

# Business

## State speeds up in race for high-tech

By Caroline Young  
P-I Reporter

Slow to start from the gate, Washington state is running flat out to try to overtake Oregon in attracting high-technology firms.

And in the Seattle area, founders of a 2,000-acre, 10-mile Technology Corridor are putting on a burst of speed. They are keenly aware that Oregon is well ahead in the high-stakes economic race for new industry.

"They're confident of overtaking their rival to the south. 'If we don't move quickly, they'll have a cluster of companies in Oregon,'" warns Judith Myers, president of the Technology Corridor. "The pressure is really on in terms of getting companies in quickly."

The corridor stretches across four business parks in north King County and south Snohomish County and includes The Boeing Co., John Fluke Mfg. Co., ELDEC and Squibb Medical Group.

The land, about 17 million square feet of buildable space, is already zoned for industrial and light manufacturing development. Environmental impact statements have been prepared, cutting up to two years from the planning phase.

Calling the area the Technology Corridor is basically a marketing tool, agreed to by business park developers: The Koll Co.; Daon Corp.; The Quadrant Corp. and Roger M. Belanich is a joint venture partner with Weyerhaeuser Venture Co. in the Canyon Park Business Center.

### Oregon has changed its image

The developers and Myers, who was formerly marketing director for the Puget Sound Economic Development Council, agree the state must actively court high-tech firms to compete with Oregon.

Oregon, whose industrial development plan used to be "chaotic," has successfully changed its image, Myers says.

In the past seven months, the state has snared major firms such as National Semiconductor, Wacker Sitrionic, two subsidiaries of Fujitsu of Japan and Nippon Electric Co.

"I think they're (Oregon) ahead of us by quite a bit," concedes Jim Fitzgerald, president of Quadrant. "That's evidenced by the kind of companies they have attracted."

"I'm not saying they weren't in chaos for three or four years, but they got together a little sooner than we did. We can learn from that."

Washington, says Myers, must follow suit or risk "losing the whole ball game."

"We have a strong interest in getting the state's reputation turned around," she adds.

Myers believes the state's image has suffered because of a lack of coordination and political commitment.

"Six to eight years ago, everybody was new at trying to attract business and Washington jumped on the bandwagon," she explains.

But Washington lagged behind as the economy righted itself and other areas of the country became more sophisticated markets.

Myers also criticized the Spellman administration, saying it had little direct commitment to attracting business.

### Applications and environmental reviews

In addition, Washington became known for talking a good game, but not being willing to work with companies, she says.

Permit applications and environmental reviews took a long time — too long for technology-driven companies that needed to expand and boost production immediately, she says.

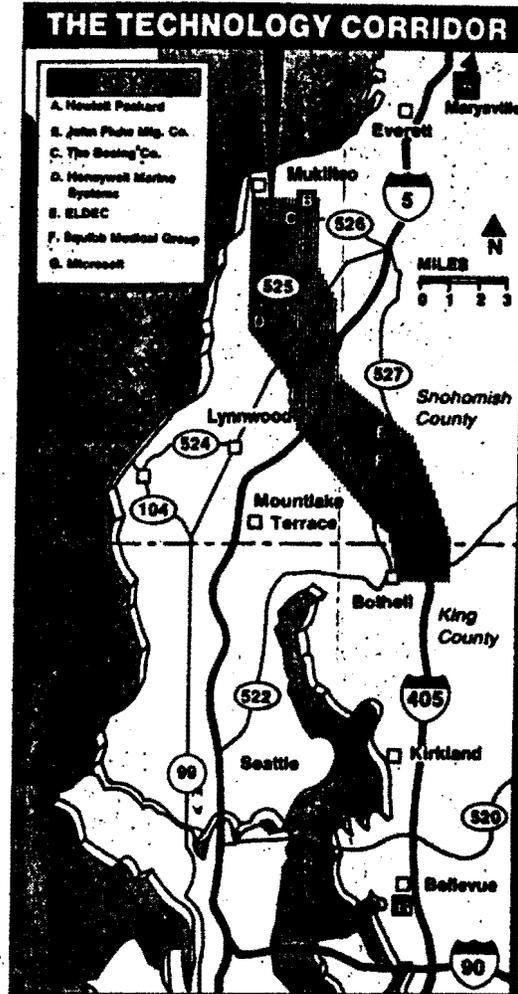
"The messages were: 'We don't really want you,' or 'We don't understand the industry,'" she explains.

Rodger Fagerholm, president of the northwest division of the Koll Co., says developers and communities share the blame for delays in planning.

It is imperative that communities have an established master plan to give them direction, he said, but a certain "developer arrogance (exists) that doesn't recognize people's need to go through that process."

"That determines how long it takes to get the project approved," he said.

But Fagerholm, who battled opponents for years over approval of Koll's North Creek development in Bothell, adds that "radical, anti-



BEN GARRISON/P-I GRAPHIC

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change minorities" are allowed an unfair advantage in Washington.

"They have the ability to delay things unrealistically to the disservice of the majority," he says.

Myers says some people have pointed to Hewlett-Packard in Marysville and Fairchild in Puyallup as evidence the state is making progress, but she rejects that idea.

"They came under their own steam," she says. "We (the state) haven't brought any major company into the metropolitan Seattle area."

The Technology Corridor is an attempt to change things.

Four competing developers joined to form the coalition, recognizing the need for strength through numbers.

"That (cooperation) is unusual, but it will take more effort than any of us can do on our own to make it work," says developer Roger Belanich.

"If we don't get anybody up here, nobody will be very well served."

Adds Myers: "The name of the game now is to get the turf defined and work together to make it happen."

Formed in July, the corridor is ready to start heavily marketing the state and metropolitan Seattle, estimating that 70 percent of expansion will come from local companies and 30 percent from outside the state.

First target will be Japanese high-tech firms with divisions in California, Myers says.

Several Japanese executives have said they will move their firms out of California to avoid a unitary tax which assesses multinational companies on their gross profits worldwide rather than those made in just that area.