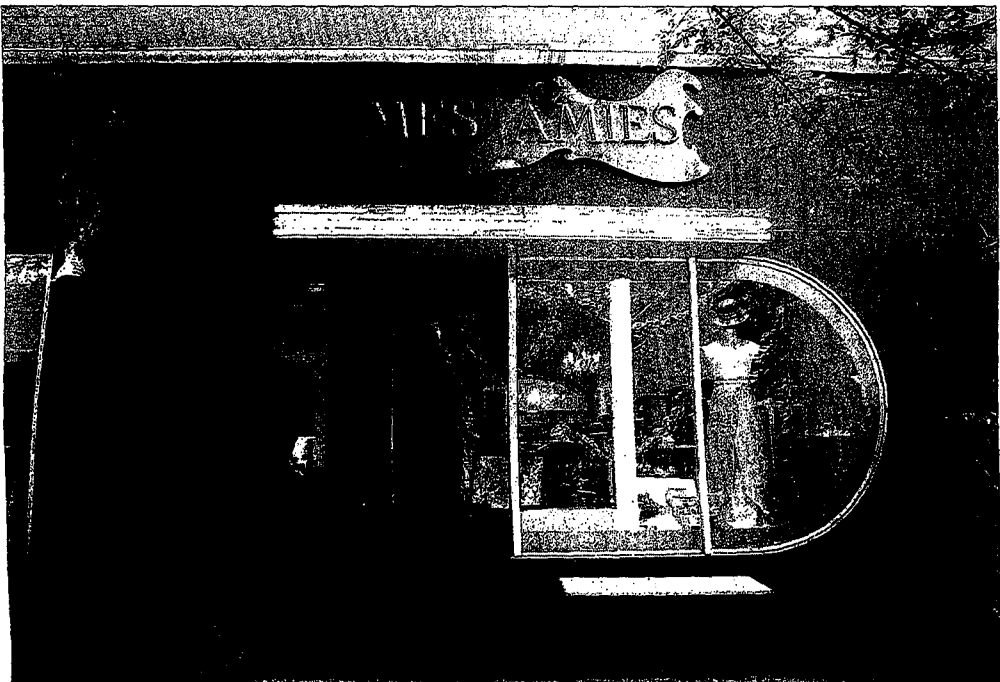


OREGONIAN INDEX	WALL STREET	S&P 500	NASDAQ	WILSHIRE 5000
-1.30%	DOW JONES -0.93%	-1.01%	-1.37%	-1.02%
-4.38, 331.84	-120.79, 12,822.57	-13.85, 1,362.66	-40.60, 2,925.30	-146.28, 14,257.71

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RETAIL



Photos by KATIE CURRID/THE OREGONIAN

Mes Amies, a clothing, shoe and accessories boutique, is one of the longer-term retailers along Third Street in McMinnville. Although shoppers may only be aware of the town's big-box cluster along Oregon 99W, local retailers operate in its downtown.

Small shops pair well with wine country

Changes are coming to Yamhill County that should help the growing boutique and gallery businesses



For more on the retail landscape, bookmark Laura Gunderson's shopping blog: oregonlive.com/window-shop

By LAURA GUNDERSON
THE OREGONIAN

Although Yamhill County is well-known for its wealth of homegrown wines and picturesque views, shopping isn't necessarily what comes to mind as travelers wend their way along Oregon 99W through Newberg and McMinnville.

The gateways to these towns are lined with big box retailers and weathered strip malls. Yet a number of unique independent retailers have made their mark among the national players, attracting a steady stream of locals, college students from George Fox and Linfield and tourists.

In Newberg, about two dozen boutiques, coffee shops and art galleries are clustered along a six-block stretch along the highway; McMinnville's shopping district operates on the leafy and walkable Third Street. Here, a collection of wine shops, restaurants, apparel boutiques, home goods stores and an organic market are housed in many of the original 100-year-old brick buildings that began at City Park and stretch 10 blocks to

developments they say will make shopping even easier and more varied in the years to come.

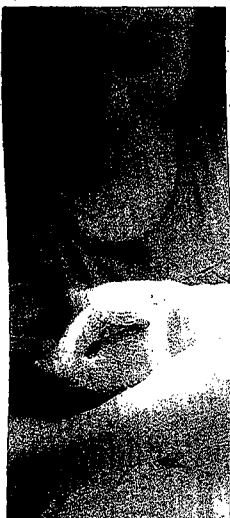
Here's an overview of the plans and a few of the retailers who welcome the changes.

