

News From Georgetown • North Seattle • SODO • South Park

Spring 2004

# Seattle Industry

A New Voice for the Industrial Core



## IRON MIKE!

**How Mike Lowry helped land the 7E7  
(and helped save us from ourselves)**

# Why Seattle Industry?



**Every few months we scrape together the dollars required to crank out the latest issue of Seattle Industry magazine. Which would prompt most sober people to pose the perfectly reasonable question: Why?**

Fair enough. Seattle Industry is owned, produced and distributed by the Manufacturing Industrial Council of Seattle, a non-profit advocacy group that sticks up for the traditional industrial firms that do business in the City of Seattle.

The magazine provide our perspective on selected topics, issues and events of the day. The magazine is supported through advertising and other ways we'd rather not even talk about. It is distributed by mail to about 3,000 businesses in Seattle, King County and around the state. It is also delivered directly to several hundred of our closest friends and all the elected officials we can find in the phone book.

If you are an industrial supplier or professional firm that wants to make a sinful amount of money in the industrial marketplace, Seattle Industry is a good advertising buy because it is actually read by industrial business owners and managers. We know. We are ones. Like Mr. Reagan said about his microphone, we paid for this thing and we wouldn't go to the trouble of producing a magazine if we didn't find it worth reading.



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**For more information about the magazine or the MIC, call 206-762-2470.**

# Seattle Industry

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**Seattle Industry was established with start-up support from the South Downtown Foundation.**



# What's UP

## In This Issue



### Fish Eggs

Pollock eggs. \$380 million in pollock eggs. If you never knew there was such a thing as pollock eggs, welcome to the club. As for the \$380 million, that's how much money Seattle seafood companies grossed in February at the annual auction of pollock eggs conducted on Pier 91 in Interbay.

The auction is the only one like it in the world. It caters to buyers from Japan and South Korea where pollock roe is not just a fish byproduct but a pricey restaurant delicacy.

What a perfect illustration of the value of traditional industries to the regional economy. \$380 million. For fish eggs. What a great starting point for the Spring 2004 edition of *Seattle Industry* magazine.

After a stretch of bad news dating back three years to the Nisqually quake, things are looking up. After the Boeing corporate move to Chicago, the Mardi Gras riot, 9/11, the recession, the defeat of Referendum 51, "StripperGate," Rick Neuheisel, and all the rest, we have turned the corner toward happier days ahead. This issue of *Seattle Industry* is devoted largely to the good news that finally surrounds us.

### Frank Talked; Mike Listened

Mike Lowry



Consider the collective gloom that would dominate central Puget Sound had The Boeing Company announced last Christmas it was going to build the 7E7 "Dreamliner" some place other than Everett, Washington. Gov. Gary Locke deserves credit for pulling together the bundle of tax credits and reforms that apparently sealed the deal to build the airplane in Everett (Boeing to this day declines to discuss its decision). Yet if you look at the big picture, the runway for the 7E7 decision was actually paved by an earlier governor, Mike Lowry, whose contributions are largely forgotten.

In 1991, when Boeing CEO Frank Shrontz warned us in a landmark speech to not take Boeing production work for granted, Lowry took it to heart. When he became governor in 1993, Lowry pursued two reforms that were (and are) keys to the state's business climate.

The unexpected story of "Iron" Mike starts on page 6 and includes suggestions how we can continue to reap the fruits of his labors right here in the Emerald City. Speaking of which ...



Frank Shrontz

## Viaduct Revisited

If everything was going great, we probably couldn't stand it. If you need some bad news to feel normal, just think about the continued failure by our elected leadership to agree on a funding plan for transportation. If you want an illustration of how bad things are, think about this: we have now talked about rebuilding the Alaskan Way Viaduct for longer than it took to build it in the first place.

However, in keeping with our sunny mood, we choose to look back on the happier time when it was actually possible to build a Viaduct at a cost of a whopping \$8 million. Of course, with adequate reinforcement for earthquakes, it probably would have cost \$8.5 million, which is just about \$3,991,500,000 less than it will cost to rebuild it today.



## Blessed Silence

Is it just us or does it seem like it's been weeks, maybe even months, without any news arising from the Seattle City Council chambers about strippers, stripper-related parking lots, Big Al Rosellini, Eastern Washington dams, circus animals or the moral complexities that attach themselves to Trident nuclear-attack submarines?

The biggest election shakeup in City Council history is one obvious reason for the more business like mood, but some credit also goes to new City Council President Jan Drago, a low-profile, largely unsung council veteran who set a more business-like agenda for her colleagues at the first of the year. Drago also brings something to City Hall that's almost unheard-of in recent times: day-to-day experience as a business owner. You know ... making payroll, feeling a little woozy when the fire department or L&I stops by for a little chat, that kind of thing.



Jan Drago

## Capital Industries

Bad news struck Capital Industries in the Georgetown business community on January 18 when a fire destroyed the company's largest manufacturing plant, but even that catastrophe had its upside. Within hours neighbors were offering to help. Within days the company was back in operation. Within two weeks, Capital co-owner Ron Taylor was sitting in the front row at the "state of the city" speech by Mayor Greg Nickels as the mayor promised several new efforts to help make Seattle a better home for Capital and other industrial businesses.

The Mayor will be announcing his improvement plan later this spring. It's easy to be skeptical, but let's hope for the best. Look for follow-up coverage in the summer issue of *Seattle Industry*.

It all goes to show that you never know when something good is going to happen. And if anyone tells you industry is dead in Seattle, offer to serve them up a batch of pollock eggs.



Ron Taylor and  
Deputy Mayor Tim Ceis



# Mike Lowry Helped Pave the Way for the 7E7

**Like Nixon in China and Clinton reforming welfare, Lowry's political pedigree made him an unlikely ally of industry.**

A US dollar bill is just over six inches long. Lay three billion of them end to end, and the bills would extend for 290,000 miles. That's far enough to circle the earth at the equator 12 times. It's even long enough to stretch to the moon.

If you put \$3 billion into a package of tax incentives, it can also create a big enough pile of potential cash to convince your economic bell cow to keep grazing right here at home. This phenomenon was demonstrated last December when The Boeing Company announced that after reviewing all available bids, including our state's \$3 billion proposal, it would build the 7E7 "Dreamliner" in Everett, Washington.

Governor Gary Locke and other supporters of the package view it as a watershed event that helps to assure Boeing will remain a cornerstone of the state economy for years to come, and here's hoping that it will. If it does, some of the credit will need to be shared with a former governor, one Michael E. Lowry, who initiated a personal crusade to make the state more business-friendly nearly 20 years ago.

At personal political risk, at a deep low point in the state's relationship with Boeing, Lowry enacted major changes to make the State Environmental Protection Act much more user-friendly and he secured a major sales tax exception for purchases of manufacturing equipment that helped pave the way for Locke's heroics. If it is impossible to separate Boeing's 7E7 decision from the \$3 billion, it may also be impossible to separate the winning package from the earlier Lowry spade work.

In some ways, it is hard to imagine a less likely champion for industry than Mike Lowry.

## Green as Green Can Be

Throughout the 1970s and 1980s, Lowry reigned as a rabble-rousing, arm-waving, outspoken patron saint for liberal causes lost and otherwise.

He first won elected office with a seat on the King County Council in 1974 while campaigning against construction of a new county road designed to speed growth on Cougar Mountain near Issaquah. When it came to the environment, Lowry was as green as green could be. "We have just one little Earth to take care of us," he says now in his rumbling, soft voice, "and we've got to make sure we take care of it."

