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ÁegisLiving LLC

Dwayne Clark

CEO and co-founder

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ÆgisLiving nurtures employees, clients

Chamber honors Redmond senior housing group as business of year

By M. SHARON BAKER
CONTRIBUTING WRITER

Executives at ÆgisLiving spent weeks preparing for the Redmond company's annual management meeting. They presented detailed plans for discussions on marketing, financial targets and leadership goals.

Chief executive officer and co-founder Dwayne Clark threw them all away.

"I thought some of them were going to stab me," he said. "I got many disapproving looks. I told them instead, we were going to talk about how we can show our employees appreciation and how we can make their lives better. I wanted my own 'Oprah' show."

Several months later, 47-year-old Clark was presiding over the \$250,000 meeting that included naturopathic specialist Andrew Weil; Jim Loehr, co-author of "The Power of Full Engagement"; cultural anthropologist Dr. Jeff Salz; and various other life-improvement exhibitors.

Senior managers as well as the headquarters staff attended the three-day event held in January 2006.

"It was an emotional, life-changing event," Clark said. "I was terrified at the meeting. I thought, Oh my God, people are going to go away and say, 'what was that all about?' It was a terribly risky thing to do."

"We have five sites under contract and in various stages of development in the next 24 months."

Dwayne Clark, chief executive officer and co-founder, ÆgisLiving



His fears were unwarranted. His employees got the message: Ægis is "going to invest in you because we want you to invest in our families," Clark said. "It's really hard to teach people how to make others' lives better. It's hard to teach nurturing."

Ægis, which operates 40 senior living facilities in five states, has never been more productive, Clark said. The meeting is just one example of the innovative ideas that have garnered ÆgisLiving national attention and led the company to become this year's Eastside Business of the Year.

Clark co-founded the company with Bill Gallaher in 1997 after stints at Bellevue-based Leisure Care and Sunrise Assisted Living. ÆgisLiving has grown from \$7 million in annual revenues in 1999 to \$110 million last year. Clark says the company is on track to post revenues of about \$175 million this year.



Dwayne Clark is CEO and co-founder of ÆgisLiving, winner of the 2006 Eastside Business of the Year award.

Part of that growth will come from the four acquisitions he currently has in the works. The rest will come from opening new facilities, and a smaller part from management fees Ægis gets from managing some senior facilities it does not own.

"Next year we could be north of a quarter of a billion dollars because we have a lot of new projects," Clark said. "We have five sites under contract and in various stages of development in the next 24 months."

Ægis' strategy is to build in affluent neighborhoods, and to have many facilities in a market to boost its brand awareness. It has facilities in swanky environs such as Marin County, Calif., Laguna Beach in Southern California and Dana Point, a Southern California community that overlooks the Pacific Ocean. The company has 10 locations in the greater Puget Sound area, with several more being added this year through acquisitions.

"We like to have eight to 25 properties in a metropolitan area where we can offer a wide variety of physical plants with different levels of care, and pricing that's more appealing to the general customer," Clark said.

Ægis is noted for its innovative living facilities and its upscale environments. It has developed specialized programs for Alzheimer's disease and other forms of dementia called Life's Neighborhood and Life's Haven. It was the first in the industry to have wings devoted to such care. The staff uses care techniques adapted from Snoezelen, where sensory stimulation is used as a method to calm and redirect patients.



Ægis was the first to incorporate massage rooms at its centers. "Feeling a healing touch often nurtures the spirit," said Clark. "It helps people feel loved and nurtured."

Ægis is also opening what could be the first senior living facility catering to the gay and lesbian community in San Francisco, and it has already opened a facility catering solely to Asians, also in San Francisco. "We try to be cutting edge," Clark said. "For instance, we're now talking to an alternative medicine teaching university about having them in our facilities."

A lot of Ægis' success comes from the care it takes of its employees. Clark pays his facility managers twice the industry standard. Unlike many other senior centers, Ægis has marketing managers at each facility. All employees, even dishwashers, can participate in a profit-sharing plan.

Its benefit package includes discounts on massages and haircuts; employees are also eligible for special mortgage rates. Such benefits have led to what could be the lowest turnover rates in the industry.

Ægis' dedication to its employees is evident in its new 16,000-square-foot headquarters building at the end of State Route 520 in Redmond. Opened earlier this year, the office includes amenities such as a bistro lounge, a massage room, a workout room with rubberized flooring, a new mom privacy room, and a dedicated phone room for personal calls. The main entry contains a two-story floor-to-ceiling waterfall, artwork is scattered throughout the building, and each employee was allowed to choose the color of his or her office from a selected group of colors.

Outside, there's a reflexology path that consists of a landscaped area of colorful stone pathways designed to massage specific areas of the feet.

Although he has experience taking a company public, Clark said that route isn't on Ægis' plate.

"One reason you go public is to be a big giant company and grow rapidly," he said. "One of the great things about this company is our culture, and that's a testament to what our priorities are."

"One of my proudest accomplishments was that the same year Inc. (magazine) named us the third fastest-growing company, Washington CEO named us the best company in Washington to work for. That tells you about our balance and the importance we place on our employees."

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