Lani Cran Petrie

Oral History Interview Kapapala, Hawai'i, October 21, 2016 & November 4, 2016

LW: Today is October 21, 2016. I'm at Kapapala Ranch in Ka'u with Lani Cran Petrie. I think what we should do is start with a general history of Kapapala and then weave your family's involvement in there.

LCP: If you just google Kapapala Ranch, my friend did a website and it weaves the cattle industry into Kapapala Ranch. The ranch was founded in 1860, by Charles Reed. The Reed's Island Reed... sorry... William Reed and Charles Richardson. William Reed went on to buy out Charles Richardson and Willie Shipman was Reed's step-son. Jane Shipman... her husband died, and she later on married William Reed. Willie Shipman was Reed's step-son and so Willie actually in his late teens, had a lot to do here at this ranch. The Shipman book has a lot in there. What was his name... that wrote the book... you're probably familiar with it? The history I know of the involvement here is from that book. So, they were only here for seventeen years, but they built the headquarters to the best of my knowledge. They built this house for sure. And they would have had to build the employee housing as well. But it'd be interesting... Dr. Bergin is working on the book about Kapapala and I'm sure that there will be a lot more primary history than just hearsay 'cause that's the way he is. So, we do know that every place the Shipmans went, they planted magnolia trees. So, we're pretty sure that the construction of this house started in 1860. And the sugar companies were getting started in the 1870's here in Ka'u. Charles Brewer was ramping up to start the mill in Pahala. And there's actually a little interlude there where Reed sold the ranch to Charles Bishop, if you can believe that. Well I can. Bishop was a very enterprising businessman. Bishop only owned it for six months and he doubled his money by selling it into the corporation of C. Brewer, of which he was a stockholder. So, Shipman sold it... Shipman... Reed... I'm not real sure what Reed's involvement was at that point. But the sale to Bishop was \$75,000. And six months later Charles Bishop sold his interest to C. Brewer Corporation for \$150,000. And anyway, as it is... lo and behold the ranch was run by Brewer for ninety-nine years. So, in 1877, Brewer took over ownership interest and I am not sure but to the best of my knowledge, Julian Monsarrat became the ranch manager. And I do know it for a fact he was the ranch manager for forty-one years. During Julian Monsarrat's time, my great-great-grandfather, William Johnson Yates, was the foreman. And my great-grandfather Julian Yates was actually born right on that site there, which we call the number nine house. It's the same site, different house. So not by choice but by chance, my family on my mother's side has ties back here into the 1800's. So back to the ranch's history, though... I guess you asked me to intertwine our own family in there. William Johnson was the foreman. I don't know what dates, but it was under Monsarrat. And my great-grandfather, Julian Yates was actually named after Julian Monsarrat. So Monsarrat was here for forty-one years in Brewer's ninety-nine-year regime. And then there was a multitude of them. I can only name names. The next one would be Sumner... Haole Sumner. He was here for thirty-four years. Haole Sumner was probably... of course I didn't know him... but very progressive in management. From my understanding Haole

Sumner was one of the most progressive ranch managers for his time. And he was here for thirty-four years.

LW: What did he do that was progressive?

LCP: Got water... it would be in his regime that the water tunnel that was built in the 1920's for sugar actually, but the ranch was able to get a pipeline put in. This ranch didn't have a really reliable water source for sixty years. Sixty years all they relied on was rainfall. And I think it's in the Shipman book that there was a huge drought and they lost hundreds of animals. Because there was no water source. I know that Monsarrat had something to do with the water coming from the tunnel, which would have been in the late 1920's because there was a redwood tank up here. This area above headquarters here is commonly referred to as Mauna Kea. And it's really funny how people make up all kinds of stuff but really... Mauna Kea was Julian Monsarrat's nickname. He had a full head of white hair. So, his nickname was Mauna Kea. He put in the first redwood tank where the water came from Makakupu Tunnel. About two miles of pipe that came through the forest reserves. There weren't forest reserves. It was all monarchy. That's what's so interesting about talking about this ranch. Or all the ranches. But you can't overlook the political situation. This ranch operated under the monarchy longer than it operated under any other political regime. We've only been fifty-seven years now... under statehood. And so, I always find that interesting. In fact, I have to give a speech about it. We're hosting a range management affiliation next week and I'm just going over my speech to them. And I again remind myself that when you talk about managing land you can't ignore politics. The political scene is the first filter of managing any land. Most of the ranch's history was done during the monarchy. So anyway, back to the guys from Monsarrat, then Haole Sumner. I'm really looking forward to Dr. Bergin's book because most of what I know is by looking at water troughs. Because they always put the date in cement. And when you realize that to pour footings for a redwood tank, they had to haul the sand from Punalu'u. And they didn't have trucks. It was all with oxen and wagons and when you get out someplace fairly remote, on an ATV, and then you look at the date on a water trough, and you go... 1930... and you realize to get the material here they had to pack it in. So that's what I know basically. The ranch records, unfortunately, burned... by an angry ranch manager whose name I won't mention.

LW: ...a detail worth knowing.

LCP: I can only state as to why and there's a wealth of knowledge in the old Brewer building at Wainaku. There are still some records there, but they would probably just be the annual reports. Do you know John Cross? He worked for Brewer for years until Brewer closed. He works for Olson Trust now. But he knows the ins and out of that basement in Wainaku. It's a wealth of plantation records. And he has given us some records but most of them are just the annual reports. Sumner was gone by the time my dad worked here in the 50's. Dad worked here from 1952 to '56, I think. He worked here for four years. And I'm not sure if it's in his oral history. Probably. Because he left because he couldn't stand the union. The sugar company went union. It was all owned by Brewer. They made the ranch go union. There's no way to run a ranch as a union shop.

- LW: What was his job there in '52 till'56?
- LCP: He was the foreman. So, my brother was born here... well, at Pahala but my dad lived here. Same house. The foreman's house. Number nine. In the '50's Alan Johnson was the manager. After Sumner's regime, I don't know of many managers who were really here for much more than six or eight years. I think Fred Schattauer might have been the longest at eight. All the managers were like less than ten years... even down to Hunter, who was only here for two years. And if you want me to speculate on why those ranch records were burned, it's probably because the sugar company kept withdrawing all the productive lands for sugar, which made the production costs on the ranch go up. You can't remove what makes land productive. Soil. Fertility in the soil. And rainfall. And so the sugar company kept withdrawing the better lands and back before environmental impact statements and environmental assessments, they bulldozed thousands of acres. Not only here... of ohi'a forests to plant sugar. But specifically to this ranch because I know it pretty well, is that you can't keep withdrawing the good land. The sugar production went up, the cattle production went down. Which really made the ranch look bad. Okay. So ultimately, you're the manager. It makes you look bad. And I think that what I know of the withdrawal of lands. The ranch and the sugar company are like this, okay? All ranches. Sugar made a lot of money. They developed a lot of water. And until World War II... until the internal combustion engine became common use in the '40's, the mills all relied on flumes to transport the sugar from the fields to the mill. Therefore, you could never get cultivation of sugar lands higher than the flumes. Maybe a little higher, but not much higher. Because moving those bundles of sugar by pack animals or by wagons, you didn't get cultivation much further than the source to get the sugar to the mill. But then what happened, the invention of the internal combustion engine, which was right around World War II, now they can start hauling sugar out of the fields. Cultivation went from probably around two thousand to twenty-four-hundred-foot elevation up there, so another thousand feet. On this ranch cultivation went up to thirty-four hundred feet. Longer crop, the higher elevation fields... and I don't have a background in sugar but a three to four-year crop. I'm glad you asked about the business side of it because I'm actually an ag economics major. I graduated from Washington State University. So, I mean economics just drives everything. It's going to drive the whole show. And high elevation sugar worked for a while. But you know what happens when you start tying up an investment; you've got to roll that investment. That's when the plantations that were at lower elevations, high rain fall, they could turn their money so much faster. But anyway...
- LW: Was that three, four-year crop at that higher elevation?
- LCP: No. These fields like between here and Pahala probably two to three year crops. They start going up, up, up... and they're three to four... and you're growing season gets... I mean even this is the "tropics," ... quote, unquote. You think it's not seasonal but tropical grass is, and sugar is a grass. It's stops growing in December through March since the days are short enough and cold enough... the soil temperatures drop enough that the tropical grasses will slow way down in growth for about four months.

LW: So the land they were taking away from ranching was at high elevation?

LCP: It was above the flume line. I'm happy to take you for a drive up there if you want.

LW: Well we should really try to finish something standard before we go out too far.

LCP: So, by the 40's the plantation was very aggressive at taking lands because you know, fuel's cheap. We have this new technology and ranching as in many businesses, but I can only speak about ranching. New technology is really, really fueled. The ability for ranches to stay... I don't even like the word sustainable... I like the word profitable. Because you don't stay in business by being sustainable. You stay in business by being profitable. But new technology in that day and age it was due to the internal combustion engine. Which also gave the ranch the ability to haul cattle. And as with anything, you start transporting cattle or sugar, you're also transporting seeds and insects and so in the ranch records in the '40's we're already talking about the invasion of guavas. And I didn't know this. Guavas were brought to Hawai'i by... oh... it's the name of a street in Honolulu... well known... Wilder. I think you can just type in guava. In fact, that's how I found it. I was looking for some of the university's work on herbicides. And well-known name. Anyway, he brought it in as kind of a crop... an economic crop... had no idea. Nobody really had any idea what a biological vacuum Hawai'i is. And the ranch records by the '40's were reflecting the infestation of guavas. And they were having trouble. I'm not exactly sure where the dairy was on the ranch here. But there's reference to the dairy paddocks starting to show signs of guavas and how hard they were to kill. And by the 40's... they were already trying to mechanically grub guavas. And hindsight's 20 - 20. We know now that you don't ever want to grub a plant that will root sprout. Because instead of just the stump regenerating itself, thousands... thousands of shoots will sprout. So, some where's in the 30's... whenever tractors came into play, I know when my dad worked here in the 50's they were running... in his time... two TD-14s, which would be the equivalent of about a D-8. Fairly good-sized machine. They were chain dragging. They had no idea what they were doing, trying to chain drag guava. The damage that was done in the 40's and 50's... they just virtually spread it. Spread it. I only heard this in the 60's. I have no idea to what scope, but Bill Lacey... if you looked at this ranch there's a sixty-acre fee simple parcel by the volcano. I can tell you the whole history on that later. Not that there's that much. Bill Lacey bought... in the 70's when my dad came here... and we knew Bill Lacey from O'ahu. Apparently in the 60's... and this is just Bill telling me that they hired him to come in and do some aerial spray with a helicopter, trying to control guava. In the 60's. And herbicides, as you can go and look through the university... reams and reams of these studies... herbicide is truly ineffective on guava. So, mechanical means were ineffective. They're actually very detrimental. Herbicide is effective. So that's kind of what's been happening to the ranch and the plantation through the 30's, the 40's, the 50's. And from a business standpoint, it doesn't take too much science to figure out what's going on. The cost of raising cattle is going through the roof. And I don't say that the production cost is going down much at the plantation but you know you got a huge capital investment in the mill and anything to do with the factories, you got to keep itrunning. I

think these outlying fields... I know nothing of what it did to the production costs of sugar, but I do know it helped keep the factory full. And... I'll end at my knowledge of sugar and the cost of production. You can see what's happening is the production costs on the ranch going up. Okay, now they go union. That's why my dad he just couldn't take it. Because under the union, they had to stop at eleven o'clock to eat lunch. Well if you're gathering cattle, you don't... you can't predicate a time to stop working.

LW: You got a bunch of calves, you can't just leave them.

Well if they're in the corral, you can stop. But if you're mustering or gathering, you stop and they just go... bleh (makes a noise). So the hours of work done before is for nothing. So okay... there goes the production cost again. And then they're starting to get more expensive. It would have been '52 and '56 that they went union. So now men are to start work at six and be done at three. This ranch... we start work at three. I'm not talking about these little paddocks around here. You have a lot of control where you have internal fencing. But at three o'clock the men go home. Well the animal is just starting to cool off. The light intensity I think is one thing that the plantations knew a lot about it. 'Cause they measured it. But with the reflection off the ocean, I think all the eastern exposed plantations were very productive. Especially on the slope. The slope, with the reflection... the light intensity at this ranch is pretty incredible till about noon. And then the sun gets over there and even though the air temperature is constant, the animals will start to move on this ranch at about two o'clock. And the summer's a little bit later and the winter earlier. But going back to the cost of running the ranch, you can see where... okay, all of a sudden, your labor force is restricted to work during given hours. Production costs are going to go up. After three o'clock it's overtime. What do you do? You're out there ten miles from where the men are supposed to clock back out... so now you got to start getting these guys heading home by one o'clock. It doesn't work. It doesn't work. You can just see where the cost of production was going up and up. And I was rather young. We were at Mokulē'ia. I'm going to guess I was about eleven maybe. Because we used to like to come up... my auntie and uncle liked to go to Pohoiki and go camping. And so it would have been already in the late 60's, that my dad got a phone call to come look at Kapapala because Brewer was thinking of selling the ranch.

LW: Okay so after '56 where did he go? He went to Mokulē'ia?

LCP: He went to Kaua'i.

LW: Oh... Kaua'i?

LCP: I can remember pictures... 'cause my brother was little. My dad was only there for about eighteen months. Worked for Dee Gibson. They were feeding pineapple... in a dry lot situation. He wasn't running a ranch *per se*. They were taking the by-product of pineapple production and he ran a feed lot at Wailua.

LW: Okay and then he was at Mokulē'ia?

LCP: No. No. Mr. Gibson, who was my dad's boss was not paying all his bills. And my dad just couldn't handle it so he left. He had no job. My mom always had a job. She had a degree from Armstrong Business University. Clerical degree. But she was very good at typing and you know... back in those days you had to take shorthand. So, my mom was always employable. Thank God! There were stints that my dad didn't have a job.

LW: But you weren't born yet?

LCP: No.

LW: So your brother is older than you?

LCP: He's four years older than I am. So my dad left Kaua'i, came back to the island and he was catching wild cattle for Shipman. Because when Shipman sold this place, they took the land from here and bought all of those lands from Volcano going down all that Paradise Park area.

LW: Ola'a?

LCP: Ola'a... yes. So my dad didn't have a job, but he was very experienced from working with Shipman before, up at Pu'u Ō'ō. And so he was contracting to catch wild cattle in Kea'au. And he started his own little cow herd. It's pretty funny. This is kind of aside but going through my mom's things... I found a check dated 1957. Yeah, I was born in '59. It was for like fifteen hundred dollars or something. Which was a lot of money in '57. And she had it way back in the safe way buried in some stuff. And you know... I could kick myself... I'm pretty sure I threw it away. I'm pretty that's the first cows my dad ever bought.

LW: Oh, I see.

So he had some cows that he had purchased down in Ola'a, and he was contracted with Shipman to catch wild cattle. And I can't exactly tell you when, but W. H. Greenwell hired him on contract... to train horses. So, I know my mom had a pretty good job. You know... I'm kind of hazy. Anyway during that time when he didn't really have permanent employment, between my brother and me, he was breaking horses at W. H. Greenwell when he got the call from Mokulē'ia Ranch. In fact, he had... my mom went into the hospital in labor with me and she was at Kona Hospital and dad got thrown right at the Kona Waena intersection right there? On the only bit of paved road there. He was on a runaway horse that lost its footing right there at the intersection. The horse fell... split my dad's head open. So, he ended up in the hospital. And I guess I must have been born, because my mom... they couldn't both be in the hospital. My mom got sent home because my dad was in the hospital. But the morning I was born, prior to him ending up in the hospital... that morning I was born was the morning of September 1, 1959. He got the call from Jack Larson to see if he was interested in going to Mokulē'ia. And my mom, of course stayed here in Kona with me and my brother. Till I was six months old when they finally got my dad situated in a house and everything.

