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Meet Precept
WASHINGTON'S NEW WINE GIANT

Global Diving & Salvage
THE UNDERWATER EXPERTS

Minimum Wage Wars
THE FIGHT FOR \$15 AN HOUR



19
TECH AWARD
WINNERS
FOR 2013

ZILLOW
REAL ESTATE
GOES MOBILE

MICROSOFT
THE WINDOWS
SERVER ADVANTAGE

AND MORE...

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and the Inspiring Change Agents of Tech*

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From left: Spencer Rascoff,
Jeremy Jaech, Brad Anderson



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At its most basic, technology is about making, using and understanding tools. Information technology, or IT, is the application of specific tools like computers and smartphones to transmit and manipulate data in a way that ultimately improves communication and makes our lives better. Celebrating the great minds and great companies whose achievements make IT a force for positive change is the essence of *Seattle Business* magazine's Tech Impact Awards. **GIANNI TRUZZI**

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Precept Wine has become the largest privately held wine company in the Pacific Northwest. In the past decade it has spent about \$100 million on acquisitions. It owns more than 4,200 acres across Washington, Oregon and Idaho. Last year, it produced just under a million cases of wine and generated \$52.8 million in sales. **JULIA ANDERSON**

BOTTOM: JOHN VICORY



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A patent portfolio is common among technology-based companies. It's a wise way to protect a firm's assets and help ensure orderly growth. But nontech firms such as packaging companies, food companies, even distribution companies, may possess technology that should be protected, too.

VERNON W. FRANCISSSEN

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[EDITOR'S NOTE]



Don't Let the Good Times Roll You

OUR STATE'S ECONOMY IS LOOKING UP. After five years in the doldrums, Washington's total employment numbers are finally returning close to pre-recession levels. With new workers continuing to move into the state, the unemployment rate for June stood at 6.9 percent, far above the 4.6 percent rate before the recession, but dramatically better than the 10.2 percent rates as recently as March 2010. In Seattle, unemployment is below 5 percent. Manufacturing employment is back to where it was before the financial crash at the end of 2008.

The real estate market—commercial, industrial and residential—is red hot, spurring new construction. There will be an estimated 31,000 new apartment units built over the next three years in the Seattle area, more than in the past nine years put together. A recent Kidder Mathews report lists three recently completed hotels and 10 more either under construction or in the planning stages.

It's beginning to feel like boom time again. And while we don't want to spoil the party, we need to remind ourselves that every boom is followed by a bust—eventually. Kidder Mathews predicts that new construction of apartments, for example, will hit a peak in 2015 and then plunge in 2016 as vacancy rates start to rise. Housing prices, which have been on a tear, are showing signs of easing as interest rates rise.

There are other storm clouds on the distant horizon. Exports have been a boon to the state in recent years, helping to

offset slow growth at home. But China, which grew at double-digit rates during the recession, has slowed this year to a 7.5 percent rate. Not bad, but not the steam engine it once was.

Another big question mark is Microsoft. How did the company do in this “make or break” year? Its Windows 8 software was a bust and its Surface tablet did so poorly the company had to write off \$900 million. Add that to the billions of dollars in losses from Bing and related online ventures and you start to wonder if the next CEO at Microsoft will cut costs or at least slow hiring. Given the company's huge role in our economy, any slowdown would be a big blow.

Finally, there's Boeing. The company hired straight through the recession, helping to support the regional economy. But during the past year, it has turned to cutting workers here as it expands production in South Carolina.

So, even as we bask in the glow of a revitalized economy, it's worth keeping an eye on those clouds in the distance. They could be harmless. But it could be harmful to ignore them.



Leslie Helm

Editor

leslie.helm@tigeroak.com

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^ *Seattle Business* Editor **LESLIE HELM**, whose Editor's Note appears on page 8 and who also wrote this month's Bright Idea about a single-serve coffee brewer (page 13), has had a long career in business journalism, including seven years in Tokyo and Boston for *Business Week* and nine years in Tokyo and Seattle for *The Los Angeles Times*. He became editor of *Seattle Business* in 2009. Helm has an MA in Asian Studies from UC Berkeley and an MS in Journalism from Columbia University. He recently published a critically acclaimed memoir, *Yokohama Yankee: My Family's Five Generations As Outsiders in Japan*.

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^ **JOHN LEVESQUE** became managing editor of *Seattle Business* magazine in March 2011 after serving a year as managing editor of its sister publication, *Seattle* magazine. His Final Analysis column (page 56) presents an imaginary interview with Amazon CEO Jeff Bezos in the wake of the reticent tycoon's purchase of *The Washington Post*. He also wrote the On Reflection piece about the new Bezos Center for Innovation at the Museum of History and History (page 16). Before joining Tiger Oak Media, Levesque was a longtime editor and columnist for the *Seattle Post-Intelligencer*. He holds an MA in Communication and Leadership Studies from Gonzaga University.

[LETTERS]



PRIORITIZING OUR PORTS

Thank you for highlighting the importance of port competitiveness to Washington state in the August article “Playing for Keeps.” Competition for cargo volume in the Pacific Northwest is heating up as the ports of Prince Rupert and Vancouver, B.C., pour investments into their port and railroad infrastructure. In addition, the harbor maintenance tax, paid by shippers who use United States ports, is incentivizing shippers to use Canadian ports instead.

Washington’s success in the face of shifting shipping patterns and fierce global and national competition hinges on world-class freight mobility—including port, rail and road infrastructure. Otherwise, shippers will happily take their business to competitor ports that can transport cargo more quickly and affordably. This is a very real risk for Washington state. With 40 percent of jobs in our state tied to international trade, we must prioritize investments in our global competitiveness.

Ashley Dutta
Policy & Communications Director,
Washington Council on
International Trade
Seattle

THE BUZZ ONLINE

On the *Seattle Business* Facebook page, **Jerome F. Cherry** wrote: “I just enjoyed reading [the] *Seattle Business* article “The Rich & Not So Famous” [June 2013] while riding a Metro 101 bus. It’s nice to know



author Jenny Cunningham is a regular person like me with aspirations. ... **Ivar’s** reposted the image of Bob Donegan on its Facebook page, saying: “Check out Ivar’s President + Co-owner Bob Donegan in the September issue of *Seattle Business*.



Now, that’s a devoted chowderhead!” ... The Donegan profile elicited this Facebook post from **Megan Ranae Daughtrey**: “How much do I love Ivar’s? Had my fish ‘n’ chips in

hand stepping over seats to get to mine at Safeco. Got my knee lodged between two, could’ve got it out without hurting but I would’ve dropped my Ivar’s. So I busted up my knee to save my fish, lol.” ...

Ken Willner, CEO of Zumobi, on his firm’s selection as one of the 100 Best Companies to Work For [July 2013]: “We are very honored once again to be recognized as one of Seattle’s best companies to work for. It’s really a testament to the incredibly talented and committed people who come to work here every day and the positive culture they have helped create.” ... **Jordan Shaw** added this post: “Sogeti had a great time at the 100 Best Companies to Work For event. Thank you, *Seattle Business* magazine. We are excited to continue to grow and offer our world-class benefits to new employees in the technology-consulting sector.”

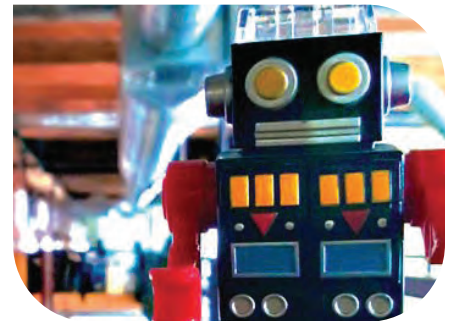
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 Blu Tigres CEO
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FOR MANY, FEW THINGS ARE MORE IMPORTANT than that daily cup of coffee. So when a new technology gives us a better way to obtain that caffeine jolt, we're quick to latch onto it. That's the story of Green Mountain Coffee Roasters, which has made a fortune selling single-serve Keurig machines and the little plastic cups that go into them.

Unfortunately, these K-Cup packs are not recyclable, so billions of them end up in landfills each year. And while the system is an improvement on drip coffee that's been sitting around for a while, it's still barely passable.

Patrick Mazzuca, who previously ran Zoka Coffee Roasters & Tea Company, licensed technology from Canadian inventor Vincent Zhang to build a coffee machine that helps address those issues. Instead of K-Cups, the Blu Tigres Suncana brewer uses the round, flat, paper-filter coffee pods often provided by motels. These pods have the advantage of being completely biodegradable. The problem is that the drip system currently used for the pods doesn't make good coffee. And the coffee in the pods is typically of low quality.

Mazzuca's Suncana machine has a lever that pushes down on the pod, putting the coffee under pressure and making it a little more like a French press. You also get some of that delicious crema at the top. And Mazzuca is selling pods containing premium coffee from local artisan roasters like Caffé D'arte and Zoka.

The coffee still doesn't measure up to the cup from your local barista, but it's a great improvement on the Keurig machine. And you don't have to feel guilty about throwing that used K-Cup in the trash.

The machine sells for \$139 and the single-serve pods go for 60 to 75 cents each. Machines are available online (blutigres.com) and could be at local retailers by the holiday season, Mazzuca says. While the firm wants to raise money to expand its marketing, that could be a challenge. Green Mountain made money by licensing rights to the K-Cup packs for its machine. Blu Tigres has a patent on its machine, but the coffee pods can be manufactured by anyone.

— Leslie Helm

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ON THE RECORD >

THEY SAID IT

COMPELLING QUOTES FROM THIS MONTH'S ISSUE.



We have passports; we aren't going to let a border get in the way of developing a dynamic relationship with consumers in B.C. The way to do that is to have a winery there."

— ANDREW BROWNE on Precept Wine's plan to expand into Canada (page 30)



My mom was the guiding light of my life. When she was 77, I started to see her condition deteriorate. When we moved her into Aegis, I went from being a CEO to a customer. ... It changed our game."

— DWAYNE CLARK on the importance of listening to customers (page 49)



The accident happened on a Thursday night and our first crew was up there on Friday morning. We picked up all the pieces."

— DEVON GRENNAN on responding to the I-5 bridge collapse (page 20)



State legislators, regulators, county and city governments didn't appreciate our impact on the economy. They didn't really think about us."

— JEREMY JAECH on starting the Technology Alliance in the mid-1990s (page 32)

EXECUTIVE MOVES

in

KATHLEEN PHILIPS has been named COO of Zillow Inc. She had been general counsel of the online real estate information provider.

Domain-name registrar Donuts named **JEFF DECILLIA** CFO. DeCillia previously was CFO of Inrix.

Travel-information provider Inrix hired **RAFAY KHAN** as chief revenue officer. Khan previously worked at DigitalGlobe and Nokia.

CONSTANZA MARCHESELLI was named one of five principals at the Runberg Architecture Group. She specializes in affordable housing.

ANGELA BEARD is the new executive director of Cancer Lifeline. She most recently was development director for the Seattle Youth Symphony Orchestra.

The Washington Technology Industry Association named **MICHAEL SCHUTZLER** its new CEO. He succeeds **SUSAN SIGL**, who announced her resignation earlier this year. Schutzler most recently was CEO of Livemocha.

Zones Inc. of Auburn named **MURRAY WRIGHT** president and CEO. He replaces **FIROZ LALJI**, who will continue as chairman and assume the new role of chief strategy officer.

BARBARA TREHEARNE was named VP of primary care at Group Health Cooperative.

DERRICK MAR was named SVP of engineering and client services at Issaquah-based Scout Analytics.

JAY BOWER was named CEO of Landau Associates, an Edmonds firm that provides environmental assessment services. He succeeds **STEVE JOHNSTON**, who retired.


out

Contour, the Seattle-based maker of action-sports cameras, abruptly shut down in August, effectively putting dozens of employees, including **PAUL WARBURG**, president and CFO, out of work.

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SPOTLIGHT >

WHAT'S NEW?

MOHAI'S NEW BEZOS CENTER FOR INNOVATION LOOKS FORWARD BY GLANCING IN THE REARVIEW MIRROR.

