

SEALASKA TROUBLE BREWING

1st Annual Meeting of Corp. Heads for Clash

By MARGIE BAUMAN

JUNEAU — On the eve of the first annual meeting of Sealaska Corporation a struggle is brewing internally to see who will hold the reins in this multi-million dollar regional corporation of Southeastern Alaska Natives.

With some 16,000 stockholders, Sealaska is already the largest on a population basis of the Native regional corporations formed under the Alaska Native Claims Settlement Act. It stands to receive about \$200 million from the Alaska Native Fund over the next 11-15 years, in addition to other revenues and land.

As noted in its first annual report to the stockholders, the Sealaska Corp., under President John Borbridge Jr., has laid a solid groundwork for implementing the Land Claims Act on the regional and village level, juggling the day to day details of running the corporation with high-level battles with the Interior Department and various state agencies.

In meetings in each of the communities within the Sealaska Corp., as well as several communities outside Alaska, Borbridge says he has given a full run-down of the corporation's activities beyond a fiduciary responsibility to the shareholders, to educate them in the ways a corporation functions.

"We were packed everywhere that we went and there was a significant turn-out of younger

people," Borbridge said with pride in his voice. "That's the hope of the future."

Carl C. Nelson, president of the Dissident Fair Deal Association of Sealaska Corporation shareholders, is looking askance at all this however, critical not of what Borbridge says Sealaska has accomplished, but what he (Nelson) says those in power are trying to do.

"They're not giving us a choice," Nelson said.

Nelson's criticism is directed at the interim board of Sealaska Corp., which he says is making a flagrant attempt to perpetuate themselves in office. The nominations committee of Sealaska Corp. has nominated for the board all but one (Bertrand Campbell) of its present board members.

They include Borbridge, Robert "Jeff" David Sr., Haines; Sam Demmert, Yakutat; Cyril George, Angoon; Gilbert Gunderson, Wrangell; Aaron T. Isaacs, Craig; Mark Jacobs Sr., Sitka; Clarence Jackson Sr., Kake; Marlene Johnson, Hoonah;

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Leonard Kato, Klawock; Richard Kito, Petersburg; Roger Lang, Anchorage; Byron Mallot, Douglas; and Charles Nelson, Ketchikan.

Management is also backing Judson Brown, Eureka, Calif.; Lawrence W. Dalton Sr., Ketchikan; Robert Sanderson, Hydrburg; and Kenneth Leask, Seattle, for board positions.

In its proxy form, sent to each eligible stockholder, the shareholder is asked to check his shares are to be voted "for" or "withheld" in the election of the board of directors of Sealaska Corp. It is admittedly a management slate, which Borbridge argues is necessary for continuity.

"I stress the importance of continuity being a vital element in the business world," he said. "The eyes of the business world and government are on the regional corporations, to see whether we are going to make it or not."

"If you favor the individual (nominated) vote for a management slate, (for) management has established a clear record as to where it sees itself going in the future."

Yet the proxy form has no space for writing in the name of a new candidate and Nelson says the "proxy card doesn't allow the option of giving someone else your proxy," someone, that is, other than management.

"Continuity at this point is irrelevant; we're not involved in anything. Management is taking away the right of choice in voting," Nelson charges.

"Personally, I have nothing against John (Borbridge) or any of the board members; it's just a matter of having a choice," Nelson said.

So on behalf of the Fair Deal Organization which he leads, Nelson is asking stockholders to sign over their proxies not to the interim management of Sealaska, but to Fair Deal, which will caucus in Juneau April 9, the day before the annual meeting, to determine the nominees for whom the proxies will be voted.

"If your community nominates and elects a candidate, we'll back them up," Nelson is telling stockholders. "There are a number of qualified people who have not been considered, whatever the people decide, that's fine with me."

Nelson declines to take jabs at the business operation of Sealaska, other than on the issue of management controls in the upcoming board election, but on that issue he is adamant. "People feel they have to sign and return the proxies," (giving them

to management) he said.

Borbridge argues, on the other hand, that candidates for the board of directors may be nominated at the annual meeting (management must also place its names in nomination) and that others may solicit proxies, so long as it is done in an appropriate manner.

If Sealaska doesn't feel inclined to give stockholders an alternative proxy form, Nelson's organization does.— and is doing so.

Instructions on how to revoke one proxy (for Sealaska) and sign over another to Fair Deal are being sent out through the mails.

"The response has been very good," said Nelson.

All proxies, for management, Fair Deal or others, will be ruled on by the Bank of America, which is charged with conducting the election.

"As long as they are legal, they'll be counted," Borbridge said.

"But we're telling people, whether you favor management or not, send in the proxy," he said.

In order to hold its annual meeting, Sealaska needs a minimum of 6,826 proxies, to establish a quorum.

Borbridge is optimistic that there will be a quorum and that "in the end the Tlingits and Haidas will make their choice on who will most carefully lead them — not only for themselves, but for their children."

He predicts the present management will maintain control.

"Fair Deal does not propose nor can it reasonably expect to elect a total new board," writes Nelson, in a statement explaining the stand of his organization. "All they ask is an opportunity to place some candidates of the people's choice on the Sealaska Board of Directors."

Nelson and four other officers of Fair Deal put up their own money to finance legal assistance and organize the organization.

"It has been very difficult . . . but the dedication to the purpose of gaining a voice in Sealaska Corporation has made the financial sacrifice worthwhile," he said.

But Borbridge contends a great deal more than a simple issue of "choice" is at stake. Without naming names he said that "the last thing Sealaska or any corporation needs is the uninspired hand of the Bureau of Indian Affairs in its activities. Self-determination is a very important element of the Claims Act and the BIA shouldn't be allowed to sneak in the back door."