

# The Trends 50-1988: Alaska's 50 Largest Private Employers

By Neal Fried and Holly Stinson

**T**he Trends 50, Alaska's 50 largest private employers, are a diverse group. (see Table 1.) They represent employers such as Union Oil of California, which shows up in the nation's Fortune 500 Group, along with the Salvation Army, a social service agency. Their size varies from Atlantic Richfield (ARCO) with 2,774 employees to Our Lady of Compassion Care Center with 315 employees. Every industry in the private sector except construction is represented in the Trends 50.

## Employers Enjoyed 3% Growth in 1988

In 1988 the Trends 50 employers had a better year, employment-wise, than in 1987. Collectively, their employment forged ahead by 3% after experiencing a 2% decline in 1987. Their recovery was more robust than Alaska's overall employment picture which grew by only 1% in 1988.

## Trends 50 Employ More than 31,500

Although they represent less than 1% of all the employers in the state, the Trends 50 are a dominant force on Alaska's employment scene. On an annual basis, Alaska's 50 largest private firms employ a total of 31,871 employees. They are responsible for 22% of the private sector wage and salary jobs. If Alaska's government jobs were included, the Trends 50 would still represent 15% of all wage and salary employment.

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## Trends 50 Pay More Than The Average Employer

Since Alaska's largest firms account for 22% of private sector jobs, it might be assumed that they account for a similar percentage of private sector payroll. However, the Trends 50's total payroll is an even higher share because their wages tend to be above average. In 1988, the Trends 50's \$1.1 billion payroll represented 29% of all private sector wages. Likewise, adding in the government sector, their share of total payroll was proportionately higher (18%) than their share of the jobs (15%). The Trends 50's share of employment and wages has remained relatively stable over the past three years.

## Most Large Employers Are Not Alaskan-Owned or Alaska-Based

A majority (32) of the Trends 50 employers are not locally based or owned. For example, BP Exploration's U.S. headquarters are in Cleveland, but they have operations worldwide. Carr-Gottstein and VECO Inc. are the only locally-based companies represented in the top five. However, the size of locally-owned and locally-based firms varies considerably as Table 2 attests.

## Anchorage Is Usually Home Base . . .

Thirty-seven of the largest employers have either their Alaska headquarters or their largest site in Anchorage. All of the retail companies, financial institutions, oil firms, and transportation companies are headquartered in Anchorage. Five of the state's largest employers involved in the timber and fishing industries are headquartered in Southeast. There is a sprinkling of others in such geographically

Table 1

**Alaska Economic Trends**  
**ALASKA'S TOP 50 EMPLOYERS**  
 (Based on 1988 average employment)

1988 Rank	1987 Rank	Firm and Headquarters or Largest Site (Business Activity)	1988 Average Employment	1988 Rank	1987 Rank	Firm and Headquarters or Largest Site (Business Activity)	1988 Average Employment
1	1	ARCO Alaska Inc., Anchorage <i>Oil &amp; Gas Production</i>	2,774	14	14	MarkAir, Anchorage <i>Air Carrier</i>	698
2	2	Carr-Gottstein Inc., Anchorage <i>Retail-grocery</i>	2,378	15	*	Westmark Hotels Inc., Anchorage <i>Hotel</i>	666
3	3	Providence Hospital, Anchorage <i>Hospital</i>	1,650	16	19	Icicle Seafoods Inc., Petersburg <i>Seafood Processing</i>	653
4	4	BP Exploration Inc., Anchorage <i>Oil &amp; Gas Production</i>	1,375	17	13	1st Nat. Bank of Anchorage, Anchorage <i>Banking</i>	628
5	6	VECO Inc., Anchorage <i>Oil Field Services</i>	1,003	18	17	Humana Hospital Alaska Inc., Anchorage <i>Hospital</i>	595
6	7	Safeway Stores Inc., Anchorage <i>Retail-grocery</i>	932	19	20	Fred Meyer Shopping Centers, Anchorage <i>Retail-general merchandise</i>	582
7	10	National Bank of Alaska, Anchorage <i>Banking</i>	926	20	15	Alaska USA Fed. Credit Union, Anchorage <i>Credit Union</i>	540
7 <sup>th</sup>	5	Lutheran Hospital & Homes Society, Fbks <i>Health Care</i>	926	21	22	Sears, Roebuck & Co., Anchorage <i>Retail-general merchandise</i>	494
9	8	Alyeska Pipeline Service Co., Anchorage <i>Pipeline</i>	891	22	24	Nordstrom Inc., Anchorage <i>Retail-general merchandise</i>	489
10	12	Ketchikan Pulp Mill, Ketchikan <i>Pulp &amp; Lumber Products</i>	862	23	*	Alliance Bank, Anchorage <i>Banking</i>	468
11	9	Alascom Inc., Anchorage <i>Telephone Communications</i>	822	24	23	Union Oil Co. of California, Anchorage <i>Oil &amp; Gas</i>	453
12	11	Alaska Airlines Inc., Anchorage <i>Air Carrier</i>	803	25	39	International Seafoods of Alaska, Kodiak <i>Seafood Processing</i>	445
13	18	Trident Seafood Corp., Dutch Harbor <i>Seafood Processing</i>	750	26	27	J. C. Penney Co., Anchorage <i>Retail-general merchandise</i>	435

