

There's a growing concern among Seattle-area business leaders that they are seeing a once mutually beneficial partner relationship between Alaska Airlines and Delta Air Lines changing to one in which Delta seems to be moving from partner to predator.

There is an obvious agreement within the business leadership that losing Alaska would be a significant blow to the economies of Seattle and the state. And that is leading many toward a conviction that the business community can't merely stand on the sidelines to watch to see what the outcome is of a battle between the world's second largest airline and hometown Alaska.

Thus if those expressing such concerns are accurate, then Seattle will need to shed its "Seattle Nice" image for a time to forcefully take a position in support of Alaska.

"The business community must take sides in this and do so forcefully and visibly and an important part of its message is that Delta is actually not good for Seattle," suggests Joseph Schocken, president of Broadmark Capital, a successful Seattle boutique merchant bank that focuses on emerging companies.

"Delta is anti-Boeing, and thus anti-Seattle, with both its dollars and its political clout," Schocken said. "With its dollars, it buys Airbus planes rather than Boeing's and with its political clout it opposes the Ex-Im bank that is important to Boeing's success," he added.

As I talked with various people in the business community, there was an expression of the need to have a pro-Alaska effort, even a forceful one, but not an Anti-Delta one, lest that generate sympathy for the Atlanta-based airline since it is a very successful airline that employs a large number of people and successfully serves parts of the region's air-carrier needs.

Yet as each got into the competitive aspects of the issue, comments frequently turned from support of Alaska to negative on Delta.

As business people discuss this Alaska-Delta struggle, there is a logical defense of free-markets competition but a dark view of competitors who turn predators. And I detected growing sense that predator is what Delta's competition with Alaska has devolved into.

One who best summed up the competition issue was John Fluke, whose family's business leadership, investment focus and philanthropic involvements are widely known and respected, who said: "The notion of free markets and competition are absolutely necessary to the success of our economic system and the effort to gain advantage over competitors, ethically pursued, benefits customers."

But Fluke suggested that the current competitive activities amount to Delta "abusing" the definition of competition, saying "its tactics with everything from current pricing to their philanthropic outreach with nonprofits here are likely to last only as long as it takes to drive Alaska into submission."

"If that happens, then airline tickets will eventually cost more, route structures will become less accommodating and Delta's support of important philanthropic causes will be lower and that would be abusing the real meaning of competition," he added.

Woody Howse, whose Cable & Howse Ventures basically launched the venture-capital industry in this region, exemplified the enthusiasm of Alaska supporters when he said "Alaska Airlines is

one of the most community minded, customer serving and socially contributing corporations in our region.”

But his comments also quickly turned against Alaska’s challenger, noting his view that “Today Alaska Air is being attacked vigorously by the Carpet Bagger Delta Airlines, coming to town with Airbus (not Boeing) airplanes and viciously attacking the Alaska Air routes with competing schedules. Our Northwest Community must band together and support the company that has so supported us through the good as well as difficult times.”

“With Delta’s current actions and apparent ulterior motive in Alaska’s hometown hub, engaging in a process intended to squeeze Alaska Airlines with the objective of acquiring, we customers need to be very alert to the probable outcome if Delta is successful,” Howse added.

Mike Kunath, principal and founder of Kunath, Karren, Rinne & Atkin LLC, a successful Seattle investment advisory firm, summed it up succinctly as: “Alaska has been a true supporter of the region. Delta never will be.”

Herb Bridge, longtime Seattle civic leader and philanthropist as well as chairman and CEO of Ben Bridge Jeweler for several decades before guiding the company into acquisition by Warren Buffet, notes that corporate acquisitions themselves are not evil.

"It is possible for an important local company to be acquired in a way that allows it to retain local control and oversight, as happened with our acquisition by warren Buffet,” Bridge said. “But when the acquisition is pursued in a predatory rather than a friendly manner, not only the shareholders of the pursued company but the community it serves are losers. There is nothing beneficial about Delta’s pursuit of Alaska."

Alaska CEO Brad Tilden, retired CEO Bill Ayer and board members are reluctant to get into any Delta-bashing conversation, preferring to focus on Alaska positives.

Ayer, who as Alaska chairman and CEO for a decade before retiring in early 2012 guided the carrier through some of the industry’s most tumultuous times, told me “The question of whether Alaska could remain independent has been raised for decades.”

“Our response was that a locally based, independent airline was better for customers, the community, employees, and investors. While there were no guarantees of remaining independent, all we could control was our own performance, and our chances were much better if we did a great job for each of those stakeholders,” he said.

And as Tilden puts it, “The transformation over the last decade has been all about cost. We’re trying to balance low fares and lots of service to the destinations (passengers) want, with a strong and successful company that can grow and buy new airplanes and has the capital to add new services.”

The financial results are impressive as the parent company for Alaska Airlines and its regional sister carrier Horizon Air made a record \$508 million profit in 2013, and the stock continued a steep ascent to five times its value from just five years ago.

For as Schocken summed it up: “There needs to be a real corporate campaign to encourage flying Alaska, discouraging flying Delta and make it unpleasant, hurting Delta’s bottomline so Anderson decides that not only isn’t it going to be as he thought, but shareholders and board members are getting unhappy.”

Evidence that neither Fluke, Howse nor any of those who echo similar sentiments about Delta targeting Alaska are out of line is Delta’s own home page where it headlines “Exclusively for Seattle, 2x miles all year long.”

But Delta’s sharpest critics could suggest with a smile that what happens when you click on that link on Delta’s home page might prophetically point to where Delta would be for Seattle if they were to push Alaska into a merger. The click leads to a page that says “the requested page could not be found.”