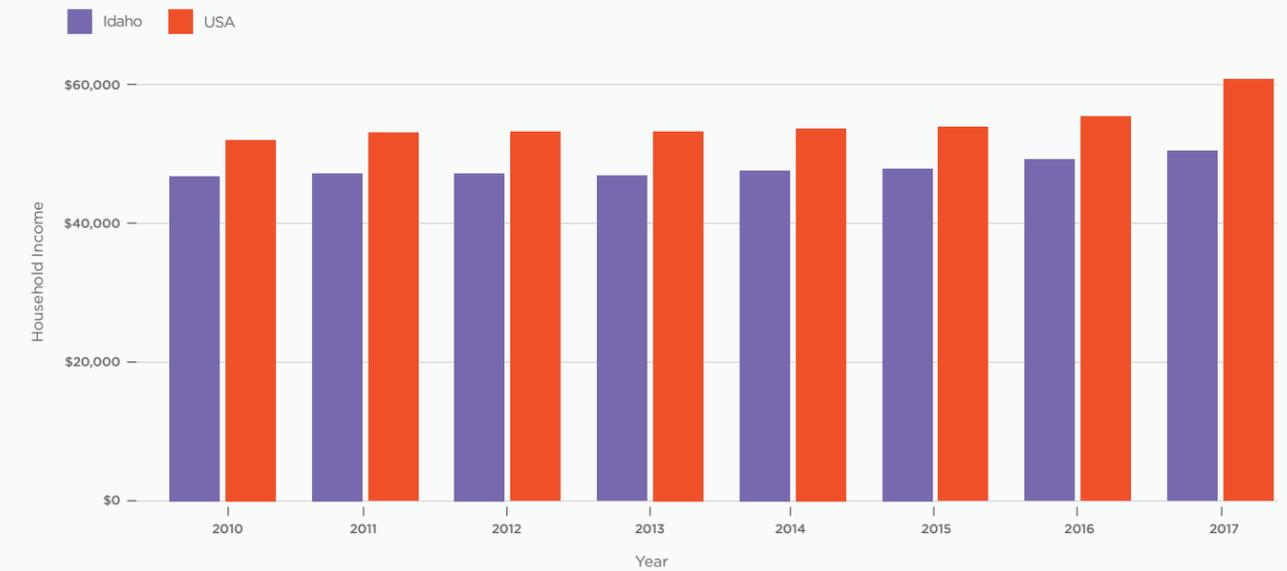
Data Source: Idaho Department of Labor

## CHANGE IN THE NUMBERS OF HOUSEHOLDS BY INCOME CATEGORY (2017)



Data Source: U.S. Census Bureau, American Community Survey

## MEDIAN HOUSEHOLD INCOME



Data Source: U.S. Census Bureau, American Community Survey

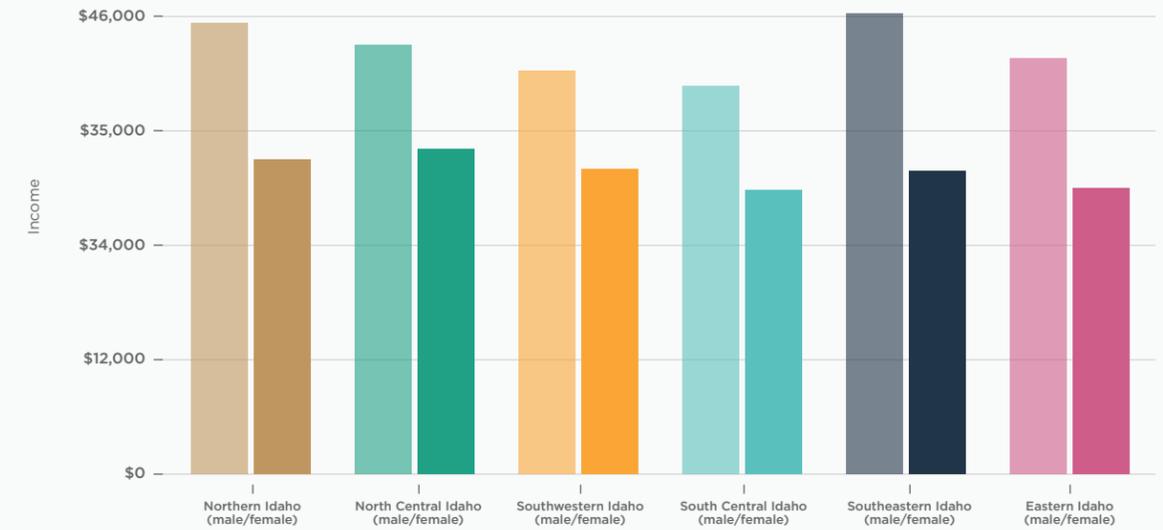
## INCOME

Idaho's per capita personal income has been increasing steadily since the Recession. Although median individual and household income both rank below the national average, the cost of living in Idaho also remains lower than the national average, which provides workers with stronger purchasing power. Computer and mathematical jobs currently rank among the highest paying occupational categories in Idaho.

### Why is this important?

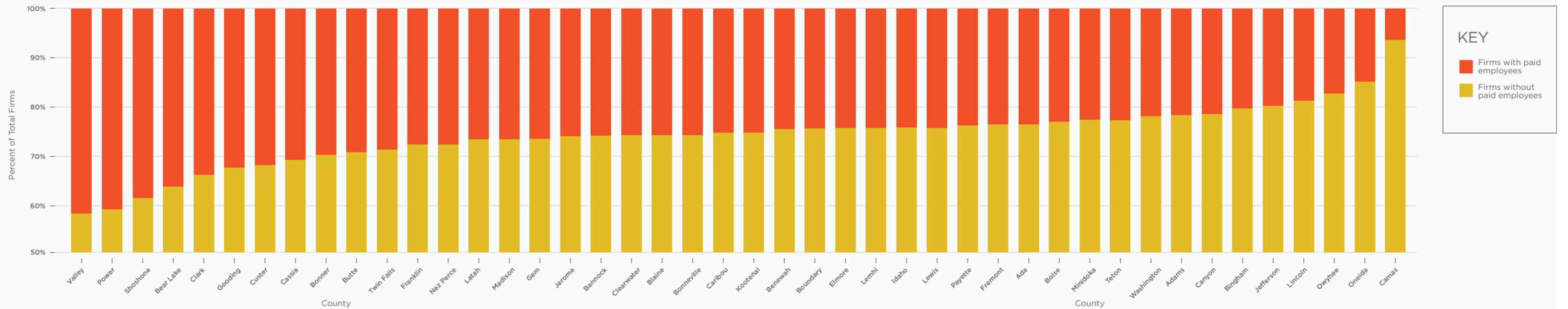
Both income and cost-of-living play a role in attracting skilled labor to Idaho, and in keeping skilled laborers in Idaho long-term. Like employment growth, per capita income growth is a sign of a strong and stable economy, signifying that employees are benefiting from economic growth, and in turn are more able to contribute to further economic growth. For this reason, poverty can represent an opportunity for additional long-term growth.

## AVERAGE INCOME BY GENDER



Data Source: U.S. Census Bureau, American Community Survey

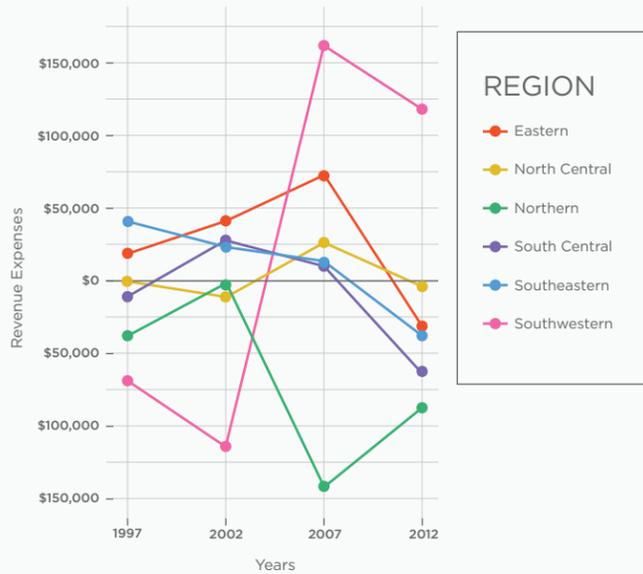
## NUMBER OF FIRMS WITHOUT PAID EMPLOYEES AS A TOTAL OF FIRMS



Data Source: U.S. Census Bureau, American Community Survey

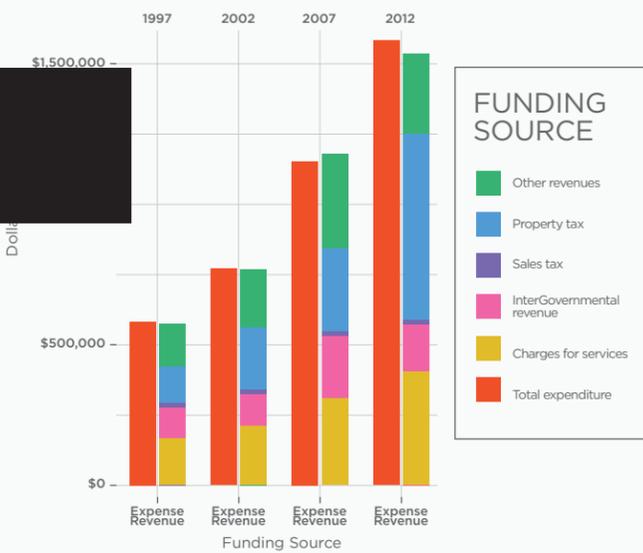
# GOVERNANCE

## REVENUE MINUS EXPENSES



Data Source: Government Finance Database developed by Pierson, Hand, and Thompson (2015) based on the Census Bureau's original fiscal data.

## CITY FINANCES—REVENUES BY SOURCE & EXPENSES



Data Source: Government Finance Database developed by Pierson, Hand, and Thompson (2015) based on the Census Bureau's original fiscal data.

## CITY FINANCES

City revenue has increased across Idaho, with charges for services making up an increasing proportion of average revenue. Property taxes remain the primary source of revenue. Intergovernmental revenue and sales taxes are the two smallest revenue sources, although both have also increased. Total revenues have increased steadily, as have total expenses. Average revenues and expenses in 2012 were nearly double what they were in 1997.\*

### Why is this important?

As Idaho's cities manage a growing population, they are faced with both increased expenses and increased revenues. Cities are challenged to maintain a stable balance between the two while maintaining service levels. Property taxes tend to make up the most consistent revenue stream, but other revenue streams may pose more opportunity for innovation.

## CIVIC ENGAGEMENT

Idaho saw unusually high participation in its 2018 midterm elections, while general election participation in 2016 was in line with past trends.

### Why is this important?

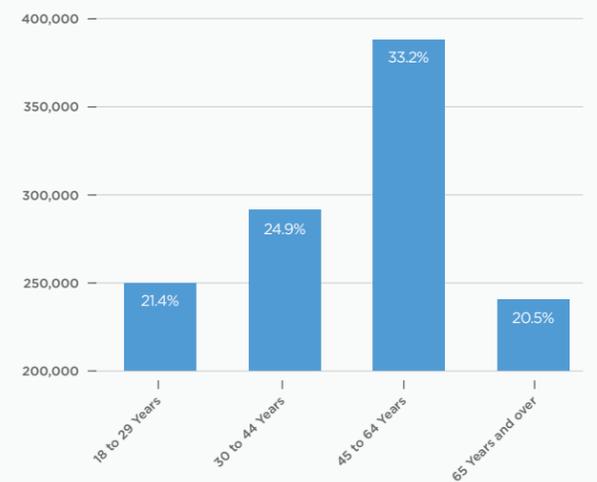
Civic engagement helps to ensure that government remains representative of its constituents. A higher level of civic engagement is associated with a higher quality of life within a community. Furthermore, participation in political systems helps to act as a measure of public confidence in those systems. Voter engagement represents an opportunity for Idaho to connect with its residents in order to develop policies and make political decisions that further the best interests of the state as a whole.

