

CHALLENGE

SEATTLE



MEMBER COMPANIES



JPMORGAN CHASE & CO.



OUR VISION

Challenge Seattle was formed to ensure that greater Seattle continues to thrive as one of the most vibrant, innovative and globally competitive regions in the world by recognizing the uniqueness of our people, our culture and our pioneering companies.

We are focused on four goals:

- 1 Provide our children the opportunity through education to compete for future jobs here in Washington State.
- 2 Develop world leading infrastructure that drives our future growth and vitality and improves quality of life.
- 3 Create and maintain good jobs while preserving our values.
- 4 Tell the Seattle story here and around the world.

Dear Members,

2017 was a busy and productive year for Challenge Seattle. We have now tested and launched programs in each of our four focus areas. This first Annual Report is intended to capture the results of our work, changes to programs, and new initiatives.

In the K-12 program, we are establishing a solid foundation—engaging with students, testing externships with teachers, and researching opportunities to work with superintendents, principals, and their schools. We are building opportunities for local jobs for our own students. In higher education, GIX opened its doors September 2017. Here, we are supporting STEM education that prepares students for the international, diverse workplace of today and tomorrow.

In infrastructure, we are building a unique program bringing together the public, private, and higher education sectors to address the transportation future of a landlocked, rapidly-growing region. We have started by preparing for autonomous vehicles, coordinating best practices for incident response management, testing a sustainable transportation funding model, building a high-tech, virtual traffic command center, fostering innovation in transportation agencies, and advancing a vision for a world class I-5 corridor. We are addressing transportation challenges to bolster the region's growth and maintain our quality of life.

This past year, Challenge Seattle undertook a bigger, bolder solution to two of our programs—*Jobs* and *Telling Our Story*. We have been filling a leadership void in regional branding, marketing, data analytics, and research. To better address the void, we are leading the effort to create a Regional Trade and Economic Development Organization that will provide "one stop" for prospective employers, comprehensive data analytics and research, sophisticated regional marketing, proactive lead generation, and a clearinghouse for CEO engagement. Our goal is to be among the best in class nationally for well-planned, expertly-executed economic development with a national reputation for innovation.

Thanks for your support and leadership in making our community better for the future. I believe you are making a difference.

A handwritten signature in cursive script, appearing to read "Clara".



Education

Provide our children the opportunity to compete for future jobs here in WA



Challenge:

740,000 job openings in next 5 years. Education pipeline must be preparing local students.

Strategy:

Leverage private-sector resources to improve students' career readiness and better connect the classroom with real-world understanding of skills and job opportunities.

Tactics:

- K-12 Students: Support "DiscoverU" Career and College Exploration and provide first-hand exposure to career options and pathways.
- Teachers: Provide professional development for teachers to enhance curriculum with 21st century skills, STEM problem-based learning content, and career pathway knowledge.
- School Leadership: Support principals and superintendents.
- Higher Ed: Support GIX through industry partnership.

Results:

		2016	2017
Students	Discover U Worksite Tours – provide students with opportunity to explore career through interactive site visits.		
	Worksite tours provided	20	34
	Students attending worksite tours	500	800
	Companies hosting tours	17	24
	Students who "learned something about careers/jobs that I didn't know before"	99%	98%
	Students who were "motivated by the experience to do better in school"	89%	86%
	Video: CEOs Share Career Advice and Opportunities Key message: <i>There are great jobs in Washington and Challenge Seattle CEOs want to hire you – so keep working hard, following your passion, and your future will be very bright.</i>		
	Distributed to districts	7	35
	Lesson plans developed that incorporate video		3
	Total views on social media	1927	488
	DiscoverU Resources developed <ul style="list-style-type: none">• Website with links to lesson plans, activities, and other college and career discovery resources. (2016)• Employer Guide for hosting a successful worksite tour. (2017)• Worksite Tour Training Videos for Employers, Students, Chaperones (2017)	1	4

		2016	2017
Students	Other DiscoverU Activities		
	C-suite visits with students	5	2
	Classroom visits by CS company employees	7	discontinued
	College Readiness Communications Developing comprehensive, open-source materials that help students understand the college admissions process.		
	Students reached	—	King County 27,276 Pierce County 7,980
	Languages available	—	4
Teachers	Washington Alliance for Better Schools – Teacher Externship Program. Year-long professional development opportunity including 3-week summer industry externships. Teachers develop new curriculum and bring lessons learned into the classroom.		
	New externships provided	—	9
	Students benefiting from new lesson plans and industry connection	—	1,350
	CS companies hosting externships	—	3
	Teachers believe “I gained real world examples related to my students’ work.” (Scale 1-7)	—	6/7
	Teachers believe “I learned how to incorporate 21st century skills to prepare students for the workforce.” (Scale 1-7)	—	6/7
Principals	Researching for 2018		
Higher Ed	Global Innovation Exchange		
	Students enrolled	—	42
	Countries represented in student body	—	11
	Academic Network Members <i>École polytechnique fédérale de Lausanne, Hong Kong University of Science and Technology, Indian Institute of Science, Korea Advanced Institute of Science & Technology, National Taiwan University, Technion-Israel Institute of Technology, Tecnológico de Monterrey, and University of British Columbia</i>	—	8
	Industry Members <i>ARM, Baidu, Boeing HorizonX, Hainan Airlines, Microsoft, Nintendo, and T-Mobile</i>	—	7



