

ORAL HISTORY INTERVIEW #444-2

with

Frederick P. Lowrey (FL)

February 21, 1992

Makiki, O`ahu

BY: Warren Nishimoto (WN)

WN: This is an interview with Mr. Fred Lowrey on February 21, 1992, at his home in Makiki, O`ahu. The interviewer is Warren Nishimoto.

(Taping distorted throughout interview.)

WN: Okay, why don't we get started. We left off talking about the company prior to World War II. I wanted to ask you some questions before we get into the war.

FL: Fine.

WN: In 1940, you were named manager in charge of government sales at Lewers & Cooke.

FL: That's right. (We were a clearing department for red tape to see that we met government specifications, etc. on all orders to begin with.)

WN: You said earlier that government operations were consolidated.

FL: That's right.

WN: Could we talk about that a little bit?

FL: Well, we realized from reading the newspapers, that with the Japanese expansion into China and so on, that (war) was possible. The national guard here got more active. Farrant Turner, who was treasurer of Lewers & Cooke, was called to duty in late 1940. (So we just thought), there must be something to this. So we started our thinking in terms of trying to get ready (to plan) for anything that might occur. (We just let it develop naturally as conditions demanded. Things work out better that way, I found.) Now your specific question was . . .

WN: The consolidation of government sales?

FL: The (coordination of) government (purchases) began (to increase substantially) in (1939 and) 1940, and business was picking up quite materially. It all made sense to have got these preparations made. And so our inventories were high because we knew the army, navy was going to need all of these materials to continue building, not only here, but whatever forward bases that they might build. A lot of this might be sent (forward to Guam) or Saipan. We didn't know what their plans were, these were kept pretty secret. But all you had to do was drive by Hickam Field to see that—Hickam Field and Pearl Harbor were being expanded terrifically, and they needed housing for all of these Mainland workers they were bringing down. They needed housing for the enlisted men and officers who were going to be here. There was more of a fleet here, and then they were getting ready, I gather, to have additional units here to send forward if that was necessary, although I don't know any of those details. And so, that meant more and more government orders coming in. So we decided that we would form a government department and then have every order (clear) that department and make sure that (it was in order), properly signed, legitimate, etc.). Because we didn't want to (have our billings questioned later in a crisis. The government) just didn't have staff and people and so on. So we formed this sort of centralized (clearing) department, which we called the government department, and we had (full-time) salesmen working out of that department, and we had clerical staff inside to do this clerical work of following up on the orders, making sure that they were all (in order. Sort of a self preservation against "big brother" at some future time if he questioned bills.)

WN: So this is separate from the civilian accounts?

FL: Right. (Largely, their sales cleared through the credit department.) But every government order cleared through this department. And it turned out to be a very good idea, because we could expand it as the government sales expanded in late '40 and in '41, and when December 7 came, we were all ready. We had the whole thing set up, so that we were ready to take care of the deluge that hit us beginning December 8, 9, and 10, and so on. Does that pretty well cover it?

WN: Yeah. Well, let's get into the war, then. Before we get into how Lewers & Cooke was operating during the war era, I'd like to ask you some questions about what you were doing that day.

FL: Well, (Sunday) morning of December 7, Janet and I, we had two children at that time and one was on the way. She was born in February. We had had breakfast, and I was sitting, reading the newspaper. And I got this telephone call from one of the Japanese boys who had driven by 177 South King Street [*Lewers & Cooke headquarters*], where the Bishop Bank, tall Bishop Bank [*now First Hawaiian Bank*] building is (today). And he was very excited over the phone, and he says, "F.P.," he says, "there's been an explosion in the building, just when I went by." And he says, "The fire alarm's gone off." He says, "I don't know whether there's a fire in there or not." (I think he mentioned glass windows being blown out in the third floor, too.)