WHEN SEATTLE'S MUSEUM OF HISTORY and Industry (MOHAI) announced two years ago that Amazon.com CEO Jeff Bezos was donating \$10 million to create the Bezos Center for Innovation at its new home in Lake Union Park, you could appreciate the novelty.

- It was the largest gift MOHAI had ever received.
- It was Bezos's most visible donation to a Seattle cultural institution.
- It was a partnership that merged historical Seattle with contemporary Seattle.

The Center for Innovation officially opens October 12, featuring 4,000 square feet smack dab in the middle of MOHAI's main gallery. MOHAI Executive Director Leonard Garfield sees it as "a history museum helping to shape the future."

Garfield says the center explores the remarkable history of innovation in the Puget Sound region and poses the question: "What is it about Seattle? Why this place?" Exhibits and programs will seek

to answer exactly what makes a certain location become a hotbed of innovation and "how that can be passed on to carry the tradition forward," Garfield notes.

Among the center's offerings will be a "community grand challenge" that will ask patrons to identify areas where innovation would make a difference. Garfield says MOHAI will "invest in the best and leverage them toward development."

When MOHAI announced the gift in 2011, Bezos said: "Look at the disproportionate number of extraordinary organizations founded in Seattle. Microsoft, Costco, Boeing, Fred Hutch, PACCAR, even UPS was founded here. ... There's something about Seattle that has made it an unusually good place to innovate, and the center will help Seattle continue



Creative Thinking. The Bezos Center for Innovation will include an interactive timeline and a "patent tree" showing more than 100 patents issued to Seattle inventors.

on that course by showcasing and teaching how industrial innovation can play an important role in human advancement."

Bezos modestly refrained from mentioning his own creation, Amazon, which revolutionized publishing and retailing, and now boasts more than 90,000 employees. Regardless, his point is apt and his interest in helping MOHAI look forward—and challenge Seattle to do the same—celebrates the best of the innovative spirit: appreciating what went before in order to blaze a new trail forward.

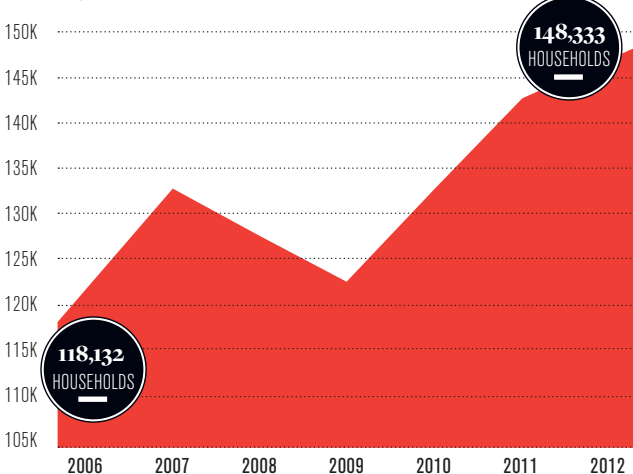
— John Levesque

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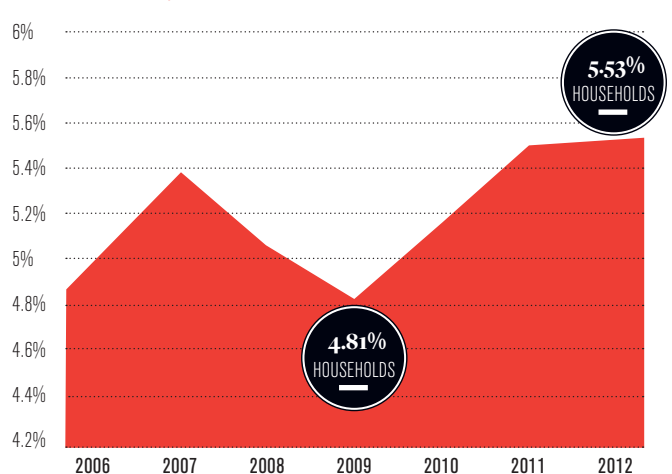
WASHINGTON'S GROWING BAND OF WEALTHY

THE NUMBER OF OWNER-OCCUPIED MILLION-DOLLAR HOMES IN WASHINGTON TRIPLED FROM 10,084 IN 2000 TO 34,022 IN 2010, ACCORDING TO U.S. CENSUS DATA. BELOW ARE TWO MORE INDICATORS OF HOW WASHINGTON'S MILLION-DOLLAR CLUB IS GROWING.

HOUSEHOLDS IN WASHINGTON STATE WITH MORE THAN \$1 MILLION IN INVESTABLE ASSETS



PERCENT OF ALL WASHINGTON HOUSEHOLDS WITH MORE THAN \$1 MILLION IN INVESTABLE ASSETS



SOURCE: PHOENIX MARKETING INTERNATIONAL'S GLOBAL WEALTH; PURE INSURANCE



The All-Important Patent Portfolio

How patents can protect your business and help it grow.

Whether a company has existed for a hundred years or is just starting out, patents can be a core strategic asset. Patents are a barrier to entry for competitors. For established companies, patents protect product lines from being copied and patents create a period of exclusivity to exploit their research and development investment. For a new venture—which typically doesn’t enjoy the competitive advantages of economy of scale or well-established infrastructure, supply chains or distribution networks—an intellectual property portfolio may be the venture’s only major asset.

The business strategy in an established company normally drives the patent strategy; that is, it looks to products and services in development for patentable ideas. Capturing patentable ideas should be an integral part of the company’s development process or project management. For example, include a patent milestone in

The significance of a patent portfolio is generally clear for technology-based companies. However, seemingly nontech firms may have technology that should be protected as well.

architecture or product reviews; include patent reviews in research and development projects before publication of a paper.

Generate patent ideas by creating awareness of patenting. Include patenting in the organization’s mission and in the annual commitments for individuals, from engineers through senior leadership.

It is also important to maintain the quality of the invention ideas that are selected for filing. Available resources should be devoted to the inventions that provide a competitive advantage. Establish a patent review board to evaluate patent ideas and decide on filings. The board members should understand the technology, the competitive landscape and the company’s strategy, and consider how the invention contributes to the company’s competitiveness. Does the invention relate to a current or planned offering? Are competitors likely to use it? How difficult is it for a competitor to design around it? Can infringement be detected? How innovative is the idea? For example, is there incremental improvement (more efficient routing) or significant competitive advantage (half the cost) or a breakthrough concept (cold fusion)?

The significance of a patent portfolio is generally clear for technology-based companies. However, seemingly nontech firms may have technology that should be protected as well. A packaging company could have innovative processes for packing or superior container technology. A food company might develop valuable approaches to safety and regulatory compliance. A distributor may come up with a more efficient routing and tracking system. Patent protection for these sorts of inventions helps preserve the competitive advantage derived from them.

Patents are useful even if a company doesn’t intend to sue. In a patent dispute, your patent portfolio will be an important bargaining chip in settlement or licensing discussions. The value of that bargaining chip is determined by the number and quality of patents.

Patents are often a startup company’s most valuable asset. Venture capitalists examine the portfolio during due diligence and banks may secure a loan against it. It will be a value driver in an initial public offering or acquisition. Startups are often created around a new idea, so innovation isn’t a challenge, but making patenting a priority is. Startups also frequently focus on getting the new offering launched rather than getting it protected. However, an invention publicly disclosed or sold before filing an application becomes public domain in important markets like Europe and China, for example, and in the United States after a one-year grace period.

Regardless of a company’s stage of development, it’s important to get patent applications filed early. The first to file an application is the owner of the invention. Further, an application is documentation showing possession on the date of filing of the invention, which is often useful evidence in negotiations with partners, investors or competitors.

Whether a company is small or large, new or old, a patent portfolio may be an important, if not essential, factor in its success. Make consideration of patents a strategic priority.

VERNON W. FRANCISSEN is a shareholder at Lane Powell, where he focuses on intellectual property matters and related counseling, including patent and trademark litigation, preparation, prosecution, licensing and acquisition. He can be reached at 206.223.7949 or francissenv@lanepowell.com.



VIRGIN ON BUSINESS >

THE BIG EASY

WHY BEING MAYOR OF SEATTLE IS A PIECE OF CAKE.

BY BILL VIRGIN

AS BIG-CITY MAYORAL GIGS GO, Seattle's is one of the cushiest.

Unlike New York and Chicago, the mayor of Seattle is not responsible for the city school system, thus freeing him from that slough of dysfunction (although Seattle mayors, apparently feeling they don't have enough to do, keep making noises about adding that collection of headaches to their portfolio).

The public employee unions are relatively placid. Ditto the assorted special interest and neighborhood groups, which, despite a reputation for vocal uproar and gumming up the process, can usually be soothed with a few understanding if non-committal words.

What might be the best part of being mayor of Seattle is coming up with and carrying out an economic-development strategy. The secret is you don't have to!

Weather is usually not a challenge, although it can bite if attention to detail lapses (ask Greg Nickels about that). Outbreaks of civic violence are rare, although they, too, can punish if complacency and naiveté set in (ask Paul Schell about that).

Even better, the city is nowhere near being an economic basket case on the order of Detroit. If anything, it might be on the other end of the urban-economics spectrum. While people talk of whether there's any point in keeping Detroit going, they also talk of Seattle as the model of what post-industrial, 21st-century American cities can be if they just put their minds to it. What might be the best part of being mayor of Seattle is coming up with and carrying out an economic-development strategy. The secret is you don't have to!

Oh, sure, it's always nice to show up for

the groundbreaking and ribbon cuttings, and to make periodic speeches before the downtown lunch clubs, mouthing the expected pieties about how much you love business and value its contribution to civic life and well-being.

But beyond that—meh. It's not as though you'll be punished by the business community for what you say or do, not effectively anyway. Mumbling and grumbling, sure. But you get that from everyone, and the business sector more than most groups is likely to do its mumbling and grumbling quietly and then sacrifice its complaints to the broader interest of getting along in the hope that it might someday win some concession or support.

And it's not as though economic disaster can be pinned on a mayor. Boeing goes through a cyclical swoon or makes threats to leave? Even when it was a local company, Boeing's physical headquarters was just outside the city limits, and the major production plants are in Renton and Everett (the latter in a whole other county). As mayor, you get to reap the benefits of having Boeing around and let someone like the governor take the fall if things go wrong.

Washington Mutual implodes? Wasn't anything you did—and here comes Russell Investments scurrying up I-5 to fill some of that vacant space.

Better still, how about Amazon and its ravenous appetite for employees and office space, a company you didn't have to lift a finger to bring to town? Or all the high-

tech firms that have set up shop locally? Heck, when it comes to economic development, the place practically runs itself.

Let other mayors indulge in the grubby business of business recruitment. You've got your days free to save the planet and reorder people's lives, all financed with the business community's money.

All of which tends to add to the general (but, of course, quietly expressed) sense of unhappiness in the business community, especially among small businesses that don't have the revenue, margins or personnel to deal with the cost of the planet-saving initiatives emanating from City Hall. There's the sense that the general attitude of city government toward them and their problems ranges from "If you were any good, you'd be bigger than you are now" to "We don't need you to be here but we know you need to be here" or, for more industrial operations, "Wouldn't you really be happier in Kent?"

Who's to say those attitudes, from a realistic, if cynical, perspective, are wrong? Not the electorate, to judge from the slate of candidates in the August primary (whoever you voted for, you were likely to wind up with some variation of the current mayor) and recent voting trends. As long as the voters keep voting that way, and as long as the economy continues to sustain itself, the best many businesses can hope for from the local political community is benign neglect—and the occasional appearance at ribbon cuttings (if you're fortunate enough to have one). **SB**

BILL VIRGIN is founder and owner of Northwest Newsletter Group, which publishes Washington Manufacturing Alert and Pacific Northwest Rail News.



I asked my boss for more work to do. Is that unusual?

Inclusion works at Northwestern Mutual's Bellevue office, where Zach performs data entry and shifts attitudes about what someone with a disability can do. "Zach came up and asked me for more work to do," says managing director Luke Madsen. "I'd love it if all of our staff did that."