LW: Okay... so then you're at Mokulē'ia. You grow up there...?

LCP: Yeah, I grew up at Mokulē'ia.

LW: What exactly was his job?

LCP: Manager. We lived three years down at the beach. They had a house down on the beach. My mom really didn't like living at the beach. I don't know how many times we packed up for tidal waves. My recollections are I was probably about three when we left that house. They moved up closer to the ranch headquarters. At that time when I was little, they were farming alfalfa and corn. The fresh corn market was in Honolulu. My dad was showing Mokulē'ia Ranch how much money he was making per acre growing corn and they said let's grow some more. It didn't take but a few more acres of cultivated corn that they flooded the market. And I have recollections of our growing alfalfa there... as most crops that need to be stored at very low humidity, alfalfa didn't last long. And I would imagine that they were growing it for the dairies.

LW: There were a lot of dairies on the Waianae side of O'ahu.

LCP: Lots of dairies. And Wai'anae. A lot of my memorable years at Mokulē'ia Ranch we raised dairy heifers. The ranch had the low land, which could be irrigated. That was all artesian water. And I remember the big pumps that they used to irrigate with. My recollection is the fields that were farmed when I was a little kid, for alfalfa and corn, didn't pan out. And so, the Dillinghams leased that back to Waialua Sugar, 'cause I remember... oh, probably five, six, seven years old... eight years old, nine years old... them planting cane. You know... the fires, the turner haulers and I would have been about eleven or so... when the ranch became real productive. I'm not sure if you're real familiar with Mokulē'ia Ranch.

LW: I know Mokulē'ia, but not the ranch.

LCP: Well, the Wai'anae Range and the flatlands. The flatlands are where we farmed. And somewhere in there my dad must have convinced the Dillinghams... or maybe the Waialua Sugar wanted out of those fields. I don't know why. But we started raising dairy heifers on several hundred... I don't think a thousand acres... maybe... of irrigated land. We were in the heyday there. We were taking day old calves from the dairies... we had a very intense operation there. Bottle feeding dairy calves. Making them... of course the bull calves were marketable at a young age but... taking the dairy heifers right on up until they were bred and taking them back to the dairies. It was in the thousands...

LW: Lot of people working for your dad then? How many people does it take to do that kind of thing?

LCP: Well the ranch had its regular crew with Eddie Silva, Tommy Achiu, Duke Kapunia and Ken Dillingham and the ranch at that time had the cows... the commercial beef herd,

which ran up in the Wai'anae Range. We ran on the Dillinghams' deeded land. And then I was about twelve when he got the DLNR lease above the... all the way out to Ka'ena Point. But up on the top. The land was available...

LW: Do you mind saying about how many head were up there?

Well the cow herd... the commercial cow herd was about four hundred cows. I think it LCP: may have been less than that. Until they picked up that Ku'u O Kala piece. And I know the herd was around four hundred because I remember as a kid we'd start trailing them back. Took us about two and a half days. We'd start from Ka'ena Point. Not on the low land. Up mauka, around the tracking stations there. And we'd start trailing the cattle back. Which as the crow flies is not very far. But because of the nature of the canyons of the Wai'anae Range... the actual miles were long. My recollection as a ten, eleven-yearold was the cow herd was about four hundred. The commercial herd. But my dad also got into Santa Gertrudis cows and had a registered herd of about fifty that we kept down in the lower country. Obviously because if you're AI-ing (artificial inseminating), they needed to be in close. The commercial cow herd... and then those cowboys overflowed to take care of the dairy heifers, too, so there was Eddie and Tommy and Duke Kapuniai. And my dad. So, four men took care of the commercial cow herd, the pure bred Santa Gertrudis, and the dairy heifers. And then one man... Ron Wilton... he was blind. But he was the herdsman at Meadow Gold Dairy. Incredible man. Incredible. He was the herd manager at Meadow Gold down at Kawailoa until they finally had to let him go because he was blind. And my dad picked him right up and put him in on the dairy herd. We wouldn't have tackled all those dairy calves if we didn't have Ron. Dad gave him a job and Ron raised thousands of calves. But he was incredible because he was blind and his feel was so good, we used him to do all the ranch "preg" checking. And he could tell whether a cow was pregnant within two weeks of conception. Two weeks. But it was always a good joke with Ron. My dad would throw a steer in there. (Laughs.) Ron, he'd just start his hand up there and... first time he... 'cause he was blind you could see him wrinkle his brow and like... and you know by the second time my dad tried that trick, Ron, he'd just go in a little ways and he'd look and... "Cran, it ain't gonna work!" (More laughter.) It seems like a lifetime, but when my dad left there, I was only fifteen. And same thing... the ranch was not looking like there was going to be much of future there. He'd been there from '59 to in the early 70s. The Dillingham family was getting rather large by then. And as it is, you know the fourth generations, they want money, so there was a lot of talk about selling the ranch. Oh, but one thing my dad did do that made them a lot of money, and kind of put them at bay about selling, was he convinced them to start mining the sand that was down in the lower elevations. Because they owned all that land. All around the air base. But there were pockets of sand. And so anyway, my dad convinced them probably in the late 60s to start dredging. Well they didn't do it. They just sold it. And it made the ranch a lot of money. Lots! They were trucking a lot of sand out of there. I don't think it's all that important but it made the ranch a lot of money. Yet... the writing was on the wall that they were going to sell it eventually, so my dad saw a window of opportunity with the old Kūka'iau... state leases... Kūka'iau Ranch. It's out there on the Hamakua coast. It was owned by Davies. Davies owned the deeded land which was about... I don't know... three to four thousand acres. And then

there was state owned parcels out towards Hanaipoe going towards the Parker Ranch deeded lands. And those leases were coming up in 1975. My dad was friends with Dutch Schuman... Schuman Carriage. He (Schuman) had a lot of disposable income. They actually went to college together in Arizona. And my dad saw an opportunity...

LW: Where'd your dad work?

LCP: Wainaku. His dad was the head engineer at Wainaku Sugar.

LW: Okay. They went to college together?

LCP: So in '74, I think, those lands came up available. I should back up a little... because growing up... you know that check I told you was for fifteen hundred dollars or something. My dad always kept cattle on the side. He always had a little cow herd, which the Dillinghams were okay with. They were fine. And at one point... let's see...

LW: Did he have to sell the herd?

LCP: No. No. He took this little herd and in the '60s, I think it was '66 or something. Let me think how old I was. I know I was too young to even come up. My dad got the lease with Ray Bennler on the Pu'u Ō'ō piece that Freddy Nobriga has now. Or the Nobriga family. Are you familiar with that on Mauna Kea? His family is... I'm not really sure what's going on but anyway my dad and Ray Bennler got that lease. Parker Ranch had it at the time. Parker Ranch or Shipman... Shipman had it. Well my dad was real familiar with it because he worked there as a young man in the... let's see... in the late '40's. So he was familiar with it. And he took his little base herd... this was another big deal. I remember it. Big time. My mom and dad financed three hundred cows. They bought three hundred cows. It was a big deal. I can even tell you the Bank of Hawai'i Branch Manager was Rick West. And he believed in my dad so much that he wrote him a loan. And it was... it was a huge deal so my dad had his job on O'ahu and three hundred cows which was a pretty sizeable deal. Which Ray Bennler and my dad partnered on it. I couldn't tell you how many total cows were there. They hired somebody. Don Winters, actually, to run it. So...

LW: The herd was still here on the Big Island?

LCP: Yeah, it was. I can't remember what happened. There was a falling out between Ray Bennler and my dad. And I was still pretty little. In fact, now that you're jogging my memory I should talk to Don Winters while he's still alive. My mom and dad are both gone but Don would know what the hakaka was... and my dad left. And we ended up shipping... I believe close to three hundred cows. I'm not sure if we shipped them all or if we sold them and left them here. But we shipped a bunch of them and they went to Waimānalo on O'ahu. What was her name? She was so colorful. Mrs. Furtado. Hazel... Hazel Furtado. She had a lease on all that Bellows Field down there. At Waimānalo. Again, real productive land. But military compound... you know... runways and fields. It was pretty abandoned when we were there. 'Cause I remember

being a kid going down there to work our cattle. That was pretty colorful. Mrs. Furtado did not ride a horse. She had a Nova... a Chevy Nova. And she could burn it down those runways. Her car... and stop cattle and turn them around and it was pretty colorful. So anyway, my dad always had this base herd. I guess the fifteen-hundred-dollar check had meaning. So from Mauna Kea, a portion, if not all of them went to Waimānalo. You know I'd say it darn close to the three hundred head because when my dad decided to partner with Dutch Schuman in the '70's I know we had three hundred head. It was my dad's equity to get into the partnership. Three hundred cows again were shipped... whether it was the original herd or their progeny. Our base herd of three hundred cows was shipped back to Pa'auilo. And...

LW: I don't want to lose the opportunity for you to talk about yourself.

LCP: Oh... beautiful childhood.

LW: Tell me about it.

You had to be home by dark. That was it. I mean of course there's school, which LCP: everybody forgets those years of going to school. I went to nursery school at Wahiawā. Again, my mom always had very good jobs. She was in one of the information office at Schofield Barracks. Anything that left the army to go to... quote, unquote... general knowledge... like the Star Bulletin didn't get anything unless it went through my mom's office. And in fact, I didn't realize it until she got quite a bit older but she had top security clearance when she was working at Schofield Barracks. That she was trustworthy enough that... I guess it came out when she got her fifty-year award. They sent her to Washington D. C. to get her award. The Vice President of the United States gave her the award and it was then that it came out... I didn't know it, that she was really super high, top clearance standing with the federal government. Anyway... so mom always had a good job. And could put us through private school so my first recollection was riding to Wahiawā with my mom and my brother went to Trinity Lutheran School, which is still there. And my mom always had the milk run, a car pool full of kids from Waialua. All the plantation supervisors' kids went to Trinity Lutheran. In fact, it was funny. At her funeral, my son got talking about... you know... riding to town with my mom. And later in the day all the other adults said your mom used to take me to school, too. But she always had the morning run 'cause she started usually by seven (o'clock). She had to be at work by then. So, she had the job of taking all the kids to school. We went to Wahiawā. She worked at Schofield Barracks. And then I'll just finish the school part and then I can talk about my childhood. Oh, it was wonderful. So, Trinity only went up to eighth grade and my dad wanted me to go to Mid-Pacific. My mom wanted me to go to Punahou. And Kamehameha... so I had to apply for all three schools. I got in to all three. I was accepted at all three, and the bottom line my parents said it's your choice. So, I chose Kamehameha. A day student for about the first four to six weeks. And then they had an opening. So my mom, bless her heart, she transported us all. But then there was an opening at Shafter. So, she got the job at Shafter so she could drive me to school. But it wasn't to drive me to school 'cause I'd catch the bus. Her hours must have been later. I know it was during the era when they were trying to stagger traffic into Honolulu.

'Cause I remember I used to catch the bus, but I was swimming. I was on the swim team. So, she'd drive from Schofield to come pick me up at five (o'clock) or whatever. And then she got transferred to Shafter which then was easier for her to pick me up after swimming. I think that was several months. It was quite a while. And there was an opening in the boarding program so I was able to move into the dorm. Which in itself was a lot of fun, too, 'cause growing up at the ranch, you know you're kind of alone a lot. The Silva family had kids but they were older than me. And even though we did things, they were older than me. The boarding school was a blast. I really enjoyed the comradery of all the girls and so that was kind of the vintage of academics. And then because I was boarding when dad moved to Pa'auilo, mom came to the Big Island and I just continued boarding. But I still had ties to the ranch. Every weekend I went back and stayed with Kenny and Jackie Dillingham. And I had a string of colts which was wonderful. I'd go back on the weekends and I'd ride... I had three colts at the time. But I did a lot of riding after my mom and dad left 'cause I didn't have to clean windows and you know all this stuff that you would have to do with your parents. Two years of weekends of just getting up, going down to the saddle house, getting my horses and I rode that Wai'anae mountain range incredible... fifteen, sixteen, seventeen... every weekend. So yeah, I stayed even though my parents moved. I stayed at the ranch on the weekends.

LW: Wow... that sounds wonderful.

LCP: It was really cool.

LW: So, did you spend the whole day out or take more than one horse and...?

LCP: Sometimes if I was going to go far... and fortunately the one Silva boy, Roland, he kind of was getting into riding colts, too. And you don't really want to ride a colt way out yourself so we would go together.

LW: Why don't you want to ride...

LCP: Oh, if you get into a problem... I mean you're riding an inexperienced animal. If something happens, which does a lot... I've had to hobble home up there. After falling from a horse. Anyway... yeah, a lot of times I went alone but if it was a pretty green horse then we would partner up and pony some horses and it was freedom to the max. I had to be home for dinner. (Laughs.) Which I got along really well with Jackie and I'd help do a lot of the cooking so...

LW: So, I do want you to comment on being a female and if you can think about that. Was there...?

LCP: You just had to find bushes to pee. (Laughter.) One of the other guys would just get off the horse and turn around. You know at first it was... you know you're little and your bladder's really good... you can just hold it and hold it and hold it. But it's

hard being a girl. I got picked on just as hard as anybody else. I had to ride in the back of a pickup truck. I don't know exactly what you want me to say but...

LW: I'm just asking a question.

LCP: I had to saddle my own horse.

LW: You're saying it wasn't much different from anybody else. You did have to make other arrangements to pee...

LCP: That's about it.

LW: And you never felt like... something was going on differently for you than for anybody else?

LCP: No. Uh uh. And I think as I went into puberty... I mean the men do. I guess by that time I wasn't a... I grew up with them, you know. They all had children. They knew their daughters were having their menstrual period. I never ever felt embarrassed to excuse myself. I never did, you know. We're all girls. We leak sometimes. I never felt embarrassed. Not around the ranch crew. Oh yeah.

LW: That's interesting, you know.

LCP: Not around the ranch guys... no. You just grew up as a kid. All the kids grew up. If you were going to ride you were expected to catch your horse. I mean everything within what you were able to do. Of course, when I was six I didn't have to saddle my horse. But I had to catch it. You know my dad was... he always made you have to step up to the plate. I can remember when he said, "You kind of like this riding horse stuff?" I must have been about seven. 'Cause I remember I could barely carry the bucket. And he says, "You like this horse stuff?" I said, "Oh yeah, I like this!" "Go catch your horse," (he'd say). Oh, I can remember getting so mad because I couldn't catch my horse. I couldn't catch the horse. And finally, I got it figured out. By the time I was like eight... "Oh, you like this riding horse," (he asks)? "Yeah, yeah... oh, yeah!" (Dad says) "Good, you're going to saddle your horse." And then by the time I was in my teens, it was like "You still like riding horse?" "Yeah," (she answers). "Okay, you're going to shoe your horses. I'm not going to do it anymore." So, I had to start helping him with the basics, but by the time I was sixteen I could shoe a horse.

LW: And your brother, too?

LCP: He didn't ride. When it came to catching his horse, he got out of the picture pretty quick.

LW: So, you're fifteen.