\*Information received from the U.S. Census Bureau's Census of Governments, which is conducted every five years. 2017 data had not been released as of the date this report was written.

**"MAN MUST ALWAYS BUILD AND CONTINUE TO MAKE THINGS BETTER OR HIS WORLD AND HIS WAY OF LIFE HAVE LOST A GREAT DEAL OF THEIR PURPOSE."**

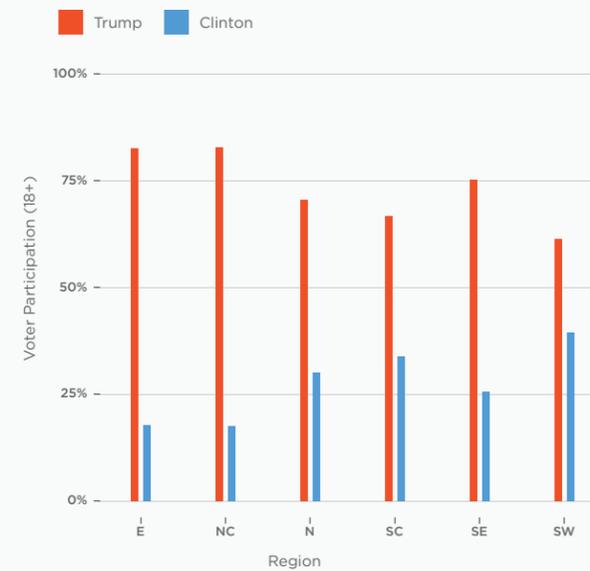
Harry Morrison, ITC Hall of Fame 2016

## VOTING AGE POPULATION



Data Source: Idaho Secretary of State

## 2016 VOTER SHARE



Data Source: Idaho Secretary of State

## REGIONAL VOTER PARTICIPATION



Data Source: Idaho Secretary of State

# PEOPLE

## VOTER PARTICIPATION IN PRIMARY ELECTIONS



Data Source: Idaho Secretary of State

## VOTER PARTICIPATION IN GENERAL ELECTIONS



Data Source: Idaho Secretary of State

Idaho has consistently ranked among the fastest growing states in the U.S. since 2010, along with many of its Western peers. This rapid growth can be attributed primarily to migration, with rates of natural increase (new births exceeding deaths) decreasing slightly in recent years.

Regarding natural increase, Idaho is home to a relatively young population with a robust birth rate, and a large household size. Regarding migration, Idaho has seen new residents move in for a number of reasons, ranging from its environmental beauty, to its low cost-of-living, to its rapid job growth.

Both natural increase and migration have also contributed to Idaho's increasing urbanization. As both Idaho natives and migrants from other states move to Idaho's cities to pursue economic and educational opportunities, they have seen an explosion of growth and development.

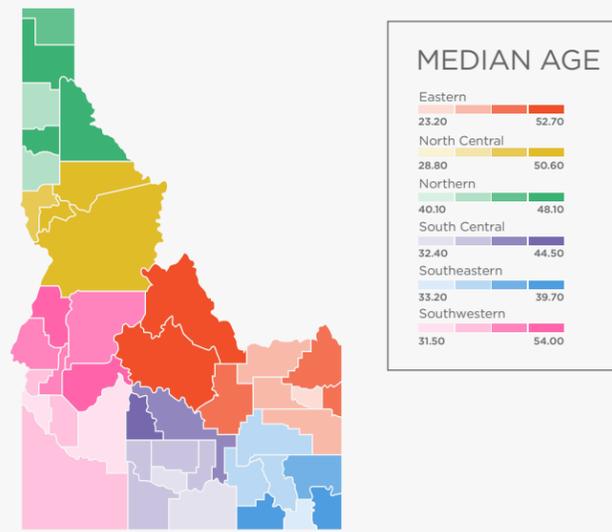
### Why is this important?

With this rapid growth comes change, and with change comes opportunity. Idaho's population is becoming larger and more diverse, expanding the skills and strengths of its workforce. This expansion, along with a low cost of operation, has made Idaho into an attractive spot for business, which in turn promotes further economic growth.

Increasing urbanization, a relatively new phenomenon in Idaho, also contributes to economic growth by concentrating available human resources into an easily accessible area for business. As businesses demand an increasingly complex set of skills from their workers, technological skills ranking among the most important of these, urbanization, along with expanding educational systems, helps to facilitate a supply for this demand.

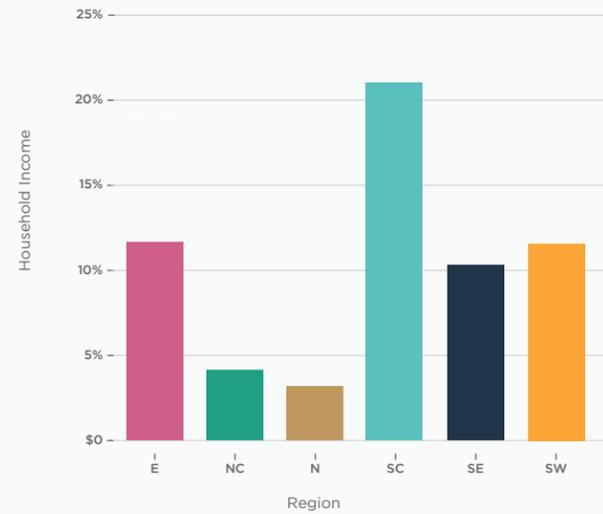
Like other states that have experienced such growth, the state of Idaho now faces a number of new potential opportunities to shape the direction of its future growth through policy and promotion. Idaho's population growth has helped to bring economic opportunities to the forefront, such as business development, education, innovation, housing, and transportation. How Idaho responds to these opportunities will undoubtedly influence future growth patterns.

## MEDIAN AGE



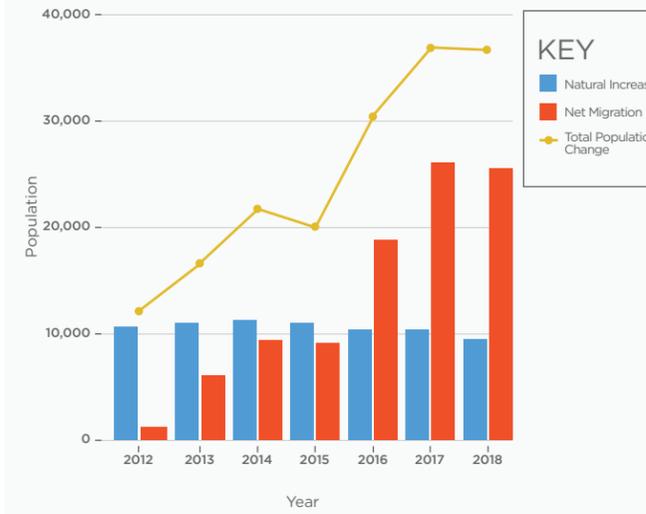
Data Source: Census Bureau, 2017 Population Estimates