**“We have just one little Earth to take care of us,” he says now in his rumbling, soft voice, “and we’ve got to make sure we take care of it.”**

Elected to the first of five terms in the US House of Representatives in 1978, Lowry became a high profile advocate for the “nuclear freeze” and even opposed nuclear weapons systems that were based close to home. “First-strike nuclear weapons terrify me,” he says. “I didn’t oppose the Trident submarine, but I oppose the first-strike missiles that the submarines carry.”

Elected governor in 1992, Lowry wound up joining Booth Gardner and Gary Locke as a trio of Democrats who occupied the governor’s mansion for 20 straight years, but other than the party label, the mailstop and some core beliefs, Lowry seemed to share little with his colleagues. Gardner and Locke were both political mainstreamers, button-down types; Mike Lowry was anything but.

He gave back part of his gubernatorial salary because he felt the pay was too high. He refused to take a state pension to show his solidarity with retirees trying to survive on Social Security. At the mansion, he also paid the phone bill, bought his own groceries and contributed \$100 per month for gas and upkeep on his state car.

In a wine-and-cheese world, Lowry stuck out like a half rack of Schmidt. Then as now, he wore his feelings on his sleeve,

where you sometimes might also find traces from yesterday’s soup.

“Booth and Gary each had a much more sellable style than I did,” Lowry says. “I have a hard time not saying what I think. A lot of times to me things are just baloney and I’ll say, ‘baloney.’ People who say they are against taxes but for education, to me that’s baloney. Some people have problems with the news media because they are quoted incorrectly. I had problems with the news media because they were almost always quoting me correctly.”

Yet, in spite of all those things – and maybe because of them – Lowry was also one of the best friends industry ever had.

Iron Mike. Who could have imagined it? Well, actually, Mike Lowry did. “I’m just an old-school, gut-level, jobs-Democrat,” he says.

He strove throughout his political career to stand up for the working man and woman. And so, he says, it only made sense that he would try to support the types of businesses that provide jobs that pay decent wages, and at a time when our state was in dire need of such common sense and leadership, Lowry was the person who stepped up to provide it.

## **We Flunk Econ 101**

The saga dates back to an era two decades ago involving another next-generation Boeing jetliner, the model that eventually turned into the 777. In the late 1980s and early 1990s, as Boeing was ramping up to build the jetliner, it set out to expand its Everett production complex to house 6,000 new workers. According to a study at the time, the expansion would generate enough new tax revenue to pay for all related public improvements to nearby roads and other infrastructure within seven years.

Then as now, most governments in other regions would have paid plenty to encourage such a project, but in those days Washington wasn’t like most governments. Local and state officials reviewed Boeing’s expansion plans under the requirements of the State Environmental Protection Act. Their calculations showed Boeing owed \$47 million in government fees to mitigate the environmental impacts of the expansion.

Yep, nearly anywhere else, Boeing would have received incentives, maybe a few first-borns. In our state, Boeing was handed a bill. No \$47 million, no permits.

The utter dunderheaded quality of the stunt shines through even now and the whole episode is worth reconsidering in slightly greater depth just to appreciate how profoundly stupid the state’s position was.



During those rare moments in Econ 101 when you managed to keep your eyes open, you may have heard about something called “base” economic activity. This is what happens when something is made in your home community that can be transported and sold outside the region. The sale outside the region brings in money that helps increase the size of the economic pie back home. That’s “base” activity, and on the base scale, Boeing is nearly off the charts.

That’s why just about everybody wants “a Boeing” and other manufacturing companies. Unlike retail developments such as shopping centers, which export our wealth somewhere else as we buy things from somewhere else, manufacturing companies and some other types of industry bring in new wealth from outside the region.

The SEPA law provides no means to account for these economic facts of life.

## Read ‘Em & Weep

Unlike environmental laws in many states, SEPA (rhymes with WEEP-A) requires governments to assess and account for negative impacts on both the natural environment and the built environment. It also provides no good mechanism to account for the fact that certain types of land uses generate more social and economic benefits than others.

This approach makes sense in some limited ways. For instance, a salamander that gets squished by a car while he tries to crawl across a road will have no reason to care whether he’s flattened by a car heading for a shopping center or a manufacturing plant. Dead is dead. The impact was wrought. If we can avoid or make up for such occurrences, we ought to.

But what about the impact on the road of the spinning car tires? Cars heading for a Boeing plant are part of an economic enterprise that is going to add to the wealth (and

tax base) of a region in a profoundly different way than if the car is heading for a shopping center. The Boeing bound car will generate more wealth for the community.

In some states, environmental impact laws are written to require officials to recognize and respond to the fact certain types of land uses generate more community benefits than others. In Kansas, for instance, the state has a model that allows officials to consider 254 factors that document the community benefits of a proposed land use. If the analysis shows adequate benefit, the project becomes eligible for a variety of incentives.

In Washington, SEPA makes it optional to review positive impacts and suggests benefits should be considered separately as decision makers weigh whether a project should be approved. SEPA supporters say this provides for a fairly balanced review process. SEPA critics say it skews the process toward negative impacts, especially in light of court rulings which require that

adverse impacts must be addressed. No comparable rulings require governments to consider positive impacts.

## Off Base

Looked at another way, 6,000 new Boeing jobs might create lots of community benefit, but under SEPA, in the early 1990s, Boeing was assessed fees because it was creating more jobs that created more impacts on things like roads. If Boeing had been adding 10,000 new jobs, the community benefits would have been ever greater, but the impacts would also have been greater, and the fees would probably have been even higher.

The backwards logic was revealed at about the same time through a case involving a large regional shopping center that was being constructed in south King County. By definition, a shopping center is not a “base” economic activity. In fact, it’s about as off-base as you can get. A new shopping center succeeds by pulling shoppers away from existing retail centers. Many of the employees who work in the center earn poor wages with little or no benefits.

Yet, the shopping center development was charged about \$12 million in mitigation fees under SEPA, less than a third what Boeing had to pay.

And while there were many ways to justify such a discrepancy under state law, none of the explanations could explain away the fact that our public policies were proving much less friendly to a wealth creating business than to an economic enterprise that didn’t contribute much except expand the number of retail outlets available to help export our cash someplace else.

Boeing agreed to pay but the episode inspired Frank Shrontz, then CEO of The Boeing Company, to warn in a 1991 speech to a meeting of Se-



**From 777 (above) to 7E7 (below), Boeing and State government have had their ups and downs.**



attle business executives that the state had to change its ways or it would lose future Boeing production work to other suitors.

The warning produced shrugs from many of the Mandarins responsible for managing public policies in our state. They noted – correctly – that most state policies and practices were already geared to be “Boeing friendly” and, by Boeing standards, the cost of \$47 million in SEPA impact fees was very small potatoes.

Lowry responded differently, feeling the Mandarins missed an essential point. Much as Locke concluded two decades later, Lowry felt the issue wasn’t the fees or revenues that government should or should not collect. It was the benefit of all that private-sector payroll that was the primary issue and all the social and financial benefits that flow from people having nice paychecks to buy groceries, clothes, cars, and appliances, get mortgages, go into more debt, send kids to college, go into more debt and enjoy all those other things that are manifestations of a healthy community with a solid private-sector job base.

“I took the Shrontz speech very seriously,” Lowry recalls. “We had some real policy problems with relatively small things could hurt us greatly. For some very small things, we could pay a very big price.”