LCP: Oh, let's back up. The summers growing up there... it was really cool. My mom left for work, right. And all you had was like a list of things. I remember I was too young to go

to work with my dad with the working men... so that was probably... unless it was a cattle drive. Then he'd always take me. But if it was like fence and that kind of stuff, I could go if I wanted to. But I was too little to shovel. You know when you're only so tall, logistics... so... I had to make lunch. Working with mom was always on the weekends. Saturday. Clean house. Every Saturday. So, it was nice in the summer 'cause she was gone. And if it was hand jobs my dad wouldn't take me. So, I would have to make them lunch and mom usually had a list of things. Then I was on my own. But I could go catch one of my horses and... as long as dad kind of knew where I was going to be. If I wasn't going to be at the house, then I'd let him know that oh maybe I'm going to go down to the beach. And the Dillinghams owned Lapakū, which was a half a mile from where I would catch my horse. So as a kid... I'd just go catch a horse and ride down to the beach, take the horses in the water. Talk about laps of luxury. You didn't think of it as anything different when we were growing up because it was just where we lived and there weren't any weirdos and drugs weren't... you know it was right in the era of the mushrooms, you know. The hippies were big starting in at North Shore and I'm sure marijuana was... it was somewhere but not a lot. You know my parents didn't worry about us growing up. It was, be home by dark. That was the rule. If you weren't going to be right around the house let someone know where you were going. And be home by dark. That was it. And then the Dillinghams... they had the Dillingham summer home. B. F. Dillingham, who started the ranch and built the railroad, his original house... it was a house. It was functional. And I don't know when they built that mansion. And if you ever get a chance to see it... it's still there... it's absolutely fabulous. The various Dillinghams and Erdmans, and all the family... 'cause it was summer they'd come out. Different families. So, they usually had kids. And the Dillinghams were great. They didn't treat us like we were slave labor. The kids all played together. The big house had a swimming pool and a tennis court. Now, we weren't allowed to go there on our own. But if the Fairbanks family was there or the Larsons. They had kids. They were always like oh, can Lani come play? As long as we were invited as kids we could go over there. And so, in the summer, if there wasn't family that kids we could go play with, then it was myself. I could go by myself and go do anything I wanted. One of my fond memories... Keone Fairbanks... we were the same age. Every time the Fairbanks came I was like oh, all right. But we liked to go catch crayfish. 'Cause the plantation irrigation ditches went all through and around parts of the ranch and so it was... oh boy. We'd get our coffee can and bacon and string. 'Cause all you needed to do was tie a piece of bacon on a string and you'd just throw it out in the irrigation ditches, which were kind of a little bit murky. So, you really can't see the crayfish grabbing it but you'd feel it. All right. So, we'd fill these coffee cans with crayfish... crayfish, we'd call them. And one day we had twine and this pile of crayfish. We were little... I think we were maybe eight, nine. And Keone gets the bright idea. Okay, our cans are full. We still want to fish. So, we go to... the house is Australian style roofline, big red brick verandas. I mean absolutely gorgeous. Fish pond with fountain. So Keone's like... all right, we'll empty our coffee cans in the fish pond. We could go back and fish for more. The housekeeper was this old Japanese lady. Oh, it was a family. The Shigeokas took care of the house. We hear this hellacious scream. The irrigation ditch was like from here to where our saddle house is. We hear this hellacious scream. Well, all the crayfish were crawling out, all over the veranda. And

Mrs. Shigeoka was having a cockeyed fit. That was the end of cray fishing. Well anyway, of putting them in the fish pond. So that was the kind of stuff we did as kids and Jennifer Larson, she liked horses so we'd... she actually kept a horse at the ranch in the summer. As soon as we'd get up, eat breakfast... she was my partner to go down the beach, mostly.

LW: You'd ride down to the beach?

LCP: Ride down... she was a teenager so she was really into the bikini, sunbathing. I like the beach to go swimming. But there were two of us and nobody was really afraid of anything. Our parents weren't afraid. I was in my early teens. Jennifer and I were both down there and it's when the nudists started. (Laughs.) A guy comes walking down the beach stark naked. And I'm like... Jennifer was a little bit older than I was... she was about five years older than I was. And you know, he was polite. He puts his skivvies on... his jockeys on before he got close to us and... of course, I told my parents. And after that they were a little leery about letting me just go down. Yeah... and there were gun nests. The military with the air base down there... there was a gun nest right behind our house.

LW: What's a gun nest?

LCP: Where they have machine guns.

LW: Oh. There were actually guns or was it a place for guns?

LCP: A place for guns (like bunkers). They were manned. It was built out of cement. And some of them were really nice...it actually had cement floors. But most of them were just a cement cap... I mean... they were nice. They were kind of horse shoe shaped. And they were on the ground. If you walked up onto one, it was about six feet wide by eight feet long. But they were only this high. They were down into the dirt. But around the front was the opening for the machine gun.

LW: Kind of a slit?

LCP: Yeah. Right around the round part of the hole. And there was a bunch of them. But oh, we used to play all kinds of cowboys and Indians. We played war. You know the bad guys had to be the Japanese and sneak up on us.

LW: The bad guys were Japanese?

LCP: Yeah. And as kids we made up kinds of games. We rarely played board games and that kind of stuff. We built tree houses. And once you built a tree house then you got to... well, there's always got to be some Indians so...

LW: And you had Indians?

LCP: Well we let the...

LW: Where'd you get the idea of Indians? TV?

LCP: I guess. But you know there's all these kids, right. So, the older kids get to be the cowboys and the younger kids got to be the Indians. Same thing with when we played war, the little kids had to be the Japanese. The big kids always got to win. We had fun. We had a lot of fun. There were those things between the military and their gun nests and you're always finding all kinds of ammo. Live ammo. Some of my fond memories... I won't say fond... things that really to this day... live with you is the poaching. And the nights of my dad... you know you'd hear shots in the middle of the night and... every shot fired got an answer. And this was back in the old days when there was no such thing as terroristic threatening. I remember... one of my...

LW: So, who was... wait, I don't understand. Who was firing at who and what was going on?

LCP: Guys were always pig hunting. At night. And so, they'd be out hunting and fire some shots. You know... it's one of those things. If you don't address trespass on your property, then they're poaching cattle. Which was a lot more common then, than it is now.

LW: Yeah... I imagine poaching is an easy thing to do because the thing you want can walk.

LCP: To a degree because they can't walk with a cow. Then the components become very heavy. And that's where you see people shoot a cow and just take one hind leg.

LW: Oh golly... how awful.

They could put it in the trunk of their car. So that kind of extra-curricular activity. It's LCP: still here today. Any place. It's the stuff that goes on at night. You know I remember being a little kid. My dad wouldn't let me go till I was a little bit older. But I remember jumping in the jeep at midnight... 44 on the seat, flashlight. You know once these guys that were out hunting... the lights come on at my dad's house... then they'd take off. And I remember going down the plantation roads. I don't know... it felt like sixty miles an hour in a jeep with no doors on it. Right into camp... right into Waialua town. Those guys pulled into their house. My dad just hot on their tail jumps out, carried the rifle up on their porch... "What the hell are you doing?" That's what I grew up in. It was still pretty much cowboys and Indians. It was good guys and bad guys. And you carried your gun. And that was normal. My dad, he served in the military and he had access to tracer bullets. I don't know if you know what tracers are. Tracers are ammo that don't have the slug. But they put the gun powder, it lights up. So, once you fire the shot, it's like a meteor. You can see the trail. So, if you're being shot at... you can see the bullets flying over your head. And my dad loved that tactic. But again... it was back before things like terroristic threatening. Now you'd get thrown in jail. Which is stupid.

LW: You'd have to prove the trespass.

The worst one I do remember and I mention it and we can move on. Same thing. Shots LCP: fired. It wasn't that late either. Nine-thirty at night. We were still awake. Dad takes off. There was another guy. Friend was at the house. Lo and behold these guys walked out in front of the headlights. Armed. My dad bails out of our station wagon. He had the other guy driving. He gets these guys at gunpoint. Disarms them. 'Cause they thought they were firing a shot trying to get their... 'cause in those days the plantation roads weren't locked. They could just... people could come off the highway and all of those plantation roads weren't locked. So, my dad gets these two guys. Disarms them. I mean just 'cause he was armed and ready to handle them quicker than they knew what was going on. He marches them right up to our house. Which is about a mile walk. Calls the police. Police come and get these guys. Takes their guns. Police calls my dad back within... less than an hour. My dad knew all the police officers... the sergeant. Sergeant calls my dad. Says you know two guys you picked up? Dad goes "yeah." Those were the two guys that allegedly killed that Navy man in Waiānae. What was his name? I'll think of his name. The sergeant tells my dad, "we've been looking for these guys for about four days now." He says, "You just picked them up." And we have not been able to hold them. So Cran, retaliation is on these guys' agenda." And so there for about... it seemed like forever but it was probably six months, we were not allowed to stay home alone... my brother and I were not allowed to stay home alone. And when we'd come back... 'cause my mom and dad did Scottish dancing every Saturday night. When we'd come home, by mom had to pull in, turn the car around in the driveway, leave it running, and my dad would get out a rifle and pistol and make sure that nobody was in the house. And that went on for quite a few months. So... you know that's kind of the darker side of growing up in some of these more remote areas and yet... it still exists today. I'll tell you about the guys that murdered that guy. Those were years that were really formidable. You know, you draw the line. I think long after he left, Mokulē'ia did not have much of a poaching problem. And it goes in phases.

LW: Do you find that happens here, too?

LPC: Oh, absolutely. Absolutely. Yeah. It's... multi-generational. Put it this way. The guys that my dad was chasing around thirty-nine years ago... they're all too old now but they all have kids that go through the same transition... moonlight night... oh boy. I can get away with it. Hunters... the little bit I've studied there are definitely the hunter gatherer types. There's the hunters and there's the gatherers. Totally different genetic background. And I'm getting into this study of blood types. And the blood type O's, they were the hunters. And the agrarians are the blood type A's and A and B's. I mean it's really strange but I'm a blood type A. (Laughs.) I don't eat much meat any more. I don't. But I feel a lot better. If I don't eat too much red meat especially. I like it and I'm not afraid to eat it but the hunters have a total different attitude... it's like this frenzy. And moonlight just brings it all out. Yeah... it's ongoing. It goes in phases. You get somebody locked up in jail or... you know the best one is if they get married or if they have a kid, you have the female... you get the wife involved, then you can just see the whole wanting to go out at night is not going over. Or they're so bad they just get thrown in jail.

LW: Yeah... bummer.

LCP: It is. You know we just went through arbitration. Been two years battling the state on a ten-year rent reopener. And they just seem to feel like we're sitting here real comfortable. Right? It's Friday, middle of the day. Most people don't understand that moonlight nights, it's not really bad right now but 2009... almost every moonlight night, in 2009, my husband stayed in the car. We slept out because there were issues over this alleged public access even though it was a road that the plantation built. Where did we begin and where do we end? All I want to say is we spent almost every moonlight night sleeping in a car to defend our property. Because it's not only poaching. And hunters... they run the cattle through gates. The cattle get in the wrong place. On this end of the ranch, we spend time and energy in trying to keep these cows on a seasonable breeding schedule. That means the bulls are only in for sixty days. Out of three hundred and sixty-five days. You get some night hunter that disrupts a gate and all of a sudden you got cattle mixed, or bulls coming in from someplace else. You know those kinds of mistakes. There was one kid that was giving us so much grief. And I finally said to him, "How about I give you two beef a year?" He's like "I got to stay with my family. I got to hunt because I got kids and I got to feed my family." I said "Okay, I tell you what, I know you got kids. I'll give you two beef a year. Nice ones. Stay off of the ranch at night. I'll even let you go to the forest reserve like everybody else to go hunt during the daylight hours. But I'll give you two beef to stay off the ranch at night. You feed your kids."

LW: That's a lot of money. A couple of thousand dollars, huh?

LCP: You know what he said? "Oh, thank you but no. I like hunt." I asked: "It's not about feeding your kids, is it?" He says, "I just got to go." And you know I went around and round with that guy. Unfortunately, he was a bad enough boy and he finally got himself convicted as a felon.

LW: For something else?

LCP: For something else. And then my husband caught him poaching with a firearm. You know, you don't call 911. This is the other thing that our landlords don't get. You don't just call 911 when you're out... eight miles from the highway. Because you're not going to get any help. So anyway, Bill caught him. Right up here with a firearm. We already knew he was a felon. We talked to him. Then we called the police and told them And that worked out really good. The police called him and said "You know what? Kapapala Ranch caught you with a loaded firearm trespassing. You know you're already a convicted felon. You know that if they press charges you're going to prison for ten years."

LW: So he quit?

- LCP: And so, the police said, "You get down here to the police station right now and I will call the ranch and see if they're going to press charges or not." And by that time, he was probably... he was raised here, too. Well anyway... the guy must have been in his mid-twenties by then. And his kids were... you know... three kids. He showed up at the police station, police officer called us and told us "Yup, he's here." And I said well you know... I was kind of hesitant... then Bill and I were together on the phone. We say, "We'll cut him some slack." And the police officer says, "Let's make him sweat a while." 'There's glass between them, right? So, the guy, he's sitting outside. He can see the police officer. He can't hear him. Police officer turns his back around and he says I'm going to let him sweat a little while. So, he went through the whole you know... he acted out a scene for about five minutes. And the police officer said to us on the phone... he says, "He's crying." I say all right. You know how we felt in the first place. And he says, "Yeah, but now... now I see it in this kid's face. He's in deep doodoo right now. Would you like me to let him know?" I said "Yeah. Let him know." I'm sorry this seems to deviate from ranching but this is all about ranching.
- LW: No. I think it is. I don't get a story like this very often.
- LCP: Because I went to school for economics. We thought that all this sociology, psychology majors were a bunch of sissies. And do you know that is exactly what I deal with 90% of the time? Sociological issues. So anyway... back to the police officer and this kid. He says, "The kid's crying." Enough's enough. And so, we found out at that time that even though we chose not to press charges at this day... they would carry forward. That if we chose to bring it up again, it was up to us if we at a later date would bring up what happened today. So that packed quite a bit of power. It's not like if you get caught again. The police officer let him know that we were not going to press charges but we had the right to bring this incident up in the future. And so it's like we had this great big stick.
- LW: So, you said something in the beginning about negotiating a rent. What did it have to do with having to negotiate a rent?
- LCP: That's what we're going through right now with the Department of Land and Natural resources. We have a long-term lease which has a rent reopener every ten years. And so, we're in the process of rent negotiations.
- LW: And how does that relate to the story.
- LCP: Would be because our lease... our landlords have no idea what it takes to manage these kinds of properties. In the pre-arbitration write up they call this a country gentleman's estate. I'm like, wait a minute. My husband gets up on that roof and changes iron. We all know how to paint and clean mildew. The place looks pretty good because my mom just died. Had a funeral. I was talking about how people on the outside don't understand...
- LW: Is the house considered part of the business?

LCP: It is. It is.

LW: Why do they list it as something...

LCP: 'Cause they're trying to get more rent out of us. And their appraiser that they hired two years ago called this ocean property. You can see the horizon there on a clear day. And they call... in his appraisal, they call this ocean... maybe not ocean front... ocean view property. But the rent reopener... what I was pointing out is how most people don't understand. You know... John Wayne has really ruined it as far as the DLNR thinking that we just go out on a sunny day and all herd these cows down and they stand there and wait to be roped and have their balls cut off, you know. There's just such an illusion to ranching that I'm serious... we deal with more sociological issues than we deal with economic issues.

LW: What do you mean by that?

