

ORAL HISTORY  
2017-01-03 PT. 1-2

Ed Fairbanks  
12/4/2009  
Skagway, AK  
Skagway Oral History Project  
2 tapes

## Tape 1

- **Ed's family:** His family came to Skagway in 1946 and has been here ever since. His father was store manager for the Safeway Store in the 1930's and 1940's. He opened stores in the Salt Lake district, as well as the first Safeway in Las Vegas in the 1930's. His father was drafted for WWII, and the family moved to Alaska in March 1946. His father worked as a railroad cashier, then worked as an organizer, establishing the railroad commissary until 1956 when they moved to Fairbanks. In 1958 the commissary closed and was sold to Ed's father as a regular grocery store. At the time, there were four grocery stores in Skagway, and they were all "old school;" you had to enter the store, and request items that were held behind the counter. Ed's father introduced "self serving" grocery stores and got  $\frac{3}{4}$  of the town's business. In two years, two stores failed, leaving Mr. Fairbanks and one competitor.
- **The formation of the the Fairway Market:** Ed's father died in 1960, and Ed and his brother kept the store running. Their father was a meticulous book keeper. Ed's store was always upgrading and re-vamping so no one else could compete. Freight deliveries were only once a month. Logistics were difficult. He now works with three orders at a time; there are weekly deliveries currently, and they take around 12-14 days to fill. In the old days, Ed mentioned, you had to plan ahead! The name "Fairway" was created by combining the "Fair" in Fairbanks and "Way" in Skagway.
- **Moving to a new building:** Ed and his brother were evicted from the old railroad building, and the power company people owned a building on 5<sup>th</sup> avenue and heard about Ed's problem. Ed and his brother bought the 5<sup>th</sup> avenue building for the Fairway Market. The Market moved one more time to it's current location in the 1970's, and opened in February of 1972. Summer business brings 10 times more than winter, so winter prices are subsidized with summer money.
- **The challenges or ordering:** "By guess and by God." Ordering in the 1960's was done based off of Ed's father's orders. When the railroad ran 365 daily, it was a much easier job- 200 men with the railroad was much more stable than today's business.
- **Ed's history:** Ed graduated from the University of Alaska Fairbanks with a degree in mining engineering. He worked at Good News Bay Mining Co., then worked in Seattle. When his father died, he moved back to Skagway to placate his wife.
- **Pre-refrigeration:** Produce was set out on shelves in bins and left out. They had a refrigerated meat case. They stocked lots of powdered milk, canned milk, and Carnation frozen milk. For transport they had little freezers on the ships. Now things come in refrigerated vans. All meat used to be frozen only, and fruit and vegetables came as they were. (Usually not too good compared to the lower 48 standards). Produce had a low success in grocery stores before the invention of misters, because 90% of the fruit's water evaporated before the fruit even rotted. There was a lag time in the quality of fruit and veggies.
- **Why is the Fairway Market so successful?** They re-invested in the store and upgraded/updated. They were also much more efficient than the other grocers, because they were self serve. 60% of purchases are impulse buys, and product positioning, color breaks and store design planning all helped their success. Food loss also had to be mitigated- if you throw out too much food, you hurt your bottom line (Fairway Market's is 3 cents to the dollar). You have to compete all over the state, not just in Skagway. Sell more, make more. Lower prices and

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sell more.

- **New Technologies:** Computerization requires a lot of Ed's time. Everything is digital now- there are new costs associated with the computerization. There is no store credit anymore, they don't want to have account receivable, and it takes the float out of the money.

**End of tape 1**

**Tape 2**

- **Summer statistics:** Statistics with national average; Skagway exceeds national average, and has a lot of product in a small space. The store takes criticism because they don't have any competition (but this doesn't really affect prices.)
- **Small business ownership in Skagway:** Ed enjoys being the owner and his own boss, making his own decisions. It is demanding but he doesn't have to seek permissions. The hardest thing about keeping Fairway Market is getting employees. The quality, reliability isn't there. Old time employees were super hard working, great people. People aren't like that anymore, they don't take initiative- education is failing.
- **The future of Fairway Market:** Ed's son- does he want the store? The economy might hurt the store, and Ed thinks big government is unfriendly toward businesses. Local government is OK- Skagway is friendly toward local businesses. The Chamber of Commerce is the promotional arm for businesses in town. Fairway Market has 5 licenses to sell things. They cost money, but they are reasonable, and they are now covered by inspections from OSHA etc. The grocery store is a sort of the "Center of the universe" for Skagway. They have a large bulletin board, the Market participates in community events, people have to go there to shop, the store donates to charities and local events/causes. The Market also has good customers. Small stores are handicapped by buying prices- They can't get food at as good of prices (there isn't enough demand to order huge loads). Fairway Market is forced into a higher buying bracket, but Ed is able to pass on deals on things he buys in bulk (non-perishables). The size of the community (permanent residents) year round is also fairly small, making less need to buy in bulk.
- **Living in Skagway:** Ed is glad he came to Skagway and got into the grocery business- he likes the challenge. His brother got out of the business 15 years ago, so Ed works alone. Ed says life in Skagway used to be more interesting when there were trains running 360 days a year with 200 employees. Also there were old curios businesses, more community activities, old fashioned sociability. Ed isn't sure what brought on the changes. Tourism is the one thing Skagway has that really helps put money in his pocket. Skagway was the original freight route, and used to be a military installation communication hub for the interior (ACS). Alascom phone systems came from the North to Skagway. In 1946 only half of Skagway had plumbing, and the others had outhouses. People didn't want to pay to hook up water systems! Streets weren't paved until into the 1950's.

**End of tape 2**