

▲ DOW 32,953.46 +174.82	▲ NASDAQ 13,459.71 +139.84	▲ S&P 500 3,968.94 +25.60	▼ 30-YR T-BOND 2.37% -03	▼ CRUDE OIL \$65.39 -22	▲ GOLD \$1,728.90 +9.40	▲ SILVER \$26.25 +37	▼ EURO \$1.1926 -0024
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BRIEFING

Security-camera hack leads to raid

Swiss authorities on Monday confirmed a police raid at the home of a Swiss software engineer who took credit for helping to break into a U.S. security-camera company's online networks, part of what the activist hacker cited as an effort to raise awareness about the dangers of mass surveillance.

The Federal Office of Justice said regional police, acting on a legal assistance request from U.S. authorities, on Friday carried out a house search involving hacker Tillie Kottmann.

Kottmann had identified as a member of a group of "hacktivists" who say they were able to view live camera feeds and peer into hospitals, schools, factories, jails and corporate offices for two days last week after gaining access to the systems of California startup Verkada. They said the action was aimed at raising awareness about mass surveillance.

Verkada later locked them out. The company alerted law enforcement and its customers.

Idaho hemp bill clears committee

A bill that would legalize industrial hemp in Idaho is a step closer to becoming law.

The state Senate Agricultural Affairs Committee voted unanimously March 11 to send House Bill 126 to the full Senate with a do-pass recommendation. The House of Representatives passed the bill 44-26 on March 8.

"We need to have additional opportunities," said Idaho Farm Bureau Federation board Vice President Richard Durrant, a producer in Kuna. "This has been a long process getting through everybody's needs."

Idaho is the only state that does not legalize hemp in some form. The Legislature in 2020 and 2019 considered but did not pass legalization bills. Gov. Brad Little issued an executive order authorizing interstate transport of hemp.

Stocks extend gains for fifth day

Stocks closed broadly higher Monday, nudging some of the major U.S. indexes to more all-time highs as the market added to its recent string of gains.

The S&P 500 rose 0.7%, extending its winning streak to a fifth day. Technology stocks, airlines, cruise operators and other companies that rely on consumer spending helped lift the market. Banks and energy stocks were the only laggards.

Wall Street continues to eye the bond market, where yields pulled back a bit from Friday's sharp increase. Investors are also focused on the recovery of the U.S. and global economies from the coronavirus pandemic. The \$1.9 trillion aid package for the U.S. economy has lifted investors' confidence in a strong recovery from the pandemic in the second half of the year, but also raised concerns about a potential jump in inflation.

President Joe Biden's pledge to expand vaccine eligibility to all Americans by May 1 should also translate into faster economic growth.

— Bulletin wire reports

U.S. air travel rises to highest levels yet

BY DAVID KOENIG
The Associated Press

Across the United States, air travel is recovering more quickly from the depths of the pandemic, and it is showing up in longer airport security lines and busier traffic on airline websites.

The Transportation Security Administration screened more

than 1.3 million people both Friday and Sunday, setting a new high since the coronavirus outbreak devastated travel a year ago. Airlines say they believe the numbers are heading up, with more people booking flights for spring and summer.

"Our last three weeks have been the best three weeks since the pandemic hit, and

each week has been better than the one prior," American Airlines CEO Doug Parker said Monday.

Airline stocks rose across the board. Shares of the four biggest U.S. carriers hit their highest prices in more than a year.

However, the airlines still have far to go before travel fully returns to pre-pandemic levels.

While the number of people passing through airport checkpoints has topped 1 million for four straight days and the 7-day rolling average is the highest in the pandemic era, passenger traffic is still down more than 50% in March compared with the same period in 2019.

See **Travel** / A13



Steve Ringman/The Seattle Times
Empty fruit bins that would ordinarily be filled and exported overseas in cargo containers are waiting at Stemilt Growers' fruit-packing plant in Wenatchee, Washington, on March 8.

FARM EXPORTS ARE DEAD IN THE WATER

BY PAUL ROBERT • The Seattle Times

Tens of thousands of boxes of apples that should be on their way to the Middle East and Asia are piling up instead in Wenatchee, Washington, warehouses.

In Ellensburg, Washington, it's a similar story for mountains of hay bales that would otherwise be on container ships bound for Japan and South Korea.

The problem isn't a lack of demand: Foreign buyers are eager for farm goods from Washington and other states. But thanks to the strange effects of COVID-19 on global shipping, U.S. farm exports are barely moving.