## PERCENT SPEAKING A LANGUAGE OTHER THAN ENGLISH AT HOME



Data Source: U.S. Census Bureau, American Community Survey

## POPULATION CHANGE

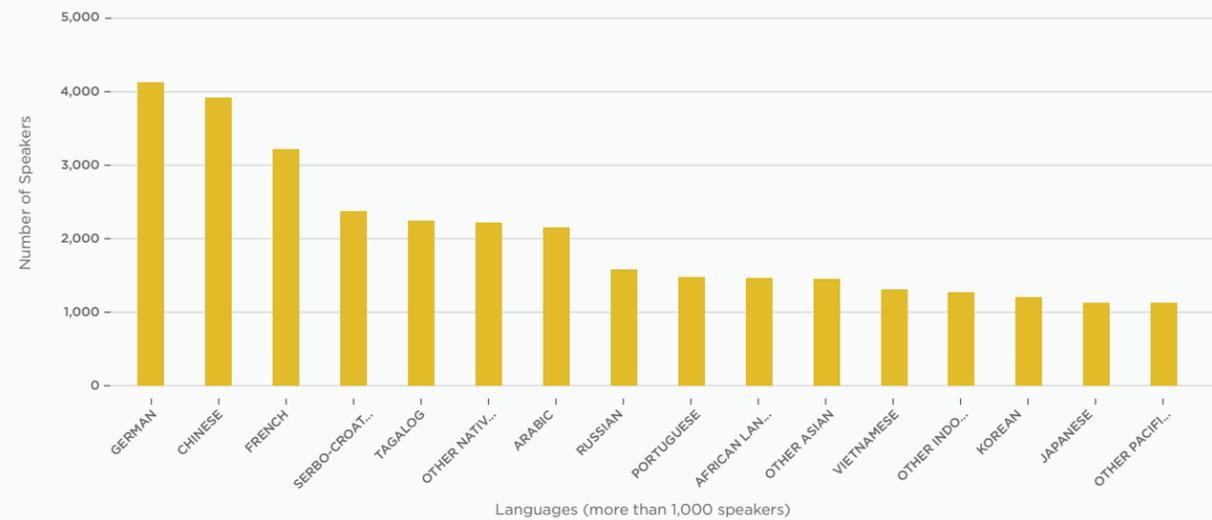


Data Source: U.S. Census Bureau, American Community Survey

**“MY HISTORY IS SIMPLE. I HAD AN IDEA AND THE DESIRE TO MAKE IT WORK.”**

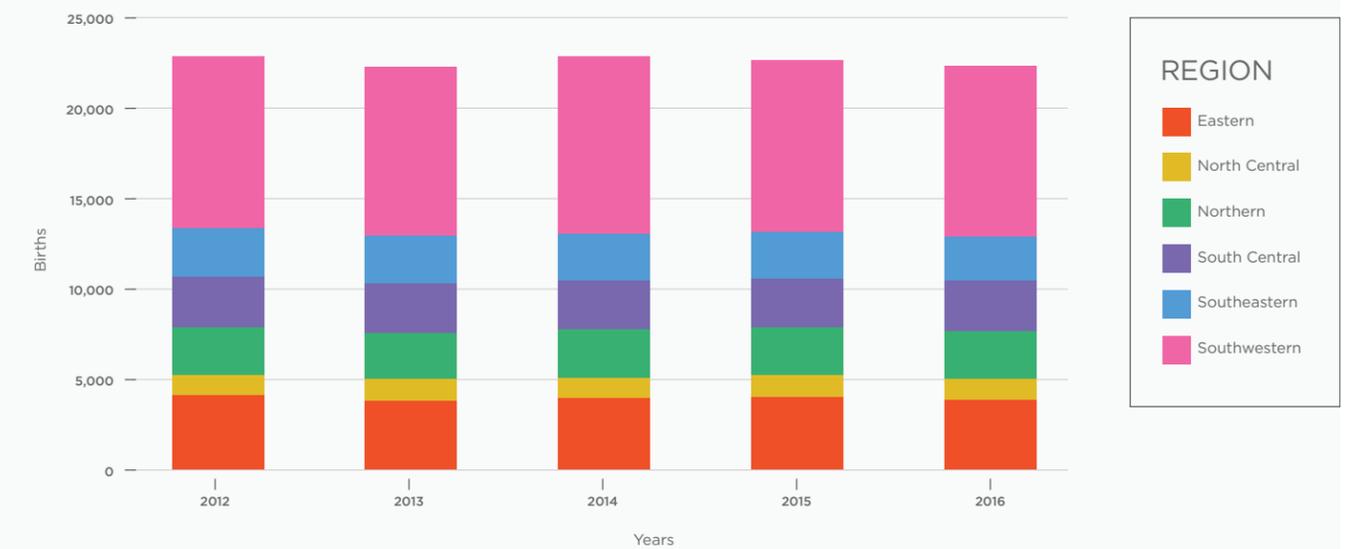
Joe Albertson, ITC Hall of Fame 2018

## NON-ENGLISH SPEAKERS WITH MORE THAN 1000 SPEAKERS (OTHER THAN SPANISH)



Data Source: Census Bureau, 2016 5-Year Estimates

## ANNUAL BIRTHS



Data Source: Census Bureau, 2017 Population Estimates

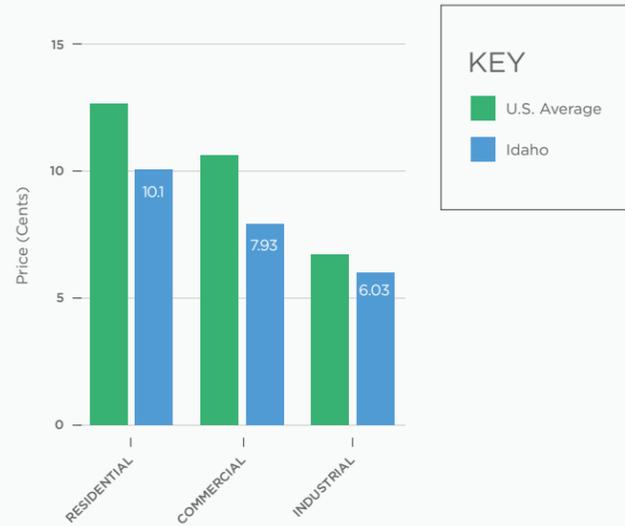
# PLACE

## RENTAL AFFORDABILITY



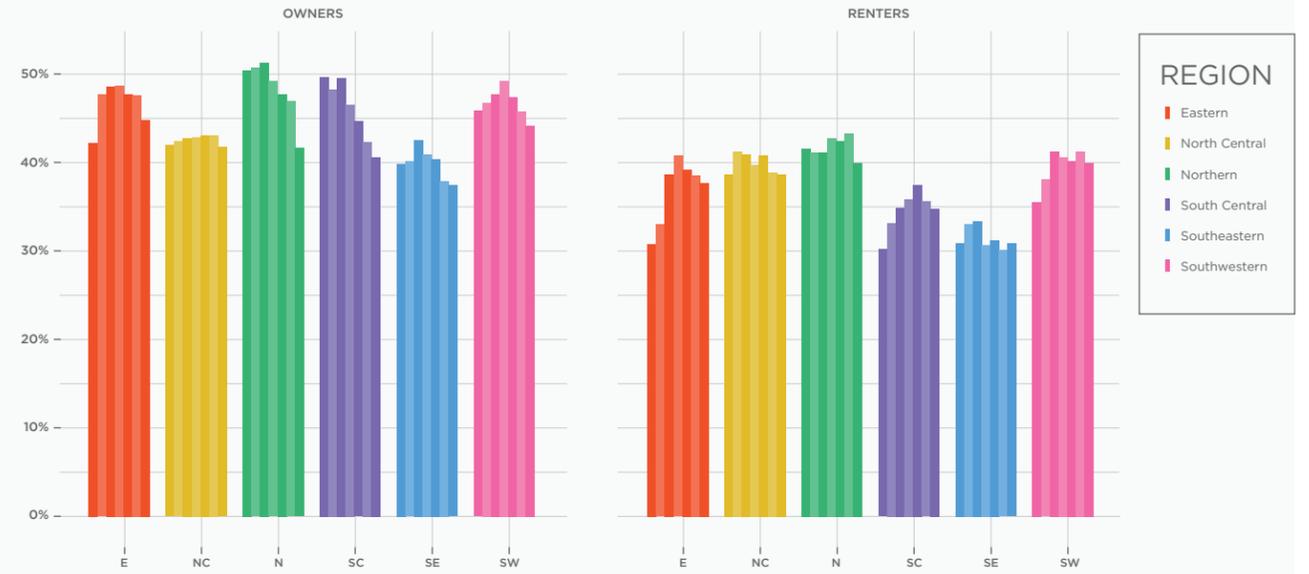
Data Source: Zillow

## ELECTRICITY PRICES (CENTS/KWH)



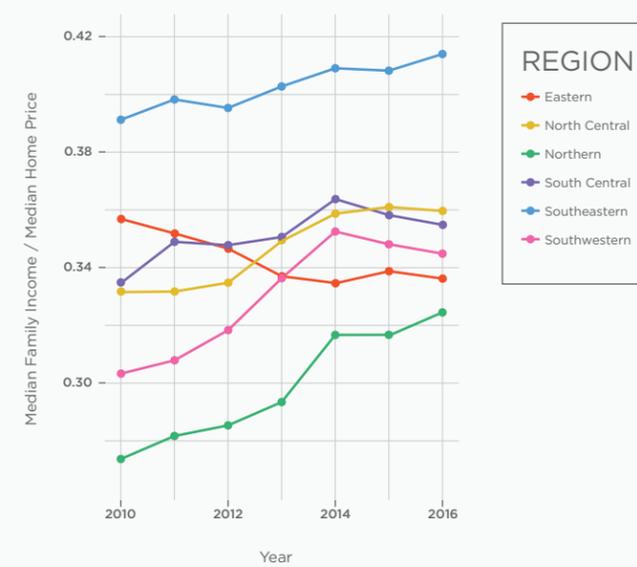
Data Source: Moody's Economy.com

## HOUSING BURDEN



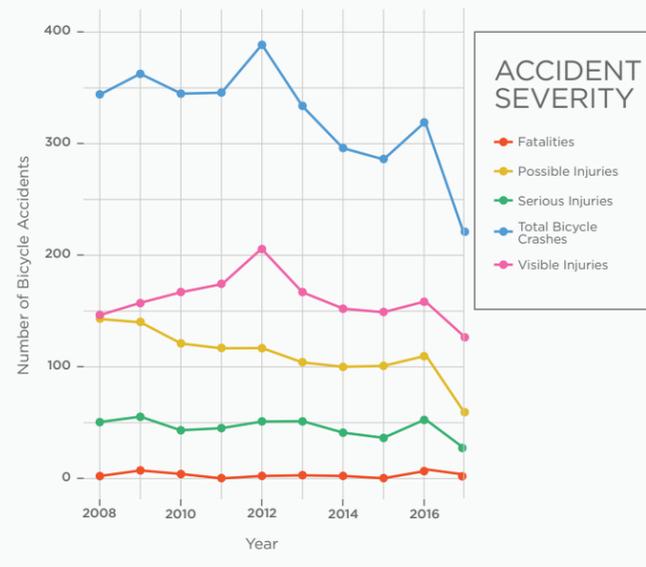
Data Source: American Community Survey, 5 year estimates from the Census Bureau

## HOUSING AFFORDABILITY



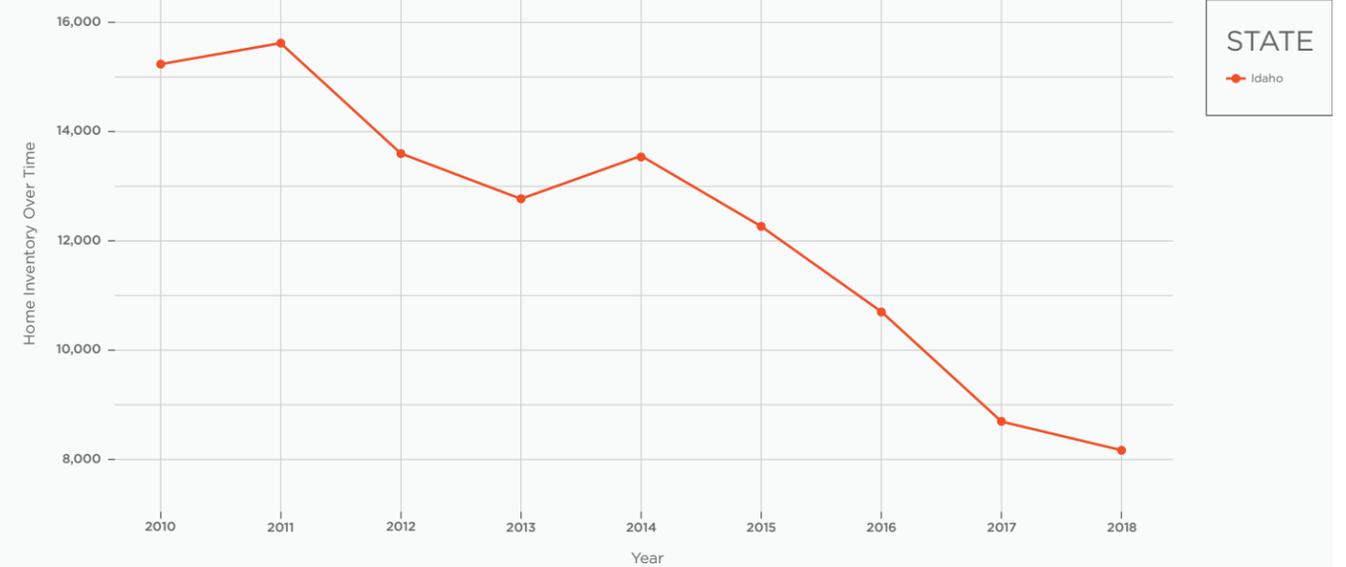
Data Source: Zillow

## BIKE ACCIDENTS



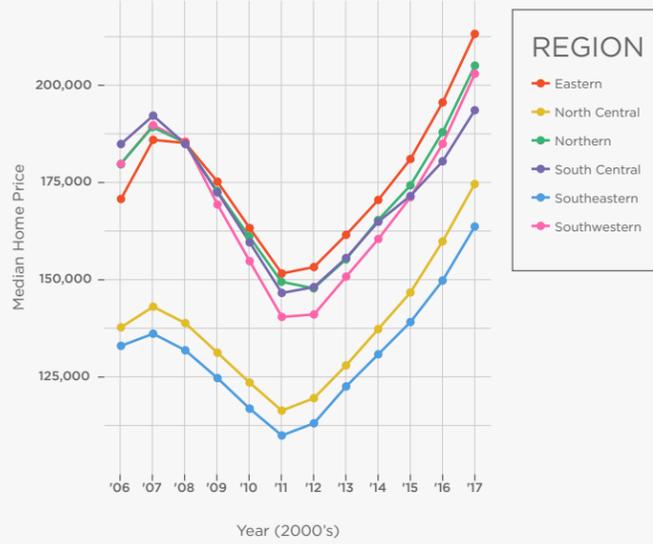
Data Source: Idaho Transportation Department