Newberg

For decades, business owners in Yamhill County have lobbied for a bypass that could help ease the daily congestion through Dundee and Newberg and reroute most of the large-truck traffic off Oregon 99. As it is, crossing from the cozy Chapters Books and coffee shop to the jewelry and gun shop, Guns & Glitter, on Newberg's First Street (also Oregon 99 northbound) is a challenge.

"I have sometimes felt the need to help some of my customers across," said Janis Schroeder, who's operated Janis Unique Handbags & Gifts along the thoroughfare for three years. "With all those big trucks rumbling by, the windows shake and you can't open your doors on a nice day because it's too loud and too gritty."

The county received federal approval last month for the first phase of the project



Eleana Niehus, 9, cuddles Lulu, the guinea pig she received for her birthday from the pet shop Critter Cabana in Newberg. The store is one of many in the Yamhill County town that expect window shopping will improve after a bypass is built to divert the coast-bound travelers and big rigs that currently bring big traffic snarls.

LABOR

A union threat at Port is alleged

By RICHARD READ
THE OREGONIAN

U.S. labor officials plan to accuse the longshore union in court Tuesday of threatening harm to the company running Portland's container terminal if longshoremen didn't get two disputed jobs.

Ronald Hooks, Seattle regional director of the National Labor Relations Board, alleges in court filings that in Portland in May, a high-ranking West Coast union official threatened to shut down ICTSI Oregon Inc.'s operations unless the container-terminal operator gave longshoremen the work.

Hooks alleges that Leal "Leo" Sundet, an elected offi-

Pacific Seafood battles law firm

By JEFF MANNING
THE OREGONIAN

Pacific Seafood scored a momentous dual legal victory in April when it fended off an antitrust lawsuit filed by Oregon commercial fishermen and convinced the Oregon Justice Department, which had been in-

vestigating the company for months, not to take any action.

Frank Dulcich, the Clackamas-based seafood processor's hard-charging CEO, is still grumpy.

Pacific earlier this year sued Mayer Brown, its Washington, D.C., law firm, claiming it "grossly mismanaged" the case and charged two to three times more than what was justified. In a complaint filed in Clackamas County court, Pacific is seeking a declaration from the court that it have to pay no more than the \$4 million it's already paid to the firm.

Mayer Brown, in turn, apparently unwilling to fight Pacific in its home turf, has filed its own complaint against Pacific and Dulcich in the District of Columbia Superior Court. It is seeking another \$5 million from Pacific already paid.

The current spat began in June 2010, when father and son commercial fishermen

Lloyd and Todd Whaley accused Pacific Seafood of using its clout in the industry to force down prices paid to fishermen. They sought \$520 million in damages and a court order to break up Pacific.

The suit seemed a formidable threat. Pacific is the dominant seafood processor in the West, having built a presence from Northern California to the Gulf of Alaska. It bought out a series of competitors, established its own fleet of commercial vessels, and was zeroing in on the \$1 billion mark in annual sales.

The Whaleys were represented by Mike Haglund and

Mike Kelley, two Portland attorneys with experience in high-stakes antitrust cases. In a prior case, they had led competing alder timber suppliers to an enormous antitrust win over Weyerhaeuser.

Pacific argued from the beginning that the Whaleys were vastly overestimating Pacific's control of the market. A key turning point in the case came when the plaintiffs agreed to drop the lucrative Dungeness crab market from their complaint. They did so after Pacific's lawyers successfully argued that new entrants supplying live crab to Asia

Please see **SUIT**, Page B5

"I think they thought they had come across some Podunk company in the Northwest that they could run roughshod over."

Craig Urness
general counsel
Pacific Seafood

Suit

Continued from Page B4

had significantly diffused Pacific's market share.

Removing Dungeness crab from the complaint effectively lowered the plaintiff's damages claim by 56 percent.

Mayer Brown claims responsibility for the Dunge-

ness win. Craig Urness, Pacific general counsel, credited Mike Esler and John Stephens, two Portland attorneys working as Pacific's local counsel in the case.

"Mike and John really kind of got into it and figured it out," Urness said. "Mayer Brown, on the other hand, was staying at the 10,000-foot level."

Pacific came to lean increasingly on Esler and Stephens. Pacific and Mayer

Brown parted ways in February 2012.

Two months later, the case settled.

As early as fall 2010, Pacific and Mayer Brown began differing over the firm's charges. Pacific started paying just a fraction of the firm's billings. The firm argues that Pacific misled Mayer Brown and never had any intention of paying its fees.

Urness countered that Mayer Brown's bills were ex-

cessive. The firm's senior lawyers on the case bill at \$600 to \$800 an hour. Even its legal assistants charged \$180 to \$275 an hour.

"I think they thought they had come across some Podunk company in the Northwest that they could run roughshod over," Urness said.

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