Transportation

Develop world leading infrastructure that drives future growth and improves quality of life



Challenge:

The region's aging infrastructure and traffic management tools are not keeping pace with economic and population growth. Traditional solutions are exacerbated by region's geographical constraints.

Strategy:

Provide leadership, partner, and take action to advance 6 best-in-class regional strategies for a safe, reliable, technology-driven, user-focused transportation system.

Tactics:

- Create UW Mobility Innovation Center (MIC) to address real-world transportation problems.
- Reduce single occupancy vehicle driving.
- Report annually with metrics on progress.

Results:

Advancing cross-sector regional collaboration to strategically tackle transportation challenges.

	Challenge Seattle-Led 2017 Results
6 Regional Strategies	
1. Create an I-5 corridor for the 21 st Century.	<ul style="list-style-type: none">• MIC project: Improving Traffic on I-5 during major incidents – convened state, county, and city law enforcement and transportation agencies to rethink how we proactively reduce congestion during major incidents on I-5.
2. Integrate operations and planning.	<ul style="list-style-type: none">• MIC: Supporting UW research to create a Transportation Data Collaborative that would allow data sharing across agencies and private sector parties, a necessary foundation for the virtual command center.
3. Manage the system with all users in mind.	<ul style="list-style-type: none">• MIC project: Driverless Seattle – How Cities Can Plan for Automated Vehicles. Recommendations for how public policy makers can start to address the public implications of AV.
4. Proactively maintain transportation assets.	<ul style="list-style-type: none">• MIC project: Researching ways to more rapidly procure solutions that enhance infrastructure.
5. Establish a sustainable funding model.	<ul style="list-style-type: none">• MIC project: Road Usage Charge Smartphone Innovation Challenge – produced prototypes and technology recommendations for the state's 2018 pilot of a per-mile charge.
6. Integrate land-use and transportation planning.	<ul style="list-style-type: none">• Begin public/private sector conversations about linking transit access to achievable SOV goals.
Annual Report on Progress	<ul style="list-style-type: none">• Winner of MarCom Gold Award• Reported on regional metrics, best practices, and innovations in the region
Established Partnerships to advance strategies	Seattle Department of Transportation, Washington State Department of Transportation, Sound Transit, King County, Amazon, Boston Consulting Group, Lyft, Microsoft, Seattle Hospitality Group, Siemens, Vulcan, Inc., WSP/ Parsons Brinckerhoff, Commute Seattle, Seattle Police Department, Seattle Fire Department, Washington State Patrol, Enviroissues, Washington Transportation Commission, City of Bellevue, Vision 2030

Challenge Seattle-Led 2017 Results		
Mobility Innovation Center		
Total Projects Launched to Date	5	
Total Projects Completed to Date	2	
UW Colleges providing Faculty Expertise	<ul style="list-style-type: none"> • College of Engineering • Evans School of Public Policy and Governance • School of Law • The Information School 	
Reduce Single Occupancy Driving		
Employees driving to work alone	Challenge Seattle Worksites in Seattle	All Seattle Worksites
	34%	34%
Employees driving to work alone	Challenge Seattle Worksites in King County	All King County Worksites
	59%	51%
Encouraged transit ridership through "Transit for the Win Event"	<ul style="list-style-type: none"> • 10 Challenge Seattle companies participated • Donated 562 prizes to public transit riders (including 22 "Grand Prizes") • \$22,325 Value 	

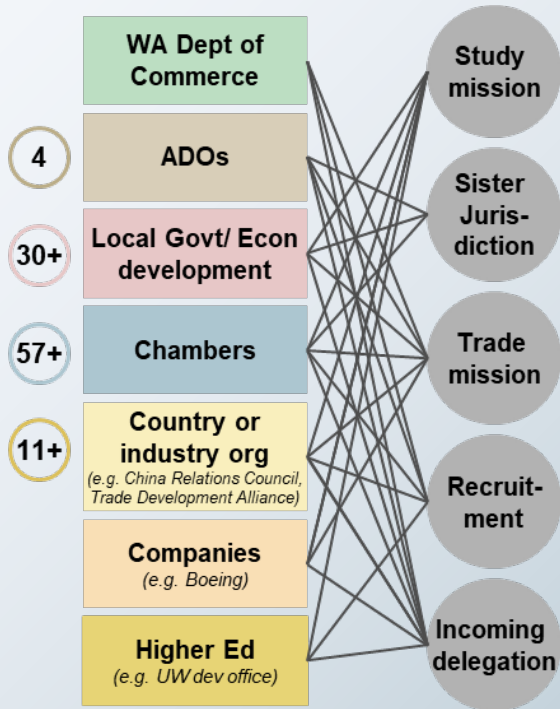


Jobs

Create and maintain good jobs while preserving our values.