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October is National Disability Employment Awareness Month



Marine View.
Devon Grennan, president
of Global Diving & Salvage,
in his nautically appointed
Seattle office.

Water World

DEEP DOWN, GLOBAL DIVING & SALVAGE KNOWS WHAT IT'S DOING. **BY JOE FOLLANSBEE**

AT 7 P.M. ON MAY 23 at the northern edge of Mount Vernon, a tractor unit on Interstate 5 hauling a trailer with an oversized load struck an overhead girder of a truss bridge spanning the Skagit River. The truck kept going down the highway but,

within seconds, a section of the bridge behind it collapsed into the water, taking an SUV and a pickup truck with it. First responders quickly rescued the three people in the vehicles and no one was seriously hurt. Almost immediately, Washington



THE ACCIDENT HAPPENED ON A THURSDAY NIGHT AND OUR FIRST CREW WAS UP THERE ON FRIDAY MORNING. WE PICKED UP ALL THE PIECES.”

DEVON GRENNAN, PRESIDENT OF GLOBAL DIVING & SALVAGE, ON THE I-5 BRIDGE COLLAPSE.

State Department of Transportation (WSDOT) investigators faced a problem: Much of the evidence had sunk to the bottom of the river. “The accident happened on a Thursday night and our first crew was up there on Friday morning,” says Devon Grennan, president of Seattle-based Global Diving & Salvage Inc. “We picked up all the pieces.”

Diving on broken bridges isn't an everyday occurrence in Grennan's world, but his company is one of the most visible marine industrial firms you've never heard of, doing high-risk work without fanfare or much public recognition. Here are some of Global Diving's jobs since 2011:

- Removing from a coastal beach within Olympic National Park a 200-ton concrete dock swept out to sea by the killer Japanese tsunami of 2011
- Assessing the health of the 28,000-ton Royal Dutch Shell drilling rig *Kulluk*, which broke free from a tow and went aground off the coast of Alaska
- Diving on the sunken cruise liner *Costa Concordia* off the coast of Italy
- Raising the 140-foot derelict fishing vessel *Deep Sea* after a fire sank it in Penn Cove off Whidbey Island
- Hauling the carcass of a dead fin whale off a beach in Burien

Each of these incidents made local, national or international news, but Global Diving was rarely mentioned. “That's OK,” Grennan says. “I'd rather be under the radar.”

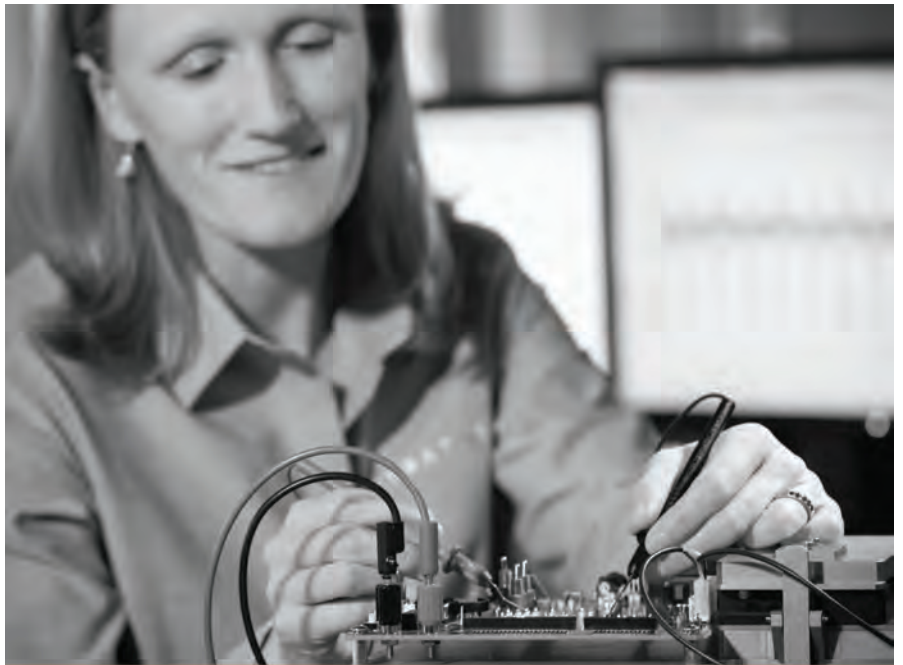


Getting His Feet Wet. A diver prepares to do some welding at The Dalles Lock and Dam on the Columbia River.

After the collapse of the I-5 bridge section, Global divers worked at the site in two seven-man shifts of 12 hours each, 24 hours a day, for two weeks straight. Marine salvage is the bread and butter of the 300 full-time employees of the firm, which was founded in 1980 with the idea of providing a “tenacious approach” to underwater salvage any time of day. “We never wanted to tell customers that we couldn’t do something,” says cofounder John Graham, “or give them any reason to look elsewhere. When other companies did that, their customers came looking to us, and we never let them down.”

By the Duwamish River beneath the West Seattle High Bridge, Global occupies a 1941 office building that is part workspace and part museum. Salvaged capstans, bits and anchors decorate the front yard. Antique diving gear greets visitors in the foyer. (The building was originally the headquarters of General Construction, which still has operations next door.)

Privately held, Global grossed more than \$50 million in 2012. Two of its founders—Graham, who is chief strategic officer, and CEO Tim Beaver—are still involved with the firm. Graham and Beaver dove together in the mid-1970s and after starting the company they worked jobs for Todd Pacific Shipyards (now Vigor Industrial) on Harbor Island. “It took us about five years before we could pay ourselves a decent salary,” Beaver recalls.



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THE COMPANY FORESEES GROWTH IN ALL ITS LINES OF BUSINESS, PARTICULARLY MARINE CONSTRUCTION AND ENVIRONMENTAL SERVICES. BOTH SECTORS HAVE A “GREEN” CAST; THE INTEREST IN OFFSHORE ALTERNATE ENERGY, SUCH AS WIND FARMS AND TIDAL ENERGY, MEANS GLOBAL DIVING WILL PLAY A ROLE IN THE LONG-TERM SWITCH AWAY FROM FOSSIL FUELS.

To help generate sufficient revenue, the company moved into marine construction, such as building piers for the U.S. Army Corps of Engineers. Today, Global supports the State Route 520 bridge replacement project by inspecting the pontoons built in Aberdeen for WSDOT. But its marine construction work isn't limited to places you can get to by boat. One of its most hair-raising projects was completed last year on the Delaware Aqueduct, which carries about half of New York City's fresh water from upstate New York through an 85-mile tunnel. Using techniques similar to deep-sea divers in the open ocean, Global divers plunged 685 feet down a water-filled access shaft to install a 23,000-pound stainless steel-bulkhead.

Described as the largest diving contractor on the West Coast, Global Diving is a key player in the \$331 million national marine salvage industry and the \$4.1 billion marine construction industry. In addition to its main office in Seattle, the company has a presence in Alaska, California and Texas, where it coordinates a growing presence among the oil drilling operations in the Gulf of Mexico. Locally, it competes with Northwest Underwater Construction of Vancouver, Washington; Harbor Offshore, a Ventura, California, firm with an office in Kingston; and Associated Underwater Services, based in Spokane with an office in Kenmore. During



Weather Or Not. A tender assists a Global diver in harsh Alaska conditions, top, while a topside team does the same in more agreeable circumstances during a salvage project off the coast of Washington.

the past 10 years, Global has been careful to diversify operations, working in three main areas: salvage (technically known as “casualty response”), marine construction and offshore operations, especially for the oil and gas industry.

For most of that time, Global has worked with David Parr, a vice president at HomeStreet Bank, the company's primary lender. Parr describes the relationship as “meat-and-potatoes commercial lending” in an industry that's extremely

capital intensive. "This company understands the need to have multiple revenue streams and diversify its lines of business," he says.

Grennan, a non-diver who joined the firm in 1995 and handles day-to-day operations, says Global's mixed service portfolio helped the company ride out the Great Recession better than most of its competitors, primarily by instituting stronger internal cost controls. "I think we had a shorter correction than others in the industry," he adds.

The firm foresees growth in all its lines of business, particularly marine construction and environmental services. (According to the U.S. Census Bureau, the environmental services business is worth more than \$1.3 billion a year.) Both sectors have a "green" cast; the interest in offshore alternate energy, such as wind farms and tidal energy, means Global Diving will play a role in the long-term switch away from fossil fuels. It is also working to make routine environmental services, such as maintaining oil booms around stationary industrial vessels, a stronger part of its service offerings. Grennan notes that his customers are now looking for providers who can do everything under one roof. "Ten years ago, it would've been us and another company doing a job," he says. "Now, they ask us to do both."

The multidisciplinary approach to its business has an added benefit: It keeps employees at the top of their game by expanding their skill sets under the company's "Together Everyone Achieves More" (TEAM) philosophy, which includes companywide employee training, ongoing observations and suggestions, daily meetings with job hazard analysis and frequent job safety audits. "Part of being a good diver," Grennan says, "is being a safe diver."

Beaver adds that the company's thoroughness extends into its business relationships. Divers require complete trust in each other and in the support team on the surface. Global Diving tries to build similar relationships along the waterfront, often a tight, specialized world where craftsmanship matters and a handshake counts as much as a contract. Says Beaver: "Small service providers like us are the ball bearings that make the wheels of maritime commerce go." **SB**

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SEATAC'S MINIMUM-WAGE INITIATIVE HAS ACTIVISTS CHEERING, BUSINESSES FEARING. **BY ERIK SMITH**

BY NOW, VOTERS IN THE CITY of SeaTac may be getting an idea of what it's like to live in Ohio during presidential primary season: fliers in the mailbox, phones ringing incessantly, canvassers knocking on doors. And if they're not registered voters, no worries: Someone will bring the form to their homes.

As this story goes to press, one of the more momentous ballot measures anywhere in the country is the subject of a flurry of courtroom filings that may or may not put a national campaign for a \$15-an-hour minimum wage before voters for the first time. In SeaTac, a small King County city of 27,000 dominated by the multibillion-dollar enterprise that is Sea-Tac International Airport, a few thousand votes is all it will take to give ac-

tivists and organizers their first major victory in a national effort for what they call a "living wage." The SeaTac Good Jobs Initiative would create one of the nation's highest minimum wages—\$15 an hour—for workers at Sea-Tac International Airport and surrounding hotels, parking lots and car-rental facilities. Retail stores with fewer than 10 workers, hotels with fewer than 30 workers and other enterprises with fewer than 25 workers would be exempt, along with free-standing restaurants and retail stores that are not part of hotels.

San Francisco now has the highest minimum wage for a municipality: \$10.17. Presuming the measure survives legal challenges, SeaTac has become ground zero for a national campaign feared by business and cheered by labor. "By October, I

THE SEATAC BALLOT INITIATIVE WOULD RAISE THE WAGES OF SOME 6,100 WORKERS, GIVING THEM AN AVERAGE \$533 MORE A MONTH, SAYS NICOLE KEENAN OF PUGET SOUND SAGE.

think most people will have made up their minds," says Heather Weiner, spokesperson for the campaign supporting the initiative. "And I think there probably will be a lot of discussion aimed at the very few undecided voters that are still out there."

The initiative is the result of a petition drive from Working Washington, an organizing arm of the Service Employees International Union. It garnered more than 2,500 signatures within the city limits. The effort is on the leading edge of a national campaign in cities across America with the goal of raising the minimum wage and imposing labor-friendly standards on the workplace. But while in most cities, including Seattle and Chicago, the campaigns have involved rallies and demonstrations—often in front of fast-food restaurants—the SeaTac initiative, if successful, would have the force of law and could affect not only the city of SeaTac but also the operations of an airport that a 2007 report concluded generated \$13.2 billion in regional economic activity.

The campaign for higher wages might be seen as an extension of the Occupy movement that two years ago highlighted the growing wealth gap in this country between rich and poor. As well, it reflects the reality that labor can't rely on state legislatures to increase the minimum wage to levels that it deems reasonable.

