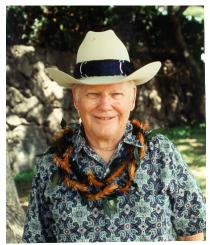
Herbert M. "Monty" Richards, Jr.



Monty was born at Kahua Ranch in Kohala on the Big Island.

Later he was to return there to stay, after earning a degree in Animal Husbandry from Cal Poly. Monty worked under his uncle, Atherton Richards, one of the founders of Kahua Ranch, and then became its manager himself in 1970. During his tenure he brought creativity and innovation to ranching in Hawaii, including new methods of grazing cattle, which are now commonplace in Hawaii. Under Monty's guidance, change is constant at Kahua, from alternate energy research

to diversified agriculture. Monty believes "we have a responsibility to our land and our people to perpetuate this life and lifestyle for future generations."

Series 2, Tape 3
ORAL HISTORY INTERVIEW
with
Herbert Montague "Monty" Richards, Jr. (MR)
on December 1, 2000

at Kahua Ranch

BY: Anna Loomis (AL)

AL: Interview with "Monty" Richards at Kahua Ranch, December 1, 2000. The interview is by Anna Loomis.

AL: Okay, well, Mr. Richards, maybe you could start by telling me when and where you were born?

MR: Okay, first of all the name's Monty [Herbert Montague Richards, Jr.]

AL: Okay.

MR: I was born September the twelfth, 1929 in Kohala. And the—I guess after the hospital, the first house I came to was the house we're in right now, as my father was bookkeeper at Kahua Ranch Limited, which was a corporation formed with him, Atherton Richards, and Mrs.

Theodore Richards—Ruth Midkiff—in 1928. I believe it was March 15th if you really want the . .

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AL: How long did you live in this house?

MR: I lived here probably two, around two years. Maybe somewhere between eighteen months and two years of age, my family moved to Honolulu.

AL: What were the reasons for your move?

MR: My mother became ill, and she had headaches. And so there was a medical reason, you know, for her to leave. Some say she was thrown pretty hard from a horse, and that triggered something I guess, and so they did what they could, and then in January of 1934, she died at the Mayo clinic in—in Rochester, Minnesota.

AL: Had your mother been active in managing the ranch?

MR: Oh no, no. I have no knowledge of that. No, not at all.

AL: Could you tell me about your father a little bit?

MR: Oh, my father was born in Honolulu, and his parents were doctor Theodore Richards and Mary Atherton Richards. And so he went to Punahou, he graduated from Punahou school and then went on to Wesleyan University and graduated, you know, from that institution.

AL: And what kind of a—what kind of a man was he, that you remember?

MR: Well . . . he got along very well with people. He was quite a people person. Uh, he worked in Castle and Cooke; he sat on the boards of what is now HEI, was Hawaiian Electric; he was on the board of three or four of the sugar companies. Was on the board of the telephone company. Uh, he got into politics, I guess after World War II. Served on the Board of Supervisors, which is now the County Council. Ran for mayor of Honolulu and lost by 16

votes. Ran again and lost by more. (Chuckling) Ran for the State Senate and lost. He—but you see, right at that time they had the transition, from a Republican-led government to a Democrat-led government. So he was kind of caught in that squeeze. He was the Republican national committeeman from the State of—the Territory of Hawaii in those days. And later the State, for quite a while, I don't know how many years.

AL: After he moved to Honolulu and later, after your mother died, did your father return to ranching?

MR: Well, he served on the board of Kahua Ranch. I think he was an officer and I think he was a treasurer. But not active ranching, no. I don't think this was kind of his life.

AL: Really? Why do you think not?

MR: Well, because he never came back to it.

AL: Could you tell me about how many—how many generations your family has been in Hawaii?

MR: I'm fifth generation. My great-great grandfather was Amos Starr Cooke, and Juliette Montague Cooke, and they—they were not—they were sent—they are missionaries, but their job was not—not preaching, their's was teaching. And they . . . they founded and ran the chiefs' children's school, which . . . the *ali'i*, many of the quite high-ranked ones, sent their children to live with them to learn the . . . I'll use the term—*haole* way of dressing, of eating, of sewing, et cetera.

I can't recall—I mean history will show how many of them were there; it was probably Kalakaua, it was all the ones that became the monarchs. And I guess the Cooke's in many ways served as the confidantes or counselors—not running the country, but they were not officially in any kind of a hierarchy, as I know. . . .

But, then my great-grandfather was J.B. Atherton. Oh—I should mention that Mr. Amos Starr Cooke and Mr. Castle formed Castle and Cooke, which is a company that is still going today. And J.B. Atherton—I guess Amos Starr Cooke was the first president, and J.B. Atherton was the second president of Castle and Cooke. The desk I sit behind that you saw was J.B. Atherton's desk.

AL: Is that right . . .

MR: Yeah.

AL: Could you tell me about, while you were growing up in Honolulu, and also on the mainland, I believe . . .

MR: Yeah, well . . . went to Punahou, and up through I'll call it the six-and-a-half—well, actually the seventh grade. The seventh grade was, you just got into junior high as it was called. Then we had December 7th [1941, the attack on Pearl Harbor]. So that kind of shredded that year. And went to school in various places until June of 1942, which ended the academic year. Then the family moved to St. Paul, Minnesota. My father did not; he stayed here. But my mother—stepmother at that point—and my two brothers, and my sister, went to St. Paul, Minnesota. Because she had had many friends when she had gone to school who lived there, and that's how we ended up there for about two years. I think we—a little more than two years because I went to school for two years, and then in June of 1944 came back to Hawaii, because that was after the Battle of Midway, and it looked like Hawaii was going to be safe.

AL: Had you had any exposure to horses or the ranching life in that time?

MR: Not on the mainland, but before we went—see, I was twelve years old, and I had spent some summers, I'd spent some time up here. I thought, hey, I'd like to—this looked like my kind of life. I'd like to at least take a crack at it.

AL: What kind of memories do you have now of those summers that you might have spent up here on the ranch?

MR: Oh, good memories. It was good. Enough so that I did want to come back and say, hey, I'd like to do this twelve months of the year, instead of one or two (chuckles). So they were good memories. . . . And for instance, Mr. Ronald Von Holt, who—and my uncle, Atherton Richards, who were the real partners behind it. Ronald Von Holt, this was his life until he passed away in 1953. He was my godfather, among other things, so it was quite—it was always a close relationship, between the families.