## Mike Hears; Mike Acts

When Shrontz delivered the speech, Lowry was in no position to do much about it. He was teaching political science classes at the time at Seattle University, mulling over his political prospects following two unsuccessful bids for the US Senate. But in 1992, the field for governor boiled down to him and Republican Ken Eikenberry. Lowry won.

Washington was suffering from a recession as he took office and Lowry initiated a two-part campaign to help boost business.

His first effort was to create sales tax exemptions for purchases of equipment for use in manufacturing and high technology. Washington state has hundreds of such exemptions on the books, but Lowry’s proposals were whoppers because of their size and the beneficiaries. The manufacturing sales tax exemption would benefit industrialists who by their very being offended many of Lowry’s most die-hard supporters. The high tech breaks would help put more money in the pockets of Microsoft, a company not known for being either cash poor or a particular favorite of the “Nuclear Freeze” crowd.

Lowry pressed ahead and convinced the Legislature to adopt both exemptions. “We studied it and you could see that manufacturing and high technology were the two areas where we had the greatest potential to keep and attract businesses that provide good family-wage jobs,” Lowry recalls. “If a job doesn’t pay a family wage, I’m not even sure we should call it a job. It’s something else.”

The second element in his program was to reform SEPA, the state law that had caused such grief in Everett.

Lowry did not take on the fundamental problems that remain embedded in SEPA regarding public benefits, but he did work with the Legislature to enact reforms that help expedite the whole environmental review process. Among other things, Lowry’s reforms made it possible to take a large planning area such as the one that encompasses the Boeing production plant in Everett and subject it to a single environmental assessment. After that first assessment is completed, no follow up environmental reviews are required for individual projects within the planning area and permitting tends to go much, much smoother and faster.

The change did not relieve businesses of requirements to pay the types of fees that Boeing paid to mitigate impacts, but the new system is much more predictable and the outcomes are much more certain.

The business support programs were credited with creating 174,000 new jobs during Lowry’s first term in office and his sales tax break for manufacturing presently saves Washington manufacturing businesses about \$200 million per year. The high-tech breaks save those firms about \$50 million per year.

Looking back on these changes today, Lowry figures it would have been harder for a Republican to pursue the same measures. As for the more elite Democrats, they didn’t even try.

But just like Richard Nixon’s conservatism made it easier for him to establish relations with communist China, and Bill Clinton’s liberal record aided his efforts at welfare reform, Mike Lowry was able to help the business community more easily than someone who had lacked his populist credentials.

As governor, Lowry also cut growth rates in state spending and state employment. He reduced state workers compensation insurance rates to save businesses about \$100 million per year. True to his liberal values, he also increased the availability of state-subsidized child care and extended health insurance benefits to more than 230,000 people in low-income families.

But, the first term was also Lowry’s last. A string of controversies undermined his political capital and cost him public support. A survey by a Seattle newspaper concluded at one point in his tenure that he was the least popular governor in state history. He choose not to run for reelection.

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**“If a job doesn’t pay a family-wage, I’m not even sure we should call it a job. It’s something else.”**



Lowry during his administration

## Lowry Still Walks the Walk & Talks the Talk

Lowry recently turned age 65. He retains a rumbling voice that swells with enthusiasm supported by waving arms and hand gestures as he warms to great ideas and projects. He still wears his feelings on his sleeve. He still walks the walk, and talks the talk.

Forgoing the state and federal pensions for which he was eligible, Lowry and his wife Mary get by on income from personal real estate investments and revenue generated by a ranch they own in eastern Washington where they grow hay and occasionally harvest timber. He jokes about his status as a "capitalist" because of his good fortune to have lived in the Seattle area long enough that he was able to buy up some real estate when it was much more affordable.

Lowry serves on a number of boards for non-profit programs and he spends much of his time supporting the new Washington Agricultural Family Assistance (WAFA) program. WAFA helps farm workers in Grant County in eastern Washington to buy their own homes.

"These are hard working, good people and they've got a tough row to hoe," Lowry said. "There is all kinds of evidence that tells us we are better off when people own their own homes instead of renting."

If placed end to end, the homes purchased so far could not stretch very far. So far, the program has helped in the purchase of 11 homes. But the way Lowry talks about it, it sounds like the homes could stretch from here to Grant County and he makes you hope they someday will. ♦

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## OUR SUGGESTION

# Bring SEPA Reforms to Seattle

**Ron Jacobs** is a busy guy. He owns and operates Berry Neon, a sign manufacturing business that he bought in 1992 and which has since tripled in size. He doesn't have a lot of time to spend on land development or construction, so when he decided to build a new building for his growing business last year, he took one look around Snohomish County and quickly surmised he was heading for the Southwest Everett planning area.

"Everywhere else in Snohomish County there are issues with wetlands and other things like that," he says. "Here everything was already preplanned and approved. Everybody associated with this area can't believe how easy it is to build here."

Not an unusual sentiment among those who have developed property in the area that was the site of a major battle about the State Environmental Protection Act (SEPA) when The Boeing Company wanted to expand its production complex at Paine Field. Even as that disagreement was playing itself out, people on both sides were trying to find better solutions and their efforts bore fruit in 1994 when Gov. Mike Lowry produced significant reforms to SEPA.

Under programs called "planned actions" it became possible to plan for a fairly large subarea (the Everett planning area encompasses 4,000 acres) through the conduct of a single environmental assessment.

As part of that effort, available infrastructure is assessed to determine how much new growth can be supported. Based on that capacity, specific properties are classified for certain levels of activity. If the infrastructure and the natural environment can support the proposed activity, the coast is clear and permits follow in rapid order. Proposals that exceed capacity are subject to a



**Berry Neon in Everett**

higher (and longer) level of review and will also have to pay for infrastructure improvements.

This approach was tried first in Everett and was then used in many other cities including Renton, Tukwila and Tacoma. A state study in 2003 showed the approach tends to work and as demonstrated by the experience of Ron Jacobs, the system usually draws rave reviews. Says Boeing spokesman Chuck Cadena:

"In both Everett and Frederickson, the "planned action" process under SEPA has supported a strong foundation and great working relationship with those cities. The benefit for us - and for any applicant - is the predictability and certainty from a planned action ordinance. At the outset of a project, an applicant knows whether or not the project is consistent with the subarea plan because the environmental analysis that establishes the framework for subarea development has already been done."

It is interesting to note that the enlightened approach employed in Everett and so many other communities has yet to be tried in Seattle. City officials are aware of the provisions and say they are willing to consider them. To which we offer the modest suggestion: why not just go ahead and try it?

Start by establishing planned actions for targeted areas inside the Duwamish and "BINMIC" industrial planning areas, and see what happens.

These areas are already targeted for programs to spur growth. In large parts of each residential uses are also prohibited. That's a key because Seattle residents are positively famous for protesting just about anything, let alone something that might (EEEEK!) speed up growth or support business activity. ♦

## President Jan Drago

# Seattle Looks Up As Council Simmers Down

### 'Judy Cam' era fades to black

Jan Drago owned Haagen Dazs ice cream stores for 11 years. At one point, she owned four of them. In that time, every two weeks, 26 times each year, she faced "payroll," that awesome, awful, dreaded and/or delightful time when the help gets paid and the boss makes sure the checks don't bounce.

Drago estimates that in her experience as a store owner, she faced payroll nearly 300 times. It wasn't always easy. Sometimes, she didn't have enough money to pay herself. Winters in particular can be poor seasons for ice cream stores. But every time Jan Drago had a payroll to make, she made it. Even if she didn't get paid, everyone else did. Not once did one of Drago's paychecks bounce.