Dealing with the public. It's a huge piece of property. Oh... this was also in the LCP: pre-arbitration brief. "A property the size of Kaho'olawe." Which it is. But on Kaho'olawe you don't call 911 and you don't call 911 here. You got to take care of it. And take care of it under the current laws. Legally we can carry a loaded firearm. This is our place of business and no, we don't have to have the gun in a case with the ammo in another. When we are on the ranch, we can carry a loaded firearm... legally. Can we point it any anybody? No. Can you take it out of the truck? Yes. So, when you look at the social fact... the social side of... my dad always says you don't point a gun unless you plan on shooting it. And maybe killing somebody. You don't wave it around to scare somebody. So, when you start looking at the social aspect of just being able to be armed... but the laws that are going to come into play. I'll give you another example. This was a huge deal. But it was so huge, that it impacted the community. From Volcano to Ocean View. What happened here... can't exactly tell you the date. I should but... my husband and one of our employees... on a Saturday morning they had gone out to check some cattle and they hear these dogs and they were in the Expedition, a pickup truck. They saw a dog. Well you know there are dogs on the ranch; there is a wild population... or they belong to someone but are loose. Someone hunting the night before. So that was the first sign. Okay boom... there's a dog. Well lo and behold they go up and there's a group. We know who he is. We all know who he was. Bad boy. I mean this guy is the baddest bad boy in the community. He's on our property. He does not have a firearm but he's got knives. He's got two other men with him and two little kids. And they're knifing a pig. The dogs had got the pig and he was cutting the throat on the pig when my husband walked up to him. And... tensions are running high and my husband says... "What are you doing here?" And this guy, who is widely known in the community as a drug addict and big on ice. Bill's run into him before, higher than a kite. So, you know there's all this stuff that leads up to incident where you bump into them. Okay.

LW: Right. It all, actually, goes under the heading of sociology.

Right. Exactly. And so, Bill has his rifle. The minute he saw a dog, he jacked a shell into the chamber so he's ready to fire. Because if you're going to shoot a dog you have less than a split second to do it. When he got out of the truck, he's got a loaded firearm thinking he's going to shoot a dog, to find out that there's five people. Much less two little kids. And so, he's confronting this guy. What do you do? And it's... "Oh, you f***ers you think that..." And I'm going to say it because that's the way they talk. "Think you own everything. You don't own the pigs. I get... I get rights." And you know you can have your idea or whatever you think. But we have rights, too. And it escalated and then I guess this guy starts coming at Bill and he's got a big hunting knife in one hand, and he's got a smaller knife... he has the smaller knife in the right hand 'cause he'd just slit the pig's throat. And he had the big knife in his left hand. And Bill said the guy started walking at him very challenging. Put the big knife in his right hand and the small knife in his left hand so Bill just pulled on him. Pulled the gun up on him. "Better stop, buddy." Bill knows all along that all he's got to do is pull the trigger. This guy does not know that. He's waiting for the... (makes the clicking sound). You know like John Wayne. Click, click. He's waiting for the sound. He's waiting for Bill to arm himself. He knows he's got a gun. So, Bill knows all he's got to do is wiggle his trigger finger and he's dead. He's not going to shoot him in the foot. He's going to shoot him and kill him. Because we're not police officers. We don't shoot to hurt somebody. But anyway, it was very intense and fortunately Bill had one of our other employees with him that witnessed the whole thing. Guy's confronting him, coming right at him with two knives. Bill gets down on his one knee like and he begs the guy like... "Please stop." And he says: "Stop." On one knee. The guy got within eight feet of Bill before he backed off. My husband was rattled. And it takes a lot to rattle him. But when it all disbanded and they came home, Bill said, "Take me to the police department right now." And fortunately, the Captain was right there. And Bill said, "I need to tell someone what just happened." And the Captain listened to him and he says, "Our police officers are instructed on a direct confrontation, that when somebody is coming at you with a weapon, and he says a knife is a weapon. That they are ordered to shoot within thirty feet." He says, "I can't believe you let that guy get that close to you." And Bill said, "No doubt in my mind that when I pulled the trigger he was dead. I would have to live with that forever." And Bill said what the thing was that made him go on so long... he knew that guy that he was about to kill was the father of those two little kids. He said, "That is the single thing that stopped me from taking this guy on much sooner." Okay so we're in the deceleration phase, Bill goes and talks to the police officer. The Captain just reassures Bill that he did everything right. This was a weekend. So now we got school. Those two little kids go to school. Well, my son's in school. This is all over the school. What happened. I mean teachers are having... my son was handicapped and one of these boys was in special-ed, too. And I was friends with the teacher. That's how I found out it was all over the school... what had happened. It was to the point in her classroom that she had to stop class and explain... she had to talk to the kids. That's how much this incident that happened in the middle of Kapapala Ranch impacted the whole community. But from our standpoint, it was a good thing. Because it was a message to the community. Even though the guy, he went in his circles and talked big about how he bluffed Bill down into submission everybody knows. I don't think so buddy. And so, for

years, for a long time... boy, the night hunting was... was like this. I mean it straightened everybody out for a long time. And you know unfortunately it's these kinds of things that have to rock the boat so hard, that you get some reprieve from... I mean having cattle going through gates. The fence lines that need to be stood up the morning after moonlight nights. It's so bad there that if we were going to ship cattle, since the trucks are coming in the morning, we have cattle locked up in holding areas, and we would spend the night in the car. Because guys coming down, they got their hunting dogs. Mostly they're either drinking, or they're on drugs; they're higher than a kite; they're loaded. They've got loaded weapons. And so what goes on after dark, a lot of people don't understand.

LW: Ka'u does have kind of a reputation. I see what you mean by sociological. And it's a whole community. You're integrated with the community. The contest over the land and how to use it affects everyone. Not just you guys but the whole community.

LCP: It does.

LW: Well, I think your dad... that interview we did with your dad... he had comments about ranch land that were... you know... he had far sighted thoughts about the ranch land. Kind of interesting. I think we got you to where your dad came here and you went back to college. Is that what happens?

LCP: Right. I got of high school in '77, the year that he took over this ranch. That was kind of a cool summer, too, 'cause I got to meet and work with a lot of the Parker Ranch cowboys. Not for long, because I had to go to school. But we were taking inventory... June, July, August. And then I shipped off and went to school.

LW: So that was the summer of '77 you were working up north or down here?

LCP: Okay... go back to the ranch history, we kind of deviated and got on to my family. Okay so we were talking about the plantation owning the ranch and the sugar company... they see the writing on the wall. The ranch is not profitable. Sugar is on its way out. By then, there was a lot of consolidation of mills. Oʻōkala started hauling to Hamakua. The smaller mills on the Hilo Coast were consolidating to Hilo Coast Processing. So, the economics that's driving what's happening on the land is the sugar plantation saw the writing on the wall. And they're eventually going to close. So, they wanted to spin off probably their least profitable operation, which was the ranch. Like I said earlier, it was around '68, I think. My dad got a call to come look at this ranch. He was still with the Dillinghams and I know he was mad at me because we'd go camping rather than go look at this ranch. Oh, he was mad at me.

LW: He wanted you to come over with him?

LPC: Yeah, 'cause I was his cowgirl daughter. I was twelve or even eleven, maybe. Back to the ranch's history, by the late '60's, C. Brewer's looking. By the '70's, they're ambitiously looking. At a time when Parker Ranch, who owned the Barber's Point

feedlot, on O'ahu, and needed to keep it full. The economics of urbanization was impacting the cattle industry. It's really... I got a really cool timeline on that website. It's speaks to all that I'm going to say. So, Parker Ranch needed to keep its feedlot full... its slaughter house full. Same thing. You got to keep it full. So they bought all of Brewer's interest out in Ka'u, which was three ranches. It was Keahou, Kapapala, and Ka'alu'alu. And within two years of ranch operations at Kapapala, Parker Ranch wanted out.

LW: They called it Hawai'i...

LPC: Hawaiian Ranch. Well Hawaiian Ranch Company was Brewer. Parker Ranch came in here as Parker Ranch.

LW: A lot of people were involved. I heard about that operation and different men who I talked to and did interviews with were involved in keeping that operation going. Or getting out the wild cattle or whatever for that operation. What time period are we in now?

LPC: In '75 Parker Ranch bought all the Ka'u interest out of Brewer. And by '77, they wanted out. And they wanted out of this one quick. And my dad and Dutch had a falling out. It was happening in 1977. I can remember being a senior in high school, already seeing the writing on the wall. Well basically Dutch said... your daughter is not allowed on the ranch anymore. Just like that. So Parker Ranch came in. When they wanted out, they wanted out quick. 'Cause my dad was talking to them in early 1977, and by... I think Spring break we were already moving out of Pa'auilo. My dad and I rode this ranch... I think during Spring break. We never saw a cow. We rode two days. And it was a Monday morning. We were at my tutu's house in Kea'au. Where we had moved all of our stuff. My dad had Don Hanson on the phone and he says, "We'll take it." And I'm like... I was seventeen at the time but I was like... 'cause I grew up at Mokulē'ia. You went out, you gathered the cattle, they came in. The cattle were extremely docile and manageable. Tough as that ranch was, there were no wild cattle.

LW: No place for them to get lost?

LPC: Oh, there was... there was plenty. But my dad kind of had a clean slate when he went to Mokulē'ia. 'Cause there were no cattle there. He got to start with what he wanted, trained the cattle to do what he wanted, and... I mean you go out...

LW: So, for two days here you didn't see any cattle? They were hiding?

LPC: Um hmm. They'd been chased around so much. Again, now that I'm older and understand if you don't have money to do things, you don't fix fence. And so, the less fences, the less control, the less control, the more you had to make up with labor. And so, you go out and push the cattle harder than if you had a fence, where you wouldn't have to worry about them getting away. Because you know that there's a boundary there. And so, you can see... as it got more and more expensive to run this place, corners got

cut. By the time we came here in 1977, there was very little water coming down the main line from the tunnel. Because the pipes weren't getting fixed. If they were, they were getting tied up with rubber instead of being replaced. So, when my dad came here, I was just like... "We're going to buy that place?" But my dad knew that there was a lot more cattle out here then. And he knew he was capable of getting them. And in 1977, he needed Richard Smart's co-signature on the note to pay for the cattle that Parker Ranch said were here. We didn't have the equity to swing it alone. In eighteen months... my dad had harvested enough cattle... he had paid off the original debt by 50%. In eighteen months. That's how many cattle were here. But like I say, he didn't really start working till three o'clock in the afternoon. And into the evening and... because that's when the cattle would come out. Partly driven by weather but partly driven by union labor that got off at three o'clock. It's like the cattle knew about three o'clock. All right. Everybody's going home. Parker Ranch, three o'clock... they weren't union but they started at six and at three o'clock they all came home. Drank beer, played music. Herman Pacheco is in the Hall of Fame. Did you ever... he was never interviewed 'cause he was dead by the time he got in. So, he's the one that killed himself' he's the one that committed suicide. But he was here. He worked for Parker Ranch at the time. And he told my dad. Oh, just wait. The cattle are here. The music started on this porch because they used this house as a bunk house. And sure enough, the lines of cattle would start coming up. The water trough's right over there. A whole line of cattle... fifty, sixty head of cattle. You'd think anybody would go close the gate on them? No. It was after hours. So, my dad just went "I don't mind working after three o'clock." So that thing, that was one of the greatest things my dad ever did. I was young and inexperienced and when Parker Ranch asked him how he was going to haul water to the other end of the ranch, he says "I'm not. I'm going to go fix the pipe." We were weaned off mother's milk with pipe wrenches in our hands. Every kid on this ranch knew how to fix pipe. And today we have a pretty nice water system. I don't know... where are we going with this? Well Parker Ranch was...

LW: So, he pays off...? He paid off half of what he owed?

LCP: In eighteen months. Production Credit Association was our lender at the time. And they were an ag lender. But still, my mom and dad didn't have the equity capital to do it alone. I can't even remember. I think it was something like twelve hundred cows. They couldn't swing the debt. But that's how bad Parker Ranch wanted out of here, for Richard Smart would co-sign the note.

LW: Now wait. I have to ask a stupid question, if you don't mind. So what you were buying was the cattle and the...

LCP: The cattle. That's all. This is not fee simple land. By then it would have been state land.

LW: And even today this is...

LCP: State land.

LW: The house is...?

LCP: State land.

LW: So, it's all leased? The house, too... and all the property.

LCP: All of it's leased.

LW: What you own here are the cattle?

LCP: And that's kind of good. Now that I've been through arbitration and arguing with these guys for the last two years, as long as we own the lease, we own the house. And we own the water system. We own all the pipes... until our lease is over. So yes, in a fashion the State owns this house. They do.

LW: Right, it's a lease from the State.

LCP: It's leased.

LW: From the State?

LCP: Right.

LW: How did the State end up with it?

LCP: Because the monarchy was overthrown. The original lease... and I'd love to get a copy of it... the original lease was signed by Kamehameha the 4th. Back in the late 1800's, this was one of Kalākaua's favorite places. I mean he was the "Merry Monarch," right? He had many favorite places. But... when he came to Kapapala, which he did often, work stopped. And the stories I hear is that when Kalākaua was here, it was... in today's terms... a "party." Work stopped, the men ended up *kalua* pig, or they were hunting and feeding... I don't know what Kalākaua's entourage of people would be. And the women were all up here having to don white dresses and... That's why I kind of chuckle when I think this ranch's history is... more of it was during the political... of being a monarchy than it was being a State. We're pushing almost equal now.

LW: What do we call this land then? Was it crown land?

LCP: Yes, it's crown land. Twenty percent of the income from this land goes to OHA. We pay the DLNR a lease rent. But the lease rent that comes from all ceded land... which this is one of them... 20% of that goes to OHA. We don't see any of that, though. So, this ranch was all falling apart. I mean it was a mess. But my dad... From the time where he got his interest in horses, which was his first love at Wainaku Sugar because everything was done on horseback. And there are stories of my dad... the supervisors would all have their afternoon meetings but the horses were tied out in the front. And he knew which supervisors kind of liked him and he'd take their horse. And he'd ride while they were meeting and he'd have horse back by the time they came out of the meeting.

And then some of the flume men took a liking to my dad and they would ride their mule or their horse out to the field. And then they'd work the flumes all day... well their horse was just tied up. So, they'd let my dad ride the horse. And so that was my dad's first love... was horses and they... I don't know who told me the story but it was not my dad. Dad used to go down to the blacksmith's shop when he was a small boy and just watch. And the blacksmith's shop in those days would have forty horses and mules a day, that they were shoeing. A whole flock of men that were shoeing horses and mules. And my dad would just go hang out there. Anyway, my dad had experience to work with wild cattle, waterlines... he knew the ranch very well from the four years he was here. Knew what to expect and the price was right and the financier was willing to help... wanted out of here so bad... that the buy/sell arrangements were conducive. My dad was 50 when he took over this ranch. So, he had a huge background, and was young enough, and was Scottish enough. And so, I guess my second childhood would be at this ranch. And oh man... to come from a fairy tale world at Mokulē'ia Ranch... that was fairy tale. The Dillinghams were wealthy. And I don't mean that in a bad way. They were business people. But B. F. with the railroad and the money that he had made... the family was well off. They were wise about how they spent their money. My dad... as long as he could prove that he could make money, he had a free rein at Mokulē'ia Ranch. He could do things and the ranch was so well run and the water system... everything was... that's why I call it a fairy tale. I was raised at this fairy tale ranch. Who gets to ride their horse to the beach and frolic? Where when we came here... I mean the cattle were... I'll never forget. 'Cause we were trapping and it was mean, ugly. This is not nice work. When it comes to an animal husbandry standpoint, you can't take animals that have been mistreated. I mean they want to fight. And when I walked in here, I'm like... whoa... I was young. I was seventeen, eighteen. Home from college. I'd never seen so much animosity from an animal. But these are animals that for years had been chased around. It was life or death for them. And I was never raised that way. So, my second childhood coming here was quite an eye opener. And my dad and I... we would trap. He was very methodical in that he would stand up certain fences that could be stood up. And then we'd go in and he'd use stock dogs to herd the animals. To teach them to stay together. You stay together, nobody bothers you. They're safe. And then area by area, we'd drive out what we could. And then we'd trap what we couldn't drive. And then we'd...