And I said, "Well, if the gong's gone off, the police, the fire department will come down there very shortly." And I said, "You can stand by if you want, but I'm sure everything will be all right." Knowing that our alarm system was tied in with the fire department. Well, sure enough,

I've heard from (a friend here) who happened to be on the (Bishop and King Street) corner that morning, and he saw all of this, heard it and saw all this happen, that the fire department came to the front door, it was locked. They didn't realize the back door was all open (chuckles), so they broke in the front door. (Lewers Paris) was in charge of that building, somebody had called him also. As soon as I got my call, I turned my telescope, which I had up on the hill on top of Maunalani Heights, I turned my telescope to see if the building was on fire, and as I brought the telescope down, I could see there was no smoke from the building, but I could see the smoke at Pearl Harbor. And as I trained the telescope on the channels running into Pearl Harbor, I saw ships trying to get (to sea). I saw planes above. I saw (spouts) of water, plumes of water jump in the air, where bombs had hit alongside of the ships, and these huge (spouts of water) going up, you know, fifty to a hundred feet in the air. And then as I turned the telescope further *mauka*, I could see the fires at (Hickam and) Pearl Harbor. So I guess it didn't take me more than, you know, two, three seconds to put two and two together, and say, "My god, we're at war!"

And so, at that point, I had the responsibility of letting the senior officers of the company know. So I went back over to the telephone—and I also had the responsibility of making sure that my assistant (knew)—I was responsible for the warehouse property. We had divided up responsibility if there should be war, and I had the warehouse (assignment).

WN: On Kawaiaha`o Street?

FL: On Kawaiaha`o and Cooke Street, right. And so, I went back over to the telephone, and I couldn't get any response. The only conclusion that I drew was that so many calls had started to come in, that the voltage dropped to such low level, that the telephone system went out for a period of time, and I don't know how long it went out. So I felt that it was necessary for me to get down to the warehouse as rapidly as possible and do what I could down there. But I also wanted to make sure that my wife was all right. She was then (seven) months *hapai*, and so I wanted to see she was all right, and the two other kids were all right. I (had) made up my mind right off the bat that there was no way that the Japanese could (make) a landing or anything like that. And there was no way for a carrier air force to drop hundreds and hundreds of (attackers). So I felt that my family was safe where they were. I didn't feel any problem in leaving them.

And so I got them settled and I then headed for (the warehouse). I got down to the warehouse building, and just as I drove in through the warehouse (gate)—you came in from the Kawaiaha`o Street side, the (main) warehouse was on the right—I heard this terrific explosion, oh, I don't know how far above us. And then I could hear shrapnel come down on the (corrugated iron) roof. None of it hit me or my car. (That shell had had its time fuse set, but unfortunately for too long. It did not explode in the air where the Japanese planes were, but came all the way to above our warehouse area before exploding.) It was at the end of the year, and we usually tried to do the maintenance work that we could on all of our properties, toward the end of the year to get—if we had profits available—to keep our properties up to the standard that we wanted. So we had one of (our many good) Japanese painting contractors working for us on that job, and he must have had about twenty men on the job painting the roof that day.

WN: This is on a Sunday.

FL: This was on a Sunday. And we were trying to get work done in the (tax year 1941). We also had people working, doing maintenance in the King Street building, which I'll come to later if you want. And so, I'll never forget this picture of these guys, up on the roof, with the shrapnel falling, they hearing it, and they all ran for the edge and started (climbing) off the roofs. So here I saw all these fellows getting to the edge of the roofs and then (hurrying) down. And it's a, you know, it's a picture that I have in my mind I'll never forget.

WN: They [*were*] how far up?

FL: (They were painting all the one-story corrugated iron sheds so it was not too far to the ground. They also had ladders and equipment parked along the sheds.) So nobody got hurt. They didn't know what it was all about. And so I called them all together and told them that we had been attacked by the Japanese, and that I suggested, that I thought the best thing for them to do would be to go home and stay quiet, because I didn't know what the heck the army was going to do, you know, in the way of rounding up people like they did on the (Mainland), and all of those things. So my suggestion was that they go on home and stay quiet, and then just see what happened.

WN: They were all Japanese, the workers?