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## Alaska Economic Trends

### ALASKA'S TOP 50 EMPLOYERS

(Based on 1988 average employment)

1988 Rank	1987 Rank	Firm and Headquarters or Largest Site (Business Activity)	1988 Average Employment	1988 Rank	1987 Rank	Firm and Headquarters or Largest Site (Business Activity)	1988 Average Employment
27	30	Alaska Pulp Corporation, Sitka <i>Pulp &amp; Lumber Products</i>	425	39	21	Sea Land Freight Services, Anchorage <i>Truck &amp; Warehousing</i>	362
28	37	Tanana Chiefs Conference Inc., Fairbanks <i>NonProfit Services</i>	400	40	41	Dynair Service Inc.**, Anchorage <i>Transportation Service</i>	352
29	40	Salvation Army Alaska Division, Anchorage <i>NonProfit Services</i>	398	41	*	North Pacific Processors, Cordova <i>Seafood Processing</i>	348
30	*	Klukwan Forest Products, Juneau <i>Logging</i>	397	42	38	Anchorage Times Publishing, Anchorage <i>Newspaper</i>	343
31	36	Alaska Commercial Company, Anchorage <i>Retail-general merchandise</i>	380	43	45	Wrangell Forest Products, Ltd., Ketchikan <i>Wood Products</i>	342
32	*	ERA Aviation Inc., Anchorage <i>Air Carrier</i>	379	44	tie *	Wards Cove Packing Co. Inc., Naknek <i>Seafood Processing</i>	337
33	34	Captain Cook Hotel, Anchorage <i>Hotel</i>	378	44	tie *	Fairbanks Enterp. Partnership, Anchorage <i>Retail-eating establishments</i>	337
34	33	Anchorage Daily News, Anchorage <i>Newspaper</i>	374	46	tie 43	Chugach Electric Assoc. Inc., Anchorage <i>Electric Utility</i>	326 <sub>5</sub>
35	35	Burger King, Anchorage <i>Retail-eating establishments</i>	371	46	tie *	Key Bank of Alaska, Anchorage <i>Banking</i>	326 <sub>5</sub>
36	31	Lamonts Inc., Anchorage <i>Retail-apparel</i>	369	48	*	Alaska Petroleum Contractors, Anchorage <i>Oil Field Services</i>	324 <sub>4</sub>
37	29	Felec Services Inc., Fairbanks <i>Radar Station Operator</i>	364	49	42	Anchorage Westward Hilton, Anchorage <i>Hotel</i>	323 <sub>3</sub>
38	*	Yukon Kuskokwim Health Corp., Bethel <i>Health Care</i>	363	50	44	Our Lady of Compassion Care Ctr., Anch. <i>Health Care</i>	315 <sub>5</sub>

\* New Firms in 1988 Top 50

\*\*Name change from Servair in late 1987

Table 2

## Top 50 Companies Owned and Based in Alaska

### Top 50 Rank

2	Carr-Gottstein Inc.	2,378
5	VECO Inc.	1,003
7	National Bank of Alaska	926
14	MarkAir	698
17	First National Bank of Anchorage	628
20	Alaska USA Federal Credit Union	540
23	Alliance Bank	468
28	Tanana Chiefs Conference Inc.	400
30	Klukwan Forest Products	397
33	Captain Cook Hotel	378
35	Burger King	371
38	Yukon Kuskokwim Health Corp.	363
42	Anchorage Times Publishing Co.	343
43	Wrangell Forest Products Ltd.	342
44	Fairbanks Enterprises Partnership	337
46	Chugach Electric Association Inc.	326
48	Alaska Petroleum Contractors Inc.	324
49	Anchorage Westward Hilton Corp.	323

Source: Alaska Department of Labor, Research & Analysis

Movement among the Trends 50 reflects the mid-80's recession.

diverse areas as Bethel, Dutch Harbor and Fairbanks.