AL: Was there one or two people in particular who you looked up to you on the ranch, who might have inspired you to come back and be a rancher? MR: Well, I think Ronald Von Holt. I would say that would be the number one. AL: Could you tell me a little bit about what kind of a man he was? MR: He was a great people person. Extremely popular. Wonderful person. And did very well, was much respected in the cattle industry. And, uh . . . yeah, he would be the one. AL: Was there a point at which, in your childhood, you knew that you wanted to be a rancher? Or did that come later? No, I think that was probably—was always there from, I don't know what year, on. But, let's MR: say ten, eleven years of age, hey, this is what I want to do. And I carried it straight through: I had skin-ropes, kaula ili, which is the braided rawhide rope, and I had a bullwhip, I knew how to use that, and when I went away east, my bullwhip went with me. (Chuckles) So I always had that with me. AL: Do you remember in particular the story of how you learned to use the skinrope and the bullwhip? MR: I guess up here the cowboys showed me, and it's practice, practice, practice. Never been much of a roper, but I can make the whip talk pretty well. AL: Oh, yeah? (Laughs) When you went away to school on the mainland, you started out at Wesleyan. MR: No. I started out at—I came back here for one year, and then I was sent east, to the Choate

school in Wallingford, Connecticut, for three years. And then I went to Wesleyan for two years.

Lots of eastern culture.

AL: Do you have any—I guess I should say, what were the goals of your schooling? Were you looking for a liberal arts education? I know eventually you changed to Cal-Poly . . .

MR: Well, I had a difficult time at Choate, because I couldn't see how this was going to really help me in my future life. And I was wrong. **All** education helps. But anyway . . . and so it was fine and the—the salesmanship in those days, and to a degree it's the same today that—we're building a foundation here, and when you go on to college, you know how to use the hammers and nails, 'cause this is what you're learning here, and it'll help you build your career. It's probably true.

Went to Wesleyan for two years—same old stuff I had at Choate. I mean, what's the difference? We get deeper into Plato, and deeper into Socrates, but, damn, same old Greeks. You know, how is this going to really teach you how to go out and earn a living? And I think a liberal arts education is all right. But even in those days, we were cruising in the direction that we still are cruising, and that is what I'll refer to as the technical life. Stop and think about it. Have to use computers, you have to be conversant in cellular phones, et cetera, et cetera. You don't lay back and read books anymore, you're tied to the internet, you're tied to TV and the rest of it.

And so I guess—and it's probably true today, that education . . . in many cases, follows real life. It does not lead. I'll tell you how. Yes, much of the improvements, or much of the change—let me use the word "change"—today, comes from highly-educated people. Not necessarily from the institution. The institution didn't have courses in computer science before there was a computer. I mean, I'm giving a **ridiculous** example, but when you stop and think about it, how long did it take after the computer got out, or the calculator, or the chip. Let me use the term. I think "chip" is better. The invention of the chip. Before it was put to use, before people said, eh, how do we capitalize? how do we use it?, before it got into the educational system, right? And this is again the pendulum—I don't mean to get into this, but this is where the pendulum is so interesting to observe. Where people go **all** for technology, and don't respect and go back and have some knowledge of the classics. That's just a fact of life.

AL: Today, you mean.

MR: Yes. And that's too bad. Because they're both important. That's what I meant when I said the educational system follows change more than it institutes change. And that's probably the right way anyway.

AL: Could you talk about your reasons for transferring to Cal-Poly—was it to pursue more of the technical education?

MR: Yes. It was. I figured that—look, I wasn't getting any—by the way, I was in the top eighty-percent of my class (laughter) at Wesleyan. But I was saying, hey, wait a minute. How much do I feed a cow? Can't find it in this institution. So that's why I changed.

AL: How did your father react to your wanting to change to Cal-Poly.

MR: It was no problem. It didn't seem to—he didn't throw the hat in the air, he didn't say I was foolish. I mean he was a—he graduated from Wesleyan, as did most of my family. And so I was—and my brother graduated from Wesleyan, he was younger than me. No I think he . . . A-Okay, you know. Grades were never the greatest. And I'd been away for five years. I mean I'd come back for some summers, but in those days, flying was extremely expensive, and I never came back for Christmas. I think I was away for Christmas—I think I was—I counted it up once and I think that even when I moved to Cal-Poly the price was pretty high and it was—I was working—and I think it was seven years I didn't have Christmas with my family. So I more or less left home at the age of about fourteen.

Well, the war was on when I—by myself, I mean, my parents didn't take me. Given a suitcase, put on the S.S. Permanente, which was a cement ship owned by Henry Kaiser, taking war workers back to America so to speak. We were convoyed by a destroyer that had been Kamikazed in Okinawa. We hit some pretty heavy weather—this was an old ship, this was the queen of the Caribbean in about 1912, so it had old reciprocating steam engines, but I was—I was a cadet, I was in the cadet's cabin, so I was in officer's quarters. I was by myself. And we had a gun crew aboard, and the gun crew had to practice shooting and all, so it was kind of interesting.

You didn't fly across country. I was supposed to meet a cousin of mine, but the ship was delayed so she had left. So it was ride the trains. So I was on the City of San Francisco, which was a streamliner, but it still takes you about three days or something to get to Chicago. And then when you get to Chicago—I don't know if you [don't] want this . . .

AL: No! [Go ahead].

MR: But you had to change train stations. A lot of people don't remember that, that you got to drive across town to get on the trains to take you to New York.

AL: Oh, yeah?

MR: Oh, yeah. So anyway, I don't know anything about this. Fourteen is not exactly an old age. And so I'd asked a lot of people, and I was to meet my aunt in the Grand Central Station. Well, I got there, no aunt. I didn't realize—I had been to St. Paul, Minnesota—but if you've seen Grand Central Station—I didn't know God made buildings that big. Holy Mackerel—and people running all over. I didn't know what the hell to do.

I had just remembered the name of the hotel she was to be staying at. And so I called there, "oh, she's not due back for two days." I said (chuckling), "well, I'm here. What do I do?" "We have no rooms." "Well, Jesus, I hope you've got comfortable chairs in your lobby, because I'm coming!" And I didn't know how to get there, and I didn't know how to catch a cab. And if you can imagine, wartime, you know, the cabs were at a premium.