FL: I think they were all Japanese. It was a Japanese contractor and I think his men were all Japanese. Now that's my impression, you know, it's, it's quite a long time ago, but I'm pretty sure that would be right. The Japanese contractors generally had Japanese employees. And this was typical of that period of time, and normal, and accepted, and it was just the way it was, at that time.

WN: So you didn't know these men personally, because they were . . .

FL: Well, I don't know that I knew any of the men personally. I knew a lot of the Japanese contractors, 'cause we did business with them.

WN: What kinds of things were kept in the warehouse?

FL: Oh, we had nails. Keg after keg, hundreds of kegs of nails. We had hundreds and hundreds of bags of cement. We had all of our plumbing supplies, which meant toilets, bathtubs, basins. We had paint, huge quantities of paint. (A full line of building materials, corrugated iron roofing, plywood, asphalt roofing and adhesives, floor tile, etc.)

WN: So it's pretty flammable.

FL: Oh yeah. There was a fair amount of flammable stuff in there.

WN: Was there a, any threat of fire?

FL: (Not from the shell which exploded somewhere above us. But yes, from another if it came our way.) We had a fire protection system in the (three-story) warehouse building, so that should there have been a fire, the automatic (sprinkler) system, like we have in this building ((Frederick Lowery's present residence) would have come on, as soon as the heat set it off (and would spray water over each area affected by heat).

WN: I'm not too familiar with these automatic sprinklers and so forth, but was that pretty progressive at that time?

FL: Well, (we thought) it was in warehousing, (especially in multi-story wood post, beam, and floor construction) but not in residential or office buildings. And the reason why it was quite common in (wooden) warehouse buildings was that the insurance rates, fire insurance rates, dropped to such an extent if you had a fire protection system, that it paid for the whole cost of the fire protection system, so, hell, you couldn't lose. It was just really almost poor judgment not to have a fire protection system. Now if you had just low, flat sheds, one-story high, and so on, maybe you didn't put them in. But when you ran to multi-story warehouse building—this was a three-story building, why—and part of it was wood construction and the floors were wood, and the beams were all wood inside, although the exterior (was cement tile). So that if a fire got started in there, why, it would take the whole building unless it had sprinkler system (protection).

WN: So was the sprinkler system activated in the warehouse, after the bomb dropped?

FL: Well, it was activated (to go off) continuously (day and night). It was always activated. It was activated by, just the same way these are (here in my apartment). It's a little metal piece in there, in that sprinkler (head), that when the temperature rises to (a certain level) that sprinkler automatically goes off. So it's always (activated to go off when the temperature reaches the critical level) unless somebody throws the main valve to turn it off, (cutting off the water supply).

WN: So did the sprinklers go off?

FL: No, (not at the warehouse) because there was no fire. (The anti-aircraft shell exploded in the air above us and no part of the shell cut any of the pipes feeding the sprinkler heads.) The shrapnel came down on the (warehouse) buildings and hit the top of the building, but it didn't puncture the building in any case, so nothing went off. It was different at the building up on King Street, where a shell came through the roof. (The fuse had not been set at all, so it exploded on contact with the roof) and then hit a pipe, which I imagine was at least an inch or an inch-and-a-quarter in diameter, ruptured the pipe, and as soon as the pipe ruptured, (water flowed), then the alarm went off. And that triggered the fire department and (alerted) these people who went by (177 South King Street) because that alarm kept ringing until somebody went in and turned the water off. (The water probably prevented any fire from breaking out.)

WN: I see. So from what I've read about Lewers & Cooke and the sprinkling system flooding the

basement of the . . .

FL: Correct.

WN: . . . store, it wasn't because of a fire caused by the [*U.S. anti-aircraft shell*]. It was because of the [*shell*] hitting the pipe.

