

Cape Fox shareholders vote confidence in management

BY ROLLO POOL
From the Ketchikan Daily News

Cape Fox Corp. shareholders gave a vote of confidence Saturday (April 1) to their leadership by allowing the board of directors to continue in their positions and to proceed with plans for a new hotel in Ketchikan.

The shareholders rejected a proposal to discontinue hotel plans. They held a seven-hour meeting that began Saturday night and ended at 2:30 a.m. on Sunday.

CFC President Bill Williams said April 3 that shareholders left the meeting with a better understanding of the corporate process and future plans of CFC, according to Frank Seymour, CFC executive vice president.

None of the board members were removed from their seats Williams added.

The meeting, called by a petition of CFC shareholders, "had a healthy result. It brought more awareness between management and shareholders," said Rudy James, spokesman for a group of shareholders that felt hotel plans should be stopped.

James said the meeting was well-organized and issues were "calmly and dignantly debated." After the vote, James said CFC officials congratulated him for a hard-fought case.

"I am pleased with their kindness and generosity and the class I was shown. I want to commend Seymour Williams and

Gene Trout (chairman of the board)," James added.

He said he felt no bitterness or animosity toward the decision and felt the decision would add to the corporation's healthiness.

James said he was assured by corporate management that just because it has a mandate to proceed with the hotel, no "hard decision" for the hotel will be made until all investigations and analysis are done and

support such a venture.

Williams said hotel information was presented and discussed in detail at the Saturday meeting. After that discussion a vote to curtail hotel plans was defeated by "a substantial" vote margin, he added.

Earlier in the meeting board members said they would abide with the decision of the shareholders, even though they are not required to do so under state law, he said.

Since hotel plans were not voted down, "project plans, investigations and prospects will continue," Williams added.

The Native corporation proposes to build a \$4-6 million

hotel on undeveloped land above Creek Street. That 120-room hotel could be completed by next spring. CFC also is interested in using most of its 23,040 acres of land as a tree farm. That land is expected to be conveyed to the corporation under the Alaska Native Claims Settlement Act.

At Saturday's meeting about 85 percent of the CFC shareholders were represented in person or by proxy, Williams added.

A "salient point" of the meeting was that there was no discussion or consideration of removal of corporate leadership, he said.