So I went up to a policeman. I tell you—we weren't crying, but the packing around the eyeballs was leaking a little bit (laughs). So I said, "what do I do?" He helped me and got a cab. People were screaming, because he just walked up to a cab—and you know, the long lines of people—and just commandeered the cab. Said, "I got your number. I want this boy taken to such-and-such, and he doesn't need to tour the city. And you better be back here pretty quick." And people were yelling at the cop, "what are you doing?" I wish I remembered his badge number. I'll never forget it.

AL: So what did you do when you got to the hotel?

MR: Walked in, said, "here I am." Within about an hour and a half, or an hour, they had a room. I mean, what? They got this poor "Hi-wiian" out here, (chuckling) got to help this poor kid! And then my—I had another uncle, Atherton Richards, was—he had offices in New York, and he stayed in a hotel in New York, he and my aunt, and they had an apartment in Washington and they would go back and forth about three days in one, four days in another, you know. When they were in town. They said, "well, why don't you move over?" I think they stayed in the Waldorf. Said, "well, why don't you move over? We'll get you a room here." "No, sir"—hotel rooms are hard to get. I guess you had a lot of pull. . . . "I'm not moving. I got a room, got it on my own, and I'm staying here. I'll come eat dinner with you. You tell me where the hell to go and I'll go." That's kind of the way it went.

AL: So you were fourteen when you made this . . . epic passage?

MR: Yeah! Yep, and so from then on you spent Christmas in other people's homes.

AL: So it was really seven years before you finished with school and came back.

MR: Actually I'd graduated in 1953, but I'd come back a couple of summers. But I think I came—when I was at Cal-Poly I came back for Christmas one year. I think that was it.

AL: In 1955 you moved back to Kahua Ranch. Is that right?

MR: Yeah, I moved back to Honolulu in 1953, and then in February of 1955 I moved back up here.

AL: Could you describe the ranch when you got back here in 1955?

MR: Well, it was a combination of Kahua Ranch and Ponoholo Ranch, and it encompassed about 30,000 acres, and the number of employees I don't recall exactly, but about twenty-plus. And . . . the work was pretty much the same except you didn't have rapid, high-intensity, rotational intensive-grazing. You didn't do that. It was checking water, checking fences, fixing fences. We ran a slaughterhouse up here; we would kill once or twice a week. That was one of my jobs was to run that. And because I'd had experience in Honolulu—see part of my job was, I was kind of a jack-of-all-trades in Honolulu.

And in Honolulu—let me just digress a moment—was the office of—well, Castle and Cooke used to handle all of Kahua's financial affairs. So when I came back, not because I was there, but it was decided that they would use Mr. Herman Von Holt's office, that it would cost less, and there was no reason to have all the overhead that Castle and Cooke had. So one of my first jobs was moving the books over. Physically. Carrying the damn things. And Herman Von Holt's office is—if you know where Bouslog and Simonds office is in Honolulu,

there's a parking structure there now. There was a little street in there, and he had a small little office there. And Castle and Cooke was not in the buildings that you see now, but the older Castle and Cooke buildings. So I humped all those books down there, I became the office boy for that. And I also delivered meat, because the—our ice house was where Primo

Brewery was. What's there now? They've got some big, fancy building. Well, you know where Columbia Inn is?

AL: Sure.

MR: Okay, it's on the Diamond Head side of Columbia Inn. There's a building. Well, that used to be Primo Brewery, and we were in Primo Brewery. So that's where—and I worked at Waialua Ranch, where we had the ranch there, and then the slaughterhouse. I would go where I was told to go. And that was 1953 to 1955. So then I came up here.

AL: After that you came up here?

MR: Mm-hm.

AL: And when you arrived here, you said you were working at the slaughterhouse here?

MR: I would do it here, yeah, but I had other duties, too. Was more or less a bookkeeper, kind of the same job my father had. I was a bookkeeper and trainee and whatever. I think my title was Assistant to the Manager, that was the title.

AL: How long did you stay in that position?

MR: I don't remember. Because things just changed around; it isn't set up like the army or anything, you know. I don't give a damn what they called me. They just tell me go do a job, and you either did a good job or a bad job. You did a bad job, you better know why you did a bad job and, you know, improve.

AL: So at that time, Atherton Richards, your uncle, was pretty much your boss.

MR: Mm. No. In the hierarchy he was president of the corporation. He lived in Honolulu—I think he'd moved back from the mainland. And Rally Greenwell was the manager here. See, Ronald Von Holt died in 1953.

AL: So what was it like working for Rally Greenwell?

MR: Fine. I learned a lot. Great man. He's still alive—he left here in January of 1956 to go back to Parker Ranch. He was the Parker Ranch manager for a while. Taught me a tremendous amount of valuable. . . . Eternally grateful to that man.

AL: Do you remember any particular stories about how you learned from him or what type of a leader he was?

MR: Yeah. He was . . . his leadership skills involved more—of the people liking him. I'd call it soft leadership. And sometimes I couldn't understand it, sometimes I thought it was too easygoing. I think it would be fair to say, from my perspective, he did not like confrontation. Nobody **likes** confrontation—I guess there are a few people who do, but I for one don't like it, but I understand that you have to have it sometimes. But hopefully if you have it you've got to temper it with understanding.

And, well, this is an aside—I don't know, you'll probably edit it out—but this morning, sorry I kept you waiting a few minutes, but there was—one of the men had a personal problem. And it gets to a point where sometimes they ask me to help, and it's more—there's more to being a manager in a company like this which is reasonably isolated, than just being . . . 5:30 to 3:00, or 6:00 to 3:30, or whatever. And I learned a lot of that from him. Whether it was good bad or indifferent (chuckles), here I am. Go ahead. Are there any other—does this answer that question?

AL: Yes, it does. At what point did you begin working as a manager of people yourself?

MR: I guess more or less after he left. At that time, Atherton Richards took over as manager, in title, but he still lived in Honolulu. And he would come up here, maybe twice a month, not very often. And so, from a personnel standpoint it was kind of root-hog or die, see what you can do, hold it together, pal! And that's one of the ways you learn.

AL: I was wondering if, when you arrived or when you began working in the capacity of manager, whether you felt that you had to prove yourself to the guys who were working here, since you had come . . . from the mainland . . .