## HOME INVENTORY TRENDS



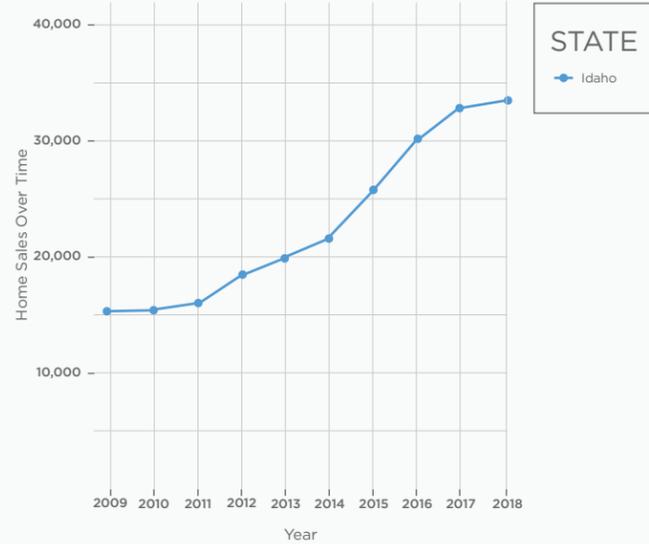
Data Source: Zillow

### MEDIAN HOME PRICE TRENDS



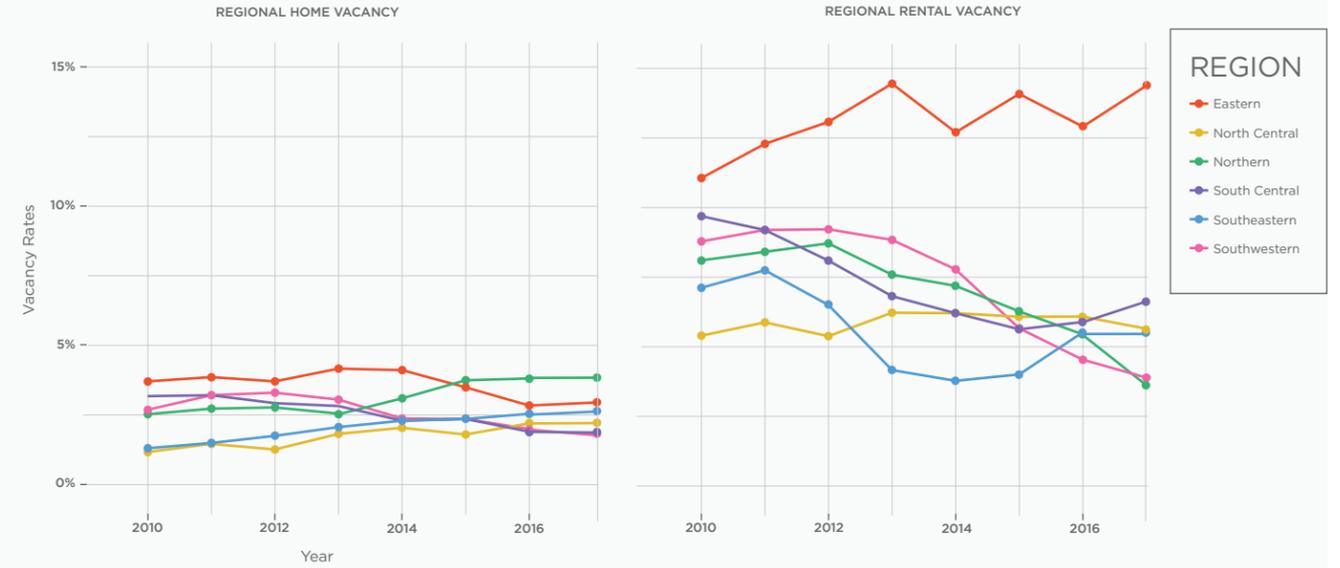
Data Source: Zillow

### HOME SALE TRENDS



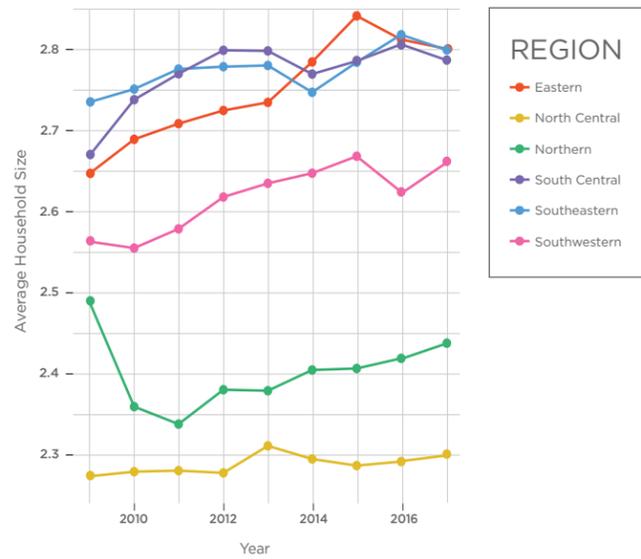
Data Source: Zillow

### VACANCY RATES



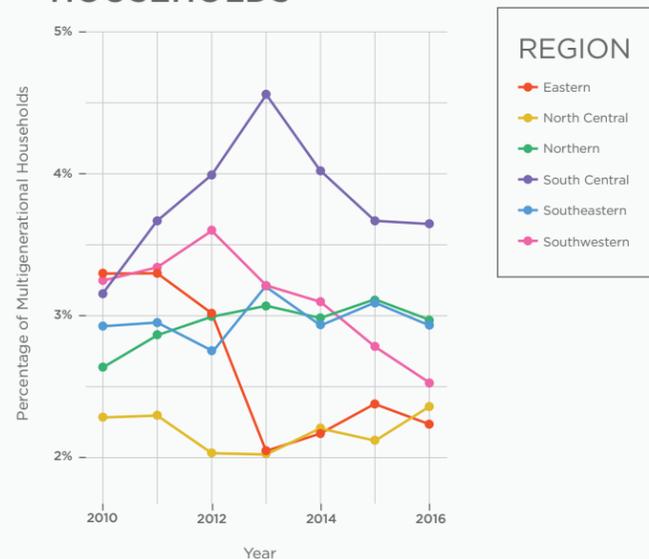
Data Source: U.S. Federal Housing Finance Agency

### AVERAGE HOUSEHOLD SIZE



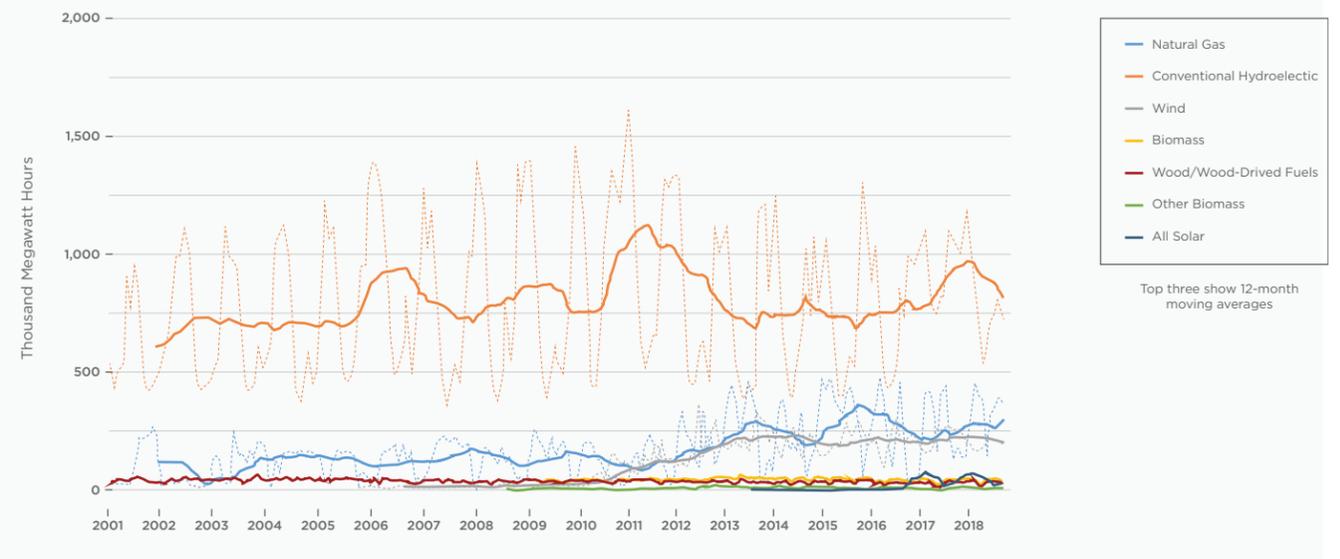
Data Source: U.S. Census Bureau, American Community Survey

### PERCENTAGE OF MULTIGENERATIONAL HOUSEHOLDS



Data Source: American Community Survey, 5 year estimates from the Census Bureau

### ELECTRICITY GENERATION (MAJOR SECTORS)



U.S. Energy Information Administration

## HOUSING

The housing market is very strong in Idaho. Since 2011, home prices and home sales have both risen sharply, while home inventory has fallen at a similar pace. However, this trend did level out somewhat in 2017. Increasingly more residential building permits have also been granted during this time - 2017 saw more building permits issued than any year since 2006, pre-Recession.

Multi-family units have made-up around 10 to 20 percent of new residential units being built each year. Across Idaho's regions, average household size has generally remained stable or increased slightly over this same time period.

Housing affordability (calculated as the ratio of median family income to median home price) increased on average from 2010 to 2014, and has remained stable from 2014 to 2017.

### Why is this important?

Housing is a vital supporting factor for a growing workforce. If houses are not available, or affordable, then community economic growth can be limited. Idaho's housing market has been a primary source of growth to date, and can continue to be in the future. A decreasing home inventory signals an opportunity to stimulate new housing development, which can play an important role in maintaining a healthy balance between median home prices and median family income, and reducing housing burden.

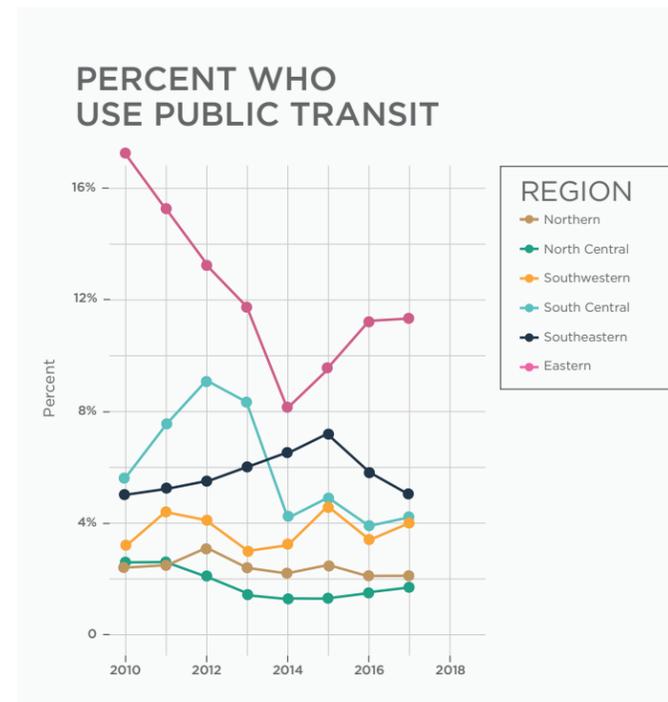
## TRANSPORTATION

The large majority of Idahoans drive to work. The number of vehicle miles driven per capita across the state have increased steadily since 2013, following a decrease in gas prices during this same period. Mean travel times have consistently increased across most regions since 2013, but remain relatively low.

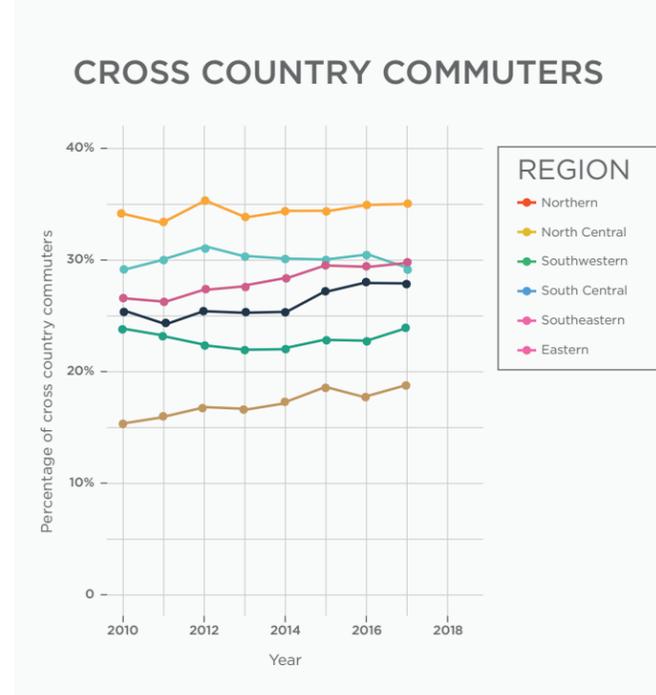
The number of cross-county commuters have stayed about the same. Transit ridership has remained the same or decreased in most counties. The percent of people who commute by bicycle remained stable between 2015 and 2017. The number of statewide bicycle crashes dropped significantly between 2016 and 2017.