FL: Correct. (The shell exploded on contact because of a faulty fuse setting in the shell. The U.S. gunners were all inexperienced and wrong fuse settings were common.) There was no fire whatsoever. The shell exploded—and there must have been tremendous amount of heat and shrapnel went all over the upstairs. Even with inflammable materials around. But the (water), of course, (flowed) right away all over, which spread on that floor, the third floor, which went down through the floor, which was wooden, spread on the second, wider, went to the first floor and spread wider, went clear down into the basement. And then after our guys got down there, or perhaps the fire department, and I don't know who turned (the water) off. Now whether the fire department turned it off, or our own people, or Lewers (Paris) did it himself, I don't know. I remember right where the valves were, they were, had big wheels on 'em, because you had a pipe coming in that must have been, gee, at least an eight-inch diameter pipe, probably. So you had a lot of volume of water that could come through (if any fire had developed and more sprinkler heads activated).

WN: So a shell came and hit your King Street headquarters. A shell exploded above your warehouse (at Kawaiaha`o Street) . . .

FL: The shell that came down in the main office building, at 177 South King Street, hit the pipe and (exploded on contact). Really that was where the main damage occurred. A shell also came down and hit the lumberyard, but it came down between stacks of lumber and just drilled a hole in the ground, about four feet deep, and about four feet wide at the top, so that there was a big *puka* in the ground, and that's the only damage it did. Now at the warehouse, there was no damage whatsoever, other than the falling shrapnel, which you could hear come down, scared us all, and we heard the explosion, I don't know how many hundred feet above it, the explosion was. But it happened just as I came in, and so—but it was a little scary, because you didn't know (laughs) when (another) was going to come (our way).

WN: Okay, so after you told the contractors to go home, then what happened?

FL: I stayed down there all day, because other Lewers and Cooke guys, when they heard that we were at war—and lot of them didn't ever hear it during the day, because they were way up in valleys and so on, the telephone system was out, no newspaper (got to them) obviously, until much later. (Some may not have known until Monday.) I stayed down there feeling that if there was a third attack or a fourth attack or something like that, that that was my responsibility. (I did go up to King Street and saw what had happened there, but there were others whose responsibility was to take care of that area.

(There was a lot of commotion at King Street when I arrived. A crew had assembled and were

mopping up the water damage on all floors and the basement. I went up to the third floor and was greeted by a fantastic sight. The shell had exploded in a bay maybe fourteen feet, U-shaped, where most of the hanks of cotton sash cord were stored on shelves which went to the ceiling.

(On explosion the shell broke up into many small sharp pieces. The velocity of these many pieces cut the hanks of sash cord into hundreds of lengths from a few inches to several feet and blew them all over the place. Many lengths hung from the roof rafters. The whole wooden roof structure looked like it had big cobwebs hanging from the rafters. It was quite a sight, in addition to the sash cord lying over most of the other surrounding merchandise.

(Next to the sash cord was one of three freight elevators. They were maybe ten feet square with wood floors, two one-eighth-inch steel sheet sides and open on the mauka-makai sides to facilitate movement of the merchandise on and off. I mentioned that we had men working in the building that day. One reason was to repair the elevators. This particular elevator was stopped at the third floor level and there were two men working near it, I was told. When the shell came through the roof not more than twenty feet away and exploded, after penetrating the iron roof and severing the water pipe, shrapnel was sent out in all directions. The sash cord was a very fortunate buffer for these workers. Shrapnel went through the sash cord in two places, went through the steel sides of the elevator and into other parts of the building and unbelievably did not touch either of the elevator repairmen working there at that moment.

(At the top of the elevator, four steel cables held it up. Three of these cables were completely severed; one cable was strong enough to hold the empty freight elevator, very lucky again for the two men at work. Luckily the sash cord must have buffered the noise; because as far as I know neither suffered hearing injuries. The rear wall of the building had glass windows and rolling steel shutters. These were completely blown out near the shell roof penetration site. So, with all this plus the extensive water damage, there was much clean up work to get under way. King Street had quite a day--the brunt of the Lewers & Cooke damage.

(It was interesting to see the psychological effect on different people. Most just took it in stride and began to clean up the mess, get material to dry up wet merchandise which could be saved, etc., etc. But I recall one man of European birth and background--a young employee of a couple of years--was so affected he had to go back downstairs, went out in back against the fence and puked up everything. He seemed to be the exception. Many others may have had other mental reactions, but this was the only physical reaction I saw.