MR: Aie! . . . Are you talking about the people that are working here, or the community, the cattle community?

AL: Well, I suppose, both.

MR: I don't think that I—as far as proving to the people here, I couldn't ride a horse as well as those folks could, and they knew it. I knew it. There's no sense kidding yourself. No sense trying to be **the** top hand. I wasn't. As far as the community, it was a little tough, because I was looked upon as, "well, Atherton Richards sent his nephew up here, to give him a job." So, you had to live that down. And it was pretty lonely for a while. But, you're there to do a job, and if you want the life, you **suck** it up and keep going. And as that—I mean, one never knows how people will view you. You can be conceited and think you're the greatest. You can think you're the worst. And you can say, I don't give a damn; I'm going to do a job, and how other people view me—I hope okay, I hope they'll help me if I'm in trouble; I'd sure help them. But what they think of me—it's nice to give compliments, but you very seldom **get** compliments. So you just do the best you can.

AL: Was there a point at which you began to feel that your presence was more accepted by the community?

MR: I think so, oh yeah. I think that's right. I don't know when that is. The thing that's happened is that . . . (laughing) longevity steps in. After a while, I think that being the person, and operating—in the whole state, I think I'm senior man. At the same place.

AL: The longest operating at one place.

MR: Yeah. I think I'm probably senior now. Not because I'm that good—I guess it's because I started young! And I'm healthy! The grim reaper hasn't paid me a call yet!

AL: So you out—your strategy is to . . .

MR: Out-last them! That's right (laughter). What other people think of me, I don't know. I mean, I hope it's good. I hope it's acceptable. But, yeah, I've seen the management change and

change and change. But I'm still here, I'm still working, and that's my point. Rally Greenwell's still alive, but he retired many years ago. Sherwood Greenwell, he sold the ranch and all. So at the same place, I guess that's it.

AL: In that—you might call it the early period that you were here at Kahua, before, say, you took over the ranch personally, what were some of the changes that you wanted to make to the ranch? What was the impact that you had?

MR: Hm... Well, I can't give it... I guess, visible change. Uh, I was always concerned about monoculture. Because I had seen the sugar companies fight harder and harder and harder. So I thought, we've got to find some way to diversify. So in casting about, we started raising dairy heifers—and I can't give you the year, I've forgotten—and trying to set that up, I guess. We started that, hmm, with the advent of computers—early early on computers—and I was, I figured from a sales pitch—I guess I'm always a peddler—I figured that I could produce a sheet that would go back with the dairy heifer, that would show every vaccination that that animal had, when it was weighed in, any medicine, and the rest of the stuff, so the heifer would go back with a sheet of paper. I thought, wow, any herdsman—and knock the socks off, that that heifer had had this, and the rest of the stuff, what the gains had been, and the rest of it.

Well, it didn't happen. I mean, I did it, but they didn't really give a damn (laughter). Well, ok, fine, so—was I before my time? Well, I don't know, but I always looked at—I always remember Dr. Seuss's book, If I Ran the Zoo. Well, if I ran the dairy I would want every piece of information on every cow that I could find, because you're feeding those puppies. And you better get the most milk out for the most dollars spent in feed. And the most healthy, and all that sort of crap. But anyway—so we raise them for a while. And we learn a lot about the dairy business. And the care, and you've got to keep the flies off them, and those kinds of things. And then beef cattle became more and more profitable. And the dairy people [said], well, I could get it done cheaper, and we didn't need all this paper, so they, fine, go out and go someplace else. So we—the beef took over, and that's alright.

But then, I was always bothered about, hey man, you've got one crop. That's all you've got! And it's going to go down again. What are you going to do, folks? So we had a guy who came up here and was talking sheep, talking sheep, talking sheep, so I figured, shoot, we ought to give it a whirl. People like lamb. So that's why we got started with that. And so we hired the guy. And his name was John Bohr, B-O-H-R. Anyway, he had made a connection with Ni'ihau. And so we bought a couple hundred of ewes from Ni'ihau. And we went over to Ni'ihau to pick them out. I've never been to Ni'ihau—it's pretty hard to get to Ni'ihau. But we were going over—I think we were some of the first people that they'd ever sold ewes to. You can get old rams that they bring to Makaweli from Ni'ihau. So off we went, the two of us. And, oh man. We got them, and we got them here, and that's what started the sheep. And from

then on, we tried to—we actually bred them up. And we're in the lamb business, and that one is continuing on.

So then the next thing is, you always think and read—is this what you want to hear?

AL: Yes.

MR: And then so it seemed, okay, which is the most intensive form of agriculture you can get into? And I was doing some thinking, more-or-less: greenhouses! Oh, okay. And all the rose farms in Waimea—there were quite a few rose farms. I figured, well, alright. If they grow roses, why don't we? Can you make money at it? There ought to be enough, those folks are doing fine. I went out to look at roses. So I thought, well, okay, I got to find out about it.

So I was talking in Waimea, introduced me to a guy who was running Watanabe floral. Kim Hanson. So I talked to him, see what we ought to do. And I hadn't put up a greenhouse at that point. So he said, "look, there are too many roses being grown." Said, "I did my graduate work in carnations." He was from Colorado. He said, "not too many people grow carnations around here. [I] think you got a better market than butting heads with all of us." "Okay, sounds good. You teach me how to grow them." So I guess we had the greenhouse up, and we started growing carnations. It was a small greenhouse. So that's how we started with that, then it looked like . . . the small one's pretty good, we ought to give it a whirl, so let's get bigger. So we swallowed hard, and put up the packing shed, and Greenhouse II, and got in the carnation business.

And our godfathers in Washington put together NAFTA [North American Free Trade Agreement]. (Disgruntled) Hm. (Makes the sound of a plane crashing).

Well, by then we'd gotten into hydroponic lettuce. Figured, hey, those guys do it out in the ground, we ought to be able to beat them and get a premium for the product if we can do it in a greenhouse and all hydroponic and all that sort of stuff. So that's how we got into that. So when the carnations tubed, gee we've got these greenhouses now, what are we going to do with them? We can park trucks in them, but we didn't have enough trucks to fill a greenhouse. You know, what are we going to do?

