BUSINESS

Silicon Valley high school makes \$24M from Snap IPO

By PAUL ELIAS Associated Press

MOUNTAIN VIEW, Calif. — Bake sales and car washes?

Not for one Silicon Valley parochial high school that hit it big this week and, by doing so, highlighted anew gaping economic disparities in the region.

St. Francis High School in Mountain View parlayed a \$15,000 investment into a windfall of at least \$24 million, capitalizing on a unique venture capital fund set up by the school's investment-savvy parents.

The fund paid off when the company began selling shares to the public Thursday and the school sold about 1.4 million of the 2.1 million shares at \$17 each. It's holding the remaining 700,000 shares, which were valued at about \$19 million Friday.

"Silicon Valley is a pretty amazing place to live," school President Simon Chiu said. "This obviously couldn't have happened anywhere else."

St. Francis High School launched the fund in 1990 at the urging of two of the many venture capitalists with children attending the school. The fund's aim is to tag along with deep-pocketed investors when they make big bets on startup companies. The school takes a small sliver of a venture capitalist's bigger investment in a startup company.

Chiu and other educators say they know of no other school with a similar fundraising scheme.

"We don't have the bandwidth to follow the stock market," said Amika Guillaume, principal of the East



AP Photo/Mark Lennihan

A banner for Snap Inc. hangs from the front of the New York Stock Exchange, Thursday in New York. The company behind the popular messaging app Snapchat is expected to start trading Thursday after a better-than-expected stock offering.

Palo Alto Academy, which is in one of the poorest cities in Northern California. "It's tough enough to keep kids on track to graduate."

Few, if any other schools, have that sort of advantage, said Stephen Andriole, a professor of business, accountancy and information systems at the Villanova School of Business in Pennsylvania.

"The only way to do this is through a personal relationship," he said. "The probability of success is quite low."

Chiu declined to disclose the size of the school's venture fund, but he said it currently holds investments in about a dozen other companies. He said the money will be added to the school's endowments, which will double it, while administrators decide how to spend it.

Generally, the windfall will enable the school to offer scholarships, retain faculty and improve facilities, Chiu said. "I think everyone understands it's a

pretty transformational event for our school," he said. Before the Snap invest-

Before the Snap investment, the school's biggest profit from a single investment was \$2 million. Chiu also said the school has lost money on several investments.

The Snap Inc. investment began at the kitchen table of venture capitalist Barry Eggers.

Eggers said he came home from work one day in 2015 and found his children and their St. Francis schoolmates sitting at the kitchen table, giggling over the new Snapchat app, which allows users to easily exchange messages with videos and photographs. Best of all, the images automatically destruct after a few minutes.

Eggers researched the company and negotiated a \$500,000 investment with the company founders, including a \$15,000 contribution from the school.

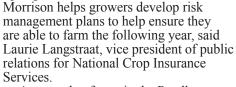
"It all started at my kitchen table with my kids," Eggers said. "Only in Silicon Valley."

Pendleton insurance agent receives national award

PENDLETON — Debbie Morrison, a crop insurance agent for Wheatland Insurance Center in Pendleton, was recently recognized

with an outstanding service award.

Highly regarded in the Pacific Northwest crop insurance industry, Morrison received the award during the 2017 Crop Insurance Industry Annual Convention, held Feb. 5-8 in Bonita Springs, Florida.



Morrison

Anyone that farms in the Pendleton area, Langstraat said, knows that Morrison is a good person to ask when it comes to crop insurance questions. In addition, she's said to be a go-to agent for regional American Indian growers, with about 30 percent of the agency's business consisting of Bureau of Indian Affairs policies.

Morrison started writing crop-hail insurance in the 1970s and multiple peril crop insurance in 1981. She works long hours, including reviewing policies and taking time to explain information to her clients.

For more information, contact Morrison at 541-276-7441, debbiem@ wici.net or visit www.wheatlandins.com.

Pendleton transport business expands to Astoria

PENDLETON — Safe T Transport of Pendleton is stretching its services to the far shore of the Oregon Coast.

Scott Jacobson, general manager of the business, is from Astoria. He said in a written statement the company will open a branch in his old home town on March 13.

The company provides medical transportation for clients who can't or shouldn't drive to and from medical and dental appointments, as well as limousine and charter bus services. Safe T Transport operates six vehicles and has seven Eastern Oregon volunteers with headquarters at 1608 Southgate Place, Pendleton.