(King Street was well-manned so I made the rounds to roughly assess the losses and damage and then went back to the warehouse where I could tell the guys there how lucky we were with zero damage. So far, anyway. You can see why I say this was one of the more memorable days of my working life.

(Nothing more happened at the warehouse), so I went home fairly late that afternoon. As I remember it, I (arranged with) somebody who was willing to volunteer to stay on duty that night, and I think we kept three, four guys on duty that night, so I went home.

WN: When you say on duty, what would that mean?

FL: Well, it would mean that (they stayed) on the payroll that day, and if they were on overtime basis, why, they got overtime pay for it, and so on, whatever the rules were. But I really don't have a very clear recollection, except that I feel quite sure that we kept several people in the building that night. Because you didn't know what the army, navy was going to do. They (might) need materials that night. And so, we wanted to be prepared to service them to whatever degree was necessary. (Also, with the warehouse being my *kuleana* I would have someone call me if something more happened during the night.)

WN: I think this is incredible that a (U.S. anti-aircraft) shell would hit someplace on King Street, your headquarters . . .

FL: Yeah. (We found the base and I still have a piece of the shell. USA was written on the base.)

WN: . . . and a shell would hit Cooke and Kawaiaha`o . . .

FL: Yeah.

WN: . . . your warehouse. And a shell would hit Queen and Punchbowl, (your lumberyard).

FL: Well (our own shells) hit us in three locations. That is, you know, it's a coincidence. I don't remember the exact figures, but in the write-ups, the fifty-year write-ups in the newspaper, two months ago, they said that there was something like sixty or seventy of those shells that came down in various parts of Honolulu, and I don't remember the exact figure. So we weren't the only ones, but we did get hit in three locations, which may have been (laughs) a major coincidence.

WN: What were your feelings at that time, that day? Was it fear, what? Confusion?

FL: I don't have any recollection of fear (or confusion). My recollection was more along the lines of, well, we thought it was going to come, we took out insurance for it, we had gotten inventories ready for it, we were organized for it, in a sort of warden system type. In other words, I was in charge of the building and I had a staff to (watch) that building. Also, we were prepared (for) it in (another way). About a week or ten days before (December 7), the national guard and maybe the army was put in charge of all of the (water) pumping stations. So water pumping stations, like the one at Kapahulu . . .

WN: Oh yeah.

FL: You know, the big . . .

WN: Wai`alae and Kapahulu.

FL: Yeah, that big pumping station out there. That had sandbags around it and—well, I lived up on Maunalani Heights at that time. So I would go by there every night going home. And I can remember a week before the seventh, that they were, had put sandbags around the installation, and they had guards around that pumping station. And I assumed that they'd done the same thing, and may have checked on the one on Beretania Street down here and so on. I don't, I just don't recall that. (Some others thought there might be trouble or this would not have been ordered.)

So there were lot of things, you know, we had Farrant Turner going a year before, being called into the (guard). You had our own watching, what the Japanese were doing in China. You know, they were bragging that they were going to take the whole of the Orient. And, my god, they had the organized navy and air force and so on to do a pretty good job on it if they did it right. And they also had troops, and all, they'd already moved into China. And so I think that we were—we were, well, then I told you, I think, last time about the letter that I wrote in October to that guy in Illinois, (cancelling hiring him for) our glass department (because of our concerns as early as October).

WN: Right.

FL: And I'd suggested that we terminate our negotiations because—and I remember the exact words—that the situation in the Pacific has deteriorated to the extent where we feel it's unwise to bring you down here at this particular time, particularly with your wife and family. So it all added up, it all added up to a situation where, you know, it was a—we, I guess we almost expected it sometime, but we just didn't know when.

WN: You felt you were as prepared as could be?