The SeaTac ballot initiative would raise the wages of some 6,100 workers, giving them an average \$533 more a month, says Nicole Keenan of Puget Sound Sage, which has provided much of the intellectual firepower to the movement. "The majority of them work for multinational corporations," Keenan says. Adds the Reverend Jan Bolerjack of Riverton Park United Methodist Church: "They are working at high-end hotels, they are working for the airlines, they are working for restaurants where they

could never sit at the table, they are cleaning the cabins of airplanes where they could never sit and buckle themselves in.”

Leaders in SeaTac’s business community worry that such a sharp increase in wages will leave the city as windswept as the airport’s vast runway system. “I am going to be forced to lay off people for something that is not their fault,” says Scott Ostrander, general manager of Cedarbrook Lodge, one of the smaller hotels near SeaTac and certainly not a multinational corporation. “This initiative will destroy this community.”

In some respects, SeaTac the city and Sea-Tac the airport are already a step behind California, where four airports have implemented successful living-wage campaigns. The highest minimum wage was established by the governing body of the Los Angeles International Airport at \$15.37 an hour for workers without benefits. But those measures do not include the businesses around the airport. A separate Los Angeles city ordinance imposes a lower minimum wage for hotels in the airport district of about \$12 with benefits and \$13 without. The SeaTac initiative goes further than the California deals by imposing a \$15 minimum wage both on the airport and on many private businesses in the city of SeaTac.

The SeaTac initiative also includes other provisions that bolster labor’s position, such as a mandatory sick leave clause as well as a requirement that displaced workers be hired first when a new contract is awarded. That clause may have been aimed at SeaTac-headquartered Alaska Airlines, which discharged 500 union baggage handlers in 2005 and replaced them with workers from a nonunion contractor. Also, language in the initiative states that any wages determined through a collective bargaining agreement would not be covered by the initiative, creating an incentive for businesses to allow their employees to unionize.

Unions have reason for concern. Nationwide, their power has steadily eroded. The decline in union membership has been accompanied by a broader decline in inflation-adjusted wages of American workers. Some 26.3 million Americans remain unemployed, underemployed or have simply given up looking, according to July federal labor statistics. That

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situation has put downward pressure on wages, particularly for unskilled workers. It has been four years since the federal minimum wage was increased to \$7.25. Though President Obama has endorsed an increase to \$9, activists say that's not enough. They argue that increasing worker wages to \$15 would not only give a boost to the working poor by raising their pay to roughly \$30,000 annually, but it would also help the broader economy.

"Raising the minimum wage to \$15 an hour would inject about \$450 million into the economy each year," wrote Seattle venture capitalist Nick Hanauer in an op-ed piece that has served as a keynote address for the movement. "That would give more purchasing power to millions of poor and middle-class Americans, and would stimulate buying, production and hiring."

Incumbent Mayor Mike McGinn and State Senator Ed Murray, the two candidates in Seattle's mayoral race, have both expressed support for a \$15 minimum wage, though both say there would have to be a broad discussion within the community.

Critics, however, say that pushing wages to \$15 an hour is going too far, too fast. Washington state already has the highest minimum wage in the country at \$9.19 per hour. Pushing it to \$15 in SeaTac would mean the new minimum wage there would be close to the national median wage of \$16.71. This increase could force some employers to retrench. In particular, SeaTac could see itself losing hotels and other business to downtown Seattle or low-cost nearby cities like Tukwila.

Hoteliers up and down the State Route 99 strip adjacent to the airport say they are reconsidering expansion plans and might be forced to close their restaurants if the initiative passes. Parking-lot operators say their property values will fall because no one will be interested in purchasing their land to build new hotels. Within the airport, restaurant operators say they would be forced to charge more than the traffic will bear. Asks concessionaire LeeAnn Subelbia: "Do the citizens of SeaTac realize, in the quest to increase wages by 63 percent, many companies will be forced to lay off employees or close their doors? I pay similar wages as large companies. There is no way a small company will survive under the requirements of this ordinance."

Subelbia, who operates Big Foot Food

and Spirits and The Great American Bagel Bakery at the airport, has joined with the Washington Restaurant Association and Alaska Airlines in a suit to throw out the initiative on multiple grounds, including a pre-election challenge that sought to invalidate enough signatures to keep the measure from the November ballot.

Other issues will not play out until the election is decided. Meanwhile, a business-community group, Common Sense SeaTac, is fighting the campaign at the door-to-door level. It will be a difficult initiative for business to defeat, says Washington Research Council President Richard Davis, author of a report on the initiative and its effects.

Labor picked a ripe target. Incomes are low in SeaTac. The median yearly income for males was \$35,334 in 2010, about 15 percent lower than that for Washington as a whole. Among women, it was \$26,618. Only 58 percent of SeaTac residents speak English at home, suggesting a population of recent immigrants. The city poverty rate is 15.4 percent versus the King County average of 10.5.

"I think the living-wage movement targets two types of places—sympathetic cities or vulnerable cities," says Davis. "It has caught on in places like San Francisco because San Francisco is a very liberal town and it is an easy sell there. SeaTac is not politically that liberal, but it is vulnerable because a targeted campaign can focus on a relatively small number of voters."

Davis says studies suggest 3 to 5 percent of affected jobs will be lost. Investment in hotel properties will decline as hoteliers are forced to raise room rates to Seattle levels, giving the trade a good reason to head north. To survive, many will change their business models. Hotels, for example, might stop offering room service and provide more buffets to reduce their need for wait staff. That decline in service could make them less competitive. And while a \$15 wage at least would allow employers to hire the best and the brightest from throughout the Puget Sound region, it would mean fewer entry-level jobs for people in the immediate community.

Weiner counters that such arguments are scare tactics. "They're talking about the community drying up and blowing away," she says, "but I don't think that's going to happen. The airport is not leaving." **SB**



HUMANIZING BRANDS IN THE OFTEN FRIGHTENING, MECHANICAL WORLD OF SOCIAL MEDIA

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EACH YEAR, THE ADVANCES ARE MORE IMPRESSIVE, the benefits more far-reaching. All the more reason to continue celebrating the creators and purveyors of technological innovations that affect how we live and do business. On the following pages, *Seattle Business* magazine salutes the honorees of the 2013 Tech Impact Awards and recognizes the sort of outstanding achievement that informs and inspires even greater leaps forward in the future.





LIFETIME ACHIEVEMENT —

Jeremy Jaech

LONGTIME SEATTLE TECH ENTREPRENEUR JEREMY JAECH says he has thought about retirement but keeps starting new companies “because that’s where I get most of my jollies.” Cofounder of the pioneering desktop publishing firm Aldus, he later helped start Visio, Verdiem, Trumba and many others.

Until last spring, Jaech served as chair of the Technology Alliance, a statewide group of tech-based businesses and research institutions he helped start in 1996. In those early days, Jaech says, “State legislators, regulators, county and city governments didn’t appreciate our impact on the economy. They didn’t really think about us.” By the time he served as chair, that situation had certainly changed and the new challenge was to stanch the downward trend in funding for higher education.


Jaech takes pride in helping to accomplish that goal and now serves as a University of Washington regent, a position he hopes will enable him to push for more engineering graduates and greater commercialization of research discoveries. The unstoppable entrepreneur is following his own advice, partnering with UW Professor Shwetak Patel to launch SNUPI Technologies, which is developing sensor networks for use in the home.

Jaech’s career is unusual in its breadth, depth and success rate. It ranges across a broad span of technology’s evolution, beginning with the world of desktop publishing at Aldus, which was acquired by Adobe, and the realm of graphic computing at Visio, which was acquired by Microsoft. He later cofounded Verdiem, a green-tech company that helps clients reduce energy use in their IT systems, and continues as a director of Trumba, a developer of publishing technology for event calendars.

SNUPI Technologies is on the “bleeding edge” of a new cutting-edge technology sometimes described as “the internet of things.”

Among other applications, SNUPI will connect sensors in the home that would warn homeowners of water moisture from flooding, roof leaks or problem appliances. The sensors, for example, might send a message to a smartphone warning that the user’s water heater is about to fail.



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Zillow

Location: Seattle | Employees: > 700 | zillow.com

THE IMPACT OF THIS REAL ESTATE DATA COMPANY IS HEAVY, yet can be lightly held. Having records of the actual and estimated sale price of every home in America available online was startling less than seven years ago, notes Zillow Chief Marketing Officer Amy Bohutinsky. Back then, she says, “You couldn’t imagine walking or driving around a neighborhood, having all that information in the palm of your hand.”

The rapid rise of mobile computing has boosted Zillow’s goal of helping buyers and sellers of homes make smart decisions. More than half of the home views from Zillow’s 55.7 million unique users now come from a mobile device, at a reported rate last June of 104 homes per second.

The turbulence of the housing downturn pushed Zillow to branch out. It now tracks markets for rentals and foreclosures and recently added home improvement services to its listings.

The challenge for Zillow, Bohutinsky says, is to smartly expand its ranks of more than 700 employees (including more than 450 in downtown Seattle) “because there’s so much more we want to do.”

CEO Spencer Rascoff recently told Austin Smith of *The Motley Fool* that years five to 15 are where most tech companies “lose their way.” Zillow, founded in 2005, is right in that window. “We’re seven or eight years old,” Rascoff noted. “This is a dangerous time at a tech company.” Rascoff says he plans to avoid the malaise by “staying passionate and full of energy, and trying to convey that sense of energy and enthusiasm for the product to the whole management team and to the whole company.”

 SILVER AWARD —

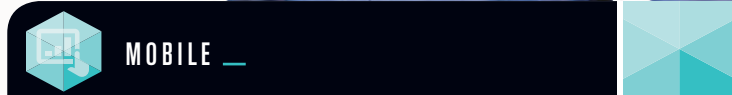
Hointer

Location: Seattle | Employees: < 10
hointer.com

ONCE, WEARING JEANS was revolutionary. Hointer founder and CEO Nadia Shouraboura wants to revolutionize how we buy them. The former Amazon executive has opened robot-powered retail stores in Seattle and Palo Alto where shoppers use a mobile app to select size and style for automated delivery to a dressing room. Hointer’s use of robotics, the cloud, QR codes and NFC devices pioneers “omnimarketing” to create an efficient and newly satisfying customer experience. Retailers are watching Hointer’s experiment in bringing IT accessibly to the storefront customer, suggesting the company could well change the ways the rest of us shop.



Mobile Category.
Bryan Mistele is cofounder, president and CEO of Inrix.



Inrix

Location: Kirkland | Employees: > 300 | inrix.com

MOTORISTS USE THEIR GPS TRAFFIC GUIDES to learn about the road, but as they drive—or sit in traffic—they are teaching about the road as well. Inrix collects information coming back from those apps and devices, along with thousands of public traffic cameras and road sensors. While travelers benefit immediately, that huge pile of data is also useful to automobile manufacturers and urban planners to improve mobility.

Inrix collects crowdsourced information from nearly 3 million miles of road across 32 countries, and then applies sophisticated analytics to provide insights, often in unexpected ways. Windermere Real Estate uses Inrix data to better target homes to buyers, based on commute times. Hedge funds make investment choices by comparing freight and vehicle traffic around major retailers. Google even abandoned its own traffic prediction function to contract with Inrix's more accurate methods, which adjust depending on the day and time of travel.

With an estimated \$20 billion global opportunity and an anticipated public stock offering this year, Inrix is a company that, like its customers, knows where it is headed.

SILVER AWARD

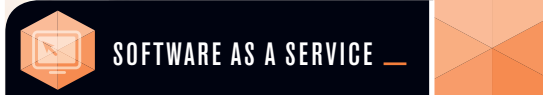
Globys

Location: Seattle | Employees: 150 | globys.com

GETTING YOUR MESSAGE to the computer screen of the best potential customer is the mission of the contextual marketing firm Globys. That objective is getting more difficult as internet users jump from desktop to tablet to smartphone. From its offices atop Seattle's Union Station, this recent spinoff of Verisign Inc. analyzes Big Data across disparate systems to track and model individual customer behavior. From those insights, its Mobile Occasions managed service helps mobile operators deliver marketing information that is timely, relevant and welcome.



