

Peddling permanence

By MARC STILES

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When economists mention "gazelle" businesses these days, they're almost always referring to high-growth enterprises in the technology sector.

Rarely does a bricks-and-mortar company leap to mind, and certainly not one such as Rhodes, Ragen & Smith. With factories in China and Indonesia, the Seattle company manufactures by hand medieval, European stone wares. It also is salvaging ancient Chinese masonry that is about to be obliterated by the massive Three Gorges Dam project.

President Richard Rhodes and his wife, Pamela, the company's artistic director, supply the designs that are manufactured overseas.

The fast pace at which the 2-year-old company moves belies its weighty product line. Ancient stone, after all, is the antithesis of speed, especially in the hyper-kinetic Information Age. The twist is that Rhodes, Ragen & Smith uses today's technology to communicate with stone cutters, whose craft is thousands of years old, in remote villages.

Linking such disparate components is what makes the business as interesting as some of the glitzy Internet companies. It is politically compelling, too, because the company's ties to China put it in the spotlight of the World Trade Organization talks that begin Monday in Seattle. Then there is the company's spectacular growth rate which would be the envy of any nascent tech company.

In 1998, Rhodes, Ragen & Smith sold \$862,000 worth of goods. January's volume hit \$700,000 and it hasn't let up. Average monthly growth has been 37 percent so for the year growth will be more than 400 percent, according to Rhodes.

The Northwest's white-hot economy contributes to the increase. So does the nature of the company's product, which is a paragon of stability.

A modern-day anchor

Demand for ancient stone increases as the pace of life approaches laser-like speed. On the West Coast, where the built environment is barely more than 100 years old, a taste for ancient materials or replicas of them is particularly poignant.



Sandstone stair treads, estimated to be 400 to 500 years old, have been salvaged and are now in stock.

Photos courtesy of Rhodes, Ragen & Smith

In the words of Rhodes -- himself a classically trained mason -- the company's goods provide "something tangible and soul satisfying" especially in high-tech centers such as the Puget Sound region.

"The faster the culture is, the stronger the demand for things that have outlived one culture and will outlive our culture," Rhodes added. "I think that's a very powerful thing that people respond to."

One client, Microsoft engineer Tom Firman, understands. Rhodes, Ragen & Smith designed a fireplace for his Japanese-style home in Bellevue. The plans were beamed to China, where the granite was cut. The heavy pieces were shipped back and they fit perfectly, according to Firman, who called the result "just a beautiful piece of work." He also bought some paving stones, believed to be about 500 years old, and used them for steps and in the circular driveway.

"We are busy inventing the future," Firman said, "and it's good not to lose sight of the past. It's an awesome feeling of continuity with a history that's greater than we are."

"People are sick and tired of the slick and shiny and machine made," added Rhodes, whose entry into the world of masonry was quite circumstantial.

From drama to rock

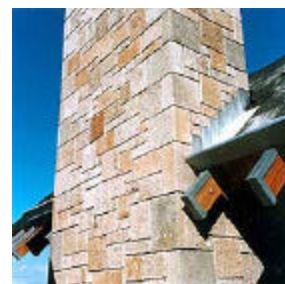
Rhodes' formal training was actually in medieval and Elizabethan drama. He was studying at the London Academy of Music and Dramatic Art when he went to Italy to study the Freemasons Guild, which began in 1266, for his thesis. He couldn't tell guild members he was an actor so he told them he wanted to be a mason.

It was a tall tale. Not only did he know little about masonry, he spoke no Italian. For months guild members tried to discourage him by assigning him near-Herculean tasks.

He survived. They took him seriously, and Rhodes became the first foreigner in 726 years to be initiated into the Freemasons.

Rhodes returned to acting but left the theater after several years because he wanted to create something more durable than drama. In 1984, he started Rhodes Masonry in California, with a truck and a bucket of tools. Two years later he moved to Seattle.

Today, the 20-employee company has a plant in the South Park neighborhood of Seattle. It is being combined with his California company, the 18-employee Rhodes Quarry House. The companies specialize in residential masonry design and installation.



These well traveled stones now form a chimney at a Vashon Island residence. The stone originated in China but was used as ballast on a ship bound for Indonesia, where Rhodes, Ragen & Smith purchased it.

The California connection

Rhodes, Ragen & Smith began in conjunction with a \$60 million residential project in Woodside, Calif., that Rhodes cannot discuss in detail. It is a reproduction of a 16th-century Japanese country estate, which according to newspaper accounts, Oracle Corp. CEO Larry Ellison is building.

The job took Rhodes and Ragen to China to secure materials for the Woodside project. That was two years ago this month.

During the China trip, the idea for Rhodes, Ragen & Smith clicked. The two principals found a ready supply of trained masons. They realized that Ragen's expertise in things Chinese would be invaluable. The business was born by combining these resources with digital cameras, laptop computers and modems.

The new information-sharing technology permits the company to transmit its medieval recreations from virtually anywhere in the world to remote factories.

"I do not want to overstate what we're doing, but we are out there on the forefront of capitalism and really the best part of capitalism," said Rhodes.

The company avoids portraying itself as coming from "the conquering culture." Instead, Rhodes, Ragen & Smith operates under the premise that its First World business acumen is as critical as the thousands of years of masonry experience found overseas.

The company has taught the masons how to competitively make products for the First World. In the past the masons were paid for quantity, not quality, said Rhodes, who added: "We're showing them a different model."

The company's first plant opened in Fujian, China, in March 1998. The second is below the Three Gorges Dam on the Yangzi River. As many as 2 million people will have to move to make way for the dam, the world's largest hydroelectric project. It's easier to relocate people than roads and buildings, but Rhodes, Ragen & Smith is saving at least some of the latter.

Salvaging the past



Rhodes, Ragen & Smith will salvage this granite stairway and wall in China. It would have been flooded by the Three Gorges Dam.

"This is a tremendous loss of worn stone and old bricks so we've started buying them up," Rhodes said. They've bought pavers from four roads as well as a Daoist monastery.

David Smith is Rhodes and Ragen's former partner. He helped them enter Indonesia where the company has a plant on Java. Recent political turmoil has hampered the entrepreneurs, although stability is returning and the company is, Rhodes said, "back there in earnest in a big way."

Smith, who is fluent in Indonesian and lives in the South Pacific country half of each year, left the company to concentrate on his own business, Seattle-based David Smith and Co., which sells new

wood furnishings produced by Indonesian artists.

The company has had recruiting success particularly in China, according to Rhodes. In addition to stone cutters, college professors, bankers and school principals have sought employment. They want to put their professional skills to work as shop foremen, scouts and administrators -- and be compensated for their participation in the evolving economy.



This urn was designed by Pamela Rhodes and is now in production in Indonesia.

Rhodes added that the recent agreement to allow China into the World Trade Organization will have an immediate impact on the company. "That's great news for us," he said. "It means we'll be able to bring people over here for education."

Rhodes, Ragen & Smith's office now is on Capitol Hill at 1808 Bellevue Ave., but, like high-tech companies that are growing in gazelle-like leaps and bounds, it needs more space. Tech companies in Seattle are seeking space not in tradition office towers downtown but in spaces with character.

Rhodes, Ragen & Smith is no different. The company is renovating a boxy old building at the southeast corner of East Madison Street and 20th Avenue. It once was a city stable and carriage house but most recently was occupied by Seattle Central Towing Co. The building is undergoing a complete renovation that is increasing the size from 7,000 to 10,000 square feet.

The goal for the peddlers of permanence is to move in January and be settled for a long time, or as Rhodes puts it: "We hope to be in there for the millennium."