### Why is this important?

Traffic congestion and commuter safety can affect the economy by wasting employee time, increasing shipping costs, and creating schedule delays. Currently, commuters in Idaho face reasonable travel times and safe travels in general, but as Idaho grows, the following figures represent more opportunities to enhance Idaho's transportation capacity.



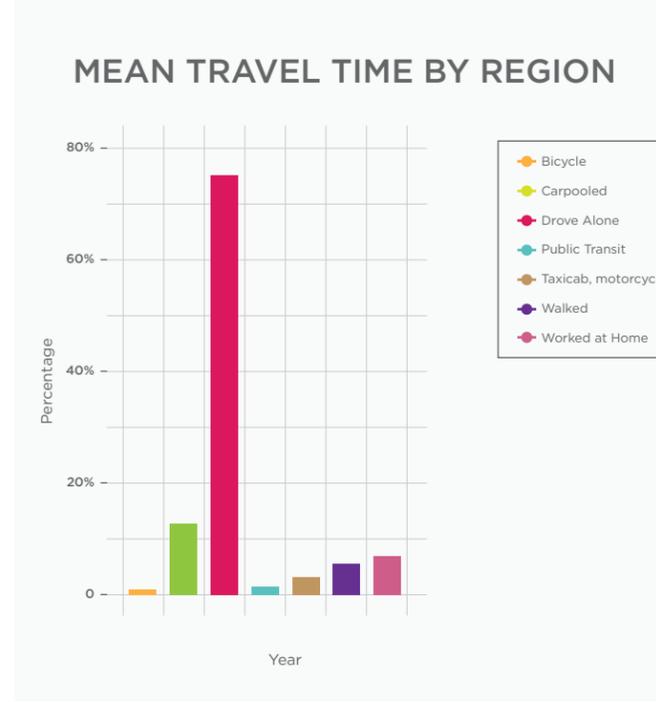
Data Source: Census Bureau , American Community Survey



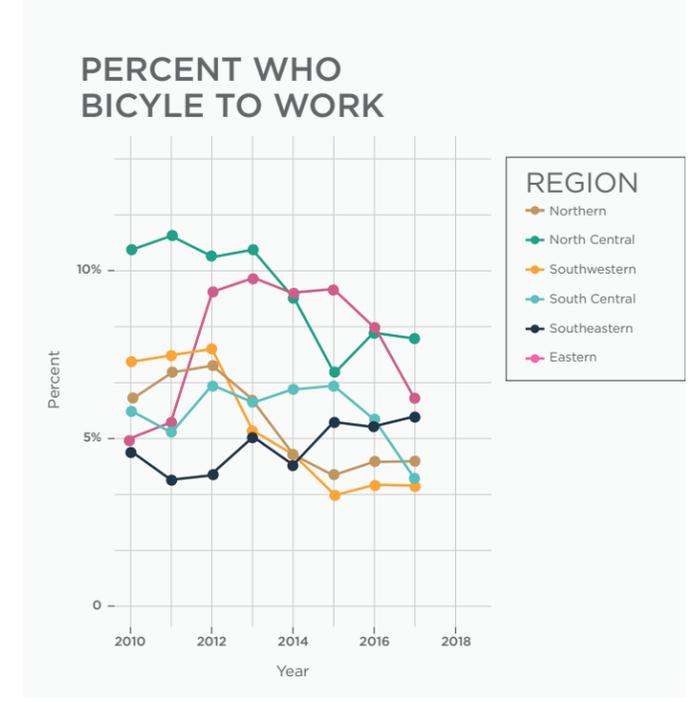
Data Source: Census Bureau , American Community Survey



Data Source: Census Bureau , American Community Survey



Data Source: Census Bureau , American Community Survey



Data Source: Census Bureau , American Community Survey

# SOCIETY

## PREPARING FOR ECONOMIC SUCCESS

Math proficiency scores among Idaho students have increased from 2015 to 2017. This is remarkable when recognizing that Idaho's public school districts, particularly those in and around cities, have also seen rapid enrollment growth over the last 15 years. In addition, Idaho public schools have seen an increase in ethnic diversity, particularly from Hispanic or Latino students, corresponding with an increase in English Language Learners (ELL). Idaho's high school graduation rate is higher than the national average, while improvement of college go-on and graduation rates remains a policy-priority as Idaho moves forward.

Idaho's urban areas have significantly better access to the internet, including faster download speeds, than its rural areas. This means that urban students and employees have better access to technological learning and working tools than their rural counterparts.

### Why is this important?

Math and reading proficiency scores are directly connected to a student's ability to succeed, both in higher education and in the workforce. In addition, the ability to provide these skills to students with diverse backgrounds is connected with a stronger overall workforce. As Idaho's economy continues to grow and evolve, and skilled jobs begin to take up a larger percentage of the labor market, universities, colleges, and technical schools will continue to play an important role in meeting this demand.

Furthermore, as online learning tools become more important in public education, access to internet can play a significant role in students' success. Internet availability can also increase worker productivity and flexibility. In particular, improved internet access would allow rural workers to potentially increase their participation in the workforce through decreased transportation times and increased work-from-home opportunities.

## QUALITY OF HEALTH

Idaho's adult obesity rate increased between 2016 and 2017, while its overweight percent remained the same.

Older adults and children were more likely to receive flu shots than younger adults. People aged 18 to 49 were least likely to be vaccinated. Idaho's rate of residents with health insurance follows a similar pattern, with children under 18 and adults over 55 being significantly more likely to have health insurance than younger adults. People aged 18 to 24 were least likely to be insured.

### Why is this important?

Medical costs and overall resident health can have a significant impact on the economy by affecting workforce productivity and labor participation. Individuals without health insurance are less likely to receive ongoing treatment, making them more vulnerable to medical emergencies.

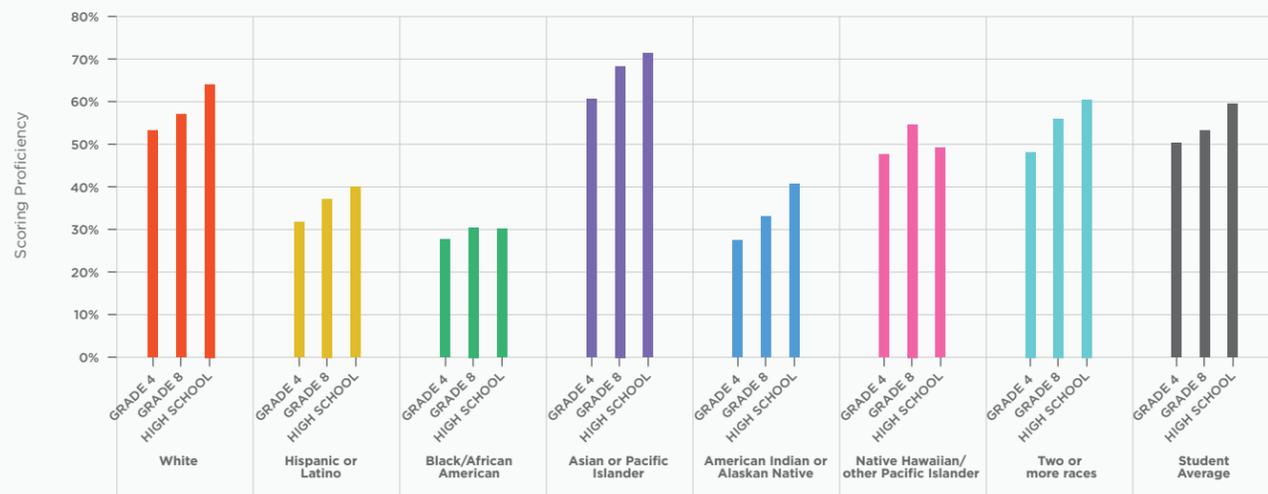
## SAFETY

Idaho's overall crime rate, as well as its violent crime rate, decreased steadily across regions from 2010 to 2015, and has remained stable since. Likewise, Idaho's number of public safety officers has increased across regions since 2002, in order to accommodate the safety needs and demands of a growing populace. Idaho maintains a sound reputation for public safety, and crime rates support this reputation when compared with national rates.

### Why is this important?

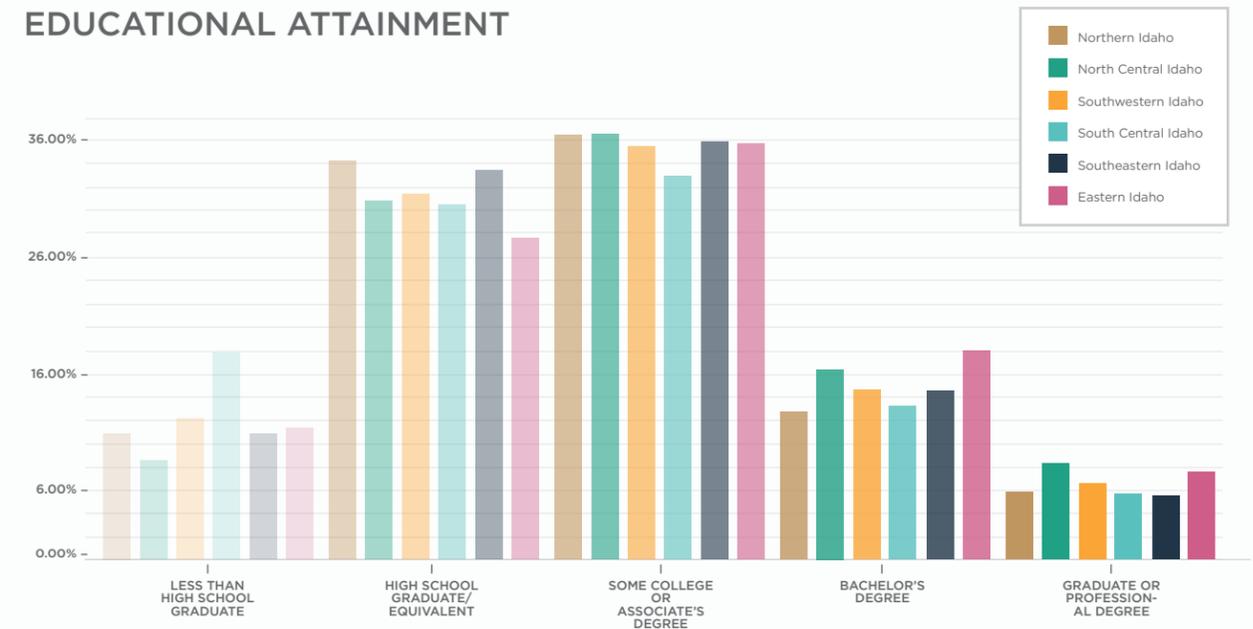
Public safety is vital for a sense of community; public fear has a detrimental impact on economic growth and stability by pushing people and businesses away from the area. Idaho's public safety officers have done an exemplary job of maintaining a sense of public safety, and Idaho's local governments have been wise to increase numbers of officers as populations increase.