### ... But Trends 50 Have Worksites Throughout The State

The Trends 50 employers' presence are felt throughout the state. Almost all have operations in more than one location, and these locations include more than 50 Alaska communities. For example, National Bank of Alaska's 926 employees worked in 32 sites. Alascom's 822 employees were stationed in 48 different communities while Alaska Commercial Company staff were in 21 locations. By contrast, there are a few employers whose staff all work in one community, such as Providence Hospital's 1,650 employees or The Captain Cook Hotel's 378 employees who are all based in Anchorage.

### All Industries Except Construction Included in Trends 50

The Trends 50 are not only geographically diverse but they also cover most sectors of the economy. This year's list includes firms involved in mining, manufacturing, T.C.U. (transportation, communications and utilities), trade, finance and services. (see Figure 1) The construction sector, represented by one firm in the last July's Trends 50 article, is the only industry missing from this year's list.

### Service and Manufacturing Sectors Lead the List

The services sector is tied with manufacturing for having the most companies (11) in the Trends 50. This is not surprising considering that jobs in the service industry are 30% of all private sector employment. Services accounted for the second-highest employment (6,378) among the Trends 50. However, these 11 firms account for only 15% of total services employment, the smallest industry share of any Trends 50 category. (see Figure 2)

Large service employers include three hotels, two nonprofit organizations, and a radar station operator. A commentary on the mid-80s recession can be obtained by observing the movement of certain companies in the Trends 50: one service organization, the Salvation Army, steadily moved up in the Trends 50 rankings — #50 in 1986, #40 in 1987, #29 in 1988. During the same period, Spenard Builders, a retailer serving the construction industry, steadily declined — #27 in 1986, #46 in 1987, out of the Trends 50 in 1988.

Five service employers in the Trends 50 deliver health care. Together, they employ more than 40% of all workers in the health care industry. Because of the nature of the service they provide, these firms employ staff on an around-the-clock basis. Staffing three shifts a day, every day of the year, shows up in the statistics: Anchorage's two private hospitals — Providence and Humana — along with the Fairbanks-based Lutheran Hospital rank in the top 20 of the Trends 50 list for the 4th year in a row.

## TRENDS 50 EMPLOYERS BY INDUSTRY



## MINING

ARCO Alaska Inc.  
BP Exploration Inc.  
VECO Inc.  
Union Oil Co. of California  
Alaska Petroleum Contractors Inc.

FINANCE,  
INSURANCE & REAL ESTATE

National Bank of Alaska  
First National Bank of Anchorage  
Alaska USA Federal Credit Union  
Alliance Bank  
Key Bank of Alaska

TRANSPORTATION,  
COMMUNICATION & UTILITIES

Alyeska Pipeline Service Co.  
Alascom Inc.  
Alaska Airlines Inc.  
MarkAir  
ERA Aviation Inc.  
Sea Land Freight Services  
Dynair Services Inc.  
Chugach Electric Association Inc.

## TRADE



Carr-Gottstein Inc.  
Safeway Stores Inc.  
Fred Meyer Shopping Centers  
Sears, Roebuck & Co.  
Nordstrom Inc.  
J. C. Penney Co.  
Alaska Commercial Company  
Burger King  
Lamonts Inc.  
Fairbanks Enterprises Partnership



## SERVICES

Providence Hospital  
Lutheran Hospital & Homes Society  
Westmark Hotels Inc.  
Humana Hospital Alaska Inc.  
Tanana Chiefs Conference Inc.  
Salvation Army Alaska Division  
Captain Cook Hotel  
Felec Services Inc.  
Yukon Kuskokwim Health Corp.  
Anchorage Westward Hilton Corp.  
Our Lady of Compassion Care Center

## MANUFACTURING



Ketchikan Pulp Mill  
Trident Seafoods  
Icicle Seafoods  
International Seafoods  
Alaska Pulp Corp.  
Klukwan Forest Products  
Anchorage Daily News  
North Pacific Processors  
Anchorage Times Publishing Co.  
Wrangell Forest Products  
Wards Cove Packing Co.