FL: Right. And the fact that somebody had called out the troops to—or national guard, or whatever troops they were—to defend the pumping stations indicated that they were afraid of the possibility of sabotage here, and that again was one more very clear indication of potential trouble. And then, of course, my feelings were well, this is it. I think my feelings ran more toward, my god, how are we gonna survive this, from a company point of view. I was a young guy. My reaction was, how were we going to survive as a company? How are we going to handle all of our (problems and survive)? As a company, as individuals, (what will the) army, navy do to us?

WN: Okay, so the next day, you were telling me about a meeting that took place . . .

FL: Yeah.

WN: . . . with your (company).

FL: (December 8, 1941.) That's probably one of the most interesting business days of my life. We all got to work on time, I think we started at seven-thirty, and we were all there, and everybody was there early, pretty much. And a good number of the Japanese boys came to me, and (being)

personnel manager, they came to me, and they were all upset. They didn't know what was going to happen. I got them together in groups. And I simply went over the situation with them, and said that, we were going to do the best to keep Lewers & Cooke going (as an operating organization to help in any way we could), but we had no idea what the military governor, who had already been appointed I think, what they would do, whether we'd be taken over and so on. But I said, "You guys, unfortunately, have an extra problem in that you are all citizens of Japan, whether you like it or not, whether you want it or not, because Japan says you are a Japanese citizen, because you are ethnically Japanese." So I said, "You are dual citizens, and that puts you in an awkward spot."

And so we talked about it, and they said, "Well, is there anything we can do?"

And I said, "Well, I don't think anything is suddenly going to happen here. You know, there's no question in our minds about your loyalty or anything like that. If there are (unloyal) people of Japanese ancestry or Italian ancestry or German ancestry here, they'll be picked up because the FBI and the military intelligence, naval intelligence, (will) have those people already spotted, and they'll go around, they're probably already being picked up. And maybe they were picked up yesterday. After all, of our total population here, you people are approximately a third, they can't pick you all up, where are they going to put you? If you are concerned, it might be worthwhile to think about writing a letter (stating) the fact that you are an American citizen, (not Japanese which) you have no control of. I don't know whether that will do any good, if something happens or not, but I wouldn't (get upset). After all, (Hawai`i) needs you here to do the same jobs that you have (and to help) to supply the army and navy. They will demand more and more from us." (I hoped this would allay some of their concerns.)

(Later), I suppose it was about maybe nine-thirty in the morning that this army officer walked in the front door, and went into my father's office—this was Colonel Marek. He was either from the military governor's office, or he was from the, more likely from the corps of engineers, probably. And he walked into my father's office, and we all knew (him). He was a—I forgot what business he was in, but he used to do a lot of painting, did some beautiful seascapes and so on. I don't know whether he's still alive or not. (We all) knew him, and they talked for a few minutes, and then Dad said, "Well, I'd like to call in several of my staff people so they can hear what you've got to say," because he had already told my father that the corps of engineers was going to take us over, at least that was what we understood. And he gave my father a purchase order from the corps of engineers for all the materials we had in stock, and it was written in such a way that we couldn't sell anything without their approval, because they'd already purchased it. In other words, at that point, we had a purchase order for everything, everything that we had.

WN: Was there a dollar value on it?

FL: No (value was on the purchase order). They were just using their government authority to say, "It's (now under our control), we need it. We're going to need it and we want you to put a freeze on it for us."

So we talked to (Colonel Marek) and he was very (open) with us, because he said, “You know, I don't like to do this.”

I remember him (implying), “I don't think it's the right thing to do,” well, he implied we're not only going to take over and run the organization. In other words, my father would report to (some) higher (up) in the corps of engineers. Well, right off the bat, he said, off the record, he didn't think this was the appropriate way to handle a situation. But he said, “These are my orders.”

And Dad said, “Don't worry about it, we understand (the present confusion).”