LW: How did you trap them?

LCP: Water or mineral. We had all kinds of traps. Oh boy! We could have a whole chapter on traps.

LW: They had cages like that?

LCP: Yeah... Powder River panels. Moveable panels that you could set around the watering area. We had all kinds of devices. Especially if it was a big, sturdy trough, like a cement trough. Teach the cattle that even though there was a pen around it, it was okay. You could come in, get water, come out. Go in, get water, come out. Then when he'd set the trap... I mean there's all kinds of tactics. It was probably learned from military fighting the Japanese but... you'd trickle the water so they would come in and you'd get... you

know you don't want to get one or two, you want to get as many as you can so you'd trickle the water. The trigger was usually spring loaded to the gate and so you'd set it so it wouldn't get tripped until there was quite a few animals in there and then those cattle would be put in trailers and hauled out. And then when you get down to the cattle that were so shy, so cunning that they wouldn't even go into a trap, they'd smell humans and that's all it took. Just the smell of a human. And those cattle we have to go back in and rope. But then those cattle would be the really hard-core ones. The things we had to do as men on horseback were not imposed on the cattle that knew how to behave themselves. My dad was very meticulous that you can teach animals. They learn quickly. They learn the right thing; they learn the wrong thing. So when you get animals that are working like, oh, I see a dog. I'm going to go in a group of cattle, you treat those animals like queens. Cows are queens. You never take your rope out. You never. So, any of the roping was to isolate animals that wouldn't comingle with animals that were tame. We'd get this. Trailer shows up, guys on horse, dogs, we'd get in a bunch, we'd trail to water. That's what we'd do. We never imposed the rough tactics and rough... I hated it. I hated every minute of it. I still hate it.

LW: The rough tactics?

LCP: Yeah... roping and choking animals... I'm sorry... The inhumane treatment of livestock, I have no space in my life for it. And so, we start with animals very young, and try to treat them the way we want them to behave, and the things that we had to do to harvest cattle on this ranch. And my dad never... he was one of the toughest stock men that this industry's ever seen. But he never talked about it. Because it was something that he wasn't proud of. He was proud of the cows that would go "Hey, it's Cran." You know... time to bring our calves in. Dad was proud of those cattle. He was not proud of the cattle that were afraid of men. I remember we'd have trailer loads of cattle all tied up. I mean these were cattle that we physically had to treat bad. But they survived by fighting. My dad would... we'd start down the hill in the pickup truck and me and Greg Friel... and Greg Friel runs Haleakalā Ranch... We cut our teeth at this ranch. He didn't go to college for long and he got right in on ranching. We went to Kamehameha Schools together. He's two years older than I am. But all the rough stuff. All those years. Greg and I were right behind my dad and I remember sitting in the truck with Greg and my dad, and dad would look at us and he'd go... "This is no way to run a ranch. Remember it. This is no way to run a ranch." And we did remember. Greg runs one of the best ranches in the State right now. Avid stockman. Greg is one of the best stockmen there is. And you can ask Greg, because we were both white as ghosts this day. So, what my dad would do was bring the cattle in. Of course, all the males were saleable. But anything that was female, he locked in corrals and we fed them. That time fortunately there was a lot of mac nuts going in in Ka'u, and there was a fellow that used to cut hay. And we'd buy hay and my dad would lock up females... you know, for cow replacements... and he'd culled pretty heavy. If he couldn't get a female to soften, he'd get rid of it. It went to butcher. So anyway, we finally had a consortium of about three hundred replacement heifers that we were keeping up at the Volcano side of the ranch which was open compared to where they had all been collected from. And I remember this day and Greg will remember it clearly. It wasn't just a day because we worked up to

it. We were going to bring these three hundred heifers... we were going to drive them from 'Ōhaikea... down here.

LW: The three of you?

LCP: We had a little more help. But not much. Maybe five of us. And Greg and I were... you know we were in our early 20's just going "Oh boy, oh no." 'Cause after the experience of... you know cattle are going to break out... I had nightmares... we both had nightmares for years, of cattle running away. Because you're working these cattle that you're sort of getting herd broke and they're sort of behaving and oh boy, we're going to get these cattle to the corral... and then blam... one animal goes "No, not going." And then the whole... whatever you had... they're gone. So here we are, wet behind the ears, and my dad has got this big idea that we're going to bring these three hundred heifers about twelve miles down here. It's going to take us two days. I'll never forget how scared I was. I was scared. Greg was scared. I think my dad was the only one that wasn't scared. And fair *dinkum* we lost about eighteen head in the first half mile. And that's all we lost.

LW: Oh... that's not so bad.

LCP: Nope. The rest of them, once they lined up and started trailing, like they'd been taught to do... we came down the old Peter Lee Road at a walk and I mean... by lunchtime, which we didn't stop and eat... we weren't union... we stopped and rested the cattle. We did. There's a place that was cool enough and we stopped and rested the cattle. Not for long. But I remember I only got to 'Ainapō corral, and we got the heifers in and we closed the gates. It's just like "Wow... we did it!" And you know and at Mokulēia we wouldn't have thought twice. We brought those cattle fifteen miles and down a little donkey trail. When my dad figured out that we were going to take that leasehold above Kaena Point at Mokulē'ia well, there's only one way to get the cattle in and out. The Butler House Trail. Well, there was a little shack where they used to make butter up there. A dairy cow or two. But it was cold enough at night that they could make butter, and so the place was called Butter House. In fact, it's still called Butter House. Well the only trail coming down... and if you look at a map, the ahupua 'a is called Keālia. But it was just for a guy leading a mule or a donkey to come off of that mesa up there, and carry the butter down so it could go to market. It was about 3 feet wide. And my dad's like... "Nah, we'll take the whole cow herd." Four hundred cows. Single file. I think those of us... there's only myself and one other guy left that trailed cattle up and down that trail. His name's Steve Baczkiewicz... and it was an eye opener. At Mokulē'ia we wouldn't think twice taking 400 cows... with their calves. And there were places that... I mean don't look over the edge. Kalaupapa was nothing compared to the Butter House trail. Anyway, so coming here with the 300 heifers... at fifteen I wouldn't have thought anything of it but after the cattle breaking and all of the efforts to tame cattle down, it was a big deal to bring those cattle down here. There's a difference between mustering and trailing. Different functions. In one instance, you're just getting them into a mob and putting them somewhere. For trailing, it's like the bison and how they follow each other, you got the leader, and the leader assumes the lead and... really when you get animals to start to

think like that, all you got to do is take care of the lead. The front... 'cause the rest will come along and start trailing and then it's just a case of making sure you get to water before they get too thirsty or stop before they get too hungry. Anyway, the second day we brought them all the way to headquarters. We left with 300 head and got here with 282 head.

LW: Pretty good! And you guys were just teens then.

LCP: Early 20's... I was maybe nineteen, Greg was probably 22. The first bunch of years... even now I love working the big country because there's always surprises out there. There's always a steer that you haven't seen come through with a big old rack of horns.

LW: You have them yet today?

LCP: Oh yeah. And this ranch, what I call the big country is about eighteen thousand acres which has a boundary fence. No interior fences. And so, we have to work those cattle to water all the time. And thus we need the dry summers which historically Ka'u is dry in the summer. And when it gets dry, the cattle have to move for water. Especially a lactating cow. And we rely... as the ranches on the mainland... you know the best cowboy in the world? Winter. When it starts to snow the cows got to come down out of the mountains 'cause there's nothing to eat. And in most of Hawai'i, it's a little bit of dry weather that we need to suck those cattle into coming places. That's why you look at Mauna Kea... why it's just been so unmanageable. It's because of the weather patterns. Cattle don't need feed, they don't need man, they don't need water. The conditions are so ripe for animals to start to go feral, 'cause there's no wolves, there's no coyotes. There's nothing to make them act like a herd. Well see... herding animals like sheep, goats, deer, cattle... they're hardwired to get in a group. In a group, that's safety. And so the lions and cougars, they get the weak from the outside. And the strong ones survive. So Hawai'i has no natural predators to make cattle think like cattle should think. So, you get in an atmosphere where they don't need feed and they don't need water, and they don't have any natural predators, it's very feasible, and on this ranch as well, that animals will go off and live by themselves. They don't need the social organization. They don't have packs of wolves to keep their structure in order.

INTERVIEW 1 ENDS

LW: Today is November 4th. I'm at Kapapala Ranch with Lani Cran. This is interview number 2.

LP: Where do you want to start?

LW: Well, we kind of stopped when you went off to college. I was curious about, did you always know you were going to go to college? Was everybody assuming that?

LP: When we were growing up as kids my dad was emphatic... in fact it was a contract being born into his routine. That you had to leave Hawai'i for one year. He really didn't care if

you went to college, the military, went in the Peace Corps. His rule was I raised you but when you're out of high school, you must leave the state for one year. And so, I didn't want to go into the military and college was what everybody was doing so I went to college.

LW: You obviously went into a field that was related. Did you know that when you started?

LP: My dad wanted me to specialize in nutrition. I think so much because Hawaiian soils are so deficient in many minerals and I think it was an extension of what he wanted to happen in Hawai'i was a better knowledge of nutrition and so that's what I started in. I applied for several universities and I ended up at Washington State University, which had the best ruminant nutrition program of the three I applied for. And after flunking out two years of chemistry... no, I didn't flunk... I scraped by two years of chemistry, hated every minute of it. And my advisor... he was in animal nutrition, Dr. Raymond Wright. He was actually from Hawai'i. And two of his grad students were from Hawai'i so it was easy to fall into the animal science regime with this Hawai'i based faction. But after just really struggling with chemistry, my advisor suggested that... he said, "What classes do you like?" I said I really liked the econ classes and the business classes. And he says "Well, why don't you do that?" So, I did. I changed my major to ag economics. I went from a scraping by with a 2.0 grade point average to well in the 3.0s and, well, enjoyed school. I enjoyed it very much.

LW: What does an ag economic program look like? What kind of classes do you take for that?

LP: Most business or econ programs split majors into three components. Number one being production. Number two being marketing and number three being finance. And so, the classes were geared around that. Whether they were one hundred, two hundred or three or four hundred level classes. The basic Econ 101 or 201 was just fundamentals of economics. And then you got into your production economics and marketing economics. And then of course, finance.

LW: Did you find that useful when you got back?

LP: Absolutely. I think my interest in it actually was sparked at Kamehameha. The business school at Kamehameha was very good when I was there. I really, really enjoyed the accounting. And then because I was so comfortable and I took as much accounting as I could at Kamehameha, when I got to Washington State, the business classes were just so easy and enjoyable. I could come home in the summers and go through the ranch books and start to classify costs and it wasn't just text book. I had the real-life situation at home to interface with what I was learning in college. They did do a spin off on some law. Agricultural law. Which was really interesting.

LW: I bet. Particularly because Hawai'i has issues. Legal issues.

LP: Everywhere does. Especially when you start talking about water. So that was kind of the business side of the classes in college. And then my minor was in animal science, so I

had beef production classes and science and things like that, that tag-teamed along with the Econ degree.

LW: Were you the only girl in some of those classes?

LP: Oh, no. I would say in my four years in college, there was definitely a higher ratio of women in the animal science, but Washington State also is a veterinary college so many of the animal science majors were actually pre-vet students. And that's one of the reasons I got out of animal science. Not only 'cause I really didn't care for chemistry. Because there were so many pre-vet students, any teacher who was grading on a curve, which most of them were to eliminate so many of the pre-vet students. In a Nutrition 301 class, I had a 70%, which was an F. And I looked at my advisor and I said this doesn't work for me. I studied, I worked hard, I think I understand the material, but because the cut off for an A was 98%, I said I'm not in college to compete with pre-vet students.

LW: That's really astonishing.

LP: That was enough... cleaned me out of caring about an animal science major. Some of the profs stated that if you were a pre-vet student, you got graded separate from science. And I guess they kept some people in animal science doing that but I think I was meant to go to ag econ and really hone in on the business side of it. 'Cause I wanted to learn how to weld and I wanted to learn how to do all these things. I wanted to go to vocational carpentry school and my dad said to me, "If you can run a business, you can hire a welder. You can hire somebody to build you something. But if you can't run the business, then you'll never have the ability to support the enterprise. And being that we owned our own business, it just kinda went hand in hand. I went to school for two years and really got burned out trying to struggle through chemistry and so I came home and worked for two years which really plunked me into the accounting and what the ranch was doing here. And it was then that when I went back that I made the decision to change to ag econ. While I was in animal science, I was able to get placed with a job at the cattle feeding lab at the Washington State University. It was about a three hundred head feedlot. And the nutrition graduate students were doing their theses... all their work at the lab. So, it was kinda cool. I got to be a part of the nutrition work that was going on at a very cutting-edge university but didn't have to struggle with the statistics and chemistry classes.

LW: What were you working on?

LP: The one I remember the most, 'cause it lasted the longest was a trial on sprouted wheat, because Washington State is a land grant college and it's surrounded by the Palouse and all the wheat farmers. I guess a warm, wet spring and a bunch of wheat sprouted in the fields and so it became a push to see what they could do in finding a secondary economic value to sprouted wheat. I remember the premise of it was 3% sprouted wheat, 6% sprouted... I think all the way up to 8% of the ration... wheat that was already sprouted. I remember that one real well. Then we did another one on bloat. That was probably the worst one I did because I ended up having to treat so many animals. There was a real

nice facility there but it's not fun at two o'clock in the morning out there having to doctor animals. In the wind. I was there for two years. It was a nice place to live. Lived right at the facility. It was really nice because those of us that worked for the university in the Animal Science Department, there was the center... the dairy center, the swine center, the sheep center. We got to be kind of a core group of ag students that enjoyed our work. We all lived at the various facilities and we got to be really, really good friends. Many of them are still my friends today.

LW: Are they all out in the ag business somewhere?

LP: Unfortunately not. Two of them are. One's a big engineer for Boeing. Anyway, it was a nice atmosphere.

LW: Didn't you do some work with parasites, too?

LP: Not at the cattle feeding lab.

LW: Then you come back to Hawai'i?

LP: After I finished college?

LW: Yes.