SAAS Category.
Mike Metzger is president and CEO of PayScale.



PayScale

Location: Seattle | Employees: 125 | payscale.com

IT'S THE FIRST QUESTION ON EVERYONE'S MIND, yet often the last question asked: What does this job pay? The goal of PayScale is to make available to all the kind of market-based answer that until now only few could receive.


What employees get for their work is often tightly guarded information, available only through specialized consulting and market surveys based on small samples, and out of reach for small businesses and job seekers. PayScale brings cloud computing and Big Data analytics to the problem, having built a data set of more than 35 million individual compensation profiles.


"PayScale brings the power of the cloud and of Big Data to companies looking to get compensation right so that they can compete for talent," says CEO Mike Metzger. "We've created an innovative model for sourcing salary profiles to better understand the real-time, local dynamics of compensation."

Some of that information is from employees themselves, who can learn at no cost what others with similar skills and education are paid in their markets. The rest comes directly from the more than 2,500 employers who subscribe for access to PayScale's up-to-the-minute data and reports.

PayScale's 40 percent growth in subscriptions last year confirms that it has the right idea. Metzger says midmarket companies "are eating it up" because each new hire has its cost, but when the employer and the employee both know the wage is fair, the resulting harmony is priceless.

BRYAN MISTELE COURTESY OF INRIX



 **Analysis Category.**
Tom Walker is CFO of
Tableau Software.



ANALYSIS —

Tableau Software

Location: Seattle | Employees: > 900 | tableausoftware.com

SHOW, DON'T TELL, GOES THE OFT-QUOTED PHRASE, and it's the chief principle behind Tableau Software, which went public in May with a stock valuation of nearly \$2 billion. Tableau provides a set of tools to turn data sets into graphics that can be clicked on, expanded and rearranged to reveal new insights.

Corporate human resources departments use Tableau to spot patterns of employee attrition and hiring among divisions. The Florida Department of Juvenile Justice used Tableau to find patterns of recidivism. Schools in Spokane have boosted graduation rates by recognizing early signals from students.

Tableau's tools have adapted to the marketplace of mobile apps and cloud services, and predictive analytics features are a future goal. Yet the company's mission, to help people see and under-

stand data, remains the same. "How the company has really stuck to that has just made us more passionate," says Elissa Fink, Tableau's chief marketing officer.

Tableau cofounder and CEO Christian Chabot says part of that passion comes from relocating the firm early on from Silicon Valley to Seattle. "In Silicon Valley," Chabot told *Forbes*, "there is a lot of groupthink. Everyone sits in the same coffee shops and talk about the same things and knows the same investors. ... Seattle is different and is a great canvas for creative thinking."

The best news for qualified job seekers is that Tableau continues to grow rapidly. In August, CFO Tom Walker told analysts that the company is hiring "at a very healthy clip ... and we are going to continue to do that."



Enterprise Category. Brad Anderson is corporate vice president, Server & Tools division, at Microsoft.



ENTERPRISE



SILVER AWARD

Microsoft Windows Server

Location: Redmond | Employees: > 90,000 | microsoft.com

MICROSOFT MAY BE LOSING GROUND among consumers, but when it comes to enterprise computing, it remains a powerhouse. The Server & Tools division pulled in \$20.3 billion in revenues in fiscal 2013. Windows Server, one of the division's flagship products, dominates its market, where it is deployed across enterprises ranging from small businesses to Fortune 100 companies. The current (2012) version of Windows Server is a significant advance, proving the software giant's commitment to keeping up with enterprise needs, especially in cloud computing. As clients use company networks from tablets and smartphones in addition to traditional desktops, Windows Server provides access that is secure, flexible and in compliance with IT management policies. Tasks like virtualization integrate cleanly with Microsoft's Azure cloud services, administered through System Center 2012.

Microsoft has been listening to its enterprise customers and responding. The resulting strong technology and a comprehensive service model are likely to keep it riding high as enterprises begin to transition much of their computing to the cloud.

Opscode

Location: Seattle | Employees: < 80
opscode.com

AS CLOUD COMPUTING GROWS, this young Seattle firm helps other companies grow along with it. Opscode's Chef framework automates many of the processes to manage its cloud-based systems, making it easier to deploy and scale applications across expanding complex networks. As companies as diverse as consumer internet, financial services, life sciences, education and gaming increasingly need their back-office functions to exchange information with services the customer sees, the cloud and Chef's interconnection are more important than ever.



GAMING —

Z2

Location: Seattle | Employees: > 150 | z2.com

GAME DEVELOPER Z2 (FORMERLY Z2LIVE) understands that play is something people prefer to do with each other, not with machines. Its family of highly social games allows players to compete and collaborate in real time through their iPhones or iPads, even while on the go.

Through games like the city-building Trade Nations, the jet-fighting Metalstorm and the auto-racing Nitro, players can form communities and share the experience. They can send text messages or voice chat with each other as they play.

As an executive with Microsoft's Xbox Entertainment Network, cofounder Damon Danieli had helped bring these types of features to console and desktop games, aided by fast internet connections. But cofounder and veteran mobile entrepreneur David Bluhm understood that mobile networks were catching up. The shared vision of bringing highly collaborative features to mobile games with envelope-pushing graphics is validated by the more than 55 million people who play Z2's games, forming communities of fun that span the globe. Bluhm turned over the CEO's reins to Lou Fasulo in 2012 and, under Fasulo, Z2 has continued on what Fasulo describes as a path to "developing and publishing some of the industry's deepest and most engaging mobile titles."



SILVER AWARD —

DoubleDown Interactive

Location: Seattle | Employees: 150 | doubledowninteractive.com

IT SEEMS ONLY NATURAL that this developer of Facebook's most popular casino game would be on a hot streak. Even though no actual currency is won or lost, more than six million people enter and play DoubleDown Interactive's betting games each month on social media and mobile apps. That rapid success has propelled the three-year-old company to grow into a prestigious Pioneer Square address and a \$500 million acquisition by Nevada-based gaming machine producer International Game Technology. With much of its executive team drawn from Big Fish Games, little of its bright future is left to chance.



Health Category.
Bill Bunker is CEO of Clarity Health Services.



HEALTH —

Clarity Health Services


Location: Seattle | Employees: 40 | clarityhealth.com

WHILE THE OVERALL COSTS OF HEALTH CARE remain a concern, Clarity Health Services works to lower them in one important area. Through its web-based patient referral system, it hopes to eliminate much of the estimated \$50 billion spent on avoidable readmission to hospital emergency departments.

Emergency rooms, Clarity CEO Bill Bunker explains, are for stabilizing patients, not curing them. Yet when most patients leave the ER, they don't know what they need to do next. Clarity's cloud-based emergency department discharge system brings together what had been separate pieces, to refer patients to physicians for follow-up and ensure that both do so. As Bunker sums it up, "We're enabling people to more effectively coordinate care."

Early studies suggest that Clarity's approach is working where used, with return visits to those emergency departments down 12 percent. While Clarity currently operates only in Washington and Alaska, Bunker expects to quickly expand the product's geographical reach. Among his challenges as the company strives to focus and prioritize will be to manage a strong demand—a condition any business would welcome.



 **Cloud Category.**
Thor Culverhouse
is CEO of Skytap.



CLOUD



SILVER AWARD

Skytap

Location: Seattle | Employees: > 70 | skytap.com

ACCORDING TO SKYTAP'S NEW CEO, THOR CULVERHOUSE, the company's real impact on cloud computing has barely begun. "The market today [for cloud services] is very, very noisy," he observes, with most IT managers uncertain how to use them effectively and securely. Enterprises are learning what to do by the specific solutions vendors like Skytap provide.

Skytap's technology establishes shared virtual machines (self-contained computing environments for running programs) on a company's private cloud network so developers can test web applications or software code collaboratively. It can also transfer work securely to Skytap's data center, a "hybrid" system that seamlessly expands computing capacity as it is needed.

That model allows IT departments to avoid the costly rabbit hole of acquiring and installing more equipment in their own data centers to keep up with peak demand. And while it invites broader application, Culverhouse wants Skytap to stay focused on the specific needs of software development, testing and demonstration. Even so, this company that was founded as a project by University of Washington computer scientists is showing how far the cloud can reach.

ExtraHop Networks

Location: Seattle | Employees: < 100
extrahop.com

KEEPING CLOUDS FROM growing into storms is what ExtraHop Networks helps IT departments do in their increasingly complex systems. ExtraHop's product monitors how applications and servers talk to each other on the network, and helps identify conflicts and bottlenecks to improve performance. Under ordinary conditions, cofounder and President Raja Mukerji has said, that task can be like trying to find a snowflake in an avalanche, especially at today's multi-gigabit speeds. By making difficult network problems more visible, ExtraHop helps ensure that cloud computing can grow.



 **Productivity Category.** Mark Mader is CEO of Smartsheet.com.



PRODUCTIVITY —



SILVER AWARD —

Smartsheet.com

Location: Bellevue | Employees: < 100 | smartsheet.com

SPREADSHEETS HAVE ALWAYS BEEN ABOUT NUMBERS, first as a way of totaling accounts and later as a means of managing innumerable tasks. This growing Bellevue company takes the humble spreadsheet to the cloud so that fast-changing information can be easily shared through this very familiar form.

Using Smartsheet.com, customers can build and maintain any kind of information they like, but with features that are especially helpful for creating and managing lists of information. With Smartsheet documents living in the cloud, they can be more effectively used collaboratively, even with multiple people using them at the same time through the web or mobile apps.

As an example, the event planners of this year's NCAA Final Four college basketball championship used Smartsheet to coordinate tasks like transportation, equipment and security among dozens of teams.

The company's own numbers are impressive: triple-digit growth since the product's redesign in 2010. Today, more than 2.5 million people use Smartsheet among some 22,000 subscribing organizations in more than 100 countries.

DocuSign

Location: Seattle | Employees: 350
docusign.com

DEALS THRIVE OR DIE on a signature, and this pioneering firm has helped put secure electronic signatures on more than 290 million documents to close deals fast. Ten-year-old DocuSign has made a highly successful transition to the cloud, with the DocuSign Global Network integrating well with other cloud-based file services such as Box, Dropbox, Google Docs and Salesforce. With mobile apps for phones and tablets, DocuSign helps companies reduce their volume of paper documents while making them more visible and secure.



Marketing Category. Adam Schoenfeld is co-founder and CEO of Simply Measured.



MARKETING —



SILVER AWARD —

Buuteeq

*Location: Seattle | Employees: 90
buuteeq.com*

IT CAN BE TOUGH for a small or midsize hotel to make itself known, but this Ballard neighborhood startup helps give them the tools to compete. Using Buuteeq's cloud-based services for content management and marketing tools, any hospitality provider can gain a rich, global presence simultaneously on the web, mobile devices and social media, integrating directly with its own reservation system. Founded and led by former Microsoft executive Forest Keys, Buuteeq already serves more than 4,000 hotels and vacation rentals in nearly 40 countries, small but significant ripples in a very wide sea.

Simply Measured

Location: Seattle | Employees: > 50 | simplymeasured.com

YOU'RE NOT ALONE IN FEELING OVERWHELMED by the flood of posts on your Facebook or Twitter account. Businesses trying to track their own social media marketing campaigns have a hard time keeping up, too.

For the next step beyond web analytics, Simply Measured uses Big Data analysis methods to correlate activity across multiple social media platforms, such as Twitter, Facebook, Google+, YouTube, Instagram and others. If people are retweeting your link, and that's driving traffic to your Pinterest page, you will know that it's happening, and you will know when it's happening and why. From Simply Measured's variety of reports, companies can track the effectiveness of their initiatives, derive marketing intelligence and see competitive analysis in real time.

Only established since 2010 (under the mysterious moniker Untitled Startup), Simply Measured boasts a roster of customers that includes major brands like American Express, Major League Soccer, Fox, Microsoft and Samsung. It estimates that it processes nearly 1.4 billion posts each day for the benefit of more than 60,000 users.



Education Category. Jessie Woolley-Wilson is chair, president and CEO of DreamBox Learning.



