

# Construction begins on Seagate plant

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BUSINESS EDITOR

Work is under way on the interior of Seagate Technology's 207,000-square-foot plant off Airport Boulevard in Watsonville, scheduled to open in March with 800 workers.

"This is a fast-track operation," said Linda Gilcrest, Seagate's facilities director. "We're literally designing the project as we go."

Crews from Devcon Construc-

tion began work Dec. 9; about 60 people are now working, said John Martin, project manager for Devcon.

Three hundred to 400 people will be working at the site at the peak of construction, Martin estimated. Devcon will be working with two shifts a day "and possibly three" at times, he said.

Gilcrest said Devcon was selected because of the firm's experience in fast-track construction for the electronics

industry. Devcon is also building a plant for Borland International in Scotts Valley.

Seagate, based in Scotts Valley, is a major manufacturer of disk drives for the computer industry, with sales of \$958 million last year.

Seagate built its Watsonville building in 1983, with plans to hire more than 1,000 people and manufacture disk drives.

But then the company's sales dropped sharply, and Seagate

officials decided to move most of the disk-drive manufacturing to the Far East. For four years, the building sat vacant.

Two years ago, Seagate acquired a company in Fremont that makes disks for Seagate's disk drives. When demand for the disks became greater than the Fremont plant could handle, Seagate sought approval to produce disks in Watsonville as well.

Seagate wants to start with 800 employees in Watsonville

and build up to 3,300 by 1990.

After some negotiating, the City Council agreed to let Seagate complete the plant, on the condition that employment be limited to 800 until an environmental impact report can be drawn for the entire project. That report is expected next summer.

Construction has also begun on a 25,000-square-foot cafeteria adjacent to the main building, for which the foundation was poured in 1983. The cafeteria is scheduled to be completed in time for the March opening, Martin said.

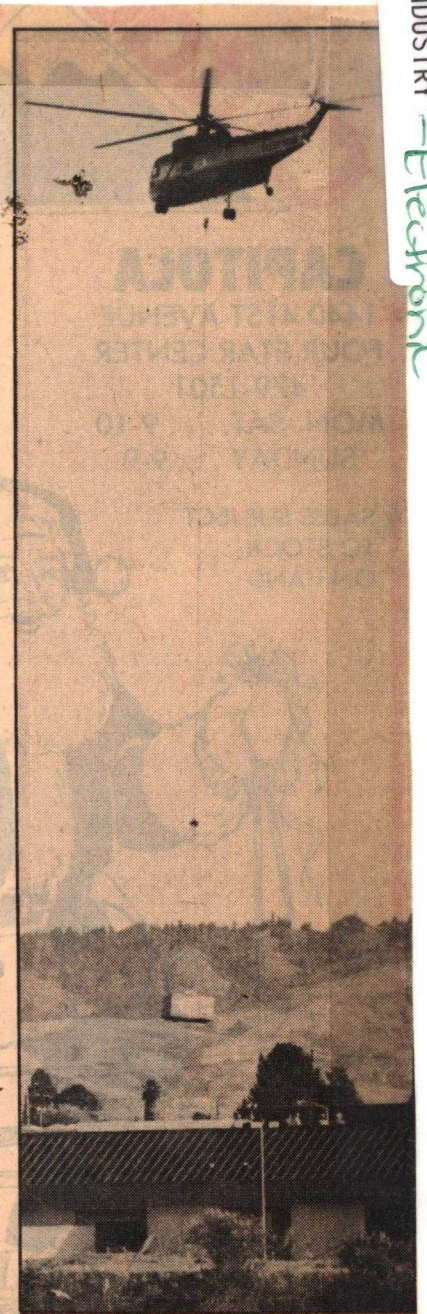
Seagate plans a third building, of 100,000 square feet, after the main building and cafeteria are built. Plans haven't been submitted to the city yet.

Because the disk-manufacturing process involves hazardous materials, Seagate is being required to have a small wastewater treatment plant to filter water before it goes into the city's sewer system.

Seagate's fees for connection to the sewer system and various-city inspections will run around \$1 million, city Building Official Neil England estimated. About three-quarters of that will be for the sewer hookup.

