

Seagate puts building in Watsonville up for sale

Scotts Valley-based Seagate Technology has put up for sale the 206,000-square-foot building here in which it once planned to employ more than 1,000 workers in the manufacture of computer disk drives.

"It doesn't look like we will (move to Watsonville)," Jim Bensen, Seagate's director of administration and facilities, said this morning.

Bensen has prepared a flier on the building that says Seagate will sell or lease. He said the company would soon get a real estate agent for the property, possibly today.

Seagate has one completed building shell and approval for two more on its 24 acres in the Airport Industrial Park on Airport Boulevard, just off the freeway.

The shell, completed early this year, is 206,784 square feet, including 57,600 feet of storage with a 25-foot clearance. The foundation and concrete floor have been finished on a 25,700-

square-foot building (suitable for a two-story office building or cafeteria). Also planned was a 99,612-square-foot building for manufacturing, distribution and receiving, with offices on the second floor.

Permits were approved for the two smaller buildings, but have since expired, said city building inspector Dick Jones. For someone interested in completing the buildings "it would be a matter of resubmitting the plans," he said.

Bensen said Seagate would prefer to sell, but will consider leasing. Chuck Allen of Landmark Real Estate said a Seagate official quoted him a rate of 65 cents a square foot for the big building, with a minimum of 75,000 square feet.

Even before the property has been listed, Bensen said "quite a few people" have been expressing interest in it. "We've had some offers on leasing."

When in early 1983 Seagate

announced plans to expand to Watsonville, it was a rapidly expanding company and the leader in manufacturing disk drives for small computers. It had grown from about 500 workers to 2,000 in about a year and was running out of space to build in Scotts Valley.

Seagate said it would open in Watsonville in early 1984 and hire 1,000 to 1,500 workers within nine months of opening. But by late 1983, the company started scaling down those estimates, saying only that it would open in Watsonville sometime in 1984 with at least 300 workers.

In the meantime, Seagate was slipping. Its stock, priced at 22 in mid-1983, was down to 5½ Friday. Prices for disk drives fell, and Seagate opened a manufacturing plant in Singapore in an effort to cut costs.

In August, Seagate laid off 700 workers in Scotts Valley. Two weeks ago, it hired back 200 of them.



Seagate's new building here is now for sale.