

Enterprising young Aptos firm pushing domes to new frontiers

By ANN CONY

When Cathedralite Domes changed hands five years ago, it was a \$200,000-a-year operation. It has grown at an impressive rate in the intervening years, with Tate Miller, president and executive officer, predicting sales in 1980 will hit \$5 million to \$7 million.

The company's sales base now extends far beyond the bounds of Santa Cruz County and the state of California. In fact, one recently cinched business deal marks the beginning of a push into the international market.

In a pact made with a Tokyo-based company called Erecta Shelf, Cathedralite gave that company the right to use its trademark in selling dome homes and restaurants throughout Japan. The basic dome materials will be shipped from the U.S., and a "subassembly" dome plant will be built in Japan, Miller said.

(Erecta Shelf is owned by a Japanese multi-million dollar entrepreneur and restaurateur. "Everything the guy touches turns to gold," Miller said.)

Cathedralite recently engineered a second deal, this one on the domestic front with Space Structures, a New York-based firm that manufactures large free-span geodesic domes such as the Houston Astrodome. The agreement allows Space Structures to utilize Cathedralite's distributors in Alaska and 12 other western states for marketing purposes.

Both deals took approximately a year to consummate and both are "incredibly promising," according to Miller. But, "For every 10 things you have going (in the planning stages), one will come through," he has learned.

Both Erecta Shelf and Space Structures approached Cathedralite, Miller noted — one of the advantages of the name recognition that comes from selling more dome houses in 30 days than the rest of the industry sells in a year.

In dealing with Japanese businessmen, Miller found, "They always have an ace in the hole." His experience with Erecta Shelf was especially interesting for Miller, who holds a degree from Berkeley in international economics. After this initial foray into Japan, Cathedralite "definitely" plans to expand its international marketing effort, Miller said.

Another marketing corner Cathedralite may capitalize on more in the future is in commercial dome structures. The firm has done some commercial work to date — a doctor's office in El Centro and a 5,000-square-

foot office building in Tacoma, for example — but Cathedralite hasn't made a "conscious effort" to flood the market. "It's a huge market," Miller said, adding that Cathedralite's next brochure will have a commercial section.

In the not-too-distant future, the enterprising young company that employs 50 people fulltime with an annual payroll in excess of \$1 million, will make another move — from Larkin Valley Road to Airport Boulevard. Barring unforeseen obstacles, the firm will begin construction of new offices in Watsonville next spring or summer. The headquarters will consist of three inter-connecting domes covering 10,000 square feet of floor space.

Last year Cathedralite began franchising to assure quality control with its distributors scattered across the country. (Cathedralite manufactures the parts, which come in kits, for a variety of designs and sizes. The kits are sold locally through distributors and the buyer can erect the dome himself or pay the distributor to do it. Related work, such as laying the foundation and roofing, is usually contracted out.)

The various distributorships, Miller explained, had "no consistency" and the company wanted to "tighten up and make all distributors uniform." It wanted to solidify a consistent image and franchises offered more control over out-of-state distributors, allowing contract enforcement with them.

A few months ago Cathedralite moved its manufacturing center from Oroville to Medford, Ore. That move, according to Miller's calculations, will save the company thousands of dollars a year in shipping costs since Medford is a major West Coast transportation hub. The city is also a large center for wood products. The company planned and negotiated that change in location for two years.

A more recent development is one that brings a measure of glory to Cathedralite — one that must have made its competitors green with envy. Now on the company's board of directors is Buckminster "Bucky" Fuller, author, scientist, humanitarian who "invented" the geodesic dome.

The union came about after Miller, a

friend of a grandson of Fuller, spent two days with the inventor at his home in Sunset, Maine. (Although he's 86 years old, "Bucky's as alert as you and I," Miller reported.)

Fuller is now working on a new design in geodesic homes, said Miller. The house is totally prefabricated and "air deliverable." Fuller, he said, has arranged for Cathedralite to take over his research and help finish the project.

"It's a very futuristic concept. It probably won't be marketed for three years and it probably won't be accepted for five to 10 years," Miller explained.

But acceptance is a battle Cathedralite is accustomed to fighting.

Although domes have finally met with "overwhelming enthusiasm" in most areas of the country, Miller said, there have been "pockets of resistance" in places such as Kansas, Nebraska, Georgia and South Carolina. In those places, bankers have been reluctant to finance the less-than-conventional housing structure.

Recalcitrant bankers have doubts primarily about resale values and they have shown "provincial attitudes" about architecture, Miller charged.

In most cases, he said, it takes approximately a year to "re-educate" bankers.

One of the dome house's strongest selling points would appear to be growing stronger with every increase in utility rates. That strong point is the energy efficiency of the geodesic design.

A dome has one-third less wall and ceiling area than a conventional structure does over a given floor area. Because those walls and ceilings arc at gentle angles, heat doesn't just rise and stagnate, it rises and falls in a circular pattern, pushed by hot air from below.

Geodesic designs, Miller said, allow for a 30 to 50 percent savings on the cost of heating when compared to a comparable sized conventional house.

"We knew it in theory but no one had demonstrated it to us," said Miller, "It's probably the biggest feature of the dome, but it took a couple of years for us to fully realize that."

Another strong point for the Cathedralite product is that it knows no

WATSONVILLE
REGISTER-PAJARONIAN
December 15, 1979



One of many

Jack and Marylee Morrison's dome home on Huntington Drive in Rio del Mar is about a year old. Kits come in a variety of sizes and floor plans, but all employ the geodesic design that gives the house a lofty, spacious feeling. Angled surface areas provide for good internal air circulation, cutting down on heating bills.

climate limitations, according to Miller, who pointed out that the firm has a distributorship in Alaska, for example. "They sort of come to us naturally," he said of heavy-snow areas, "because of the inherent structural strength of the dome."

Like the rest of the housing industry, Cathedralite must contend with the increasing costs of materials and labor. But recapitalizing — upgrading equipment efficiency — has helped keep kit prices under control, Miller said. While the cost of building conventional houses has been rising about 5 percent every 60 days, Cathedralite has been able, generally, to hold kit price increases down to 10 percent every 12 to 18 months. Now all the company has to do is figure out how to beat the rising price of land.