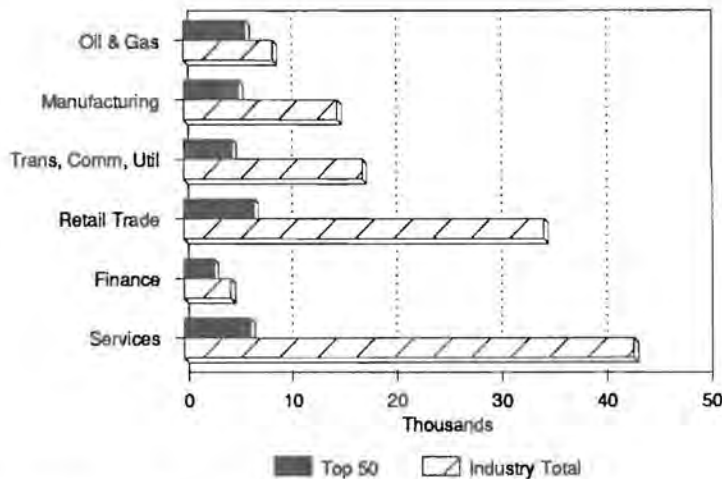
Nine of the 11 manufacturing firms in the Trends 50 deal with timber and fish. The four companies producing lumber and paper products employ over half of all workers in this sector. The five seafood processors in the Trends 50 account for 1/3 of total seafood processing employment. The two daily Anchorage newspapers make up the rest of the manufacturers in the Trends 50 for 1988. As a group manufacturing increased their share of Trends 50 employment to 17% (see Figure 3) from 12.3% in 1987.

Mining and Finance  
Sectors Small but Mighty

The two industries with the smallest number of firms in the Trends 50 are mining and finance-insurance-real estate (F.I.R.E.). However, they are also two of the smallest sectors, employment-wise, in Alaska's economy. In 1988, mining and F.I.R.E. made up, respectively, 6.5% and 7.3% of all nongovernment employment.

Figure 2

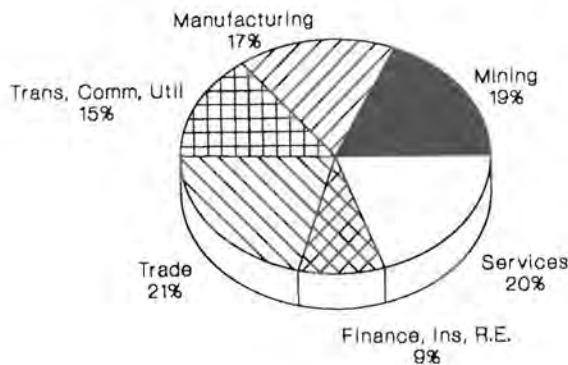
### Industry Employment Top 50 and Total — 1988



Source: Alaska Department of Labor, Research & Analysis

Figure 3

### Top 50 Employment by Industry — 1988



Source: Alaska Department of Labor, Research & Analysis

The five firms in the finance, insurance and real estate industry are either banks or credit unions. They account for 65% of all employment in the finance portion of this industry. Three of the firms — National Bank of Alaska, First National Bank of Anchorage, and Alaska USA — have consistently appeared in the Trends 50 since it was first published in 1985. The other two — Alliance and Key Bank of Alaska —

were formed by mergers and reorganization of other banks. As such, they reflect the turmoil seen in Alaska's financial industry in the past three years. This turmoil continued into 1989 with the closing of Alliance in April.

The largest private employer in 1988 came from the oil and gas sector of the mining industry. ARCO Alaska Inc. had the highest annual average employment at 2,774. They also ranked number one in each of the prior three years. The other four Trends 50 employers from the mining industry are also in the oil and gas sector. These five companies dominate the oil and gas industry, providing 62% of its jobs. The oil field service company VECO Inc. has steadily climbed in employment and ranking, from 11 in 1985 to 5 in 1989. Although no hard rock mining companies are listed, this may change in the future if the current boom in hard rock mining continues.

### Transportation and Trade Round Out the Trends 50

The eight firms in the transportation, communications and utilities category are a varied group. Half are air carriers or linked to the air industry. This is not surprising in a state so reliant on air transportation, whose largest city bills itself as the "Air Crossroads of the World".

Nine firms in trade — more specifically, retail trade — round out the Trends 50 employers. All nine have appeared in the Trends 50 list previously. As a group, their employment grew 6% in 1988 after suffering a 7.2% decrease in 1987. But they have a smaller slice of the 1989 "Trends 50 pie" — 21% of total Trends 50 employment rather than the 25.8% posted last year. The Carr-Gottstein enterprise (which includes other Carr-Gottstein companies in addition to the grocery chain) is the number two employer in the state for the fourth consecutive year. The second largest retailer, Safeway Stores, employs less than half the staff that Carr-Gottstein does.