## 2018 PERCENT OF STUDENTS SCORING PROFICIENT OR ABOVE ON ISAT ELA



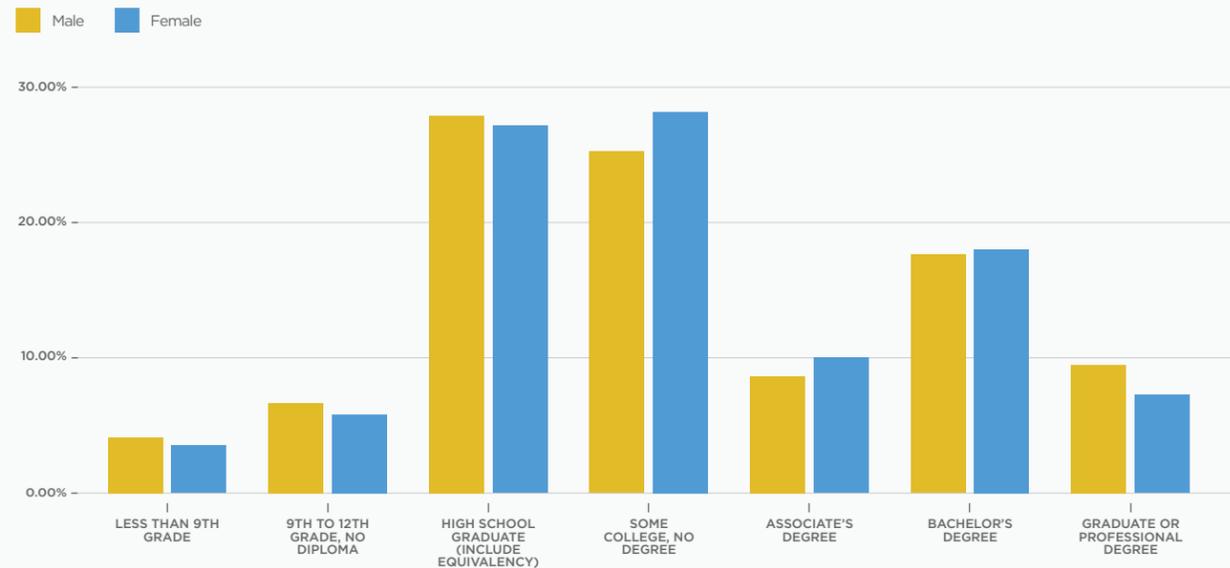
Data Source: Idaho Department of Education

## EDUCATIONAL ATTAINMENT



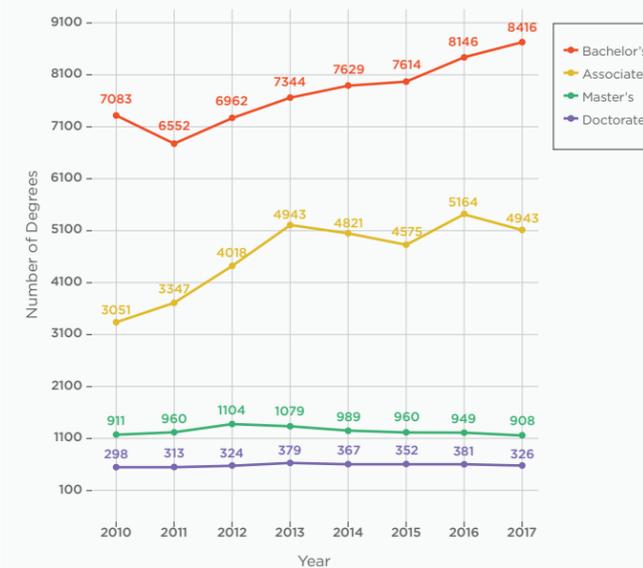
Data Source: Census Bureau, 2016 5-Year Estimates

## EDUCATIONAL ATTAINMENT



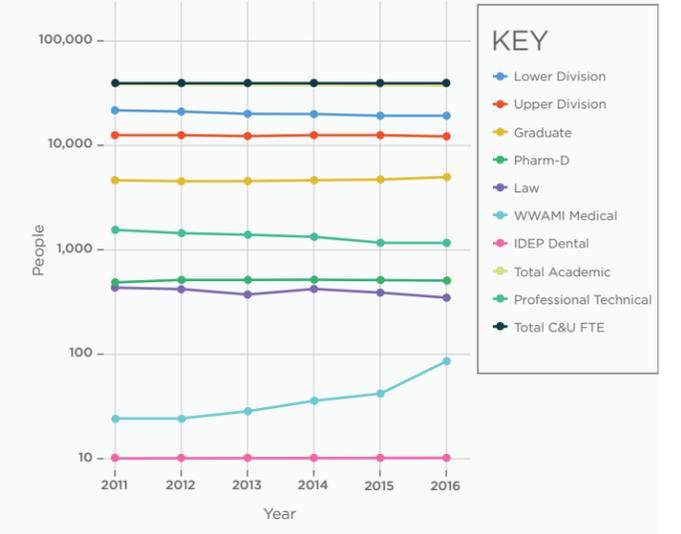
Data Source: U.S. Census Bureau, American Community Survey

## DEGREES BY TYPE PER YEAR



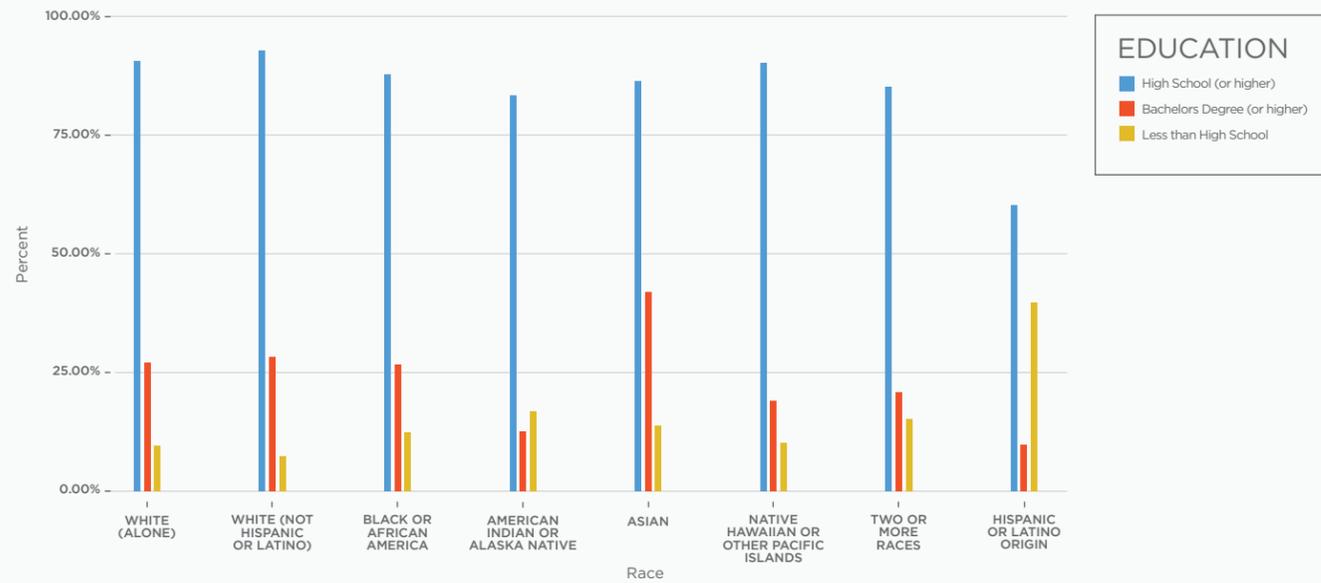
Data Source: National Center for Education Statistics Custom Data Files

## COLLEGE ENROLLMENT BY EDUCATION TYPE



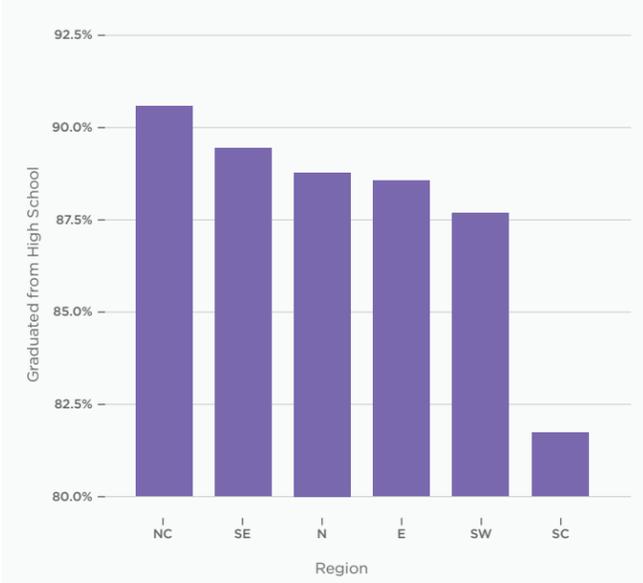
Data Source: Idaho State Board of Education

## EDUCATIONAL ATTAINMENT BY RACE



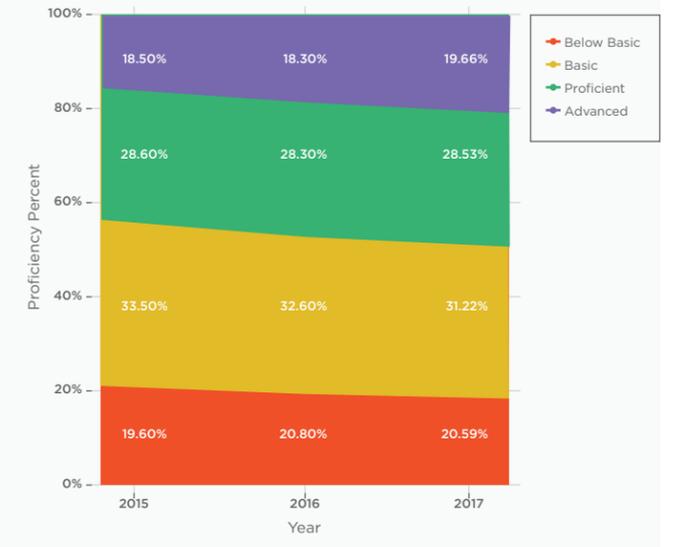
Data Source: State Board of Education

## EDUCATIONAL ATTAINMENT



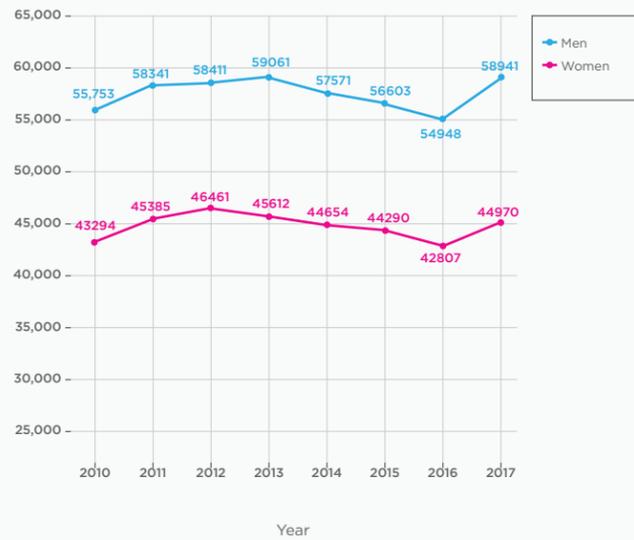
Data Source: Idaho State Board of Education

## 4TH GRADE MATH PROFICIENCY



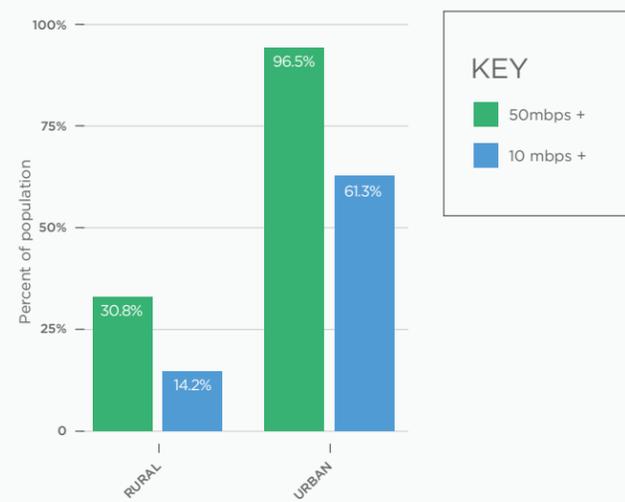
Data Source: Idaho State Board of Education