LP: I got married. I came home till my husband could finish school. That's my first husband. And we got married the following year. I graduated in '83, got married in '84. And I moved to Colville, Washington. His family has a farm... kind of a hay and timber... meadow country. They put yearlings in on the meadow ground in the summer months. But it was real seasonal. And I was up there for less than a year. I got pregnant with my oldest child and had no health insurance. Bless my mom's heart, she had continued my health insurance and back in the days when you could and so I came home to have the baby and we stayed. Had my second child three years later and he was handicapped, which broke up my first marriage. It was okay. I thoroughly enjoyed my son, Clifford. He had Downs Syndrome. Took a while to realize that God had sent an angel to be with me. And I had twenty-four beautiful years with that child. After that breakup of the marriage, by then I was pretty well entrenched here. And it was very obvious in the '90's Parker Ranch was going to shut down that slaughter house on O'ahu, which would lead to the closure of the Barbers Point feedlot. And you could see the writing on the wall because Parker Ranch was already experimenting with cattle shipments to Canada. And the whole infrastructure of the state... 90% of the cattle born and raised in the state were actually fed at Barbers Point and slaughtered at either of two facilities... one was on Middle Street... it's gone. It's where the bus station is now. Or at the Kahuā facility out at 'Ewa. And so, you could see the writing on the wall was changing and if we were going to market cattle, we needed to be pro-active and not just be a price taker and consent to selling our cattle to the one buyer that was shipping cattle to the mainland. My dad and a few other ranchers had started Hawai'i Cattle Producers Cooperative in 1984. Trying to band ranchers together, too. At that point, they were trying to control supply to

get into a little better bargaining position on price. And it really didn't work and a lot of ranchers just... you know... as with everything, it was a kind of wait and see. But by the '90's... late '80's you could see what was going to happen. Well, here's this nice company already formed and Florence Schultz, who's already in your Paniolo Hall of Fame was very, very smart... she started the co-op with my dad. I said, you know what guys? We need to build some equipment so that we can ship our own cattle to the mainland. And so, she and I kind of took off on that concept. And everybody's like where you going to get the money? It'll come. And Keoki Wood was very active. He and I and Florence and Brian Deleen... kind of... how would I put it? Us young guys kind of had all the wind for the sails and Florence kept her hand on the rudder and we raised the money. We raised close to three hundred thousand dollars and built eight containers. We could ship our own cattle and had multiple sources to market our animals. Well then, the co-op just... I mean the membership tripled in the matter of a year. Because we had something to offer and at that time... in the early '90's... '91... '92... we were raising money to build these containers... researching... we'd made some trips to the mainland to interview people that could possibly market cattle for us. At the same time, here at the ranch... kind of tracking along... it was Act 237, I believe, it was that act that was passed for... state lands that were being operated under a revocable permit... if you'd been under RP for more ten years, the law allowed you to negotiate a long-term lease. Under the rules. And it's still today all leaseholds in the Department of Land and Natural Resources have to go to public auction, which by the '70's, public auctions weren't working. Because of the value of land, the speculative nature of people that had money, and I go back to the Hamakua leases that went up... I think this was in the last interview when my dad and Dutch Schumann got one of the Kūka'iau Ranch parcels. Public auctions worked as long as there were only plantations. 'Cause you couldn't bid on something if you were not logistically close to a mill. And so, it was very simple to have quote, unquote "public auctions" for state owned land 'cause there was virtually one bidder. The plantations started to close and these lands became more and more available. The public auctions... all of a sudden you had a multitude of bidders. And the one that I'm referring to, the Kūka'iau parcels... in 1975, they went three times higher than what the upset rent was established. And then two years later everybody's complaining because they can't pay. And then the state lowers the rent. And then there was a big to-do about it 'cause all the people that bid and dropped out of the bidding based on productive value... how come you're lowering their lease now? They bid it up. There really haven't been too many public auctions since that one in '75. There's been a few. I know we just went to one that was held at the state building. It was one this parcel across the highway from us and there was one bidder. And he didn't even... his comment to us was well... if he decides not to do anything with it, he's just out six months' rent which was about \$4,000.

- LW: I know other people were interested in it.
- LP: Who? 'Cause they obviously didn't...
- LW: No, because they couldn't. There isn't water. There's not water in there. Only way at the bottom or something. There's a small *kipuka*.

- LP: In the '50's when my dad worked here, Kapapala Ranch had that parcel across the road. And he said then they ran maybe 70 to 80 cows. But with the brush... nobody's done anything for brush control down there for 60 years. I can't even imagine what was down there has just got to be covered with Christmas berry. We weren't interested. The capital investment for what's down there isn't worth it. By the time you bulldoze that highway... from our front gate going Hilo is not too bad. From our front gate going south... you see we go down to the 48-mile marker. That is some of the worst fence we ever built, from the 47 and 48 mile markers. Christmas berry... rough, rough, rough lava.
- LW: I don't understand the land and the lease situation. So, we didn't go all the way to the end. So you were saying that here... your dad and Dutch Schumann... the Kūka'iau parcels... the SC Ranch... now I make the connection. So, they bid on this... those leases were up at the...
- LP: They bid on that one parcel... to the best of my knowledge they bid on that.
- LW: What becomes SC Ranch...?
- LP: Right. But there are two other parcels on either side. One is the Hanaipoe piece on the Parker Ranch side, which now is run by Jason Moniz. But at the time of the auction there was a *hui* of five guys... Portuguese... the Texeiras...a *hui* but they were all Portuguese. DeLuz was involved.
- LW: There's a Hamakua group that's been pretty active. I can see that. And some of them might have grown up at Kūka'iau. So, you were talking about the lease here?
- LP: Well, we were kind of jumping around. To go back to the '90's and start there?
- LW: Yes.
- LP: So, because C. Brewer owned the plantation and the ranch, they let the lease expire sometime in the '70's. I think around '72. And they just operated everything. All the sugar lands, the ranch under a revocable permit. And so, when they actually sold the cattle operation to Parker Ranch in '75, the Department of Land and Natural Resources just added Parker Ranch's name onto the revocable permit. And then when my dad took over this parcel, they added his name to the revocable permit. So here we operate the ranch under a revocable permit for 17 years, as many other ranches and farmers were operating. We're still feeling the effects of the closure of the sugar industry. Because they controlled so much... water, land, communities... so to stick to my story, the revocable permits under Act 237 we were able to negotiate a lease with DLNR instead of it going to public auction. But... there's always a "but" when it comes to government. But because it was a "non-competitive process," they imposed a 25% premium on the raised rent. So, they established the rent, and it was \$48,000. And they added a 25% arbitrary premium because we were able to... not only us... many other people under Act 237 were able to obtain thirty-five year leases on competitive situations. So what

happened is it drove our ranch here to \$60,000. We couldn't pay it, so do you leave or figure out a way to pay it? Well, Leon, who just started up his machine over there, he and I were on the ranch payroll. So mom and dad got the long term lease and Leon and I had to leave so there was surplus... what the ranch was paying us in wages went to the state and my dad tried to keep the ranch going by himself. Which didn't work. He kept the water on but all the fences fell down because we all had to get outside jobs. And I bring this up 'cause my outside employment ended up being the co-op. Hawai'i Cattle Producers Co-op. And so, I'm sitting here working on the ranch but knowing that the ranch isn't going to make if we can't market our cattle in a competitive way, working on the co-op and then wham! At the time, I have to go find another job. And right then and there Florence says you have a new job and she handed me a paycheck. In 1993, we shipped... anyway we were a major component within a year of implementing the transportation arm of the co-op and we were moving 8,000 to 9,000 head of cattle quick. And that was my job. So, I was in it to be able to get paid for working a job that helped the ranch. I still lived here. Helped my dad and ran back and forth. It was before major cell phones so many times I was up till late at night on the phone or because we were doing so much business on the mainland I was usually up very early in the morning. Talking to people on the mainland and collaborating and coordinating of the shipments. And then working on the ranch during the day. Worked out pretty well.

LW: So where did you load? You took the container on a truck to someplace and then...

LP: That was the beauty of the cowtainers. You've seen them?

LW: Yeah.

LP: You could take them anywhere. Merritt Equipment Company is the one that built the containers for us. They are known world-wide for their livestock moving equipment and every other highway trainer on the mainland is built by them. Based out of Colorado. So those cowtainers were made so we could go to any standard chute and I have an adaptor chute which was built out of aluminum so I and one other person could handle setting up an adaptor so we could get to the top deck from just about any chute. Yeah... I loaded cattle out of almost every ranch on this island. And actually went to Maui and Kaua'i a couple of times to help them load.

LW: And then you drove them down to Hilo or...?

LP: At that time, the Port of Hilo was still taking livestock. All through the time that I worked for the co-op Hilo did continue to take livestock. Matson and Young Brothers discontinued because the ocean can get so rough between Hilo and Maui that now all livestock goes out of Kawaihae.

LW: So, when is that transition?

LP: Oh gosh... I would say probably around 2000. It wasn't that long ago that they quit that. So while the ranch is struggling because the state imposed this new rent, I was doing

- okay 'cause I had another job which really helped the ranch. So, it was kind of a win-win for me. Where do you want to go from here?
- LW: I want to understand as much as I can about the co-op so it was people who paid dues and they....?
- LP: You paid a membership fee. It bought you common stock in the company in which membership was the common stock. And that allowed you to stand under the umbrella and we actually got some very, very good help from USDA rural development... their cooperative specialists. I can't remember the first guy's name but the one that really came in... Tim O'Connell, he just recently took a position in Oregon, but he really helped. The ranching community is so diverse; we have ranchers like Pono Holo or Parker Ranch that own land. They might be trusts like in the situation of I think Haleakala. We've got these multi-faceted businesses and Tim helped us tailor make the services of the co-op provided to the various members. And so what we ended up doing is common stock bought you a membership to stand under this umbrella called Hawai'i Cattle Producers Co-op. And then the services were by participation so if you wanted a ride to the mainland for your cattle, you signed a transportation agreement and you paid your fees of which the co-op kept a percentage retained to run the business. And then some ranches like ours and many others also needed marketing services. Whereas Parker Ranch and Kahuā and Pono Holo had been doing business on the mainland for years. Or in the case of 'Ulupalakua Ranch, they owned a ranch on the mainland. So, they only needed the transportation services, not the marketing. So, with the separate agreements we allowed each rancher to tailor fit a program that they could use the co-op only as they wanted to. And so, it really, really helped membership grow. Because we could service big customers like Parker Ranch, down to... what was the smallest rancher we ever shipped cattle for... Cambra, from Mountain View. We could accommodate Howard's 30 steers or Parker Ranch's 3,000 steers. And so, I really take my hat off to the work that Tim O'Connell did to help fashion and design a company that is still in business today. And still works beautifully today.
- LW: So I know Parker leased those Danish ships that just ship for Parker.
- LP: That was in the '90's. That was pretty prevalent. There was a lot of skepticism on putting cattle on cowtainers. If you're a person who's used to being able to run sick cattle up an alleyway to a doctoring pen, you can't do that in a cowtainer. And so, the livestock ship maintained quite a presence because it's like a floating corral. But I think the more and more statistics came into play, and I think many of us in the early years knew that statistics was going to be the saving grace. An argument with animal rights activists or negotiating tariffs with Matson, the foreign carriers. So, I think in the first ten years... from '92 to 2002, there was a lot of fact finding. And it's no easy deal going to a foreign port because your health requirements are way more stringent. I think Mexico kind of fell out as a port of entry pretty early on. Not so much as from health, but from money and doing business in a country where the money was questionable... I know there was one shipment that Gene Aguiar did. The cattle were in Mexico but the money kind of fell through. It was like one of the last shipments to Mexico.

LW: So, you're saying if you take a cowtainer you have to go in a foreign port?

LP: No. The ship... because of the Jones Act. The Danish ship was foreign flag ship. Most of them were owned by Denmark. But because of the maritime law commonly referred to as the Jones Act, to move American cargo between American ports, you must use American ships. Well, all of the ships that were designed to haul livestock were not American owned and they were not crewed by American labor. Thus to move cattle out of Hawai'i they had to go to Canada or Mexico. So, Canada, being English speaking and commerce friendly as far as exchange rates and how to conduct business between countries, Canada became the choice. But then when you started looking at the health requirements to go into Canada... the double handling of cattle... the worst one was the TB testing. If you're filling a ship you're looking at about 2,000, 2,200 head of cattle.

LW: I watched them fill the ship one day. It was pretty impressive.

LP: Very impressive.

LW: It was a whole morning. Every half an hour a truck pulled up with calves and unloaded into the ship. We spent all morning.

LP: It's impressive. But the amount of handling to help to meet the health import requirements to go to a foreign country just... it kind of broke the deal. You want to handle cattle once if you can and that TB testing, they could never get around it. Even though Hawai'i is TB free, they would not bypass that one. Then I think as time went on, then more and more people actually rode the vessels. The foreign flag ship that you saw loaded... the Philomena was a very popular ship because it would take about 1,800 to 2,000 head. Much bigger ship. You know you have a logistics issue on this side. Much smaller ship you have an economics issue. Just the cost of the distance and not moving the number of animals. So, the Philomena became a very popular ship. It was only 330 feet long. And I know when it's pulled up to Kawaihae you think wow. But those people that actually rode the ship and received cattle on the other end, that 330-foot ship hits rough seas, it's a rough ride. Whereas the Matson vessels, I think the smallest one was over 900 feet. They're more stable in the water. Less motion.

LW: So, is Parker shipping with cowtainers now?

LP: Yes. And they went to the airplane... they've really fought the shipping in cowtainers for their own reason and you know... fair enough. They filled the airplane for years. But you know statistics start to... money and statistics, right now the co-op statistics are pretty phenomenal. I still sit on the Board of Directors for the co-op. It's at 1/10th of one percent is the death loss. In a given year it's less than ten head that actually die. But much of that. I think the co-op statistics are great because the people own their cattle on those vessels. You have more die at home than you have on that ship. 'Cause you separate everything out that might even be a problem. And since then the university has done some great research. They've put temperature and humidity readings inside the

cowtainer. They've actually gone so far as to put cameras and they film the whole shipment. And the cattle are very calm and just relaxed. They lay down, they get up, they eat, they stretch... you can't look at the footage of the five days those cattle are in a cowtainer and think that it's inhumane. But I'm sure some of the PETA groups are always looking for some reason. But more and more, I think people... I've ridden this ship; I've taken a load of cattle across...

LW: A Matson ship?

LP: A Matson ship. And we hit rough seas. We were on the Lurline, which is 1,100 feet. And the cattle were back toward the stern. And it was rough enough the Captain wouldn't let anybody on deck. I can't imagine being in that ocean on a three-hundred-foot vessel. Although you know the argument is the Philomena is contracted. The cargo has got a single purpose. And so, they can slow the ship down, they can steer around the storms. That was the argument was that whether they got a day late to steer around the storm... you can't have all those trucks sitting, waiting to unload 2,000 head of cattle. There is some logistics... anyway...you look at it.

LW: Turned out that the cowtainer was better, sounds like. Business wise.

LP: Business wise. It's what many people use today.

LW: Even Parker Ranch?

LP: Yes, the co-op ships most... I think Parker might still send some on the airline. But then the airplane is subjected to East bound cargo. West bound... cattle going that way to the West coast... it's a back haul. So your incoming freight is what dictates how many airplanes are coming. They're bringing produce. I think a lot of fresh produce is coming in on the incoming.

LW: But where does the airplane go and come from?

LP: Los Angeles.

LW: How many head can go on an airplane?

LP: About two hundred. I think it's about two hundred... or maybe it's two hundred thousand pounds. I don't know.

LW: So the freight comes here. Then they fill it up with cattle and it goes back?

LP: It's a 747. Those trollies that they use to put those bins on the 747. They don't hand carry the luggage like they do on the interisland flights, obviously. In fact, I think Merritt built them. There are pens that fold down so that they're very economical to ship, and then when they're ready to fill them with cattle they unfold them and they become little pens that sit right on those trollies.

LW: What are they sending on the airplane? Calves?

LP: Westbound would be beef cattle.

LW: Beef cattle? Small?

LP: Same thing four hundred or five hundred pound wean-off cattle.

LW: We're in about 1993, and I see that it's about time to talk about Hawai'i Meat Company... or a meat company, anyway.

