

# Sealaska annual meeting is lively and fruitful

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Although a disastrous financial year had led many to expect fireworks when Sealaska Shareholders gathered in Saxman late last month for their annual meeting, only one board member was replaced in what proved to be a rather calm meeting with optimistic overtones. Nearly 65 percent of the corporation's shareholders, voting in person or by proxy, returned five incumbents to their board seats for three-year terms. One independent candidate was also elected for a term ending in 1986.

The tenth annual meeting of the Sealaska Corporation, largest of the 13 ANCSA corporations, was called to order by Chairman Byron Mallott, promptly at 10 a.m. followed by welcoming remarks from the mayors of Ketchikan, Saxman, and Ketchikan Gateway Borough and a major address by Pete McDowell, Director, Office of Management and Budget, State of Alaska, speaking in behalf of Governor William Sheffield.

President and principal officers of the corporation's subsidiaries; Alaska Brick Company, Pacific Western Lines, Ocean Beauty Seafoods, and Sealaska Timber Corporation were on hand to give business reports.

1982 was a financial disaster for Sealaska, which reported near-record corporate losses of \$28 million. According to Mallott, President and Chief Executive Officer, that picture has been turned around, and Sealaska became profitable in the first six months of 1983.

Dennis Purviance, head of Alaska Brick, said "Alaska

Brick is now operating at a level that is satisfactory," while John Peterson, president of Ocean Beauty Seafoods, reported that "1982 was like a bad dream, like a nightmare for us, but the botulism scare and other problems are behind us now, and Ocean Beauty is back on track." The reports given were generally optimistic about Sealaska's financial fu-

Mallott and his business chiefs were subjected to several hours of lively questioning by shareholders, who took the opportunity to raise concerns ranging from subsidiary practices of hiring or not hiring shareholders to the process of nominating candidates for board elections.

The main business of filling six seats on Sealaska's board of directors began shortly after noon with nominations from the floor. Although several challengers to the board's slate had been gathering proxies for several months prior to the annual meeting, only two remained in the running at the close of the nominations. Joe Demmert and Dr. Alfred Widmark and five incumbents were nominated.

Richard Kito, who served on the Sealaska board since 1975 and between 1972 and 1974, was not nominated, although he ran on the board's slate. When his elimination from the board slate was discovered after nominations had been closed, a shareholder from Petersburg questioned whether the decision of whom to eliminate should be left up to the board or to the shareholders attending the meeting.

Kito responded by thanking his supporters, but telling



Joe Demmert and his wife Dorothy after he was elected to the Sealaska board of directors.

Photo by Patrick Anderson

them that he backed the board's decision on eliminating candidates, stating that "it's a lesson in the corporate world." Mallott added that such decisions are part of the agonizing business of boards.

Joe Demmert, a commercial fisherman from Ketchikan, a member of the North Pacific Fishery Management Council and a member of the board for Ketchikan Indian Corporation, running independent of the board's slate garnered the highest number of votes for a three-year term on the Sealaska board.

Next highest vote-getter was Byron Mallott, who serves as chairman of the board as well as president of the corporation. Also elected were: Joe Kahlen, Juneau; Dr. Walter Soboleff, Tenakee Springs; Marlene Johnson, Hoonah; and Clarence Jackson, Sr., Kake.

Sealaska shareholders voted 3 to 1 in favor of a resolution which authorizes the board of directors to "... study methods in which the lands conveyed to Sealaska by the Alaska Native Claims Settlement Act may be preserved for the long-term future in order to provide a continuous economic benefit and to protect their cultural and ancestral values for the benefit of present and future Sealaska Corporation shareholders."

Mallott stated that the resolution, which was placed on the proxy, was advisory in nature, designed to test the interest of shareholders. Those voting against the resolution included a shareholder from Yakutat, Donald Bremner, who stated that the resolution was not necessary since such studies are the board's responsibility. Joe Demmert, newly

elected board member, also questioned whether such a resolution should be placed on the proxy card.

This year's Sealaska annual meeting was preceded by two days of workshops on the 1991 issue, a business fair sponsored by the Central Council of the Tlingit & Haida Indian Tribes of Alaska and Sealaska. Social events highlighted by cultural dancing and singing were part of the three-day event attended by approximately 600 shareholders and invited guests.

In addition to the featured speakers, guests included Janie Leask, president of the Alaska Federation of Natives, Emil Notti, Legislative Liaison, Governor Sheffield's office. Reporters Wallace Turner of the New York Times and Anthony Polsky of the Washington Post also attended. Both indicated a keen interest in the 1991 issue.