## COLLEGE STUDENTS IN IDAHO BY GENDER



Data Source: Idaho State Board of Education

## INTERNET SPEEDS (RURAL AND URBAN)

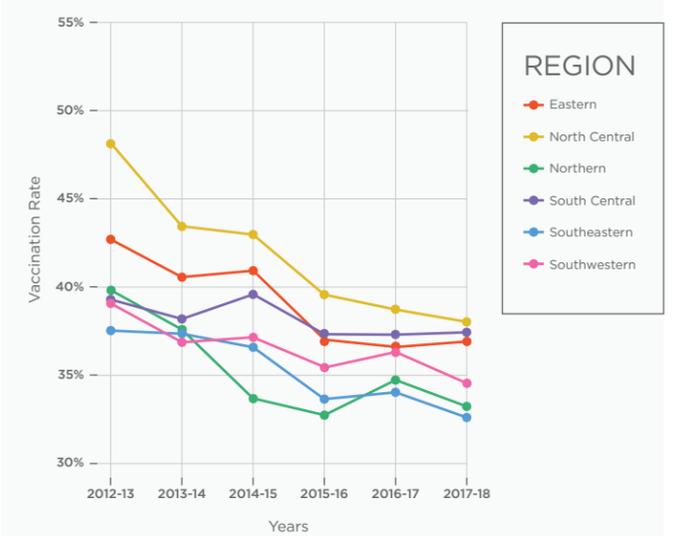


Data Source: State Board of Education

**"TECHNOLOGY SHOULD NOT DISTANCE US FROM 'BEING HUMAN.' IT SHOULD ENHANCE OUR EXPERIENCE OF 'BEING HUMAN.'"**

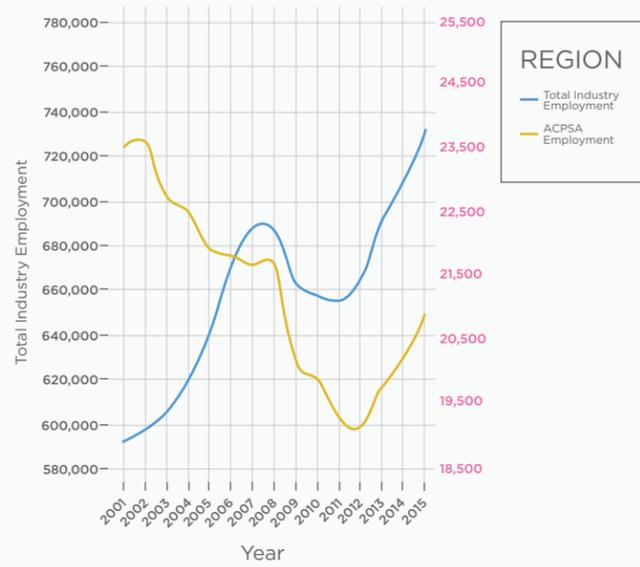
Greg Carr, Innovator, Philanthropist, ITC Hall of Fame 2013

## FLU VACCINATIONS BY REGION 2012-2018



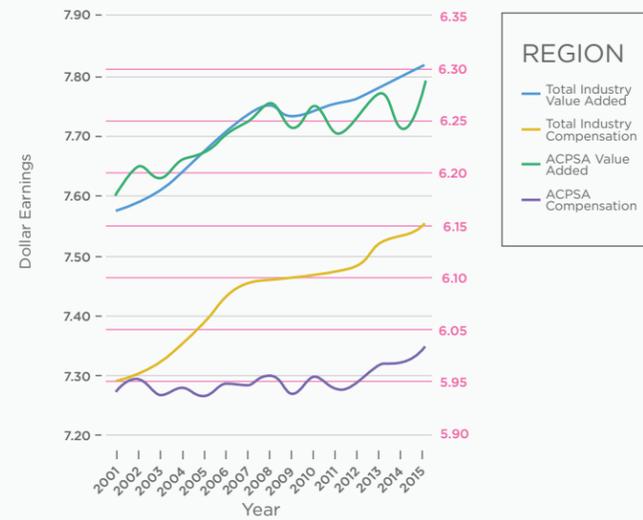
Data Source: Idaho Division of Public Health

## ARTS EMPLOYMENT



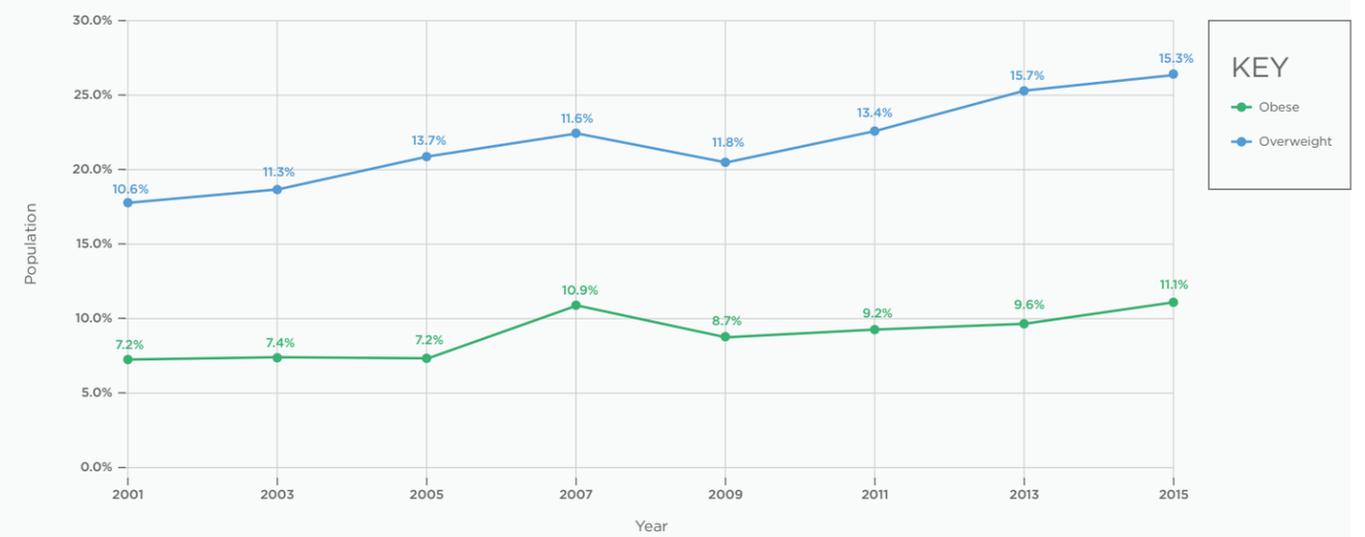
Data Source: Americans for the Arts

## ARTS INDUSTRY VALUE ADDED AND COMPENSATION (LOG OF 1000S OF DOLLARS)



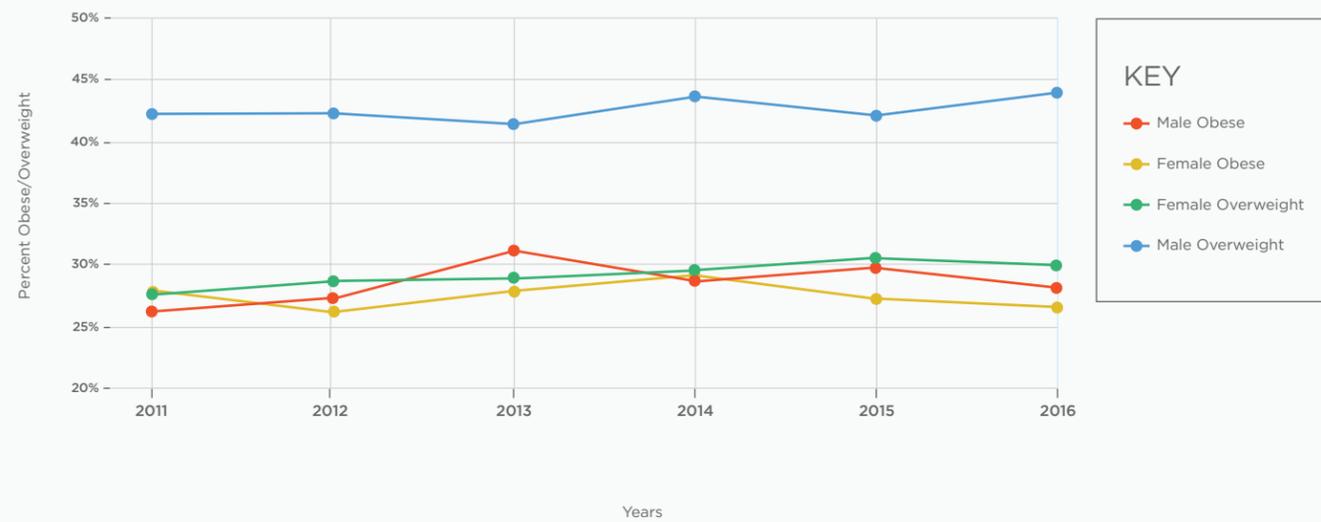
Data Source: Americans for the Arts

## OVERWEIGHT AND OBESE ADOLESCENTS (GRADE 9-12)



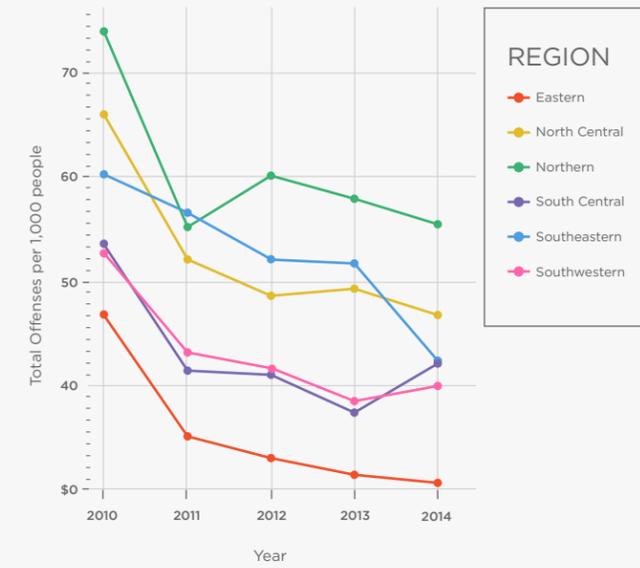
Data Source: California Health Interview Study

### IDAHO OBESITY RATE BY GENDER (OVER 18)



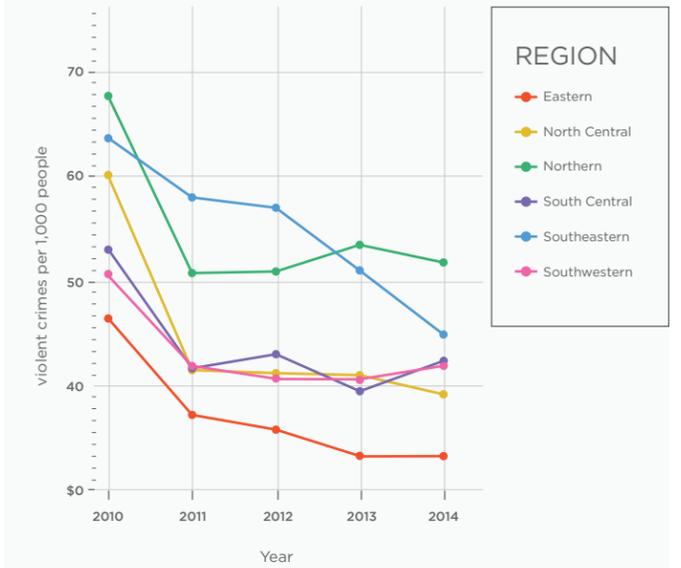
Data Source: California Health Interview Study