And so then he left, all very (outwardly) friendly, and we stayed on though to (try to) decide, what are we going to do? If they (do as) he says, “We are taking over Lewers and Cooke,” and with either from the military governor's office, or from the corps of engineers office, or some other agency of the government, then what are we gonna do? And (so we discussed it), how are we going to respond, what were we supposed to do. So we said if (anybody can operate Lewers & Cooke, we can. We have the multiple connections and the organization.) And so we bantered ideas back and forth, but nobody had a good idea other than to wait and see. (I felt that we should try to see what might be the military thinking.) I said, “Look, we've done a lot of business with the corps of engineers. ”But I said, “We (have had good relations with) the head of the supply corps for the navy. We're doing business with (the navy) all the time. I'd like to go out to him and tell him what has happened here, show him this order, and get some ideas from him as to how he feels, whether he can give us any better ideas as to how were we to be taken over, and how they want us to operate with them, (the navy).”

FL: They thought that was a good idea. So I called Captain Gaffney, I got an appointment with him right after lunch, and I showed him this purchase order, and he blew his top, he really blew his top. I don't remember his exact words, but they amounted to, “They don't have authority to do this, and we are equally important and maybe more important than the corps of engineers is in getting forward bases set up (for the navy).”

WN: What—did the navy have an equivalent to the corps of engineers?

FL: They—yes, they had the Seabees (as well as maybe other special ones).

WN: Oh, okay.

FL: Yeah. And there may have been others, but I remember there were Seabees working in all the forward areas. So (taking us) over would be (a mistake). It would be much more appropriate for us to function (independently with all of our many connections) and not to sell any material to anybody, without (coordinated) approval from (the navy, too).

And I said, “That's fair enough.” I got the impression from Captain Gaffney that the corps of engineers may have gone off, you know, (half-cocked), and made the decision (which might) not be approved and so he told us to just sort of forget the thing until we got further

instructions. And as I remember it, within the next couple of days, we (were told to) honor army and navy orders, (until formal regulations were issued.) And they were. It was a new department formed by the military governor, and I don't remember, there were so many government departments that I don't remember the name of them. (It all developed over the next many weeks to control how we were to sell and to whom.) [*This function probably was under the jurisdiction of the Director of Materials and Supplies Control, under the Office of Military Governor.*]

WN: What kind of approval was it? Written or . . .

FL: Written. Everything was in writing. (Plenty of it, and all kinds of regulations.)

WN: So private individuals who wanted to buy materials from Lewers & Cooke had to get a permit, something, from the military government?

FL: Right, right. (Or we followed instructions put out by the new bureaucratic authorities as the crisis subsided to more routine operations.)

WN: [*How did you come to accept the government bureaucracy and almost complete control over your operations, such as not being allowed to freely sell to civilians, etc.*]

FL: We accepted it. We wanted to win the war, and we felt that, if somebody had a house that was three-quarters built, and it would help to get (it completed), we would make application to the office of civilian supply, or whatever it is [*Director of Materials and Supplies Control*], and, if they would allow (the contractor to finish the home, we could sell the required material. It took time to get the civilian sales details worked out. Our major problem was to continue to exist and build on the strong Lewers & Cooke knowledge of building material and our ability to get materials sent out here.) We knew that our business was going to fall off. For instance, little did we know at that time that the profits that we made in 1941, (which were not large) would not be realized again until 1958. This just slammed us back to a point where it took us from '41 to '58 before we made the same profits per share again. So the war set the company back terribly. Forty-one was the peak year (to that date), it was a good year, up to December 7, and then after December 8, in those last three weeks, a whole lot of material moved out. Forty-two started out with a bang, because they just bought out almost everything we had, so that by the first of April, we had very little inventory left. Our lumberyard was (practically empty).

WN: What about at the time war broke out, [*were price controls enacted immediately*]?

FL: Well, my father put out a memorandum the following morning. He said, "No increase in prices," (until the imposed government sets up an approved new price structure for all). And then it was followed up very shortly by the military governor's office freezing all prices. And so all our prices were frozen (periodically) all during the war. And I can't remember all (the red tape). So we were very, very closely controlled for about four years.