Not since pharmacist George Benson served as council president more than 15 years ago has someone with such extensive retail business experience served as the head of the City Council. Other council leaders have had private business and professional experiences outside government. That's not the same as running your own business and taking care of employees. Drago thinks it is a crucial distinction.

"There is a real difference," she says, "between running a business and being responsible for other people, and having a business where you are pretty much responsible just for yourself. No doubt about it."

And like mom coming home after the teenagers threw a wild weekend, Drago seems to have helped tidy things up considerably on the council and also quiet things down.

Only six months ago, the city council was reeling from a controversy perfectly captured by its popular name, "Strippergate," which involved a topless dance club in Lake City and its oh-so-pedestrian desire for a

better parking lot. Only in Seattle could such elements converge into such a brouhaha and in Seattle, Stripper-gate provided a tassle-twirling climax to a succession of self-inflicted controversies that over the past half-decade turned the council into cannon fodder for Jay Leno monologues, editorialists and right-wing shock-jocks all across the continental United States.

There were council controversies over circus animal safety, controversies over the desire of some councilmembers to tear down the eastern Washington hyrodams, controversies over the proper role of Trident submarines in Seafair. Then there was the council effort to pass a resolution supporting US troops in Iraq. The measure was debated for so long and so earnestly it prompted an Idaho newspaper to ask, "Can't we just give Seattle to France?"

These episodes actually didn't come along that often, and didn't really last that long, but once they made the newspapers, they were hard to forget.

Today things are, blissfully boring, which is just the way things ought to be.

The City Council is putting all of us to sleep, which is precisely what a city council should do.

To get a clearer idea of the change in times, mood and background music, maybe it would help to crank up the old "Judy Cam."

It is tremendously unfair, to single out just one council-member in an effort to capture the past image problem the group earned collectively. Then again, life itself is often unfair. In examining the issue of council image there is actually no better starting



place than the space formerly occupied by City Councilmember Judy Nicastro and her all-illuminating "Judy Cam."

The Judy Cam actually never existed. It was a just an idea advanced by Nicastro who announced in the news media that she wanted to create a web cam that would track her movements 24/7 so the public could hop on the internet and ... well, do what exactly? See what a great job she was doing? This part of the Judy Cam concept was never too clear.

Then there was the Nicastro photo that appeared on the City Council web site. In it, half her face was shaded and she peered out at the curious web site visitor looking ... well, looking like what exactly? Sultry? Shady? Was she some kind of female Austin Powers, a political agent provocateur, an international woman of mystery?

Then there was the announcement after she had concluded her first year in office that she was ready to run for mayor. Then there were her running battles with the mayor.

Then there was a *Seattle Times* newspaper column in January 2003 which seemed sum it all up perfectly. It was a good natured piece that portrayed Nicastro as a feisty, colorful character. The following quotes from the column directly: Ms.

---

## The Council was lucky to have someone with payroll experience when the political bills came due.

---

Nicastro was someone “as comfortable on a pub crawl as at a fancy-pants dinner. She can discuss city policy in her schoolmarm glasses and, in the next breath, make reference to her ‘fat ass.’”

There is something about combining such concepts as “pub crawl,” “fancy-pants,” “schoolmarm glasses,” and the term “fat ass” that can inspire a reader to want to learn more.

An exhaustive search by *Seattle Industry* concluded quite conclusively that this column was the first news media account in the entire history of the City of Seattle in which a member of the Seattle City Council and the term “fat ass” appeared at the same time.

You can go as far back as the Mercer Girls, Chief Sealthe and Princess Angeline, and there was nothing even comparable.

And the downside (or backside) was, the Councilmember Nicastro issues were not simply ones of style. Consider this.

In 2002, Long Painting pulled up stakes and fled the City of Seattle for the City of Kent, taking with it 500 good, “family-wage” jobs along with a whole lot of tax revenue that had flowed for years to the Seattle Public Schools and Seattle City Hall.

The primary reason Long Painting pulled up stakes was an ugly controversy over an environmental complaint against the company that later proved unfounded. Nicastro and her staff helped lead the council charge against Long Painting.

At the time Long left, it was enough to make you wonder just where the City Council and the City of Seattle were headed. The city’s business climate was, and is, challenging enough even without misinformed interventions by city councilmembers.

On the sociological front, one longtime civic observer offered the opinion in print that Nicastro represented an evolution, a changing of the civic guard, the emergence of a city councilmember who was perceived like a “rock star.”

Thank goodness, “sinking rock” was more like it.

Last November, after becoming mired in the high-profile controversy over “Strippergate” she was turned out of office along with two other incumbents. After the dust settled, three new councilmembers took their place, and the new council majority elected Drago as their leader.

Drago’s two-year leadership term began in January. Even before she officially assumed that role, Drago quietly made the rounds with civic groups seeking their views on how the council could work more effectively. She was seen at these meetings actually taking notes.

She also reached out to suburban city officials long put-off by Seattle’s hyper-liberal political culture.

In her first few weeks as council president, the council conducted a round of community meetings so members could mingle with the citizenry. Drago even organized and completed a priority setting process that enabled councilmembers to establish collective goals out of their personal objectives and desires...

Then came confirmation hearings for new City Light Director Jorge Carrasco. They were splendidly boring. Then came time to adopt a new, revised, reduced city budget. The “compassion

crowd” squawked, but the budget sailed through. Afterwards, councilmembers and the Mayor “made nice” and even talked about how wonderful it was to work together to solve such important problems.

City Hall news crews must be kicking each other just to stay awake.

Drago is in her tenth year on the council and she brings a perspective that goes back farther than that. While she owned her ice cream stores, she was also a community activist who became involved in issues involving public safety, gun control and the homeless.

Her activities sometimes took her to Olympia where she found herself welcome on both sides of the aisle. Democrats knew her from her activities in that party. Republicans saw her business card, recognized her as a business owner and were happy to talk with her.

After winning her seat on the City Council, Drago went back to Olympia on lobbying efforts and learned how dramatically the reception had changed. Democrats were still friendly, but many Republicans lost interest in talking with her because they don’t feel a Seattle City Councilmember is much worth talking to. “Democrats from Seattle aren’t always held in high esteem,” she said.

One of her personal goals is to help the City Council reach out to those who lost faith in the institution. The Council was lucky to have someone with payroll experience when the political bills came due. ♦



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# EASY RIDER...

**It helps his company solve a major parking problem.**

**It helps keep him from smoking cigarettes.**

**It saves him money by enabling him to leave his Mazda 626 at home.**

"It" is the bus and by riding it each work day between his home in Everett and his job in Seattle, John Kinsman helped Alaskan Copper and Brass create an award-winning, money-saving program that returns high dividends to the company and its employees.

Inside you will learn how Alaskan Copper did it, and how Metro and the Duwamish Transportation Management Association can help your business do the same.



**King County  
METRO**



**Start here to get on the road to commute solutions**



**Alaskan Copper Human Resources Manager, Vern Arendse**

**When Vern Arendse** went to work in the human resources department at Alaskan Copper and Brass a few years ago, one of his assignments was to bring the company into compliance with the state Commute Trip Reduction (CTR) law. The CTR law requires employers of a certain size to encourage alternatives to drive-alone commuting. With 250 employees, Alaskan Copper was required to comply.