They kept talking to me about tomatoes, and I kept fighting tomatoes, because, gee, you know, there's a labor co-efficient there. You know, you got nematodes, you got all this kind of stuff,

got to fight all the organisms in the ground, and we had to fight them in the carnation business, and I just don't like these high powered pesticides. There's got to be a better way. And so we . . . okay, we'll try tomatoes.

Now, I said, "why don't we put them in bags?" Because that way we'd only have to sterilize the bags. And don't grow them in dirt, grow them in some kind of medium. Then you have complete control over everything. So that's why we started the bags. I read some—I mean, I didn't invent the bag thing. The bag thing is on the mainland. [They told me] "oh, it's not going to work. You don't get the **full** flavor of the tomato." I said, "well why wouldn't you get the full flavor of the tomato? You're going to feed it the same damn stuff. But you don't have all the bugs that you have to fight off . . . why feed the bugs? So that's how we got started in that. And that's how we got started in the tomatoes. And the colored lettuce comes, and then spinach. How about trying to grow spinach. And, oh, it's difficult—we have to figure out how to do it, and we figured out some way to get them to germinate. So that's how we got up in the spinach business.

So after cattle . . . and I know I can give you a date on this . . . 1965, got involved with one of these federal projects through the University [of Hawaii], who wanted to experiment with artificially inseminating cows. And the dairy people did it. And so they have some money and some semen that came from Federal, so I thought, fine, we'll do it. So we started A.I. [Artificially Inseminating] cows. Because—I was concerned that when you go to the mainland and you buy a bull, oh yeah, you check him for A, B, C, D, E disease, and all that stuff, but you don't know F, G, H, I, J, K, L, M, N, O, P, Q, R, S, whatever the thing is bringing down.

I'd always thought that was kind of bad—well we'd imported bulls, and they look the best they ever look when they get off the boat. Oh, man, they look sharp. You never see them that way again. They can't handle the feed that we have here, high water. It seemed to me, are we really doing the right thing here? Are we putting the right genetics—just because Jojo the Great won the Cow Palace championship and these are sons of his, does that make him great? And it always seemed kind of—seemed wrong to me that you had to breed cattle, or animals of any kind, that would do well in the environment. So I figured, okay, we'll give it a whirl.

So worked with them and—you know, cow generation is a long time. The time you breed, it's just like a human, nine months, you got a little baby—ba-a-a—on the ground. They're usually with the mother seven, eight, nine months. Okay, now you're eighteen months away, that's a year and a half from the time you inseminated the cow. And you never got a hundred percent, because it's hard to catch the cow in heat. We've come a long way since those early days. So then, now you're going to grow the thing up. You're probably going to have it breed earliest at about two years of age. So you have the initial nine months of gestation period, and so you

got a year and a half more before the animal's breeding. Two years of age. That's a long time. **Then** you're going to get a calf, nine months later. Do you see the improvement? It's a long time! It's not like chickens. And so some of the bulls originally out of the offspring of the artificial insemination didn't look that good, and a consultant was hired and he said scrap the whole program—and I fought like hell, I said, no folks, we're going the right way.

AL: You fought to keep the program . . .

MR: So we still have it. So our animals have all got tremendous foundation, because the first animals hit the ground in 1966, so that's 34 years we been doing this. Our cattle do extremely well on the mainland. I mean, we ring the bell. We get premiums and all that sort of stuff. We did the right thing, but you **can't stop**. That's why we are continually refining it. So if you want to say did we make a change? Yeah, I guess so. Was Kahua one of the first to do it? Oh, oh yeah—we were **one** of the first, I think. As far as the one that's continued, we're probably the longest one here. It's interesting, because we cull our bulls very early, and I offer the bulls that are being replaced at butcher price plus a few hundred dollars. Very few people take advantage. Now all of a sudden, people **are** taking advantage. And they want our culled bulls—put us on the list first. So it's beginning to spool out, but—so that was a change that's been instituted here. What else? You know . . . gosh, what **else** do we do around here. Well, I think, getting into the visitor business.

AL: Right.

Tape ends and is turned over.

MR: Well, as to when the visitor thing started, I guess it was when we licensed Judy Ellis to ride—to take rides out on Kahua Ranch; I think this is probably the beginning of it. I don't know, that's a good many years ago—not that—well, within ten years, I guess. And then it—you know, you watch it and you figure, well, this is alright. Maybe we can do some more. And so it just seemed to us, maybe bed and breakfast was next. Never got off the ground, but I went through all the legal jumps because I figured well, we might just as well be legal in the eyes of the county. So, we're legal. Got all that—never got it going. For a lot of reasons. And then, it just seemed the thing to do, cause people were doing it, and I thought that people would love to come stay in a place like that. Then I guess the next thing was, I guess the next thing kind of came as—alright, we got something up here we can sell. And so that's when the whole thing began to come together, the *lanai* where people can hold picnics or cater food. And we

go everything—I guess you'd say that we go from people bringing *bento* lunches to <u>winescape</u>—you've heard of <u>winescape</u>, Mauna Kea <u>winescape</u>?

AL: Oh, like wine tasting?

MR: Yeah. Mauna Kea putting it on. I mean, white tablecloths, all that sort of crap. I mean, you go the whole gamut. And from grade schools coming out here to get talks on Hawai'i in terms of the ranching, in terms of maintaining it. I try to give those myself. And so, okay, you're going to do that, you've got to have logo stuff. So we have Kahua Ranch sweatsuits, tee shirts, sweatshirts, caps—you name it, we've got all that stuff. And so we sell that, that's out there. Now we have a shooting range out there, indoor shooting range—the Japanese love that. It's the only place other than the one in Kona on this island. And then we have eco-tours with Rob Pacheco, again a licensed operation, we get paid for that. Then we have ATV [All Terrain Vehicle] rides—we do that ourselves.

And then walks through the headquarters—of course, we do that ourselves. Greenhouse tours, people want to see how the tomatoes are grown, all that stuff, so that's what we do to try to—it does two things. One is it gives us, from a cash-flow standpoint, brings us into the visitor industry. But it's also helping the county. Because one of the problems they have in this county: the people come, oh yeah, that's wonderful, but what do they do? What do they do? They ride buses, drive all the way to the volcano. Oh that's a full day, we don't have to worry about them there. I tell the hotel people, eh, places like this [Kahua Ranch] may get you one more day. One more sleep.

AL: I see.