EDUCATION

DreamBox Learning

Location: Bellevue | Employees: > 50 | dreambox.com

DREAMBOX LEARNING'S SOFTWARE THAT HELPS CHILDREN LEARN MATH is called "adaptive learning," but CEO Jessie Woolley-Wilson doesn't always like the label. "What we do," she clarifies, "is capture how kids are thinking."

That approach differs from most tutoring software, where the same lessons are dispensed at an adjusted pace. From how a child responds, DreamBox decides the best next lesson to present, for personalized instruction that ensures real comprehension. As Woolley-Wilson notes, "DreamBox learns the learner" much the way Netflix learns what kind of movies you like.

Paired with entertaining cartoon-like graphics, it is software that schools in 48 states plus the District of Columbia and three provinces of Canada now use to help teachers engage kids with an often troublesome subject. School districts have been pleased with the results, citing greater proficiency reflected in state tests.

While Dreambox's initial focus has been on mathematics, Woolley-Wilson foresees the technology being applied to other subjects as well. In today's global and information-driven world, she says, "We're helping to cultivate minds that will drive it and thrive in it, and learn how to learn."

JUDGES

TECH IMPACT
AWARDS 2013

ELON GASPER, vice president and director of research, Corum Group

ED LAZOWSKA, chair, UW Department of Computer Science and Engineering

MATT MCGILWAIN, managing director, Madrona Venture Group

SUJAL PATEL, former president, Isilon Storage Division at EMC

KEN MYER, partner, Vantage Point LLC

SEAN MACLEOD, president, Stratos Product Development



PURPLE PROS

Precept Wine CEO Andrew Brownne presides over the largest privately held wine company in the Northwest.

SERIOUS CRUSH

SOME PEOPLE
DON'T LIKE LABELS.
PRECEPT WINE
LOVES THEM —
AND KEEPS ADDING
MORE.

STORY *by*
JULIA ANDERSON

PHOTOGRAPH *by*
JOHN VICORY

FOR YEARS, CHATEAU Ste. Michelle was the single giant towering over a vast array of much smaller wineries in Washington. But through steady and aggressive acquisition of wineries and vineyards, Seattle-based Precept Wine has created a wine empire that may one day rival what is now Ste. Michelle Wine Estates.

Precept, which has spent an estimated \$100 million on acquisitions in the past decade, is the largest privately held wine business in the Pacific Northwest. (Ste. Michelle Wine Estates is owned by Altria Group, the former Philip Morris Companies, which is publicly held.) Precept owns 4,270 acres, seven wineries and 37 labels across Washington, Oregon and Idaho. Last year, it produced 950,000 cases of wine and generated \$52.8 million in sales, up from \$41.5 million in 2011. In the first quarter of this year, sales surged 30 percent from the year before.

TAKING ADVANTAGE of lower valuations during the recession and its aftermath, Precept acquired Canoe Ridge and Sagelands vineyards in Washington in 2011, Idaho's Ste. Chappelle Winery in 2012, and Yamhela Vineyard in Oregon as well as an orchard and vineyard now called Skyfall near Benton City this year. Its Waterbrook Winery has expanded the vineyard near Walla Walla from 85 to 140 acres, and this year the company launched Waitsburg Cellars in a partnership with Paul Gregutt.

Precept now has 12 core brands sold nationally and internationally, plus about two dozen regional, limited-run or exclusive-label brands produced for specific retailers. Over the years, it has brought many skilled winemakers into the fold, adding expertise and dimension to its offerings. With the acquisition of Willow Crest in 2008, Precept partnered with its founder and chief winemaker, David Minick, who is now Precept's vice president of vineyards and manages farm contracts as well as vineyard acquisition and management.

Precept has a strong offering of wines in the \$10 to \$20 price range. "One of the best wines I've tasted all year was Precept's Canoe Ridge Vineyard 2009 Cherry Street, Columbia Valley," says Eric Degerman, a wine writer at Kennewick-based GreatNorthwestWine.com.

NUMBER CRUNCHING
Precept Wine

Founded: 2003
Headquarters: Seattle
Ownership: Dan Baty and Andrew Browne
CEO: Andrew Browne
Vineyards: 17 encompassing 4,270 acres (3,200 in Washington, 600 in Oregon, 470 in Idaho)
Winemaking Facilities: 7
Tasting Rooms: 10
2012 Production: 950,000 cases
Labels: 37
Employees: 299 (268 in Washington)
2012 Revenue: \$52.8 million
2011 Revenue: \$41.5 million
2010 Revenue: \$36.3 million



Degerman describes Precept as a "pretty aggressive company with a lean and mean business model that keeps its marketing people busy."

Aggressive growth seems to be in Precept's DNA, or at least in that of its two owners, CEO Andrew Browne and Dan Baty. The two had worked together in the 1990s when they used acquisitions to build Corus Brands, which the Baty family owned and sold to Constellation

Brands in 2001. Dan Baty kept 2,400 acres of vineyard property and folded it into Precept, bringing Browne in to run the business.

"Precept is a regeneration of the same concept," says Michael Brustkern, managing director of Exvere, the Seattle mergers and acquisition company that handled the sale of Corus. Unlike Napa wineries, which tend to buy firms that sell product at the same price point as

PRECEPT'S SIZE GIVES IT PURCHASING POWER WHEN BUYING CORKS AND BOTTLES AS WELL AS MUSCLE TO GET A BROADER RANGE OF ITS PRODUCT INTO DISTRIBUTION CHANNELS.

PORTFOLIO

Brand Recognition

Precept Wine produces more than 30 brands, many of them regional and exclusive labels. Its core brands are shown in highlighted type on this page and the following pages.



their existing wines, Precept has built a portfolio of wines and vineyards that produce a large number of varietals at a broad range of price points. “It’s a credit to them. That’s a difficult thing to do,” says Brustkern. The advantage, he adds, is that Precept’s size gives it purchasing power when buying corks and bottles as well as muscle to get a broader range of its product into distribution channels.

Browne says he creates further economies of scale by linking the businesses he acquires to a single accounting system that tracks operations from vineyard to tasting room. Precept winemakers share production experience and ideas, marketing team members work on everything from packaging and label upgrades to better integrating vineyards or wineries with their surrounding communities. At Idaho’s Ste. Chapelle Winery, for example, Precept plans to “reinvigorate” the site by hosting more concerts and improving the grounds. “How we approach the harvest, the site, is easily a three- to five-year process,” Browne says. “It means change. ... Change can be hard, but our people embrace change.”

A KEY ELEMENT OF Precept’s strategy is securing acreage to accommodate its vineyards. “With generally higher commodity prices (for cherries, apples, hops and peaches), farmers have other options for what they grow,” Browne says. “Land purchases make sense because, over the horizon, we’re going to need more high-quality grapes.”

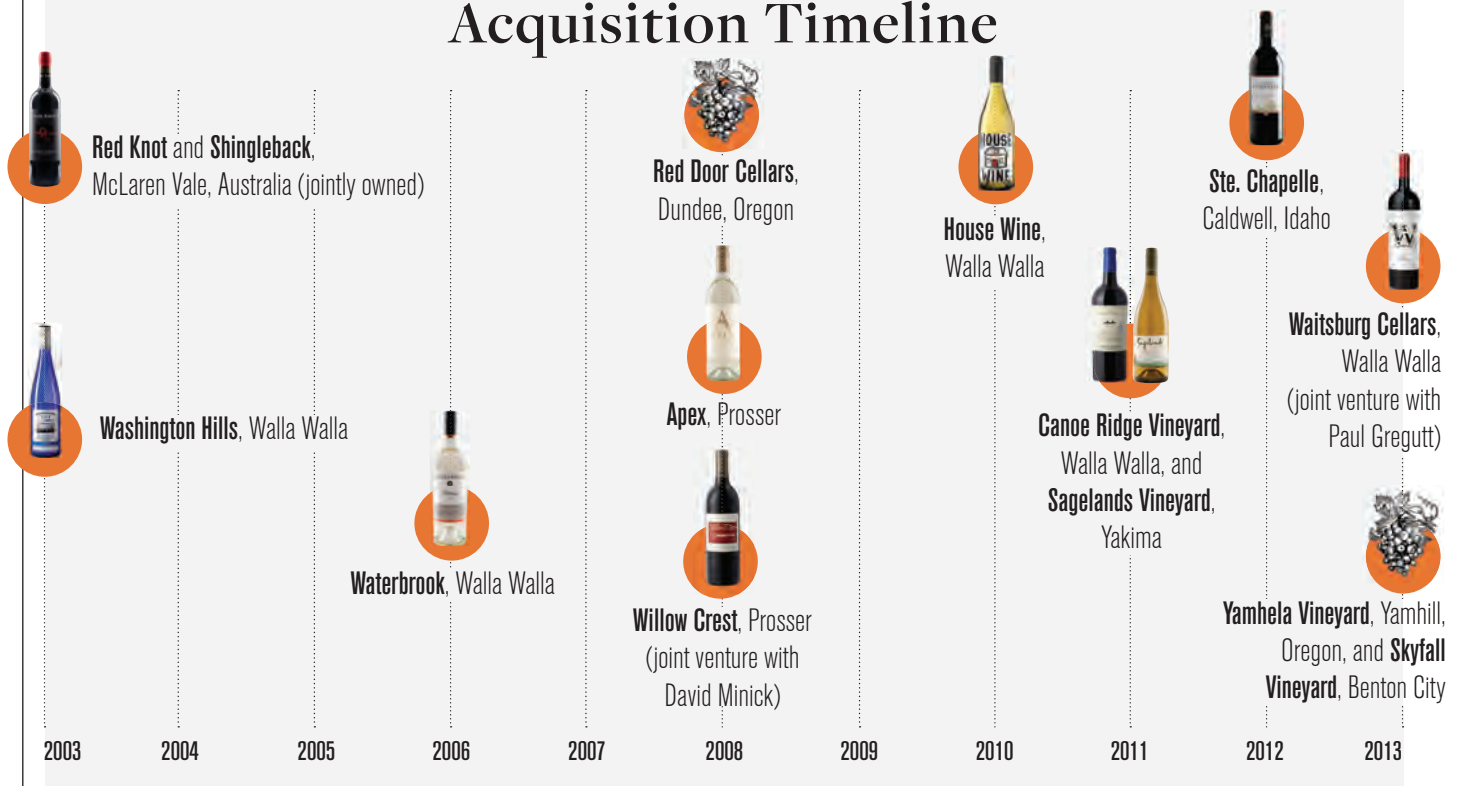


GRAPE NUT
David Minick, VP of vineyards, joined Precept with the acquisition of Willow Crest in 2008.



GROWTH STRATEGY

Acquisition Timeline



Analysts at Silicon Valley Bank, a major wine industry lender, see United States wine inventories “evolving into a state of shortage, increasing prices for grapes and bulk juice and increasing plantings to feed the looming grape shortage.”

California winemakers, also concerned about the impact of global warming on their vineyards, are scrambling for parcels in Washington and Oregon that still have the cool nights necessary to produce good wine grapes. Last year, California’s E. & J.

Gallo Winery purchased Columbia Winery and Covey Run Winery.

As California wineries expand into Washington, Precept is pushing north into Canada, where it plans to develop grape-growing real estate in the Surrey, British Columbia, area along the United States border.

“It’s a distinct location,” Browne says. “Once we license Precept Canada as a business entity, we will see grapes coming from the Okanagan Valley. We have

passports; we aren’t going to let a border get in the way of developing a dynamic relationship with consumers in B.C. The way to do that is to have a winery there.”

While competition for grapes may intensify, Steve Warner, executive director of the Washington Wine Commission, sees all wine producers benefiting from a strengthening market for wine in the United States. According to the Wine Institute, an advocacy group for California wine, American wine sales rose 2 percent

PORTFOLIO





BUY THE BUNCH

Acquiring land, such as the Yamhela Vineyard in Oregon, is fundamental to Precept's growth plan.

in 2012 to a record high of 360.1 million 9-liter cases with a total value of \$34.6 billion. California accounted for 58 percent of those sales. Washington was second, with 2012 sales of \$1 billion.