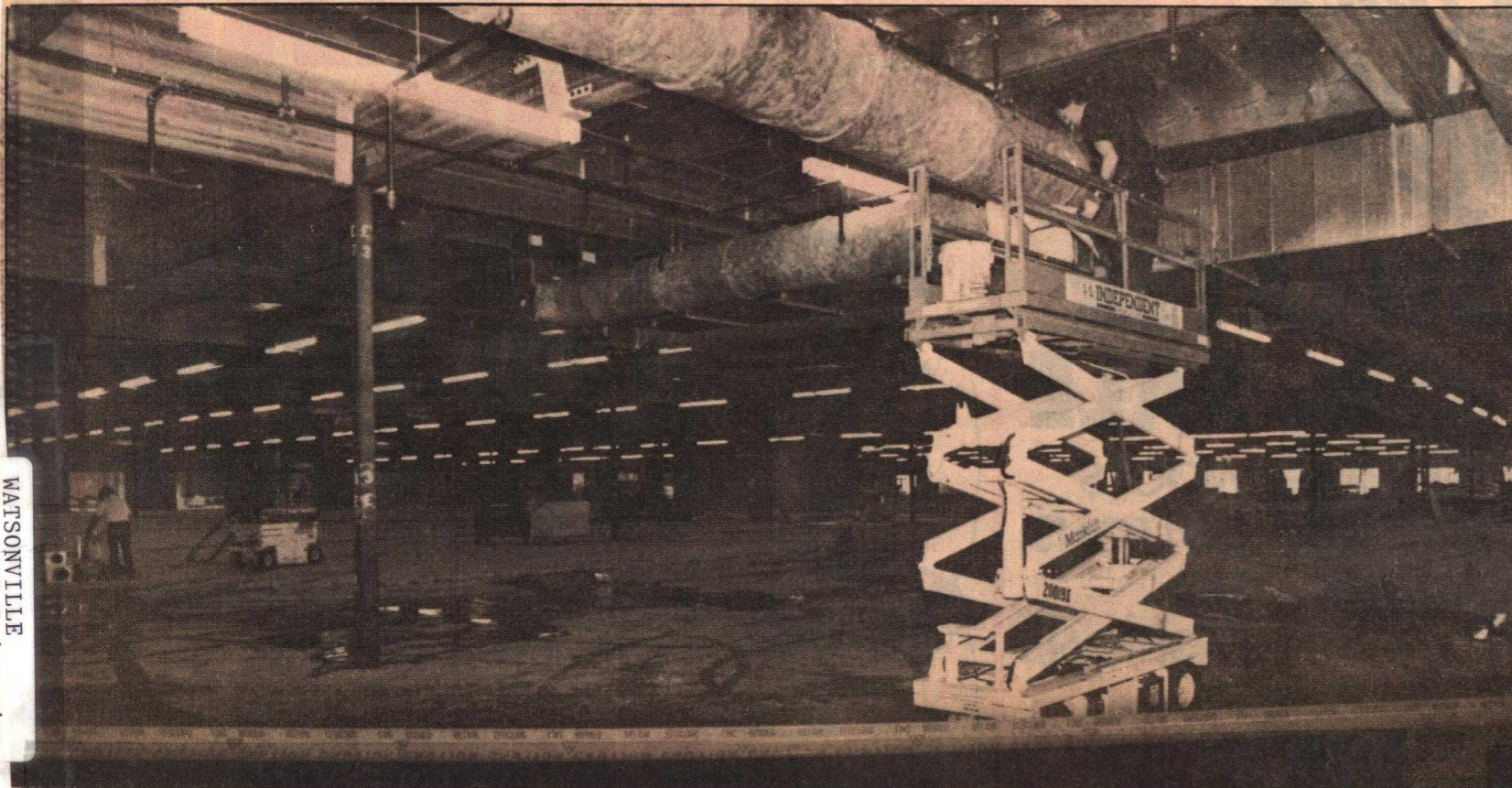
About 90 percent of the jobs at the Watsonville plant will be entry-level, with pay starting at \$5.25.

Seagate plans to start interviewing applicants in January, Gilcrest said.



Chip Scheuer

A helicopter was used to bring in heavy items to Seagate last week.



Diane Varni

A worker uses a scissors lift to install the air conditioning system.

REFERENCE

WATSONVILLE  
REGISTER-Pajaronian  
December 21, 1987

SAN JUAN COUNTY  
INDUSTRY - Electronic