MR: You may not get all the food, but you get that sleep. They might have lunch up here, but you get that one more day.

AL: Keeping them in Hawai'i longer.

MR: Absolutely. Some of them don't really see it. I mean some of the concierges might even want a percentage of that. I'll say, you're killing it. So wake up—don't be that greedy. If you really want some more money, tack it on your hotel room rate. And they'll pay! They don't give a damn! Extra ten bucks, they'd never miss it. Someone like us would miss that ten bucks. So.

Anyway, that's how we got into that. And so when you look at when I first came, in 1955, till today, the hills are the same. If it rains, the grass is still green, but a lot of changes have come in. We've had to increase water supply, change tanks, motorize the operation. Electric fences. Then what we've done is, speaking of electricity, we pretty well produce—the majority of the power that's used here is produced here.

And our latest change to that is that we, within a year, we have buried all our lines, telephone and electricity, throughout this whole village. Underground. We did it. Cost us a bunch of money, but we lowered the voltage too, so—we're at 480 volt distributive power. It doesn't take a person with a high voltage license to work on that. So we've done that and it seems to work, I mean, that's what—we have wind turbines, photovolt tanks, batteries, and back-up generators. We're putting on back-up generators now. But if we ran individual home meters, it would cost about 22 cents a kilo-watt hour. I bill the people. I keep only about ten cents. So it's fifty percent of the cost. That's why the people in Hawaii are nuts. Because they don't jump on and **force** the utility to do more on the renewables. I tell you, the utility does a hell of a job. I mean, they **really** do a fine job of selling their story. And everybody bites it.

AL: The petroleum story.

MR: Yeah. Absolutely. Absolutely. I think I read a figure. It was, fifty-one-million gallons of petroleum come into this state.

AL: Sounds about right.

MR: Yeah. But I don't want to get into that. We're not talking about HEI [Hawaiian Electric Industries], they do a wonderful job. They fought us tooth and nail—there's a ten mega-watt windfarm. Oh, there's another thing. Ten years ago or so we had a 3.2 mega-watt windfarm here that was built by Control Data Corporation. And then they had trouble, and they got it given to HEI. And they ran it a while and then took it down, which is fine. The one we have scheduled now is ten mega-watt. Finally got them okay on the thing, and you'd just be amazed at the bureaucracy—it has nothing to do with HEI, you can just put that on the side. That took us about four years. We have been four months in the Office of Consumer Protection, trying to get this contract through. And then it moves to the Public Utilities Commission. The state's muscle-bound.

AL: The bureaucracy.

MR: Yeah. And the sales price to the utility, from the windfarm: five cents. Five cents, and they're charging their customers over twenty. Tell the consumer, you ought to throw your hat in the air! I mean, look what you're doing to help the people. What's the hold up? "Well, the engineers are looking at it." The thing has been signed by the utility, so it isn't a case of you're doing their work for them. I mean, you're going to either come out with a contract that the utility's pretty dumb, or the windfarm people who happens to be ENRON, you ever heard of ENRON?

AL: No.

MR: They're like Standard Oil. Same size. They're in the natural gas business, and the wind business. Far bigger than HEI. Either these big companies have got a bunch of dolts working on the contract—I mean, what the hell do you have to engineer? **Then** you have to go before the PUC [Public Utilities Commission]. (Whispering) "I wonder if it's a good deal for the consumer." Damn right, it's a good deal. So, we're in the wind energy game, too.

AL: Right. So over the years as you've been trying to keep up with what is **most** current, what have been your biggest challenges?

MR: Profitability. And it still is a challenge. Still haven't reached it. That's why you're trying many different things. The next challenge right now that we are going on is keeping as many cattle here as we can, through a complete different marketing of grass-fed animals. That's where the game is. We can make more money here if we can keep a bunch of them here. We can't keep them all.

AL: As opposed to selling them to the mainland for slaughter?

MR: **Shipping** them to the mainland. That's the problem. And retaining ownership. That's the challenge right now, making that work. And that's what we're doing. That's the project.

AL: Well, before we finish up, I guess the last thing I'd like to ask you about is—I'm not sure if this applies to when you first arrived at the ranch, or the present day, but I'd like you to talk a bit about what your vision for the ranch was when you arrived, and maybe how it's changed and what it is today.

MR: Okay. The vision from a macro standpoint was to operate a profitable business, where you have continuity, and to be able to give the owners a little bit of profit, but maintain control of the land, so you don't see it despoiled by others, in other words, have **your** hand on the throttle. If you can do it. **That's** the challenge. Now, the world has changed since 1956, in terms of land use laws, in terms of resource law, by that I mean water, access, real ownership, social problems, livestock problems, i.e., our _______ livestock, I refer to health. Medical . . . social to a degree . . . passing on of the asset, other words, death duties . . .you got to hit every one of those bells, and you got to hit them every year. What has changed? Taxing—land taxes, income taxes. **Those** are the changes. And how you stay up on them—the requirement—we talked earlier about the technical situation. When I first came, you didn't have all these damn lawyers. You didn't have to have a tax accountant that goes along with your regular accounting. The muscle-bound aspect, from the state standpoint, and the county.

AL: What do you mean?

MR: Rules and regulations. I'm not talking laws. The problem that we're facing now, and I don't mean to preach on this, is that a law is passed by the legislative body, or a legislative body, be it county or state, law is passed, and the implementation of that law is given to the Department of X. Okay? The rules and regulations are written by the B-Team. You know the difference between the A-Team and the B-Team? The A-Team are people who are appointed by the mayor or the governor. The B-Team are civil service. I mean, "I'll be here after you come and go, lady."

AL: Lifetime . . .

MR: That's right. There's nothing wrong with that, but there's where the real authority and the power is, in the B-Team. So what do they do? They draft the rules and regulations. And the commission for whatever division of government goes out to public hearing. And the public bitches, grumbles and moans about this section eight ought to be changed, and that kind of stuff. And in many cases—I won't use the word most, I'll say in many cases, cosmetic changes may be made. But, you know, "Joe did that. Joe's one of us. So we're not going to change it that much."

Does the commission go over all this stuff? They're supposed to. Do they have time? No. Why? Because they're part-time commissioners, like I am. And it's all written in legal mumbojumbo, because every one of these departments have lawyers, and they're all drafted by lawyers. So, bang, this becomes the law of the land, and it's backed by Act 842 or whatever it is. And then you try and live with it. **That** is a big change that has hit Hawaii, and it's hit the other parts of the United States, too.