### ALL CRIMES



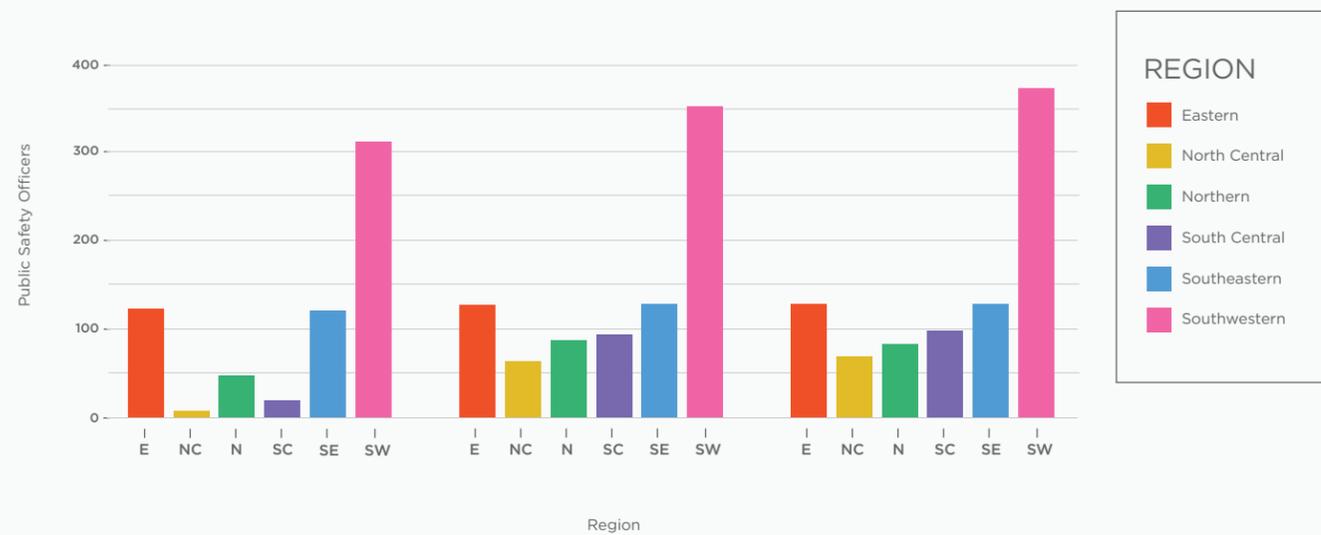
Data Source: IPI data: retrieved from Rand State Statistics and originated from FBI.

### VIOLENT CRIMES



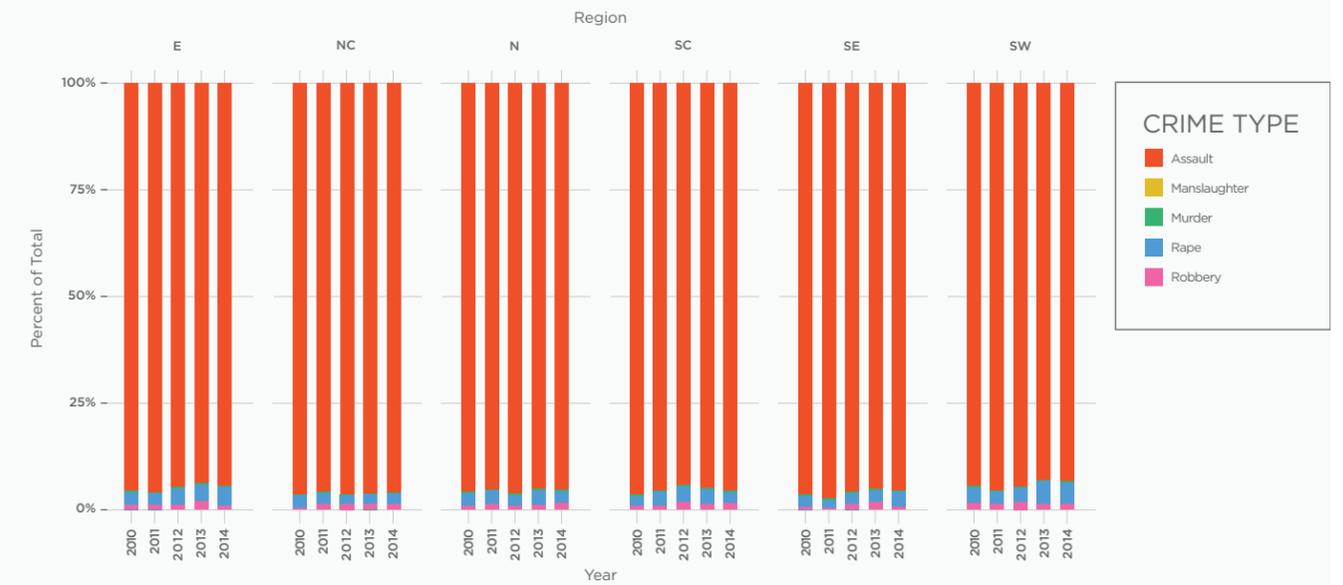
Data Source: IPI data: retrieved from Rand State Statistics and originated from FBI.

### PUBLIC SAFETY OFFICERS



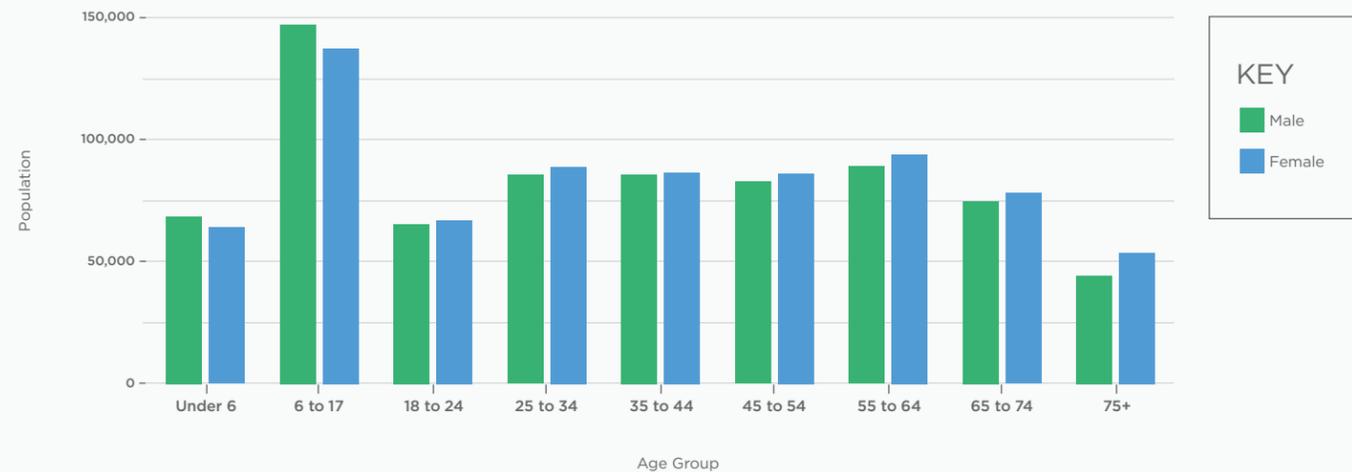
Data Source: Retrieved from Rand State Statistics and originated from the Census Bureau

### VIOLENT CRIMES BY TYPE



Data Source: IPI data: retrieved from Rand State Statistics and originated from FBI.

## INSURED BY AGE GROUP 2016



Data Source: American Community Survey

**"THE WHOLE STORY IN THE HIGH-TECH BUSINESS IS ONE OF CONTINUOUS INNOVATION. TECHNOLOGY IS GREAT, BUT YOU'VE GOT TO MEET CUSTOMER NEEDS. BETTER YET, MEET NEEDS THAT THEY HAVEN'T HAD MET BEFORE."**

Dick Hackborn, former Chairman of HP, ITC Hall of Fame 2010



[www.idahotechcouncil.org](http://www.idahotechcouncil.org)

### WHAT IS THE ITC?

A member-driven organization committed to the success of Idaho's technology ecosystem.

The ITC fosters growth, champions innovation and provides value for members through Professional Networks, Government Relations, Talent Development and Sector Promotion. By bringing together industry, education and government leaders, we are the convener for great collaborations and experiences that make our state stronger and more vibrant.

### BENEFITS TO MEMBERS

- Drive outcomes in growing a knowledge-based economy through initiatives of our industry-lead Committees
- Influence change in our three focus areas: attracting talent, increasing capital, and developing the commercialization of ideas
- Receive discounts on event and conference attendance, including our flagship conferences, events, peer-to-peer forums, and ITC leadership round-tables throughout the Gem State
- Talent initiatives related to software computing technologies and advanced manufacturing
- Opportunities to network with other members, nationally recognized thought leaders, and civic officers
- Serve as the collective voice of the technology ecosystem
- Provide a nexus for capital

# THANK YOU TO OUR PARTNERS

## Diamond



## Gold



## Silver



## Bronze

- |                           |                         |                              |
|---------------------------|-------------------------|------------------------------|
| Bingham Memorial Hospital | Delta Dental of Idaho   | Regence Blue Shield of Idaho |
| Boise Cascade             | Healthwise              | Scentsy                      |
| CenturyLink               | Idaho State University  | TSheets by Quickbooks        |
| City of Boise             | KeyBank                 | University of Idaho          |
| City of Meridian          | LeapFox Learning        | Verified First               |
| Compunet                  | MarkMonitor             | Wells Fargo                  |
| COVR                      | Paynewest Insurance     |                              |
| Cradlepoint               | Premier Technology, Inc |                              |



### WHY IDAHO

Idaho is consistently ranked by The Wall Street Journal, Kiplinger's, Forbes and others as one of the top 10 locations for business and family in the U.S., Idaho is the ideal setting for companies in search of an affordable, pro-business environment and a superior quality of life for employees and prospective employees. In fact, Idaho has a long history as the home of some of America's greatest business success stories.

## VISION IDAHO and 2019 IDAHO KNOWLEDGE REPORT COMMITTEE

- |  |  |   |  |
|--|--|---|--|
| <b>Brad McDonald</b><br>Chair and Program Manager      | <b>Karl Dye</b><br>Region 2 Vision Team Lead             | <b>Craig Shaul</b><br>Idaho Department of Labor       | <b>Mike Kerby</b><br>c308 Marketing, Inc           |
| <b>Jay Larsen</b><br>Idaho Technology Council          | <b>Charity Nelson</b><br>Region 3 Vision Team Lead       | <b>David Moore</b><br>Idaho Technology Council        | <b>Tim Garrigan</b><br>The Garrigan Lyman Group    |
| <b>Heidi Jarvis-Grimes</b><br>Idaho Technology Council | <b>Connie Stopher</b><br>Region 4 Vision Team Lead       | <b>Greg Hill</b><br>Idaho Policy Institute            | <b>William Jenson</b><br>Idaho National Laboratory |
| <b>Matt Klinger</b><br>ITC Tech-2-Market Co-Chair      | <b>Teresa McKnight</b><br>Regions 5 & 6 Vision Team Lead | <b>Haydn Bryan</b><br>Idaho National Laboratory       |  |
| <b>Kyle Burzota</b><br>ITC Tech-2-Market Co-Chair      | <b>Carmen Archibal</b><br>Idaho Department of Commerce   | <b>Kim Kaine</b><br>Hawley Troxell                    |  |
| <b>Gynii Gilliam</b><br>Region 1 Vision Team Lead      | <b>Christina Slaughter</b><br>Idaho Technology Council   | <b>Lantz McGinnis-Brown</b><br>Idaho Policy Institute |  |

**SPECIAL THANKS FOR THE FINANCIAL SUPPORT AS WELL AS WORK PROVIDED BY:**

