

Group seeks Doyon Proxies

By Linda Lord-Jenkins

Tundra Times

Concern about the loss of \$21.7 million by their corporation has promoted a group of Doyon Ltd. shareholders to mount a proxy drive to elect their own slate of directors to the Doyon Board.

The group, calling itself '84 Shareholders Committee, sent letters to the heads of all Doyon households over the weekend asking that the proxies controlled by each shareholder be submitted to the committee.

The committee has proposed an election slate to fill the seven Doyon board seats up for election this year.

A member of that election slate and chairman of the '84 committee, is Mike Harper of Anchorage, who said his concern about the massive losses prompted him to work with the committee and to run for the board.

The '84 committee election slate is:

Mitchell "Mickey" Allen of Fairbanks, Alice Carroll of Ft. Yukon, Carl Charles of Dot Lake, Harper, Morris McGiney of Nulato-Nenana, Elizabeth (Keating) Morris of Fairbanks and Jimmi Lynn Walker of Holy Cross.

Others involved in the '84 committee are Tiny Devlin, Lucy Carlo, Sidney, Jimmy and John Huntington, William Carlo, Allen Demoski, Irele Catalone, Henry Wiehl, Linda Evans, Judy Holbert, Tod Kozevnikoff, Eileen Kozevnikoff, and many others.

They are challenging directors and management nominees Claude Demientieff Jr., of Fairbanks, Donald V. Honea, Sr., of

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Doyon proxies

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Ruby; Georgianna Lincoln, Fairbanks, Rosemarie Maher, Northway and Ellie Stickman, Nulato.

Doyon last week released its annual report which blamed much of the \$21.7 million loss on a \$14 million loss on the planned Fairbanks oil refinery which Doyon began but then scrapped because no funding was available. The Crazy Horse Hotel at Prudhoe lost \$4 million.

Only two of the Doyon operations earned money last year and those weren't enough to offset the losses.

Doyon has sued the consultants who advised the corporation to begin the refinery and said financial loans would be available. No financing ever turned up for Doyon to use over the past two years and the refinery project has shut down. The report says that the project may get started up again if financing becomes available.

Harper is concerned about the corporation's financial problems because the report is based on finance condition of Oct. 31, 1983. At that time the corporation listed only \$217,000 in cash on hand, \$18 million in loans, many of which are demanding a large debt service.

Harper said he is concerned that Doyon will "at some point have a hard time making their short-term payments. It's bad to have more liabilities than assets and that's the case here to the tune of \$11 million."

He pointed out that the problems will cause Doyon problems in operations because he thinks Doyon's line of credit will probably not be renewed or increased. If Doyon couldn't pay the loans, the corporation's \$22 million in securities could be taken and that "would hamstring the corporation's operations. That would take away the flexibility to do things."

The '84 Committee letter pointed out that "One year's management has lost more than the total earnings since we were incorporated in 1972 and management's analysis predicts it will continue."

A Doyon press release on the loss stated that Doyon had registered its first loss in seven years.

Tiny Devlin said the drive seeks to call attention to the loss of \$21 million. "If this continues we'll be belly up in a year. We are trying to gather as many shareholders and inform them about it. We are being clear and honest and letting them know what's going on."

The '84 proxy letter tells shareholders that they can still be eligible to win the \$1,000 door prize and "You can change your mind. The latest dated proxy is the proxy which will be counted."

Proxys are being sent to Main Hurdman, 1001 Noble Street, P.O. Box 60028, Fairbanks, Ak., 99706. A meeting will be held in Anchorage on March 1 to discuss the situation. No place had been set as of Monday night.

Doyon's March 17 annual meeting should be interesting if response to the '84 committee is any indicator. Lucy Carlo confirmed that villagers have been sending small amounts of money to help the '84 committee's efforts. She referred other questions to Harper.

Tim Wallis was contacted late Monday but was unavailable for comment.

Devlin said one woman from Galena called her to say "her dad was just so angry at Doyon he was tramping around the village and stirring up people. I told her to keep him angry. He might work and provoke thought. If more people pay attention more people will become involved."