And so you have got a problem with that thing, or someone cites you for not doing this, you have to get a lawyer to defend you, because you can't read that damn thing. **You** don't know if you made a mistake, and ignorance of the law is no excuse. **That** is one of the challenges of land-operating.

The next thing is, and I alluded to it just a moment ago, is the passing on. What is the next generation going to do? How do you structure it so that the majority of the asset can be passed on without our uncle in peppermint trousers getting his cut? (Long pause) You have a group of people, I won't say they're right or wrong, that look upon—let's see, in a large corporation, you pass on the ownership of stock. Okay, fine, and Uncle Sam gets his thing. The family farm, what the hell to do? The family farm is stuck. They don't have money. They don't have cash. The only way to do it is to sell it. Who's buying? Big corporations.

So people wonder, oh, we got to do this for the family—nah! Crocodile tears! When you go in and you value that farm, and there are three kids, and we've structured it so that papa dies, it can be passed to mama, mama is the titular head, and two of the three kids are doing the farming. Okay, when mama dies, what? You've got to have some way to get it to the kids, otherwise, the kids move into town and go to work and people don't wish to address it.

Same way with these ranches. Look at Parker. You set up a trust. Why? No way they could have paid the IRS. How would you value that? I don't know. IRS did value it. Stratospheric! And since then, the valuation has gone down the way this thing is operated. I'm on the board—I'm on the board of Parker Ranch. So I **know** of some of this stuff. It's a **hell** of an entitled thing. It'll work. It's basically legalized redistribution of the wealth. Well, okay, if this is going to be the concept, you're just watching everything being driven out. I realize this is not politically correct, but damnit, you ask a question, you're going to get the answer. And is this really what we want?

This place here, it's all taken care of, no problem. It was the last of the generation-skipping trusts. And I'm the trustee. And it's a corporation, so the stock goes and it's done. Uncle Sam has already been paid. I had to worry about that. Got that done. So . . . I've had to take care of that.

AL: So how—or have your goals for the ranch changed in the face of these challenges?

MR: No. No. Profitability. Hold it together. Hope that the family will continue to operate it. But if they don't want to operate it, or if they're going to fight, sell it now. Don't each hire lawyers to fight each other, because it'll go down the tubes. That simple. Those are pretty mild—those are my orders. Hold it together, make some money, do the best you can. Have I done it? Haven't been able to hit the profitability bell yet, but I'm still trying.

AL: It seems like . . . for all your different efforts at getting the most out of the land, you've also done a lot to maintain the natural state of the land, the beauty of the land, the natural beauty of it.

MR: Ok, well let me expand on that. Any diversification we do here must not affect the productivity of the land for the future generations. That is the basement floor—we **never** go below that. And, along with that is the scenic beauty. Selfishly, the scenic beauty—we do commercials up here, TV commercials, we do pictures, and that sort. That is income. The more of that we can do we will do. But again, it will not affect the future productivity.

The thing that I face that concerns me is, from a personal standpoint, have I achieved the goals: no. **My** time is running out. How long am I going to be able to keep this going? From a personal standpoint. Am I losing it up here [in my head]? Am I still thinking clearly? Do I have the juices to keep going? I mean, physically, you can slow those down, that's the thing. But mentally, should I step away? Should I turn this over to somebody else? Are my ideas too . . . slow? Is my ability to implement impaired because of excess caution? Is it impaired because I'm running out of gas? I don't know—that's why this gets back to what you were initially talking about people thinking of you, and all that kind stuff. You don't know.

But the part that concerns me is I hope someone will come to me and say, hey—you're not only past your prime, pal, you down the hill! I hope someone will. My forgettery works better than my memory now. But then again, I guess that's not all bad. But I hope someone will come up to me and say, hey, kid—you is a used-to-be! Or a has-been, in spades! Nobody's done it yet, maybe they're kind. I don't know. But I'm still trying.

AL: At what point did you . . . did you begin to have these doubts about your abilities to continue running the ranch?

MR: I don't really have the doubts so much, you know, I'll keep going as long as I can. But one always has to have the question: when is enough enough? When do you need somebody with more juice—somebody that's newer, somebody that looks at it with a different point of view?

Are you stuck in a rut? Where are you missing it? Now there's no question, to do the best for the owners of the ranch: sell it. Take that money and invest it and hey everybody lives happily ever after. I won't do it. Unless I'm forced to. But I'd rather leave them the piece of property, debt free, and let them take a whack at it. I'm a trustee. Only one trustee and it's me. There's a successor trustee and he's older than I am, and he wants to step away. So that's the kind of thing. Should I go to the court and say, hey judge. Too old, too slow, mentally asleep—get somebody else to shift the gears and stomp on the throttle.

AL: Well, if the goal is profitability, if the goal is to create a legacy for future—for the trust, for the estate—I guess I have to play devil's advocate: why **not** sell the ranch? Why maintain—is it a sense of responsibility to the land? Is it a sense that you could get more long-term profitability by keeping the land?

MR: I don't think so—I don't know. Okay, let's back up. I'll play the devil's advocate. I spoke to you about the constant change of rules over the game. Office of State Planning, three or four years ago, decided that the top of the Kohala Mountain was a resource that had to be protected from the people that are here. So they wanted to put in the conservation district roughly forty percent of the ranch. Just starting about there (points above the headquarters), everything would be in conservation. Well you know what you have to do in conservation work—if you want to do something, if you want to build a fence you have to go for the. . . . You got to get a CDUA, you got to go to the land board, you got to have lawyers, it takes a long time just to change a fence. Ridiculous. So Harold Matsumoto—does the name ring a bell?

AL: Sounds familiar.

MR: Yeah, he was Office of State Planning. I've known him for a long time. We were at the University—I was on the board of regents for sixteen years. So he was head of Office of State Planning. Well I thought I had a deal worked out. I had Hualalai saved, yeah all of Hualalai, and he agreed not to do that, and I thought he agreed to do the Kohala mountains too, but somehow it slipped through the cracks, the way it ended up. So they, meaning Harold Matsumoto's office, Office of State Planning, figured they had the legal right to go before the Land Use Commission, on their own, irrespective of the wish of the landowner, and arbitrarily change this whole _______. Well.