Warner sees "a lot of room for growth." While people in major wine centers of the world consume 10 to 13 gallons of wine a year, the 100 million wine drinkers in the United States consume on average three gallons a year.

Browne wants to bring a lot of that potential growth to Precept. By focusing relentlessly on marketing and distribution, he wants his labels to get more space on crowded store shelves and in fine restaurants around the world. "Consumers can be overwhelmed looking at wine shelves in the grocery store," he says. "Our challenge is to give our customers a great wine experience and win their loyalty."

Browne says Precept's luxury and bou-

tique wines are beginning to see some of the growth its lower priced wines had been experiencing during the recession. "We are very proud of the price for value of our wines," he says. "We think the pricing sweet spot will remain in the \$10- to \$20-a-bottle range for some time to come. But with roots in the Northwest, we can compete for value across all price points."

Precept has brought on a full-time "education director," who meets distributors almost weekly for on-site winery tours and tastings at Precept's locations. There also are visits with other key customers and consumer groups throughout the region.

Internal education is a must, as well, because staff must speak knowledgeably and enthusiastically about Precept wines, Browne notes. "It takes great people to articulate the proper message and excite the customer base."

Marketing partnerships are also important. This year, Precept is pairing Waterbrook Winery with Alaska Airlines and the University of Washington to help kick off the new Husky Stadium. Precept's House Wine was a partner at the Bite of Seattle and Taste of Tacoma. In late June, Precept partnered with the Hardware Store Restaurant on Vashon Island to open an all-keg wine-tasting room where customers can refill one-liter bottles.

Browne is relentlessly positive about the outlook for Northwest wine and for Precept. He believes that locking in vineyard production is the best way to ensure cost-effective business growth. Down the road, Browne would like to see Precept develop as a broader, well-known brand similar to Chateau Ste. Michelle. "There's a desire to do that. ... We would be proud to do that," Browne says. "[But] I've got a feeling that's a bigger mountain to climb than Rainier." **SB**



Dwayne Clark

FOUNDER AND CEO, AEGIS LIVING

Dwayne Clark grew up poor, but the lessons he learned helped him launch a successful chain of high-end senior homes with an entrepreneurial culture full of surprises.

YOUTH: I was the baby of the family. The greatest gift my mother gave me was confidence. We were dirt poor—she worked as a short-order cook—but she would say things like, “We’re just like the Kennedys. We’re Catholic and they’re Catholic. We’re Irish and they’re Irish.” It took the mystique out of it.

VULNERABILITY: There is a chasm between the CEO with the perfect education and the person who never finished high school. How does the CEO get the other guy to do what he wants? We talk about management by vulnerability. I talk a lot about growing up poor, working menial jobs, having had bad credit and being divorced—things CEOs don’t usually talk about. When people can identify with you, it breeds loyalty. Our turnover is the lowest in the industry.

Seattle Business Mag.com /CPA

Industry-Specific Resources For:

Commercial Businesses

Not-For-Profits

High-Net-Worth Individuals

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GIVING: We have what we call the Potato Soup Foundation. If you [an employee] can't eat, we'll feed you. If someone needs emergency dental surgery and can't afford it, we'll pay for it. Employees making \$11 to \$13 an hour will give 25 cents a week from their paychecks because we've created a culture of caring for each other. I also tell all my senior executives to ask everyone [we do business with] what they can do for our employees. The hair salon we contract with for our residents, for example, offers \$7 haircuts to our people.

HIRING: We'll bring in 14 people to be interviewed by four people. We'll divide them into small groups and tell them to choose a leader and ask them to solve a problem. We're looking for how people interact. Are they collaborative? Then we'll have people talk about [something emotional] and see who shows compassion. We ask them who they would hire other than themselves. The interviewees become interviewers. You get information you would never get in a formal interview.

EMPLOYEE MEETINGS: Eight years ago, I was watching Oprah [Winfrey] and I realized she was brilliant. She takes people's basic human needs, then finds the world's greatest experts to address them. That wins their loyalty. So, for the next employee meeting, we decided to do our own Oprah show. It's all about improving your life as a human being on the planet. We spend hundreds of thousands of dollars and have about one hundred employees and vendors attend. It's an emotional roller coaster. We've had Diane Keaton and Deepak Chopra. It goes on for three days. The people who come are charged with sharing that wisdom with the rest of the company. That has been a game changer for us. The first time I invited people to leave the company to follow their passion, four of my direct reports left. I thought I made a big mistake. But if you are not loving your job, why would I want you here? You are just a drone. And why would you want to be here? Life is too short. We call those meetings EPIC—Empowering People, Inspiring Consciousness.

INNOVATION: We have something called the Black Box Initiative. Not only are suggestions encouraged, they are rewarded. My wife and I scour the world for best practices of health. We've met with shamans, herbologists and Chinese medicine men. Once, in South Africa, we were given a special ginger and lemon tea. We felt so renewed, we started serving the hot ginger lemon tea at all our facilities in the winter. We are big believers in alternative medicine.

PRICING: There is a huge need for nursing facilities at the lower end, but how do you pay for it? If you look at the state rates for assisted living, they are the same as what I kennel my two dogs for—like \$2,300 a month. You can't get quality at those rates. What we've tried to do to address that issue

is to have communities that reach every bracket. So, a [retirement] home in Bellevue, where a piece of land might cost \$10 million, is costlier than the one in Lynnwood, where land is \$1.5 million.

FAMILY BUSINESS: I have a 7-year-old grandson who volunteers. My son is general manager of our Marymoor property. My daughter has been on the marketing side but she's moving into a new position as director of philanthropy. We are a family business in the small sense and in the large sense because that is how we run the business—like a family.

ALZHEIMER'S: My mom was the guiding light of my life. When she was 77, I started to see her condition deteriorate. When we moved her into Aegis, I went from being a CEO to a customer. That gave me a sensitivity to patients, which helped Aegis. It changed our game. It was like a master plan of God. I'm writing a children's book called *Saturdays with Gigi*. That's what the grandkids called my mom. My goal is to teach children about what happens to their parents or their grandparents when they get Alzheimer's.

SEATTLE: We have facilities in Los Angeles, San Diego and Las Vegas. Since I live here, I want Seattle to have the best senior living option in the United States. We have 12 operating properties in Puget Sound now and plan to have 25 to 27. We're opening facilities in Marymoor, Madison and Queen Anne. We'll soon have an all-Chinese and Chinese-American place in Newcastle. We have property in West Seattle, are negotiating sites in Green Lake and Edmonds, and are looking at the U District and Wallingford. We have 129 private investors and have never used any venture or institutional money. We've had people who have trusted us. And we've never failed.

COMPETITIVE ADVANTAGE: Because of economies of scale, I operate differently. I have a brand awareness advantage. I can offer better value. I can have the bread man stop at 20 places. I can run one ad for all our places. A few months ago, we rented the Georgetown Ballroom and had a big-band costume party for our residents. We bought the costumes for people to wear. We will even bring Alzheimer's people to this.

PEOPLE AND PLACES: The biggest advantage is that we try to dispel everything everybody believes about senior housing. It starts with the people. My CMO was the head of world marketing for Starbucks. My operations guy was at DoubleTree [Hotels]. My CFO was head of a multibillion-dollar hotel company. My chief medical officer ran hospitals. My VP of life enrichment was head of leisure activities for cruises. And our facilities look different. The Madison facility has a man cave with big-screen TV, a wine cellar and a sky lounge with a full bar that overlooks the water.

— Compiled and edited by Leslie Helm



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Risk vs. Reward

Increased data value presents opportunities and challenges for IT executives. **BY JON GACEK**



FROM SALES FORECASTS TO FINANCIAL information to employee records, data has always been important in any business. With significant growth in the quantity of data available and the ability to leverage and analyze it using new tools and technologies, data has assumed a much more valuable role in achieving strategic objectives.

IT leaders have different priorities when it comes to using data more strategically. For some, it's about finding new ways to generate revenue. Others talk about analyzing data to improve the customer experience. Still others focus on using data to achieve greater internal efficiencies.

While generating more revenue or profit is often the ultimate goal, it isn't always the main driving force and, for executives at noncommercial organizations, it typically isn't the focus at all. CERN, the European high-energy nuclear research organization, for example, developed better ways for researchers to retrieve and share the huge amount of data generated by its large particle accelerators.

Regardless of the different approaches to leveraging data, its increased strategic value has led most organizations to want to hold more and more data for a longer period of time, in some cases indefinitely. This reality has created a major challenge: how to store, manage and protect it all. The common view among many IT executives is that the technologies they have traditionally relied upon are not sufficient for the future.

Many current offerings don't provide the cost-effective scalability, performance and flexibility required in this new world of high data growth and value, and old approaches such as "just add another box" ultimately prove unmanageable. Users are often forced to make tradeoffs in trying to address their needs, with negative consequences that magnify over time.

Recognizing this, many organizations have already adopted or are actively ex-

ploring new solutions such as virtualization or cloud technology, which are not without challenges but still a significant improvement. I've also talked to IT executives intrigued by object storage, an extremely durable, highly scalable and cost-effective technology that provides a long-term archive from which data can be quickly retrieved. At the same time, there is an increasing recognition of the need to take better advantage of offerings that enable IT to balance data access needs and related costs with the value of data by moving it among various tiers of storage.

When it comes to adopting new technologies, I've sensed the tension IT leaders feel between securing data and unlocking its value. This issue of risk versus reward certainly isn't new, but what's changed is that the reward—or at least the potential reward—from leveraging data for strategic value simply can't be ignored. In fact, the demands on IT teams to make the sharing, mining and analysis of data easier will only grow, and it will involve more than just internal clients. Partnering to achieve greater scale is a common theme, and a key way to get additional benefit from such collaboration is by sharing more data with external partners.

All of this requires that IT executives reassess their policies, procedures and infrastructure, and remain open to making changes where necessary, which can cause concerns around security, disruption and cost. But facilitating the sharing and use of data more broadly doesn't have to mean giving up all control or taking unnecessary risks. The key is for IT and other senior leaders to work closely together to determine the right balance between risk and opportunity so that any concerns can be factored into decisions and addressed. **SB**

JON GACEK is president and CEO of Quantum, a Bellevue-based provider of data protection and Big Data management services.

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Making an Impression

Ten skills you need to land a STEM job. **BY MATT SAURY**

WHILE WASHINGTON STATE is number one in STEM (science, technology, engineering and math) job opportunities, our students aren't always making the grade to fill these positions. It's more important than ever that Washington students get a strong foundation in STEM education as well as other critical skills that will help them land these jobs.

Here are 10 skills students need to work on now to ensure their future success in STEM-related jobs.

1. CRITICAL THINKING. Tech leaders face problems every day and the course they choose to take in solving them can have

Employees who have a passion outside of the workplace are more productive and more satisfied with their work, as well as more physically healthy.

far-reaching implications. We look for candidates who have honed their critical thinking skills to make the best possible decisions. Early on in their education, students must learn to define and approach problems and situations from many different viewpoints and analyze every possible solution, as well as anticipate the consequences and outcomes of each option before taking action.

2. ANALYTICAL SKILLS. It's important for students to develop skills to analyze data sets and to understand how they relate to other data, systems and processes. The ability to synthesize and interpret complex information from multiple sources is a huge indicator of success in our business.

3. PROBLEM SOLVING. Efficiency and value are paramount for our clients, who want solutions that use the smallest amount of effort to the greatest effect and are able to solve multiple issues at the same time. In the interview process, we ask candidates how they would go about solving a hypothetical problem. This exer-

cise tells us whether they tend to layer on complexity or distill a problem down to its essence. An ideal job candidate demonstrates the ability to devise the simplest yet most effective solution.

4. INNOVATION. In an interview, we look for a candidate's willingness to take risks and offer creative, even quirky ideas. Ultimately, a fresh perspective and a spirit of inventiveness will outshine those that follow the same old path.