A loyal bus rider who counted it as a perk that Alaskan Copper was an easy bus ride from his Ballard home, Arendse went to work, eventually tapping into a grant program providing incentives along with staff support from King County Metro.

The outcome was an award-winning program that persuaded about 40 percent of Alaskan Copper's workforce to find alternatives to drive-alone commuting. The effort earned the company public recognition from the Economic Development Council's Commuter Challenge program this spring when Arendse was

named a 2004 "Diamond Award" winner for his leadership in the field of CTR.

The company gained because the program helped to significantly reduce the amount of parking required for employees. Arendse feels there are many other benefits too.



"The biggest benefit is that a lot of our employees are arriving for work less stressed out and better prepared to go to work. Plus, it saves them money."

The alternative commuters take buses, Sounder Trains, carpools and vanpools. Some ride bikes. A few walk. We'll let them explain themselves why they do it.

### **John Kinsman**

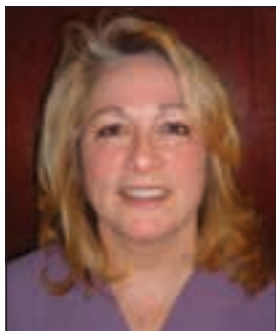


According to Metro, riding the bus can save some people up to \$3,000 per year in costs for gas and the maintenance necessary to support a typical car that's used for commuting. John Kinsman, a warehouseman at Alaskan Copper, calculates his commuting costs and savings a bit differently.

"Hardly anything is going up faster in price than the cost of gas or cigarettes," he says with the cheerfulness of someone who is happily saving money on both. It costs him \$4 per day for a round trip commute on a Sound Transit express bus between SODO and Everett. He estimates that at current prices, it would cost him about \$5 in gas for his 1984 Mazda 626 to make the same trip.

But that savings pales beside the \$4.50 per day he's saving because he no longer buys a pack of cigarettes. "Some people need a cigarette after dinner. For me, it was when I drove," he says. The smoking urge grew worse when he was under stress and that used to happen a lot when he was driving between Everett and Seattle. "Sometimes the trips took two hours."

He finds riding the bus "a stress free" environment that helped him give up smoking altogether. An avid reader, he uses the daily commute to read books, some of his favorites being works by Dean Koontz and Stephen King.



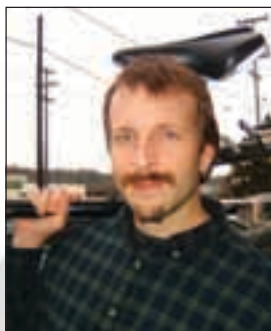
### Margie Zacher

Zacher is the payroll manager at Alaskan Copper. When she heard about Metro's Van share program, she decided to give herself a raise. The math was simple. She estimated the total costs for her commute to Seattle from Port Orchard cost at about \$400 per month. She could participate in Vanshare for \$50. On top of the \$350

savings, she says, "you also save on insurance."

Margie and her vanpool mates now ride as foot passengers on the ferry from Port Orchard to Seattle. In Seattle, their Metro van is parked near the dock. Margie drops off the others before ending up at her office. She can also use the van during the day for errands.

She had to do some research to find out about Vanshare but she's glad she did. "This really works," she says. "It's a good option for getting to work."



### Scott Bennett

Bennett rides his bike through the side streets of SODO in the early morning, between the two towers of Starbucks and Tully's, in the heart of the coffee capital. But he never stops for a cup of Joe. "If you do a workout before you go to work, your lungs ... and your brains are going. You're ready to go to work," he says.

He started riding to his new engineering job at Alaskan Copper and Brass, hoping to get in shape, and out of traffic. He was fresh out of college when he got to Seattle, and introduced himself to the commute by plying the clogged arteries of the north south route as a delivery driver. "It just drove me nuts, the traffic in the city," he says.

He lives just a few miles from work and the ride takes twenty minutes. He can't imagine doing anything else. "It's just me and the bike trails," he says. "No traffic."



### Anne Waldroop

Some people consider commuting part of their job – and a part that doesn't pay. But Anne Waldroop has a different take. "The first time I got on the bus, some of the passengers were having a baby shower. It was a riot. I thought, 'this is the kind of bus I want to ride.'"

And so she has. A long time bus rider, she commutes to Alaskan Copper and Brass from her home in Federal Way, her commute serving as a kind of social club. "I've met so many friends, talking and meeting people on the bus."

She knows the bus saves her money. Driving 42 miles every day in her big F-150 pickup truck for that many years would probably cost another F-150. But when she considers driving, you get the feeling she's adding up more than gas receipts. "You're in a car by yourself, in the slow lanes. It's just not worth it."

**Metro provides an amazing variety of passes and programs that can help businesses organize and support CTR programs. The following two items are especially valuable.**

### Home Free Guarantee

If you give up your car, how will you get home to take care of a sick child or respond to other emergencies? Metro's Home Free Guarantee provides free taxi service for alternative commuters who need to get home quick. The cost is \$1 for every employee at the worksite for a 6-month starting period. After that, the fee is based on usage. The free rides home are available only to employees who don't drive alone to work.

### Tax Breaks

The IRS allows companies to provide employees with certain tax-free transportation benefits. Pretax payroll deductions, employer contributions that are tax deductible and tax credits for B&O and some utility taxes are all available.



# VROOM FOR RENT

King County Metro and the Duwamish Transportation Management Association can help employers provide transportation options for their employees. Companies may opt to help subsidize the cost of a program, share costs with employees, or simply provide an easier way for employees to buy a bus pass. In all cases, a good Commute Trip Reduction program will benefit employers and employees.



## CTR Options

### Vanpool/Carpool

*These can lower the number of vehicles that are driven to work and reduce employee stress.*

- **Vanpool** This option is for groups of 5-15 individuals that share a van to a common destination. Vans are provided.
- **VanShare** is used to bridge the gap that can come between employees and a transportation hub such as the ferry, train, park and ride.
- **Carpools** for groups of 2 or more that share a private vehicle.

### Transit Passes

*There are five kinds of transit passes. All offer different incentives to employers and employees...*

- **Metro Pass** is available monthly for King County Metro buses in different denominations.
- **Puget Pass** you are able to use both Metro and Sound Transit.
- **Ship to Shore Pass** adds ferry rides to the Puget Pass features.
- **FlexPass** An annual pass that provides unlimited access to both Metro and Sound Transit. Features \$65 fare subsidy if you participate in a vanpool, Home Free Guarantee, and is transferable between employees.
- **Ticket books** You can purchase ticket books in various amounts for single trip bus rides.

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On April 4<sup>th</sup>, 1953, Seafair Queen Iris Adams was brought to the Alaskan Way Viaduct's grand opening ceremony aboard a wheeled sled pulled by a champion team of Alaskan sled dogs.

*'Queen City Necklace'*

## Scissors Didn't Work, but the Viaduct Did

Given our inability to form a funding package, we may all be dead from old age before a new Alaskan Way Viaduct ever opens. So we asked writer Steven Clark to take a look back at the original opening just for the heck of it. Here's his report.

On April 4<sup>th</sup>, 1953, Seafair Queen Iris Adams was brought to the Alaskan Way Viaduct's grand opening ceremony on board a wheeled sled pulled by a championship team of Alaskan sled dogs. Queen Iris was carrying a giant pair of scissors which she handed to Seattle Mayor Allan Pomeroy for use in the long-awaited ribbon-cutting.