Oh, yeah. Figured there's got to be a way around it. So I thought and thought and thought and thought. Came up with a thought. Hired Belt Collins. Other guy kind of—they're talking around, asking, and I came up with an idea. Because it's Ag-20, now, all the way in the forest. Figured out, okay. One way to do it is to subdivide it. Ag-20. Put a map on the whole place, twenty-acre lots. Sell the damn place. Figuring—and I filed it in the county

planning commission, before Matsumoto could get to the Land Use Commission. I don't think he figured urgency, right? And I figured that by doing that, if he got in there, I could appear and say, "look, I have a subdivision planned, and the county's buying it. So therefore I should be able to perfect the subdivision. And then you can pick and choose the conservation lots. And on every one of those conservation lots you can build a house, one house, unless it's preservation, and then if you don't, U.S. Supreme Court, case on South Carolina or something, that's a taking. You've got Kohala Ranch that has comparables and, State, you'll **pay** for those lots. You'll buy them from us. Well.

AL: So you were going to make the state actually buy the land from you instead of just claiming it.

MR: Yes, ma'am.

AL: I see.

MR: Because it's a taking. It's a taking. In my judgment—I'm no warrior.

AL: So in this case, you weren't actually planning to build a subdivision, but just put them for sale so that the state would be forced . . .

MR: I would have to perfect it, I would have to put roads in. Roads were drawn in, and there were easements for the power lines and stuff, it was in there. A bit expensive, I'd have had to borrow a bunch of money, but I think I could have borrowed on the land, and put it in. And I think I could have sold a bunch. This place would go like hot cakes. This was from the highway up. I didn't want to do it.

Bird people were concerned, well, what about the forest birds? Look what you're doing to the forest birds! I said, "I believe in education and equal opportunity." "Ch, but what about—" "I believe in education and equal opportunity." "Explain yourself." I said, "look, those birds up there have not had the opportunity to dodge cars on blacktop. This is giving them the opportunity. This is giving them the education so they know what automobiles are. Birds don't have a chance up there to sit on the power lines. And have the wind blow all around them. This is giving them the opportunity to—to—" And oh! they thought that was terrible. I mean, I was tongue-in-cheek and all the rest.

Office of State Planning withdrew. So I cancelled the subdivision. Worked out a deal with the Nature Conservancy, the State of Hawaii, and Kahua Ranch, that we would not build bowling alleys and all that stuff, we weren't going to put pasture up there, or bulldoze the trees, or do anything like—we weren't going to do anyway. That's the kind of a thing that gets you. Remember I talked to you about rules and regulations. Lot of money spent for nothing. Cost about 40,000 dollars to go through all this stuff. For nothing.

AL: So you ended up doing the conservation in-house.

MR: It's what we've always done! We've only done it for **sixty** years. Why all of a sudden now, are we looked at as the bad guy? I mean, it's as though we don't have any concern for the land! My God, that's—that's watershed to us! Why the hell would we go bulldoze it out?

Now in fact, you talk about this: one of the first things in Kahua Ranch when I came up here, one of the first years after Rally Greenwell left, they **were** bulldozing in what is Ponoholo Ranch now. Tractors were stuck, Jesus, having a hell of a time. I stopped it—1967 is when I stopped it. The trees are grown back now. Now why the hell am I going to screw **this** up? Why does somebody in Honolulu come up with this **idiot** program? All they do is sit around and how to screw the landowner! Seriously! What has the landowner done? Nothing! Sixty **years** of watershed!

What are we doing wrong? That was the question that I kept hammering at. "What are we doing wrong?" "Well, you're not doing anything wrong." "Then why the hell are you doing—" "Well, you **might** do something wrong." . . . Remember? Rules and regulations.

I'm going to give you another one. I sit on the water commission right now. Maybe I've told you this. The state is claiming surface water. The Waiahole case went to the Supreme Court, the Supreme Court remanded parts of it back to the water commission. In it, the State claims ownership to not only the surface water, but the subterranean water. They own **all** water. Okay? About thirty-some years ago at the time that the state was first going into that, I was involved in a couple of things.

So, young guy, younger than I, I raised the question, if the State's going to take ownership, where you going to take delivery? In the clouds? You going to own all the clouds? "No. We're going to take delivery on the land, when it lands. Then the water's ours." Okay? Never forgot that. Now all these floods in Hilo? That's **state** water. All the damage that was done to

all the private people, the state let that precious resource run rampant across the land and cause all the damage. You claim ownership, babe, **it's yours**. And **you** didn't—you were not farsighted enough to channel that water so it would not do damage to the citizenry of Hawaii, as well as the infrastructure.

Ka'u—all those bridges washed out, that's it. State's job, they own the water. They permit it to run down there. Then you're going to ______--in the commission, out in the open, we're talking with the attorney, they said "act of God." No, as a matter of fact we were—yeah, he said, "act of God." I said, "to hell with you. You guys don't believe in God. You can't even pray in the schools and the rest of the stuff. Don't go blame Him." Couple lawyers in there said, "you know, Monty, you got a point." I said, "if I was damaged that way, it'd be the first thing I'd go after.

AL: The state.

MR: You're damn right. You claim ownership, you fix it. And if the EPA screams because—you know this Hokule'a thing, where the soil went in the water, in Kona? And they said, "you didn't build enough settlement basins, and you put all this dirt," and they're going to fine them up. Man, I'd be in there jumping up and down and screaming, "it's your water. You're the ones permitted the dirt to go in there." EPA going to fine anybody, fine the state of Hawaii. You own the water. Remember, rules and regulations, they come back and bite you. You want to own everything, fine. Anyway, that's kind of off the subject, but. . . .

AL: Well, I don't know if, before we end, if there's anything else that you wanted to add . . .

MR: No, I can't think of anything. Just that, number one, I was flattered that I was picked to be an inductee in the Paniolo Hall of Fame. I can think of many many more people more deserving than I was, who've done more for the state and for the cattle industry. And so I'm really honored and surprised that my name came up. I was able to add my uncle, Atherton Richard's, name to it. If this is to continue I will be also seeing that other names are submitted, who are far more deserving than I was, and I hope they'll be given favorable consideration. That's about it.

AL: Well I want to thank you so much for joining me on this tape.

MR: Well, thank you.