### New Companies in Trends 50 for Varied Reasons

There are ten new names in the Trends 50 this year. (see Table 3.) Some are companies whose employment has

## Top 50 Arrivals and Departures for 1988

### New Firms

Alaska Petroleum Contractors  
 Alliance Bank 1/  
 ERA Aviation  
 Fairbanks Enterprises 2/  
 Key Bank 3/  
 Klukwan Forest Products 3/  
 North Pacific Processors 3/  
 Wards Cove Packing Co 3/  
 Westmark Hotels 4/  
 Yukon Kuskokwim Health Corp.

### Displaced Firms

All Alaskan Seafoods  
 Anchorage Cold Storage  
 Long Island Development Inc.  
 McDonald's 2/  
 Pay N Save  
 Sheffield Enterprises 4/  
 Spenard Builders  
 Transportation & Marketing Systems  
 Wilsyk Alaska  
 Yukon Office Supply

- 1/ New bank formed in late 1987 by merging United Bank Alaska and Alaska Mutual Bank.
- 2/ The McDonald's franchise was sold and divided; Fairbanks Enterprises owns the Anchorage and Mat-Su McDonald's franchises.
- 3/ Due to a change in company structure, more employees are being included in the reports submitted to AK DOL under this company name.
- 4/ Sheffield Enterprises was purchased by Holland/America Westours, operating as Westmark Hotels.

grown; a majority made the list due to structural change within an organization or a merger of some type.

Jobs at Wards Cove Packing, a seafood processor in several small Alaskan communities, grew from an annual average of 8 in 1987 to 337 in 1988. But the "growth" was actually a reorganization which caused employees previously under other firm names to be included as employees of Wards Cove Packing.

Other firms had employment increases due to steady growth of their organization. Usually, these companies are in an industry which is enjoying economic growth. For example, Alaska Petroleum Contractors, serving the oil

fields, has grown along with increased oil exploration activity.

### Firms Drop Out for Different Reasons

Ten companies which ranked among the state's 50 largest employers based on 1987 annual average employment are missing from the Trends 50 list for 1988. Their departure varied across industries, but trade suffered the most with five firms dropping out. Some had just enough of a decline in employment to bump them off the list (for example, two of the missing retailers rank 51st and 52nd). The absence of one retail firm, Spenard Builders, is a commentary on the condition of Alaska's construction industry. Other

firms are missing for reasons such as a company reorganization or buyout. Mining and finance are the two industries which did not lose at least one employer on the Trends 50 list.

### Summary

The Trends 50, Alaska's 50 largest private employers, are a varied lot. They represent every industrial group except construction and they range in size from just over 300 to more than 2,700. Although only a small fraction of the firms in the state, the Trends 50 employ almost a quarter of the private sector wage and salary work force. Most of the Trends 50 are neither Alaska-based nor Alaskan-owned, but a

majority claim Anchorage as their Alaska "home base". Nevertheless, their presence in Alaska's communities is widespread.

Some of the Trends 50 firms dominate their respective industries — for example, more than half of the jobs in the oil and gas industry are in the Trends 50. The Trends 50 may be large but they are also a changeable group, with ten new players on the 1988 list. After losing employment for the past two years, their overall picture finally brightened in 1988. One thing is certain — these employers wield a major influence on Alaska's employment scene.

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### Definitions and Explanations

*Employment data* were obtained from the unemployment insurance reports. Employment figures reported are the total number of people working during the payroll period which includes the 12th of each month regardless of how many hours they worked.

*Annual average employment* is calculated by summing the 12 monthly figures reported to the Alaska Department of Labor and dividing the total by 12.

Total employment of a parent company will not be captured, and therefore not appear in the Trends 50, if subsidiaries file unemployment insurance reports under separate account numbers.

*Confidentiality laws* protect employment information. Therefore it was necessary to receive written permission from each employer to release their employment information. We would like to thank the 50 employers in this article for their cooperation, without which this article would not have been possible.

This article ranks the top 50 companies based on 1988 average annual employment. The July 1988 article ranked companies based on 1986 average employment since only 6 months of 1987 data were available at the time. However, companies appear in the "Arrivals and Departures" table based on their change in average annual employment from 1987 to 1988.