It had taken three years to build the viaduct and the project had been actively discussed for 15 years. The viaduct was going to provide a new transportation artery for the city. Everyone was proud. The viaduct was even considered "pretty" with the *Seattle Post-Intelligencer* gushing editorially that the new structure looked like "a royal necklace across the bosom of the Queen City."

A marching band was poised to play at the fateful moment of the grand opening. Idling cars were backed up as a long line of motorists waited to be the first drivers to venture across the elevated roadway.

Snare drums rolled as Mayor Pomeroy took his first cut with the giant scissors – and nothing happened. He tried once more. Nothing happened again. The scissor blades



were too dull to cut the ribbon. As Pomeroy kept working the scissors, assistance was provided by D.K. McDonald, president of the Automobile Club of Washington.

McDonald surreptitiously used his pen-knife to cut through the ribbon as Pomeroy made a show of continuing to work the giant sheers.

As the ribbon finally fell, the marching band began to play. Cars honked their horns in salute. The viaduct was open and within 20 minutes, the viaduct was the scene of its first ever traffic jam as too many motorists rushed to use the new highway at once.

Opening day snafus notwithstanding, construction of the viaduct was relatively trouble free.

Traffic from the residential north end to the industrial south had pinched freight mobility in the mid section of Seattle's hourglass figure for years. In fact, the Seattle City Council had been mulling plans for a viaduct in one form or another since at least 1939.

In 1948, city engineer R.W. Finke completed a plan for a viaduct that would be the largest reinforced concrete project the city had ever undertaken. Bidding for the project began in December 1949 and after some legal wrangling over building con-

demnation proceedings and a January cold snap, workers started stirring dirt on February 6<sup>th</sup>, 1950.

The job was complicated by the need to keep streets and some train tracks clear for use while construction proceeded. Part of the solution came from using giant, revolving gantry cranes (whirleys) that trucks and trains could travel under. Additionally, much of the viaduct had to be prefabricated and shipped to the site, for lack of space.

Local companies provided the raw materials. Bethlehem Steel produced almost 8,000 tons of reinforcing steel for the job. Pacific Car and Foundry (later Paccar) produced the structural steel. Pioneer Sand and Gravel poured the concrete.



**The cost of the viaduct was just over \$8 million, with most of the money coming from the city and the federal government.**



When completed, the viaduct – the portion from First Ave. and Battery to Dearborn Street – had used almost 60,000 cubic yards of concrete. The structure would also require over 170,000 linear feet of piling. Laid end to end, the piling would have stretched from the Smith Tower to Tacoma.

The cost of the Viaduct was just over \$8 million, with most of the money coming from the city and the federal government. Within a year, the Battery Street Tunnel

would be finished, connecting the Viaduct to Aurora Avenue at a cost of \$2.5 million. Before the decade was out, the viaduct would be extended from Dearborn to West Hanford Street.

In 1954, a year after the original construction, there were over 30,000 cars on the viaduct daily.

By 2003, more than 110,000 cars were using the viaduct every work day. While the car count and traffic grew by more than 300

percent over the last fifty years, that increase paled beside the dramatic increase in the cost of building a new viaduct.

Replacement costs today are estimated at up to \$4 billion. Adjusting for inflation, that would be 4000% more expensive than the last one. Another way to think of it is that traffic costs ten times as much today as it did in 1954. Let's hope the budget will include funds for a sharper pair of scissors. ♦

## BAY WEST

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## Capital Industries: Redesign by Fire



On January 18, 2004, 51 years after his father founded Capital Industries, David Taylor Jr. got a call from his wife on his way home from a vacation. "There's been a devastating fire at the plant," she said. Dave's holiday was over. He headed to the plant to see what was left of it.

"It's a vision I'll always have," Taylor says about those first surreal minutes after he arrived at the scene. Emergency vehicles with lights flashing jammed the road, and a mob of firemen was already in clean-up mode. Out of the puddles and smoke, an American Red Cross worker came up, offering him some soup.

The fire destroyed one of Capital's three manufacturing buildings at the site. It started mid morning on a Sunday and by the time the fire department could respond, smoke towered over the Duwamish industrial area. "They had steady water on it for seven hours," says Ray Carr, the plant manufacturing manager. "It was smoldering for a week."

Building Two was a total loss. Both the production space and the company's administrative offices were destroyed. The fire department and the ATF sorted through the rubble for a week before declaring the fire accidental.

Carr and his employees took more than a thousand pictures of the wreckage to document losses for the insurance company. Photos show multicolored industrial machinery burned black, and office equipment



**Capital Industries lost approximately 40,000 square feet in the fire and a good share of its production capacity. The company used competitor's machines to continue to ship product.**

# Neighborhood Report - Georgetown

– computers, files and desks – that fell from the second to the first floor when the fire burned through. All of it was covered with a tangle of charred beams and pipes.

Capital Industries lost approximately 40,000 square feet in the fire and a large share of its production capacity. The company also lost five of its seven press brakes, a key process in the fabrication business that cold-forms metals. Also lost were several stamping presses and turret punches – Capital's entire metal-punching capacity.

"We have two major accounts that we serve daily on a just-in-time basis and fortunately we had inventory on hand and business didn't stop," says company president Ron Taylor, who owns the company with his twin brother David.

But the inventory wouldn't last forever, and Capital was in danger of losing its customers to other suppliers. "If we don't meet our deliveries, a lot of people here go home," Carr says.

In order to stay in business, Capital needed some help. They found it in some surprising places. "We had to go to our competitors and use their machines. We had floor space given to us, gratis. People really stepped up," Carr says.

Suppliers did their part too. A major one pulled a press brake off its assembly line and shipped it to Capital immediately. Press brakes don't usually arrive completely assembled. To move it, the supplier had to fit it on a custom rig for the trip to Seattle.

Capital was able to lease space at a building in South Park and resume some production there. Within a month of the fire, three of the five lost press brakes were up and running in the rented facility.



**New, state of the art machines move into the new facility in South Park.**

## Reengineering the plant would have happened eventually, but after the fire, “eventually” was now.



“We got a lot of support from business associates, suppliers, competitors and friends,” Ron Taylor says. “At some point I’d like to thank all these people for their compassion. This is a pretty small industry. You pretty much know the players – the people you admire.”

Capital’s owners and managers quickly realized the fire provided them with a unique opportunity to re-forge the company. Building Two had been full of machines and processes that worked adequately, but Capital had its share of outmoded practices that were sometimes literally cemented into the foundation. A major design flaw was the layout of machinery which re-

quired moving parts between buildings during fabrication. Every movement required extra time, slowing down production and driving up costs.

“Now the equipment is grouped by product family to facilitate flow,” says Carr, who gets a chance to do what most manufacturing bosses dream about – designing a new facility from scratch.

“Nothing like a fire to bring the future right up to your face,” says Carr’s officemate, Ray Fitzgibbon, the company’s energetic business director. “The obstacles that were there – they burned down. How often does a company get a clean slate?” Fitzgibbon has the practiced confidence of

someone always working to turn negatives into positives. Carr, meanwhile, can roll up his sleeves to make the new math work.

Ron Taylor expects Building Two to be reconstructed and fully operational by late summer. The façade of the building will remain the same but new, load-bearing walls will be built inside – a building within a building.


The structure will look much as it did when David Taylor Sr. built it during Dwight Eisenhower’s first term. But what’s behind the walls will be a product of the 21<sup>st</sup> century. ♦



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## Sven Ellstrom: Boss of Ballard Avenue

By Steven Clark

Down on Ballard Avenue, in the shadow of the Ballard Bridge, there sits a cluster of non-descript buildings with unmarked doors. Behind those doors are thousands of other doors—perhaps hundreds of thousands. The buildings and all the doors belong to a man named Ellstrom.