5. COLLABORATION. No employee is an island, so it's critical that job seekers develop skills they need to be team mem-

bers who can work with others toward a shared goal. Recent college graduates may not have extensive work experience to demonstrate this ability, but they can share a story about a time when they were part of a high-performing team or group at school or elsewhere. In an interview, talk about how you contributed directly to your team's success, how you learned from challenges of working with others and how your working style has evolved as a result. This information helps recruiters understand how well you will relate to and collaborate with others in the workplace.

6. COMMUNICATION. You may be a rock star in your technical field, but you'll be at a major disadvantage—as job seeker and employee—if you aren't able to communicate your ideas. Students should learn to convey complex ideas to people of varied backgrounds and job titles, including those who have less or more technical expertise than they do.

7. CUSTOMER ORIENTATION. The most successful businesses make the customer's

needs priority number one. Our employees are invested in creating a meaningful experience for each customer while designing solutions that help them achieve their goals today and 10 years from now. They use the same skills we encourage STEM graduates to focus on: active listening to understand the client's needs, and going above and beyond the call of duty when it comes to customer service.

8. ADAPTABILITY. It's almost impossible to stay up to the minute with all of the skills and systems you'll need to be effective as you move from college to career, or when you land a job at a new company. What you can do is show how you have gained knowledge and new abilities quickly in past positions, and offer evidence of continual career development, such as recent education, certifications, promotions and training courses.

9. SOCIAL RESPONSIBILITY. We look for candidates who share our values and who can demonstrate consistency with those values in their decisions, their actions and the way they work with others.

10. BALANCE. Employees who have a passion outside of the workplace are more productive and more satisfied with their work, as well as more physically healthy. We love it when job applicants use these types of activities to demonstrate qualities we're looking for, such as teamwork, leadership or perseverance.

Finally, Salvador Dali said, "Intelligence without ambition is a bird without wings." All the knowledge and technical training in the world will get you nowhere unless you have optimism and ambition driving you every day. These powerful forces are contagious in the workplace. **SB**

MATT SAURY is CEO of Wimmer Solutions, a Seattle-based consulting, staffing and managed services firm.

DRINK>

From the Grapevine

TWO OUTSTANDING WASHINGTON WINES.

A PANEL OF JUDGES deemed these the best red and white Washington wines this year for *Seattle* magazine's annual Washington Wine Awards issue. (Discover more at seattlemag.com.)

— Shannon Borg

WHITE WINE OF THE YEAR

Lullaby Viognier 2010, Walla Walla Valley, \$35

Virginie Bourgue understood the concept of “wines of place” from an early age. In college, she studied viticulture and enology in her native France, ultimately earning a master's degree in enology in Champagne. She made wine for Bergevin Lane and at Cadaretta in Walla Walla, and had the chance to oversee the planting of new vineyards south of town for Cadaretta before starting her own label, Lullaby Winery. Now she works with winegrowers in the Walla Walla American Viticultural Area to source the best fruit and make sure it is grown, pruned and harvested to her specifications. The results are in: Her wines have a restrained elegance that lets the fruit and minerality shine without being too fruity or too lean. This Viognier charmed our judges with its “rounded balance” and “long finish,” suggesting notes of lemon curd and white peach—all characteristics of a well-made Walla Walla Viognier. Once a *Seattle* magazine Wine-maker to Watch, Bourgue is now at her best.

RED WINE OF THE YEAR

Avennia 2010 Arnaut Syrah, Yakima Valley, Boushey Vineyard, \$45

This wine rose to the top of its flight for its “beautiful nose” of ripe raspberry, cherry and spice, with a “vivacious” brightness and long finish. Although it is winemaker Chris Peterson's first vintage for the Avennia label, which is based in Woodinville, he made the right choice in working with fruit from Boushey Vineyard of Yakima Valley. Peterson, who made wine at DeLille Cellars for seven years, chose to use native airborne yeasts rather than adding yeast to the wine, and bottled it without fining (adding an agent to make the wine clearer) or filtering, thus preserving more of the tiny bits of grape skins and lees that will continue to add body and flavor to the wine as it ages. Peterson feels this method of minimal manipulation lets the signature of place shine through and creates “wine with a voice.” We hear it singing!



FORE! (ever in your debt) Huge and heartfelt thanks go out to the over 250 local business leaders, friends and family who helped our golf invitational raise \$50,000 for local charities, including \$25,000 for Habitat for Humanity — King County and \$25,000 for Wellspring Family Services. We'd hit the links with you anytime. We'd also like to thank our many other business sponsors for their generous donations, and of course, the guy who drove the beverage cart.



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Naan Believer. Shanik owner Meeru Dhalwala promises food that is "creative and daring."

DINING >

Shanik

CO-OWNER OF LEGENDARY VIJ'S OFFERS SOPHISTICATED INDIAN CUISINE IN SOUTH LAKE UNION.

AS YOU ENTER SHANIK, a steaming cup of chai tea is offered, a first hint of the graciousness of the service at the city's most anticipated restaurant opening this year. Meeru Dhalwala, co-owner with her husband, Vikram Vij, of the illustrious Vij's in Vancouver, British Columbia, has created a sophisticated setting for her enchanting curries and layered flavors. This is Indian food unlike any we've had before, quietly thrumming with heat and paired with silky smooth basmati rice scented with cumin seed and sweet, soft onions. One moment you'll ride the high notes of a saffron-infused tamarind curry bathing tender grilled chicken (\$21); in another, you'll taste again and again the turmeric-laced coconut sauce beneath gamey lamb chop "popsicles" (\$27), trying to discern each of its elusive pleasure points. You'll swoon over the saag paneer (spinach with fresh cheese, \$24). Make space for a bite of gulab jamun (\$7), which are like freshly fried doughnuts that arrive at the table cloaked in a warm cardamom syrup. It's early yet, but Shanik is quite seductive so far. *Lunch takeout Monday–Friday, dinner Monday–Saturday. South Lake Union, 500 Terry Ave. N; 206.623.3576; shanikrestaurant.com*

— Allison Austin Scheff

OCTOBER DATEBOOK >

10/1

Clive Thompson: Technology Is Improving Our Minds

TOWN HALL SEATTLE/UNIVERSITY BOOK STORE • The author of *Smarter Than You Think* believes the internet age has produced a new kind of intelligence that is changing our minds—and our lives—for the better, regardless of what the doom-sayers claim. 7:30 p.m. \$5. Town Hall Seattle, 1119 Eighth Ave.; 206.652.5858; townhallseattle.org.

10/4

131st Annual Meeting

SEATTLE METROPOLITAN CHAMBER OF COMMERCE • Hear from innovative companies, discuss what constitutes a global city and explore the kinds of leadership necessary to achieve “Seattle 3.0.” The annual meeting is the largest gathering of Seattle Metro Chamber of Commerce members and one of the finest networking opportunities of the year in the Puget Sound region. Chamber membership is required. Noon–1:30 p.m. \$90. Westin Seattle Hotel, 1900 Fifth Ave.; 206.389.7215; seattlechamber.com.

10/16

State of the Green Economy

GREATER SPOKANE INCORPORATED • This fifth annual installment centers on clean technology, climate change and job creation. Governor Jay Inslee keynotes. 3–6 p.m. \$20–\$30. The Davenport Hotel, 10 S Post St., Spokane; 509.321.3630; greaterspokane.org.

10/16-18

Leadership Conference 2013

SEATTLE METROPOLITAN CHAMBER OF COMMERCE • Join regional leaders as they process benchmark data gathered by Boston Consulting Group to generate a more complete understanding of the region’s relative global competitiveness, adopt a strategy to address opportunities and challenges identified by the data, and seek the commitment of attendees to participate in a specific set of action items. Times vary. \$1,250 through Sept. 27, \$1,350 through Oct. 7, \$1,450 after Oct. 7 (includes hotel accommodations, meals and conference materials). Suncadia Lodge, 3600 Suncadia Trail, Cle Elum; 206.389.7215; seattlechamber.com.

10/29

Green Washington Awards

SEATTLE BUSINESS MAGAZINE • Celebrate the companies whose leaders understand there’s an economic impact to environmental conscientiousness. Also, find out if your firm made this year’s Washington Green 50 list. 6–9 p.m. \$150. Washington State Convention Center, 800 Convention Place, Seattle; 206.452.2959; seattlebusinessmag.com.

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Please, Mr. Post Man

NEWSPAPER MAGNATE JEFF BEZOS RARELY TALKS TO THE MEDIA, SO PERHAPS WE CAN GLEAN SOMETHING FROM EARLIER PRONOUNCEMENTS.

BY JOHN LEVESQUE

IF YOU LIKE HOW THE MEDIA cover the media – and who doesn't enjoy journalists talking about journalism? – you can appreciate how coverage of *The Washington Post's* purchase by one Jeffrey P. Bezos should easily win the Bloviator Award for much ado about a guy going out to get a paper.

Weeks after the purchase was announced, media people were still weighing in on the impact of Amazon.com's CEO owning something so quaintly antiquated. The sale even received the imprimatur of *The Daily Show*, making it officially newsworthy among the hip and sardonically inclined.

Yet no one knows what Bezos really plans to do with the *Post*. Using it to wrap fish for delivery by AmazonFresh trucks seems entirely plausible. But anyone bent on world domination, as Bezos seems to be, probably has bigger plans. The problem is that Bezos isn't saying. Even *The Washington Post* got a terse "no comment" when it approached Bezos for details on his plans for the paper.

The New York Times, in its own cover-

age of the acquisition, had a little fun with Bezos's chronic publicity shyness, quoting James Marcus, an early employee of Amazon who is now executive editor of *Harp-er's* magazine, as saying, "Every story you ever see about Amazon, it has that sentence: 'An Amazon spokesman declined to comment.'" *The Times* followed Marcus's observation with a cheeky: "Drew Herdener, an Amazon spokesman, declined to comment."

Given Bezos's reticence, we thought it might be helpful to conduct an imaginary interview with him. His illuminating responses are taken directly from his annual letter to Amazon shareholders. Here, then, is Jeff Bezos in his own words:

Where did you get the idea to buy *The Washington Post*?

... at a Florida beach.

Tell us about your plans for improving delivery of the *Post*.

Our passion for pioneering will drive us to explore narrow passages, and, unavoidably, many will turn out to be blind alleys.

How would you like readers and subscribers to evaluate this "pioneering" *Washington Post*?

We want to be weighed, and we're always working to build a heavier company. **How much does the company weigh right now?**

... 159 ...

I would have guessed more. Where does it like to work out?

... on the upgrade treadmill.

As the new owner of a heavy newspaper, what do you see as your principal role?

Proactively delighting customers ...

In what way?

... using four-year-old Kindles.

Don't you ever get tired?

I can keep going ...

What keeps you going?

... the drive to get the customer to say, "WOW!" ...

You seem to have the passion of a zealot.

Are you a religious man?

I am incredibly lucky to be a part of this large team of outstanding missionaries ...

Any thoughts on how you plan to deal with the *Post's* employees?

Imagine how you'd like it if you were paid twice a year.

I'm not sure I would. Is this part of your goal looking forward?

... I think long-term thinking squares the circle.

What does that mean?

... we don't wait for external pressures.

Come again?

We invent before we have to. These investments are motivated by customer focus rather than by reaction to competition.

So what sort of improvements can we expect at your *Washington Post*?

... poor video playback ...

Any other goals?

... to sell premium hardware at roughly break-even prices.

Anything else?

... to make the entire *Harry Potter* series available ...

Interesting. What did the Graham family say when your people said you were interested in buying the *Post* for \$250 million?

... they're paying us more than they need to.

And your response?

What a great way to do business! [SB](#)

JOHN LEVESQUE is the managing editor of *Seattle Business magazine*.



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Mike Monroe
Chief Operating Officer
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We represent hundreds of companies. Do you have a plan that works for all of them?

The Washington Technology Industry Association serves more than 600 businesses – from start-ups to large tech companies – that employ over 100,000 workers. We worked with Mike to explore the comprehensive health coverage Regence BlueShield could provide to such a sizeable organization with diverse member needs. Together, we built a flexible, high-quality benefits package full of choice and options.

– Paul, Regence BlueShield Director of Account Management



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