Today “Complex, Fragmented, Underfunded”



Tomorrow “Best-In-Class”



Challenge:

The region's Economic Development ecosystem is complex, fragmented, and underfunded.

- Precluded Challenge Seattle partnership: CEO engagement with prospective companies.

Strategy:

Lead a strategic effort to create a best-in-class Regional Economic Development Organization (EDO).

Tactics:

- Research 10 best-in-class EDOs in the US.
- Identify best practices.
- Visit 3 best-in-class EDOs with close alignment to Seattle region, learn how to operationalize.
- Gain regional consensus around best practices and commitment to form organization.

Results:

Building best-in-class Regional EDO based on research.

Best Practices of Best-in-Class EDO	2017 Progress
1. Single regional organization that aligns with MSA and provides single point of contact for interested companies.	<ul style="list-style-type: none">• Drafted comprehensive recommendations with public/private sectors for a Regional EDO based on best practices.• Secured public and private leader support to implement proposed Regional EDO.• Begin recruitment of Executive Board.• Begin incorporation.• Begin development of name/ logo.• Work with KC EDC and TDA on consolidation with Regional EDO.
2. High level of focus on proactive, targeted outreach to candidate companies.	
3. Central research and data source (demographics, real-estate, labor market, etc.)	<ul style="list-style-type: none">• Produced a comprehensive data "story" on Seattle region's competitive advantages.
4. High-performing and well-paid leader	<ul style="list-style-type: none">• Gained regional consensus on CEO job description.• Hired CEO search firm.
5. Funding commensurate with size of region and opportunity	<ul style="list-style-type: none">• Raising start-up funds from public/ private sectors.



Telling Our Story

Tell Seattle's story here and around the world



**SEATTLE.
INCREDIBLE WORKS HERE.**

REMARKABLE PEOPLE, ENERGY AND IDEAS COME TOGETHER EVERY DAY IN ONE OF THE MOST VIBRANT CITIES ON EARTH. LEARN MORE AT INCREDIBLEWORKSHERE.COM



Challenge:

The Seattle region has no unified, globally-recognizable brand, inhibiting economic development, tourism, and talent recruitment efforts.

Strategy:

Develop and test a "Seattle" brand.

Tactics:

- Develop brand: "Seattle. Incredible Works Here."
- Test brand in Seattle market to ensure local buy-in.
- Deploy digital test campaigns in key domestic markets.
- Advance strategic planning for a national campaign.

Results:

A well-researched brand concept, website, and national strategy that can be transferred to the Regional Economic Development Organization.

	Seattle Market Test	Digital Test – Cranes	Social Test – Cloud City	Social Test – Fortune
	Fall 2016	November 2016	January 2017	May 2017
Media	Print, Bus, Digital, Social	Digital, Social	Social	Social
Markets	Seattle	Boston	Boston, Los Angeles, San Francisco	San Francisco, Silicon Valley
Impressions	34.4 M	6.1 M	0.36M	1.2 M
Click-Thrus	--	25,000	4,655	8,752
Brand Web visits	45,000	5,400	1,730	--
Cost	\$85K + \$70k donated	Donated by MS ~\$50k	\$50k	\$20k
Key Outcomes	<ul style="list-style-type: none"> • No negative reaction. • Built local pride. 	<ul style="list-style-type: none"> • Animated content drives clicks, not translate into web visitors. 	<ul style="list-style-type: none"> • Higher ROI in West Coast cities. 	<ul style="list-style-type: none"> • 3rd party validators more productive than brand-promoted content.
National Campaign Planning Advanced	<ul style="list-style-type: none"> • Identified need to focus on talent based on WA Roundtable data analysis and interviews with companies. • Studied location decision drivers of millennials. • Developed a brand strategy brief for future national campaign. 			
Partnerships developed to support the brand	Port of Seattle, Seattle Art Museum, Pike Place Market, Fred Hutchinson Cancer Research Center, Seattle Cancer Care Alliance, Seattle Children’s Research Institute, UW Medicine, University of Washington, Seattle Foundation, Chihuly Museum, Maria Hines, Aerojet Rocketdyn, and many others.			