Ellstrom Manufacturing is in the business of making doors, along with engine parts, propeller blades and boat hulls. Not that you'd know that walking through the neighborhood. Even standing outside one of the front doors, you'd be hard pressed to figure out what was going on inside. Buildings of old neighbors, long bought out by Ellstrom, still have their signage up.

But Ellstrom is well known outside of lower Ballard. The company's founder, Sven Ellstrom, is a recognized industry innovator with customers like Boeing and an international reputation. He and his family are also known to Seafair fans familiar with the success of their hydroplane, the Miss E-Lam Plus.

Ellstrom employs over a hundred people producing cabinet doors and laminated panels in all shapes and sizes. During the high season the business operates day and night cutting and laminating over a quarter of a million door panels that are shipped around the world. And wood isn't the only thing coming out of Ellstrom's doors.

In one warehouse, a million dollar lathe cuts steel with precision measured in fractions of a millimeter. Of the lathe, Sven Ellstrom says, "I don't know anyone else in Washington State that machines helicopter engines."

There's not much about Ellstrom Manufacturing that Sven doesn't know, and there's almost nothing in the business that doesn't bear his stamp. He

founded the business over forty years ago and his many innovations in products and production techniques made the company what it is today.





**Workers finish cabinet doors in the Ellstrom plant.**

Ellstrom has a penchant for taking inspiration and running with it. In 1960 he was on his way to Fairbanks, Alaska, to work for an airline company. He ran out of money in Seattle. To make ends meet he worked for a cabinet maker having supplier problems. "Panels came in too thick, too thin, too big, too small; I was fixing them all the time anyway." So Ellstrom forgot about Fairbanks, bought a saw and started his own panel business. The innovating hasn't stopped.

He improved on his wood laminating ideas until Boeing tapped him to laminate the propellers that generate wind inside its 747 wind tunnel. The wind forces needed to create a suitable test lab for the airplane proved too great for its other suppliers and their wooden prop blades splintered under the strain. Ellstrom's lamination techniques and propellers proved up to the task.

Ellstrom also went into the booming market for hardened wooden flooring, a business dominated by Pergo and the Formica Company. He supplied laminated flooring to Formica from his plant in Algona, until his customer bought him out.

Then there's the hydroplane. What started out as family hobby has blossomed into marine engineering, though the company's patriarch thinks of his racing boat as less of a product and more as a part of the family: "We were the first boat to really compete with [Miss] Budweiser," Ellstrom says of Miss E-Lam Plus, a Seafair winner. The name of the hydroplane comes from an Ellstrom product used in panel construction.

"We built it down here in Ballard," he says, standing in front of the sleek racing boat,

tucked discreetly into one of his several, otherwise unremarkable buildings.

Ellstrom has created another subsidiary company focused specifically on creating propellers and struts for the hydroplane racing industry. And when his daughter and two sons aren't working with him at the manufacturing plant, they double as owners of a championship racing team that has taken home team victories in 2001 and 2002.

With his deep voice, thick Swedish accent and piercing blue eyes, Ellstrom seems like the personification of Ballard. The man whose employees simply call "the boss" sits behind a big desk littered with blueprints and diagrams. The office walls are lined with pictures of children and grandchildren, and he'll stop to tell a story for each photo.

The company founder isn't fond of sitting down. He smokes and fidgets and runs through a litany of things he's learned in his years by the ship canal, in his precise methodical way: Competitors keep you young; costs are always climbing; teaching your grandchildren to play hockey is a worthwhile way to spend a day; golfing is not.

His children, Tom, Erick and Lisa, have taken over some of the day-to-day management of the business, and he's making arrangements to go back to Sweden and visit his grandmother's ranch. So after almost fifty years is the boss ready to retire?

"Retire," he scoffs, "what's that?". Then he gets up, opens his Ellstrom-made office door and heads back to the plant. ♦



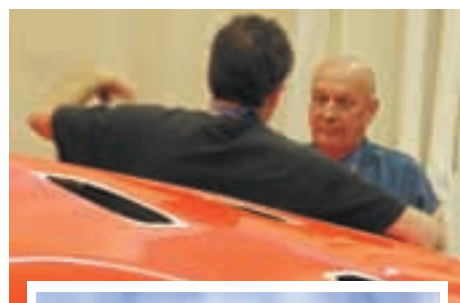
**Sven Ellstrom with sons Tom (above) and Erick (below).**



**State of the art technology: a lathe that cuts steel within a fraction of a millimeter (below).**



**Sven and his mechanic discuss the state of the Seafair-winning hydroplane Miss E-Lam (below).**





# Neighborhood Report - SODO

## SODO Lowering Travel Costs for Members

Did you know that next to payroll, corporate travel is the second largest expense for many small businesses?

There's no doubt that companies spend large sums of money on airfare, lodging, car rental and other costs for managers and sales reps who need to be on the road.

### Leveraging Travel Buying

Travel is expensive particularly for smaller companies that do not buy "in bulk." Because most members of the SODO Business Association are smaller firms with 25 or fewer employees, this summer SODO set out to lower travel costs for its members by assembling a larger buying group.

### The SODO Travel Club

In addition to the 'external' costs of travel, the time it takes to manage travel internally is also costly. So the SODO Business Association and Doug Fox Travel have teamed up to offer association members their very own travel program that promises to offer the most for their corporate



dollars. These benefits are available through the SODO Travel Club.

Doug Fox Travel now offers travel products and services that are tailored for medium and smaller businesses.

### Web-Based, Competitive Services

The SODO club offers web-based tools for fast and complete **online fare searching** and **ticket booking**, **customized monthly travel cost reports**, **unbiased travel info**, **negotiated hotel and car rental discounts**, a **low price guarantee**, full service and locally

**managed offices.** All of these services are available for a modest per-transaction fee.

### Vacation Travel Too

In addition to corporate savings, the new SODO Travel Club also offers vacation travel packages for companies, employees and their families.

Doug Fox Travel's SODO office is located on 4<sup>th</sup> Ave S. at the Seattle Design Center. Manager Terri Bushaw can provide the SODO business community with value-packed travel programs. To compare your current costs with SODO Travel club opportunities for both corporate and vacation travel, call Terri at 206-767-4666 or e-mail her at [sodotravel@dougfoxtravel.com](mailto:sodotravel@dougfoxtravel.com). For more SODO travel details, check [www.dougfoxtravel.com/sodo](http://www.dougfoxtravel.com/sodo).

To utilize the SODO Travel Club services, companies must be members of the SODO Business Association. To learn more about the advantages of joining the SODO Business Association, contact Mike Peringer at 206-292-7449, email [mike@processheating.com](mailto:mike@processheating.com) and visit [www.SODOBusinessAssociation.org](http://www.SODOBusinessAssociation.org). ♦

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## Terry Seaman: Industrial Rembrandt

By Steven Clark

Terry Seaman is many things: business leader, community activist, artist, children's advocate and industrial community firebrand. He's never been accused of beating around the bush. He has a number of passions and one of them took shape a decade ago when he attended a retirement party at Seidelhuber Ironworks where Seaman is vice-president.

The retirement party was for an employee who had gone to work at Seidelhuber in 1954. The employee was one of several Hungarians who had been hired by Frank J. Seidelhuber, a Hungarian himself who was sympathetic to the struggles that faced immigrants.