LP: Before we go there if you don't mind I just want to talk about how the co-op was able to raise money. 'Cause nobody thought we could raise money. In fact I believe Hawai'i Cattle Producers is the only cooperative in the State of Hawai'i that's a stock holders company. The rest are associations. We solicited preferred stock and we paid dividends on that preferred stock. And that way again, because we had big ranchers... ranches that had a lot of wealth in land, and then we had people like us that operated our whole enterprise on lease land. What we did was we solicited preferred stock and we paid better than bank dividends. And so, we took people at what they felt comfortable with in pulling money out of savings and putting it into the co-op at 6%. Good money. And yet, people could be real comfortable at a \$1,500 preferred stock purchase. Some of the larger ones were actually \$30,000. And what the co-op did was once we had stock holder money and then we matched it and then Bank of Hawai'i said we'll match 1/3. The Bank of Hawai'i kind of came up with the concept... Mike Miyahira. He was great. He looked at my projections. I think that kind of goes back to the accounting, forecasting and projecting that we did in college. And so, I'll never forget... it was one of the days in my life I went into the bank. Because if you ever tried to borrow money it was always the bank that says no. Mike Miyahira, I have a lot of respect for then and later on, When John McCabe became our quote, unquote... "business banking banker." Mike looked at my projections; he says, "Do you think you guys can really do that?" And I said well, we haven't done it yet but yup, you bet I can do it. And being trained in what he did, he says that's 33% return on investment. And my eyes went oh yeah, right. That's right, Mike. He says, "You sure about this?" I said yeah, we already got people. You know with anything sales drives the business. I already got the containers booked. These people, I got their numbers and this is how many cattle they need to ship. I just needed to build the containers. He said "All right. This looks pretty good." He said "What we'll do, we'll go 1/3-1/3-1/3. You go raise a third from your membership, the bank will commit a third and he says "I'm going to talk to the State Department of Agriculture because they have a loans division, see if they'll come up with the other third. You go work on your side, I'll go work on the State and we'll meet back here in a month or so." I came back in and I think I raised \$160,000. Just rancher by rancher and like I say, some put in bigger money than others but what I thought was interesting was the smaller ranchers, on a percentage... if you put it on a per head basis, that they were actually going to market through the co-op... put in the bigger sums of money. It was very heartwarming and actually that preferred stock solicitation that we did, it really bonded the membership. It

bonded them and we all knew that we were in this together. And looking back on it, I remember the Board of Directors who... Florence's husband... who's still alive and I love him dearly... he shook his head and then he looked at me at this Board meeting, says "I've never seen anybody do it. I never thought we could raise this money and actually build." It was like \$300,000 worth of equipment we built. Not only equipment, we needed the working capital. The turnover... that was the thing that made this whole transportation thing work. Is that you had a three-week turnaround on your equipment so your money was going (makes speeding sound) ... invoice and you're getting paid and because your customer base was your members, I mean we never had accounts receivables. Everybody paid. And even to this day AR is... when we sit in a Board meeting, you don't have accounts receivables. Your members pay. And so, in looking back at the business structure, it was beautiful. That's why it was so successful. And so, I just bring that up because another part of the component of raising money is there are times you have a guarantor. With the structure of a cooperative, you really don't have a guarantor. You don't have one big stock holder that kind of is the co-signer for the rest. And that's what made it so hard to finance. That's why when Mike Miyahira said "Well, this is really interesting but we're going to need more." And basically the more was by getting the State of Hawai'i involved as a lender, they put a 90% guarantee on the Bank of Hawai'i's portion of the loan. And actually, later on when we financed Kona Meats, we ended up with USDA becoming the guarantor. They put a loan guarantee on the lender's portion of the loan. I bring this up because you wanted to hear more about the business side of things and financing a cooperative... because I don't want this to sound like it was easy... it was probably the hardest component of getting these cattle shipped was getting a lender to go, "okay, this is a cooperative". We're not going to have one... like Parker Ranch is not going to stand up and co-sign the note. No. And so, through innovative finance, we were able to build the equipment and fund the whole transportation segment. And this kind of brings me into Kona Meats. We did the same thing. We needed to raise the same amount of seed capital from the members. And actually, when I look at raising money for building the containers versus raising the money for members to finance Kona Meats, Kona Meats was way easier. 'Cause it was tangible. It was right there. The members could walk into the plant and see the grinders running. See carcasses. They could deliver cattle at the... pretty much Kona Meats we started in '95, which then I have to branch out... I met my second husband in '93. And he's a meat man by trade. And it was kind of a side story how we met but if you believe in a higher power in this world, it was meant that we were supposed to meet. And he agreed to try and kick start a cow-kill, value-added facility... here in the scope of things we're doing well. We've got all of these ranchers shipping all of their calves to a really nice marketing situation on the mainland. That's all growing... it's going good. The co-op's cash flow is great. Business is great. Well most ranches, a third of their income if not more comes from cull cows and bulls. I've had it said that your calf crop pays your operating and your fixed overhead and your cull cows and bulls are our profits. Again, we were price takers, very subjective to who owned the slaughterhouse, which were becoming fewer and fewer. So, the co-op was doing so well we said well... let's branch out and see what we can do about marketing cull cows and bulls and my husband was a key component in that because not only was he trained in meat processing but his forte was apprenticed under a German sausage maker. My husband is still quite good at

making sausage. But he grew up in smaller plants where you started cleaning the plant and he worked his way right up on through.

LW: Where?

LP: In Oregon. And he left the plant in Oregon after ten years and went up to a plant in Alaska. They did a lot of game processing. Both of those are still in operation today. Bill had gone with his Alaskan company and they put in three sausage plants in Siberia, Russia. And those were huge ventures that he was involved in. And well... we fell in love and anyway... long story short we were like well, let's see what we can do and Kona Meats was still in operation which I think was a real critical component, to find something that was already a permitted use. I certainly wouldn't want to try and start a slaughterhouse today. And even Kona Meats was still slaughtering at the location in Kealakekua, when we went in and negotiated the lease with the Greenwells, they said no more slaughter. So, the plant is available as a meat processing facility but the component of actually delivering cattle on the side of the road is not going to happen. So, we said yeah, that'll be fine. Bill and one of his associates... Gary Lyman, who is a jack-of-all-trades in the meat business started renovation. One of the big saving graces was my husband can do refrigeration. At that time, Dahlberg owned the lease to the Kona Meats plant. Jim Dahlberg. And they were having major refrigeration problems. I think when we went in and talked to Kent Simmons at the time, just to redo the refrigeration in the cutting room was at \$30,000 and Bill got me outside and he said "I can change those compressors and re-plumb all of that refrigeration wiring. I'll do it in about a week. I don't think it will cost more than about \$1,500. And I said all right, if you can do that I'll get the money. And we ended up buying out the equipment that Jim Dahlberg had in the plant, negotiated a lease with the Greenwells, who my father worked for many years prior and so there was a trust factor. The Greenwells had a trust with all the major players that were members of the cooperative. Jean Greenwell... she nodded her head and said, "I want this to happen." And she had total buy in and trust in the players so that was the beginnings of Hawai'i Cattle Producers owning Kona Meats, and then to go back to the business side, it ended up being structured as a wholly owned subsidiary of the cooperative. There were some tax issues if you have questions about them but anyway... Kona Specialty Meats was a corporation that was owned by the co-op. So, it had its own Board of Directors. It did not operate as a cooperative. It operated as a corporation.

LW: And you found that to be good business? Obviously, there was a reason to do it that way.

LP: I'm jogging my memory as to why. I'll think of it. But the key is that we raised the money... again. In the same manner. We went to the members and raised the seed capital. Paid good dividends for people to relocate their savings. And we started the meat company.

LW: And now is it still running?

LP: No. There were two things that put nails in that company's coffin. And one was we ran pretty stiff competition against Palama Meat. Palama was the big meat processor in the state.

LW: So where is their processing facility?

LP: They sold out... sold to Joe Azaro in 2000. To answer your question their processing plant that Palama was so successful with was down on Lagoon Drive at the end of the Honolulu Airport.

LW: On O'ahu?

LP: On O'ahu. I've been through the plant. It's since closed. Where all of that... Lagoon Drive. On the East side of Honolulu Airport. Donald Lau had a meat facility there. Huge.

LW: Did they process live animals there?

LP: No, but Palama leased the slaughterhouse on the Big Island at Pa'auilo. Palama was the big importer of Australian boneless meat. Palama warehouses were full of Australian meat. They had the monopoly on all the burger business in the state. And therefore, could fill in with local cattle. But the local cattle would never be worth more than Australian bull meat. That's as high as the price would get minus freight. And then you'd take into consideration the cost of killing at a Hawaiian owned kill-plant, which is going to be much more costly. Anyway, the bottom line on what prompted the inception of Kona Meats was that we could never get higher... more money for our culls than the equivalent of Australian boneless meat and the premise of Kona Meats was to go into value added processing. It was a start-up business which a lot of ranchers had no experience with... hindsight's always 20/20. If you get a business and you didn't start it... and you haven't been involved in a start-up company your expectations are high. Fortunately, at Washington State University we were taught about start-up businesses. Phase 1 business, phase 2 business, phase 3 business. It's a real common term in all economics and accounting. If you've not been through a Phase 1 start-up it's tough to understand. And I'm grateful for the opportunity to have done it. But people were... the members were disheartened... let's stick to the production before we start to speculate. So, the production was we started killing at Kulana. In Hilo. And the carcasses were coming over in refrigerated trucks once a week. And I think at first... it was like six head and I was handed the job of "all right, my dear wife, we've got the plant under federal inspection. Everything's running. The refrigeration's working. Go sell meat." Which was an eye opener. But I got her done slowly by surely.

LW: So, you made sausage and...

LP: Well, not right away. No.

LW: What all did you make in the beginning?

LP: The first thing and probably the smartest thing my husband did was to realize that cash flow was what we needed. And when he put the plant together... he and Gary... Gary comes from a strong retail background. And retail is so good because it's cash. It's right now. Cash. The restaurants are going to want to put you on account and they're going to want to work off of your money. And so just the savvy of Gary's and Bill's background in meat, they'd put a retail onto the plant.

LW: To sell it right there.

LP: Right there. And they were smart enough that cull cows weren't going to be a hide to holler sales item. So they brought in chicken, pork, choice beef...

LW: You mean just the meat?

LP: Just the meat. And so, we had a full retail to add to the product mix of cull cows and bulls. So, cull cows and bulls you're going to make hamburger. And stew meat. That's what you're going to do with it. Sausage and jerky came down the road as we got smokehouses involved and we basically took over Jim Dahlberg's equipment and grinder and a patty machine and Bill and Gary with their foresight put the retail in and started right away with choice bone in rib steaks cut to whatever thickness you wanted. So we had right away clientele coming in off the street.

LW: And where was the store located?

LP: Right there where the Greenwell Store Museum is. The building's still there.

LW: Yeah, the one... I know that. Right below it a little bit. You pull in there and park there.

LP: Right where the museum is. So, the front end, if you're facing the building, the left side. Just a hole in the wall but we had about twenty feet of retail meat case and we started selling steaks... the better cull cows they could get teriyaki out of. And so, they were marinating teriyaki so just Gary and Bill's knowledge of how to merchandise. And get the cash flowing. We made a Korean marinated chicken that just like... bam! And then they got pretty innovative at packaging the teriyaki. We started to... I think there were about ten pounds. They were cryovac bags. You could just throw them in a cooler. But the price ticket on it... less than \$50, a marinated product. And we were selling... Friday afternoons people were coming in and buying them. Pretty simple meat equipment. We needed a vacuum sealer which we did anyway, but because Gary and Bill went hey... let's make this machine do this. People are going to the beach. They made these packs. Again, just drawing more people in. Who cared if we sold chicken or beef? It was sales. It's dollars that turn the business and keep the lights on. While we developed places for that carcass meat to go. And within five years we had the military's ground beef account. We were grinding 25,000 pounds of burger a week. We were loading containers every eight days to go to Y. Hata. Y. Hata had the military account. And when we got that account we cleaned out everybody's freezer. Kulana's, J.J. Andrade's, the Pa'auilo plant

that was owned by Joe Lazaro. Palama Meat had the burger account for the military. We needed something quick while we turned sales while we developed for the carcass beef to go. In the peak of what we were doing at Kona Meats, we were doing about 65 carcasses a week because we were also doing processing for another company, Hawai'i Natural Meats. A rancher based... they were a sole proprietorship but they were working on developing grass finished beef. And they needed somebody... well, it was a fit.

LW: Is that Mr. Habein?

LP: Yes. Habein. We did their processing so at the peak of Kona Meats we were doing about 60 head a week.

LW: Are they still here, the Habeins?

LP: No. They moved to Oregon. By then we had gotten our big smoke house in. It's an eight truck Alkar which probably doesn't mean a lot to you. You can cook about 4,000 pounds of finished weight sausage in a single cook. It was the component that was necessary to really push into a larger sales arena. And Duty Free Shoppers had seen our product. Hilo Hattie's was one of the first that took our jerky. It was a really nice product with nice packaging. Again, we got a grant through USDA and... I got to be a pretty good grant writer... in those years. Through a value-added grant we got some labels put together and packaging and... got into Hilo Hattie's statewide and Duty Free saw the product and they called me. It's really nice when a customer calls you and says I want your product. And we got in big time with Duty Free Shoppers. They showcased us because we were an All-Hawaiian product. Which ticked off the competition, which was Palama Meat. And it was a really sad situation. Well, it was nasty what happened. It was really nasty to have one of our political people who owned the concessions contract for the airports and all ports of entry. He had such a huge monopoly on them. That when Duty Free got us front and center, he had to get rid of us. I'll leave it for that right now. It was really underhanded. They got us in a trademark dispute 'cause our label was Paniolo Provisioners. The person that was being pressured was Paniolo Brand. And they claimed that they used it first and all. And we had gone all the way to... I mean we had to search our name. We paid a company based out of Washington, D.C. to do the search on the use of the name Paniolo Provisioners. We did everything by the book, but anybody can sue anybody for anything. And that's what happened and they got us in a trademark dispute. By the time we'd hired a trademark attorney... I mean we're a start-up business, right. They knew right where to sock us to hurt us. And the trademark attorney basically told us it would probably be... because of the nature of the dispute and court time was very expensive time from a legal standpoint that we should probably just consider changing our label. It made me sick. I cried. I threw \$30,000 of labels into the garbage. And we then had to reprint labels. I think our baseline order came to about \$12,000. So, \$42,000 right then and there just to stay in Duty Free Shoppers. Because once the trademark dispute hit, Duty Free, Hilo Hattie's... in an effort to stay out of the lawsuit pulled all of our product. When we got into Duty Free Shoppers, we were turning out a thousand pounds of finish weight jerky. Finished weight jerky a week. That's how much Hilo Hattie's and Duty Free were taking from us. And that just blam... it stopped.

Well now we're sitting on...at that time we had a month's supply of jerky. Sitting in the plant waiting to be shipped and blam... it stopped. We had all the production costs... everything we had to pay to get that... and all we didn't have was the sale. So, they knew exactly how to just kill us. But there were two things that led up to that and that was getting the burger account for the military which was a huge account... away from Palama Meat. And then the Duty Free account which Palama was making the jerky for that political person. And we're all just in a whirlwind trying to get back on our feet over all of this, and then September 11th hit. And 9-11 just stopped the whole tourist trade for... God... almost two years. Kona Meats just couldn't recover from the law suit on top of the loss of sales. And I mean it wasn't just Duty Free, it was our restaurants... you know much of the restaurants were... Huggo's... local Kailua... we had a good portfolio of customer base but 9-11 just wiped everybody out. And so, the decision was made to close the company.

LW: So... where are you living during the Kona Meat days?

LP: We had a house in Kona.

LW: Okay... 'cause wow you're so busy over there...

LP: And running home every weekend.

LW: Coming back here to help with the...

LP: With the ranch, yeah. The kids lived like gypsies. We were back and forth so much that Alex, my oldest boy said "Mom... I just can't do this." He wanted to go to school in Hilo and quit this going back and forth and we were like, okay. So, he actually lived here with mom and dad and rode to Hilo.

LW: Rode into town.