In normal times, "We ship 10 to 15 containers of fruit every week into Taiwan," says Dave Martin, export sales manager for Stemilt Growers in Wenatchee, one of Washington's biggest tree-fruit exporters. "This week, we will not have a ship."

The shortage of cargo space has backed up Stemilt's huge packing operations and idled dozens of trucks who normally haul the 40-foot-long containers to the ports of Seattle and Tacoma. It has also prompted Stemilt's foreign buyers to look to competitors in countries such as Chile, where the apple harvest is just starting. "Those sales are lost," Martin says of the numerous foreign shipments Stemilt has forgone since November, when the shipping crisis became severe.

The cargo-space crunch is the latest symptom of a global trade

system that was unbalanced even before the pandemic, but is now so lopsided that entire sectors are at a virtual standstill.

Since the start of the pandemic last spring, Americans have spent far less on services, such as dining out, and far more with Amazon and other online retailers. That in turn has sparked a surge in imports from Asia.

The wave of mainly Chinese goods has overwhelmed some West Coast ports, especially in Los Angeles, where ships often sit for days waiting to unload. And because some of those ships, once they unload in Los Angeles, go pick up cargo at other West Coast ports, bottlenecks in Southern California have meant major delays for exporters waiting to load their goods in Seattle and Tacoma.

"We are now experiencing unprecedented eastbound cargo volumes coming out of Asia to the U.S., and it's creating huge disruptions within the supply chain," says John Wolfe, chief executive officer of the Northwest Seaport Alliance, which manages marine cargo operations in the ports of Seattle and Tacoma.

But the surge in Asian imports has had another effect on Northwest farmers. Because U.S. demand for Asian products is so high, shipping companies can now make far

more money sending empty containers back to China as soon as possible, rather than take the time to refill them with American farm products.

It's simple economics: Because a container of Chinese electronics, apparel and other exports is generally worth more than one filled with American farm products, shippers can charge more per eastbound container load, says Peter Friedmann with the Agriculture Transportation Coalition in Washington, D.C.

For that reason, it's more profitable for carriers to speed that container back to Asia for another high-value load than it is to wait for several days while a U.S. exporter fills the container with hay or apples or some other low-value product. Pound for pound, the value of American apples or potatoes "is a mere fraction of the value of a container load of, say, Adidas running shoes," Friedmann says.

That imbalance has meant more empty cargo containers leaving the ports of Seattle and Tacoma: In January 2020, just 37% of the containers exported from Seattle and Tacoma were empty, according to NW Seaport Alliance figures. This January, just over half went back empty. Due to the greater weight of American exports, outbound ships always carry some empty containers.

For exporters in Washington and elsewhere in the U.S., that east-west imbalance has created massive ripples up and down the exporters' supply chain.

See **Exports** / A13

Manager admits to fraud of over \$12M

Man worked for grass seed company that sold to Oregon growers

BY MAXINE BERNSTEIN
The Oregonian

A former manager of a Washington-based company that produced and sold grass seed and turf grass to independent growers in Oregon admitted to a series of mislabeling, pyramid and real estate investment schemes that defrauded customers and netted him more than \$12 million.

Christopher Claypool, 52, of Spokane, pleaded guilty Monday to conspiring to commit wire fraud and money laundering during his first appearance in federal court in Portland before U.S. District Judge Karin J. Immergut.

Claypool is scheduled for sentencing June 21, and prosecutors will seek a four-year prison term if he follows the conditions of his pre-sentencing release, including paying \$8.3 million in restitution plus unpaid taxes for undeclared income.

The various schemes ran from about January 2015 through August 2019, according to a federal prosecutor.

Claypool had worked for Jacklin Seed Co. at its headquarters in Liberty Lake, Washington. Prosecutors said Claypool and a colleague directed employees at Jacklin and a distribution facility in Albany, Oregon, to fill customer orders with different, lower-yield varieties of grass seed and conceal the substitutions with mislabeled bags while charging customers for the higher-yield seeds they had ordered, according to prosecutors.

See **Fraud** / A13

Umatilla tribe official could lead National Park Service

BY ANTONIO SIERRA
East Oregonian

A longtime administrator with the Confederated Tribes of the Umatilla Indian Reservation has been tapped for a job with broad influence over regional energy and environmental conservation. But an even bigger job could be in store for him.



Sams

The tribes announced March 8, that Chuck Sams was leaving his role as the interim executive director of the tribes to fill a seat on the Northwest Power and Conservation Council. Gov. Kate Brown appointed him to the council, but she's also backing him for another appointment: a job in the Biden administration as the director of the National Parks Service.

According to Sams, 50, the offer for his latest job came out of the blue.

See **Sams** / A13