The company hired Desiree Menninger to manage the Astoria operation, and she is seeking to hire two drivers, according to

BRIEFLY

the statement, with the goal of expanding to seven by the end of the year. The Pendleton branch also is looking for drivers.

For more information, call Safe T Transport at 877-564-1134 or email to safetrans@wtechlink.us.

Longtime Hermiston beautician goes out in style

HERMISTON — Buttercreek Salon is planning to celebrate longtime beautician Kathy Youngman's

retirement. The celebration is Saturday, March 11 from 3-5 p.m. at Buttercreek Salon, 315 S.W. 11th St., Hermiston. Everyone is invited to drop in and congratulate Youngman.



After attending beauty school in Pendleton,

Youngman started working as a beautician in Hermiston in 1973. She bought Buttercreek Salon in 1983. After owning the salon for 14 years, Youngman sold it to Pam Monger. Terri Hymas, the current owner, purchased the salon in 2011. For more information, call 541-567-

2911.

Virtual business program seeks local entrepreneurs

PENDLETON — The Oregon Technology Business Center announced it is seeking area entrepreneurs to participate in a virtual incubation program beginning April 14.

The Beaverton-based center in the written statement encouraged entrepreneurs with an existing business or business idea that could result in sales outside the immediate area to apply at www.otbc.org/VIP.

The Janette G. Drew Fund of the Oregon Community Foundation supports the program, which will consist of eight weekly live video sessions followed by four months of mentoring. The program aims to help rural Oregon entrepreneurs grow their businesses and improve the economies of rural Oregon.

The business center will hold an online informational session March 14 to answer questions. Visit otbc.org to register or call 971-223-4660.

Business briefs are compiled from staff and wire reports, and press releases. Email press releases to business@ eastoregonian.com

Gresham Christian cake makers appeal fine on religious freedom grounds

By CHRIS LEHMAN Oregon Public Broadcasting

The case of the Christian bakers from Gresham who refused to make a wedding cake for two women reached the Oregon Court of Appeals on Thursday.

That prompted presiding Judge Rebecca Duncan to ask: "So, if I go through a cafeteria sandwich line and the person making the sandwich is believing that they are creating a piece of art, then that itself makes it art regardless of whether I Oregon laws that prohibit discrimination on the basis of sexual orientation.

The panel of judges will likely issue a decision in the case later this year.

After the hearing, Aaron and Melissa Klein briefly spoke with reporters outside



Aaron and Melissa Klein, owners of Sweet Cakes by Melissa, said making the cake for Rachel and Laurel Bowman-Cryer would violate their religious beliefs.

The Oregon Bureau of Labor and Industries ordered the Kleins to pay \$135,000 in damages after the women filed a complaint. The Kleins appealed the ruling.

Their attorneys told a three-judge panel of the Oregon Court of Appeals on Thursday that the penalty is unfair because the Kleins were exercising their freedom of religion.

Attorney Adam Gustafson also compared the Kleins' cakes to works of art, saying courts have traditionally given artists a long leash when it comes to freedom of expression.

can perceive that or anyone would perceive that as art?"

"I'm not aware of any real-life sandwich shop like that," Gustafson responded. "But if a sandwich shop put into constructing a hoagie the same effort that Melissa Klein put into designing and executing one of these wedding cakes, that would be art."

Arguing on behalf of the Bureau of Labor and Industries, Oregon Department of Justice Attorney Carson Whitehead said what the Kleins did was wrong.

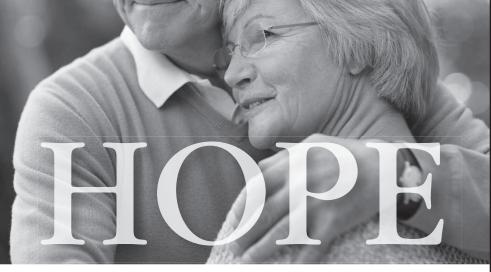
"It's enormously harmful. It goes to the very sense of self," Whitehead said.

He said the Kleins were willing to bake cakes for opposite-sex couples but refused to do so for a same-sex couple, meaning they were in violation of the courtroom.

"We just want to be able to live in a place where the government tolerates and accepts differences," Melissa Klein said. "We hope even if people have different beliefs from us, that they will show each other tolerance and that we can peacefully live together and still follow our faith. That's all we want."

The Bowman-Cryers also attended the hearing. They issued a statement through their attorney, which read in part:

"We support religious freedom as a fundamental value in America. But religious beliefs should not entitle anyone to discriminate, target or hurt others. Every family deserves respect, dignity and the opportunity to live free from discrimination."



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