My mom worked in the Federal Building and so he went to school at Haili Christian and LP: then went on to Hilo High. Some of the kids stayed with us and went to school in Kona but then they didn't come back on the weekends with us. They just stayed in Kona. We were like gypsies for about six years. Then when they made the decision to shut the company down in 2002, Bill and I came back to the ranch full-time and the ranch, again, couldn't afford us. We both had side salaried jobs and so Bill said "Well, I tell you what. You go home." In the meantime, my dad was working on picking up these former sugar state lands and getting them back in the ranch's regime to operate. In '97, the plantation closed. So, my dad was working... dad and mom... she did all the typing of the letters requesting to get these state lands back. So, by 2000... we picked up the first parcel, which again was a revocable permit. And it gave the ranch some really good productive land to ranch on. And so, when Bill and I left Kona in 2002, he continued working in Kona. He had heavy equipment and he ran his heavy equipment in Kona while I tried to get the ranch up where it could afford both of us not to have outside jobs so we worked with Pono Holo Ranch, and fenced up one of these revocable permits and set up a pasture arrangement with Pono Holo Ranch. It was the start of the cash flow that allowed us stock. It got the ranch financially on its feet instead of just having mom's sole source of income for her and dad. And we kept running the general lease land... the marginal land. We were able to pick these former sugar fields back up into real productive lands, which if we have a chance... another day I'll take you around.

LW: Hopefully we'll have a chance. We're only at 2000. So, when you come back to the ranch that's just when the sugar company's closing and you can kind of reorganize and...

LP: We were picking up lands... very productive lands. Going back to the business equation, we were able to fence and put water in at about a 40% return on investment with a one year payback. That's why we did it and we moved fast. We built over 200 miles of fence in less than four years. Lots of it was electric fence. But still... I'm the return on investment chick. My kids always tease me. So, I said "If you learn that one thing in your life, you'll always be pretty financially stable. You don't spend money on things that don't make you money." So, we were making a good return. We were able to continue our request to the Land Board. They didn't know what to do with these unencumbered lands. And piece by piece we've been able to put the ranch back together from Wood Valley all the way to the National Park boundary. At least some of it's... I don't know whether it's bad to have general lease land or RP land but we're kind of in the middle of this state turmoil of land and water issues and our motto is, just do a good job. We started here with a water system that didn't work and today we have a fabulous water system... that is multifaceted and somewhat bullet proof. If one system fails the other one is in place. We haven't run a pump in a year and a half. This ranch solely relied on getting water to the higher elevations by pump and we don't pump water any more. It's not to say we won't ever, 'cause I'm already planning for the next drought. 'Cause they come. Every ten years.

LW: So, who was the labor for all this. That's pretty labor-intensive fence.

LP: Us. Leon, Bill, me... summer hires... when we can get college kids in the summer break or high school kids, we can go like Hell. We picked up part-time workers and got real innovative at building fence and literally had cattle on trucks coming and we're building fence at the same time.

LW: Cattle to go behind the fence.

LP: You'll be amazed at how fast you can build fence.

LW: You've also increased the productivity. You've more growing on that land.

LP: Mostly due to having more land.

LW: And the water.

LP: The water, too.

LW: So, when did your... I don't remember when your dad passed.

LP: 2007.

LW: So, you come back here about 2002... 2003?

LP: To live, yeah. And then we just started fencing and bringing in cattle and we worked out the first herd with Pono and sharecropped on the calves. And I knew we were going to build that new water system so by 2006, my dad was able to pick up more lands and we did all the financial forecasting. Yup, looks like we can go. And I made another arrangement with Pono Holo Ranch to actually buy a herd of cattle so that we could pay for the new reservoir we put in. And so, in a nutshell, a fellow rancher became somewhat our financier and we've done good business. I've tried to stay really on top of making sure that they made very good returns on their investment. And it's been a win-win and we've done business with them since 2003. This is what? 2016. Thirteen years of very, very good business and we continue to do so.

LW: Well they're so far north I guess this gives them a southern...

LP: Yeah, it diversifies them and... in fact, that's who taught me the concept about managing your money. You know Pono says basically I don't need to own any more cows. I don't need any more to do. I'm not looking to have another branding or own more horses or anything like that. He says it's a way of helping your ranch expand and it's a way to manage my investments and it's been a win-win and I'm not the only one he's done it with. He's done it with other people, too.

LW: So in a way he promotes Big Island ranching.

LP: Yes, he does. Absolutely.

LW: Well, let's see. You kept horses here and... you kind of kept your life style connected, too, by always being able to come here, connected to ranching.

LP: Yeah, well... my dad and mom in '77, it was a sole proprietorship. By the late '80's they knew that we were getting good tax accounting advice and we surround ourselves with people that can give us good advice and so in the late '80, '90's... I can't remember exactly when... we formed a partnership. Which was mom, dad and me. Would have been around '91, '92... 'cause we got the long lease in '94. So, I always had a partnership interest in it whether I had a side job, I had a partnership interest. And then... the way the partnership was structured, that upon... whoever died first... the heirs... I guess it was assumed that mom or dad would die before me so whoever died, their shares came to me. So, dad dies in 2007, which gave me controlling shares in the ranch. But my mom was still the boss when it comes to control. Her authority sort of ended out there at the Jacaranda tree. But she was definitely a driving force of you know... she didn't want to be in debt. You know... the real fundamental things that... no, this is too

much debt. But if I kept the macro business comfortable for her she let me run the operation. So, from the time my dad died, mom and dad were partners. The ranch was already... the arguments over family were over before my dad died. 'Cause I have a brother... who did not participate in the ranch. And the argument...

LW: He's gone now, too?

LP: No, no. He lives in Kea'au. The folks finally settled the argument by... he got a piece of real estate that they owned. A house in Kea'au. Nice house. Older plantation home but really well built. And I got the ranch which is only as good as the lease. So that was all settled. And it was a big argument. Believe me.

LW: Family things can be that way.

LP: Yeah... 2004 Bill and I said if we don't have some control... you see at that point my folks had a revocable trust. That means if dad died, my mom could change the trust. 'Cause there's the trust my mom and dad had and there's the assets in the trust, or the ranch and property in Kea'au. But as a revocable trust, if my dad dies, my mom could still change the trust. Or even if dad was still alive they could change the trust. And by 2004, my husband and I were putting way, way, way too much effort into this. To be 1% owners in the ranch, and on top of that be subjected to a revocable trust and in 2004, we actually wrote them a letter and said either we have a long-term management contract, or you change this to an irrevocable trust. And it was in kind of a two-year love/hate... but 2006, my dad was getting pretty ill and he just put his foot down. He just said... 'cause the big argument was I didn't want to be in business with my brother who didn't want ...Well he's always been in the equipment business and he runs his business the way he wants to and I want to run my business the way I want to. And I didn't want to have to be partners with somebody... that we didn't have the same business philosophy. And so... anyway my dad finally put his foot down. They changed the trust to irrevocable trust and then it's been peace. My dad died... everything was peaceful. My mom died... everything was peaceful. My brother has... in fact we were just transferring the deed over to him entirely. 'Cause the trust is closed. So, it was interesting in the very beginning you asked me to talk about the business side of it and absolutely... if it wasn't for the intricacies of the co-op and how we structured that and... you know... the intricacies of the ownership of the business, of the ranch and you just can't overlook things. You know everybody looks at a ranch and they go... "Oh, they go and they catch their horses and they saddle their horses and... you know... (laughs). 'Cause there's the years when you don't make money and you worry about how you're going to pay your bills and there's the years you make money and you don't know how to pay Uncle Sam. So, it's just the gamut of... it's another business.

LW: One thing I forgot to do is to remind us to talk about your mother's lineage is.

LP: Around the 1880's I don't know exactly what year but Brewer took ownership in 1877. Somewhere around that time or the early 1880's, my great-great-grandfather, William

Johnston Yates was the foreman under Julian Monsarrat. That's my mom's family. So, it's not by choice but by chance that my mother's family was here from the 1800's.

LW: So where does the Hawaiian come in?

LP: She's Hawaiian.

LW: So, were the Yates Hawaiian?

LP: The Yates... English sea captain John Peal Yates came in and he married a pure Hawaiian. That side of the family has married Hawaiians off and on since then. I wouldn't start to know until... well, my great grandfather was Julian Yates and his wife was half Hawaiian. But her last name was Weeks. So, she was half English, half Hawaiian. And Julian Yates was half Hawaiian, half English. So, on my mom's side it's not like just one Hawaiian family.

LW: So, tell us about the water again.

LP: Water comes from Makakupu Tunnel which is above Wood Valley. It's a tunnel that was built around 1920 by the plantation. The primary purpose for those tunnel sources of water with everything else was for fluming cane. The ranch was the beneficiary of getting a pipeline somewhere around the late 1920's, that started to deliver water on a regular basis to much of the lands of Kapapala. That water source is still used today and we're looking at a water trough that...

LW: So, you put in this pipe?

LP: It was put in by Brewer in the '20's. Then in the '40's they went to bigger pipe. We replaced all of this pipe except for these ten thousand feet... well, even the tunnel... through the canyon's been replaced. All of this is new pipe. There's over eighty miles of pipe on the ranch.

LW: And you upgraded it?

LP: Yeah, much of it. Over half of it's been upgraded.

LW: And this trough here is the smaller pipe off of these larger ones.

LP: Yeah, this is the lateral that comes off to the right. Comes down...Then that water continues on. The water from Makakupu hits the lateral lines.

LW: And the laterals you've put in yourself?

LP: Well the ranch did but we've replaced pretty much all. Galvanized pipe is very expensive, labor intense and... high density polyethylene has been an alternative. So as the steel pipes give up, they get replaced with polyethylene.

- LW: So, you're the "present" here at Kapapala Ranch. Are you feeling good about the present?
- LP: No. When you're speaking of tenure here... speaking of economics of the business... you know that's kind of a pretty broad question.
- LW: Well part of this is to always understand about the future of ranching in Hawai'i so...
- LP: I think that... let's go back to economics, production, marketing and finance. From a production standpoint... no problem. Ranchers are very good at animals... sheep, goats, cattle are natural at managing the grass lands that we have. There is one component of production that does leave us on shaky ground. That is land owners not understanding agriculture, or in our case being with the DLNR, who runs a lot of ranch land. Leases out a lot of ranch land. Needing more money, more money, no matter what the land can produce. We just went through that with this... we're going through that with this rent reopener. Where's the reality in expecting and asking for a 1,000% increase in lease rent? It has not protocol... no baseline for production.
- LW: It's not tied to how much the land can yield...
- LP: Well, they tried to. I like what Mark Thorn said. He's the range specialist for the University of Hawai'i. The DLNR picked a number and then they backed themselves into it with mirrors and smokescreen. There's no reality to the number they chose... that they want to charge us rent on. And I... I... fought them on it and they've lowered it from a 1,000% increase to 400% increase in land rent. Is that real? No. So... production... those people that own land... be it Kamehameha Schools, Campbell Estate... Liliu'okalani Trust... they're always going to be dancing to land needs to make more money. Not so much Kamehameha schools. They dance to a little different tune because they have so many other investments. But the State, which I can speak to very well... is constantly money hungry. They've got a machine that they can't feed. And so they go after anybody that has any legitimacy... to run a business and they're just going after them tooth and nail and not just ranches. So that said... I'll stop there. Okay... so what makes ranching successful? What makes business successful is marketing, sales. I'd like to think that as long as being able to move the raw product... cattle to the mainland... you'll see an industry that's sustainable or profitable. The word sustainable isn't the right word. If you're in business, you want to make a profit. We don't want to sustain ourselves. We want to be profitable. And if the corridor to marketing our raw product... just look at history. Look at the Hawaiian sugar industry. They got to the point where all they were doing was exporting a raw product. I mean at least when I grew up there was still a refinery. And then it was in the '60's or '70's they did away with the refinery and everything was raw. Look at the pineapple industry. Same thing. The cannery... they were doing all of that. And... the problem from a marketing, economics standpoint is that we're really too small. To build the factory, like I'll use the eucalyptus when the sugar went out and they were planting all this Eucalyptus on the Big Island. They left out the marketing component. You saw the trees we drove through.

They grow very well. So, from a production standpoint, which is really baseline agriculture, we have sun, we have everything to make things grow. But to get them marketed, as in the case with this Eucalyptus that was planted, kind of hinged on a \$51,000,000 mill that they were going to do veneer with out at O'okala. Well, they couldn't find anybody to... seemingly think they could make a return on their investment of \$51,000,000 so they didn't do it. So again... just another agricultural issue. We can grow it. We're great at growing it. But to take the raw product, be it sugar, cattle, timber... that capital investment that it takes is so great and the land mass to produce it so small, that's always going to be an economic hitch. History has shown it time and time again. So, to kind of... marketing as long as we can continue sending live animals to the mainland, I think... and I'll give you a real-life example. A twelve-hundred-pound steer is harvested or... that's the new word... slaughtered on the mainland in the plant that kills a thousand to twelve hundred head a day. The kill cost is around \$25 a head. The plant in Pa'auilo is about \$450 a head. It's just the economy of scale. You have a huge investment with not much throughput. You can talk to Ford Motor Company; you can talk to anybody that owns manufacturing. You've got to keep that plant full. But that's where Hawai'i always seems to have this weak link, is that we can grow things, but the capital investment to further process it is so big that pretty soon you've run out of supply... you don't have enough production. We were talking about Kona Meats. The military hamburger account... what happened? We ran out of meat. Jill Andrade, Brady... they're still running plants. That military account cleaned everybody out. To keep the customer, you had to go to the mainland and buy lean meat. Because to go to the military, it has to be American grown. So, we were running out of meat. We went to the mainland, we bought lean meat. Just to keep the throughput. And so that's going to always be the weak link. The marketing chain is just the cost... and then you bottleneck because you run out of production. Let's see... the future of the industry... finance... I think that as long as money can be made you will always have investors. People that have money have money because they know how to invest it properly. And they know how to hedge their risk on the right people ... I don't think finance is such a component as that whole production, marketing, link in the chain. And just the pure economics of it. So how does it apply to ranching? I think you're going to find ranchers some of the most ingenious people. What's kept ranching going? Well, when you couldn't afford hog wire fences... oh, look... technology showed us electric fence. And now instead of \$10,000 a mile, we're putting in fence at \$500 a mile. And it's doing the same thing. It's controlling the animals. What happens when you can't afford steel pipe? Technology brings us high density polyethylene. Technology has been the fuel for the rancher... I don't know... I guess I'm biased. My dad always said, "Cowboys can do anything." So, I don't know... the future...

LW: How about your future here at Kapapala Ranch?

LP: I'm definitely concerned... because of this last bunch of gymnastics that the State put us through... the *shibai* that they pulled on us on this rent reopener and what it's cost me in legal fees. Just to maintain a rent that we can afford. It has cost us and we're going to be pushing six digits. Just to defend our ability to do business here. So no, I'm not sure there is a future... we're going get through this rent reopener. The State... the powers

that be say that when this lease is up, which is thirteen years, they're taking it back. And I'm... kind of chuckle... I'm like... you can't manage the forest reserves with the budget you have. How are you going to pick up another 34,000 acres? Along a public highway. Like we talked last time... nobody knows what goes on at night. And the management of any land after dark is a whole 'nother component. So, I'm building an exit strategy. I'm 57. When this lease runs out I'll be 70. I'd be foolish not have my back foot on the door. And yet... I will continue to campaign for the future of ranching. My mana 'o is that ranchers are some of the finest land managers in any culture. Any culture! And from that alone, if you were... my favorite saying is...if you're a land manger you're just always going to be a land manager. There's nothing that makes me feel better than to go out and impact land in a positive way. And for me a positive... my landscape goal is a Savannah... because a rancher with ruminating animals... if I was a forester I would just really dwell on that. But I'm not, so my landscape goal is a Savannah. And it just... I know we didn't go look at goats but we run almost 2,000 meat goats and they changed so much of this invasive plant fauna. They can change it like in a decade. In ten years, they can just impact land and it just... that's something money can't buy. Money can't buy the satisfaction of being able to build a plan, implement that plan, monitor the plan and see it through to fruition and goal.