At the party the retiree explained how Mr. Seidelhuber had given him a list of tools he needed for the job. When he had gone to Sears to buy the tools, he had discovered Mr. Seidelhuber had already paid for them. He showed up the next morning at Seidelhuber and wound up working there for the next 40 years, earning enough money to buy a home on a lake outside Issaquah and raising two children who went to college.

"Suddenly, a revelation came to me," Seaman says. "Without Seidelhuber, he would have none of the things he had. He had a nice house. He had put both his kids through college. His kids had turned out great. Having a decent family-wage job not only solved his financial problems, it gave him a real sense of pride and accomplishment. Hearing his life story had a real impact on my life."

Already active in several different political and community causes, Seaman became



Painting by Terry Seaman



Terry Seaman

# Neighborhood Report - South Park

an outspoken champion for the city's industrial community. He was named a co-chair of the Manufacturing Industrial Council (MIC) of Seattle, a non-profit advocacy group for traditional industrial firms. Seaman was later appointed by then Mayor Paul Schell and King County Executive Ron Sims to the King County Workforce Development Council where he is the longtime chair of the council's youth committee. He plays a leading role in programs that help expose kids from poor families to career opportunities and relevant job training programs.

Seaman's civic life took two big turns this spring.

One development came with the news he was one of five volunteers from throughout the entire nation to win the prestigious Lewis Hine Award presented by the National Child Labor Committee. The award is for outstanding service for causes aiding young people. The award will be presented at a ceremony in New York City later this spring and comes with a \$1,000 cash prize which Seaman plans to donate to ArtWorks, a program that helps kids gain hands-on, work-related experience in various aspects of art.

Past winners of the award include Hillary Rodham Clinton, Harry Belafonte and Oprah Winfrey. Anyone seeing a connection between those icons of the "compassion crowd" and Terry Seaman obviously don't know Terry Seaman.



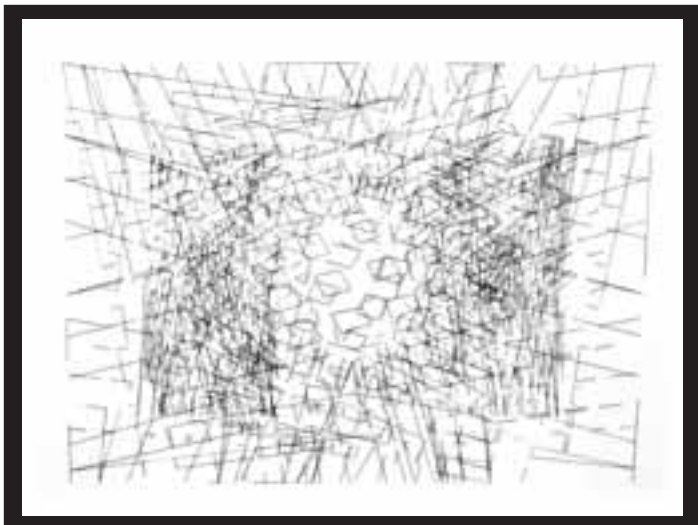
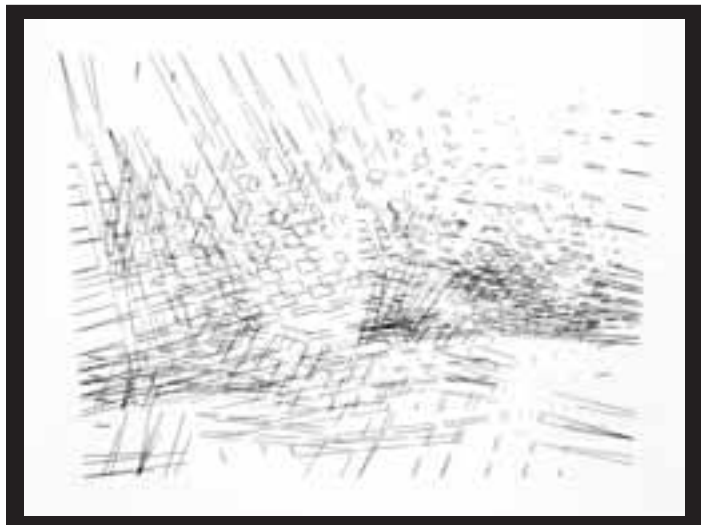
Seaman is an active Republican and he sometimes comes across as Rush Limbaugh without the drugs. If Terry Seaman hasn't at some point said something to offend you, you probably haven't met him and that goes double for anyone holding elected office.

This personality trait brings up the second turn in Seaman's civic career, his decision to step down after five years as co-chair of the MIC. That post afforded him an opportunity to carry the torch lit at that retirement party.

As MIC co-chair, he came into regular contact with a wide circle of elected officials who sometimes walked away redfaced from a blistering by Seaman on topics

such as the need to preserve industrial land or his various observations about the sheer idiocy that seems to guide so much government decision-making.

Which brings up another twist in Seaman's story. For someone so outspoken about what's wrong with government, he spends an enormous amount of volunteer time supporting government and civic programs. In addition to the Workforce Development Council, he has served on the Maple Valley community council and the King County Child and Family Commission. He was also on the advisory board for the King County Youth Center and is an active member of the board for the ArtWorks program.





ArtWorks, founded by Mike Peringer of the SODO Business Association, is a particular favorite of Seaman's. Giving disadvantaged kids a sense of pride by involving them in art makes perfect sense to Seaman, himself an avid and highly accomplished painter. He gets himself up every morning at 4 a.m. to put brush to canvas. "I always do it first thing in the morning, in case I die later in the day," he says with characteristic bluntness.

His wife Heidi Seidelhuber is also a painter. They met while they were both studying painting at the Rhode Island School of Design (Seaman also has a Master's Degree in Fine Art from the Chicago Institute of Art). When the time came to earn a living, the couple benefited from the happy coincidence that Heidi's grandfather was Frank J. Seidelhuber, the man who had hired the Hungarian workers and founded the family business in 1906. She's now the president of the company and Terry is the vice-president.

Heidi and Terry make a formidable business team and they have kept Seidelhuber humming through times thick and thin. The company received a year's worth of on going publicity after it was picked to rebuild the Pioneer Square Pergola after it was knocked down by an errant trucker in 2002. Seidelhuber proved ideally equipped to rebuild the cast iron Pergola which had been originally constructed in 1909.

The company's primary business is fabricating structures for construction projects. The company's location in South Park is ideal because of its proximity to the Duwamish River where barges can pick up Seidelhuber products that are often bound for Alaska. The site makes Seaman sensitive to the issue of industrial land use.

"We couldn't move to Kent and find a location that would compare with this one," he said. "That's why we need to protect Seattle industrial lands. There are lots of companies like ours that really need to be here. Nearly all non-industrial businesses can be in places we can't."

Seaman has no problems figuring out what to do with his free time since he stepped down as MIC co-chair. Between his painting and civic activities, free time is something he usually has none of. ♦





# The Vikings Are Coming!



Well, at least our new flagship branch is coming. As you can see in the illustration above, we are building a new branch for South Seattle. This is exciting news for us *and* for our neighbors! The new branch will allow us to serve the community even better than before. We'll continue to combine the same great commitment to customer service with a suite of comprehensive products to meet your banking needs.

The new branch is scheduled to open in October. But why wait? We're already here. Stop by and see us. We'd love to introduce ourselves and discuss how we can help you with your banking.

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