WN: [*What about smaller companies? Were they controlled like Lewers & Cooke?*]

FL: (What happened to us) was really very different from what happened to a lot of others. I had a friend whom we sold a lot of roofing material to. Well, (the government) immediately (ordered a) blackout (policy), that you couldn't have any lights showing that night. He had a big stock. What he did, he took his rolls of roofing, and he cut 'em up into short lengths, probably multiplied the price by ten and sold it. Now, nobody paid any attention to that. So he just cleaned up, because roofing, the roofing that he had, he was able to turn around and sell, there were no restrictions on him. (The government only looked at the bigger guys. And our profits, even though controlled, were renegotiated during the war period.)

WN: Why weren't there restrictions on the smaller suppliers?

FL: (I guess there were too many of them) to try and, to pick up everybody. So they were able to get away with it. And of course, it put them in beautiful shape, I mean they had a fantastic amount of money coming in, their sales just skyrocketed. You take a roll of roofing and cut it up into short lengths and multiply the price ten times. And people had to buy it in order to black out (their homes). Smaller businesses did very, very well, depending upon how they responded, how they reacted, how they felt about it, and so on. But it (may not have) lasted very long, because their inventory (decreased) and they couldn't get new supplies (for some time).

WN: Right.

FL: (We knew that Lewers & Cooke was in deep trouble, with no incoming inventory and prices frozen.) You see, the first convoys didn't come in to replace any of our inventory until about the first week in April, (1942 and that had only parts of what we had ordered and needed). We had to get approval for new orders for Mainland merchandise. We had to keep a lot more records. We were frozen on our prices. Whenever some new materials came in, there were lots of times we couldn't get a price increase (soon enough), and it cost us a lot more. So our profits (decreased in) 1942. We immediately started to think, how are we going to survive? And so, having (a good relationship with the navy, we contracted to become their lumber supplier. The navy) needed a lot, whole quantities of lumber. So they came to us and said, "Would you put your buying organization into gear for us and start buying lumber for us?" (We had a Seattle buying office who dealt with the major lumber suppliers. More on this later.)

And so we worked out a contract with the navy supply corps to run a big lumberyard for them during the whole war. We rented or leased a piece of property where the present [*Central*] YMCA is, out on Atkinson Drive. That whole piece of property, lying between Atkinson Drive and the [*Ala Wai*] Canal, we leased and had a huge lumberyard. We also had the (Queen Street and) Pi`ikoi Street (lumberyards). So we had three yards. (This gives you an idea as to how we survived: we had to close our home building department, the largest part of the business. We could not build civilian housing or supply much material for residential or civilian maintenance. Even with more people for the lumber operations our staff) dropped by about a third. Some were drafted, some volunteered. A lot we went to and simply told them, "We have no idea whether we're going to survive. If you can get a job from the corps of engineers, from some

other government agency or somebody else, and it's a better job, or you feel more comfortable, we're not going to try and (influence you to stay)." We didn't want to keep anybody who felt that they had a better opportunity somewhere else. (Who knew how long this was going to last?) So we did lose a lot of people. And all during the war we had problems retaining enough to keep (surviving under the changing conditions).

WN: Was the government paying more than you?

FL: Government was paying a lot more than we were (in many job categories).

WN: [*What other actions did you take to survive?*]

FL: (We acted as warehouse and storage areas for the government.) Their materials that came in, it would be their property, and we were simply storing it until the time they needed it (such as food items, etc. We felt we could help them and help to survive if we tried to do everything we could to facilitate their getting goods from the Mainland and the docks.) (To do all this and keep going, we made a major new move. The company) opened a San Francisco office. Fortunately, my father had had friends in San Francisco and (to whom he wrote and described our problems of buying, expediting, getting shipping approval, and following up on all these problems, as well as informing our suppliers of the military need here. Through W.P. Fuller of the Fuller Paint Company, whom Lewers & Cooke had represented, we found just the guy we needed. Lewers & Cooke hired) Mowatt M. Mitchell, a Stanford graduate, (sight unseen but highly recommended by W.P. Fuller). He'd been in the diplomatic service for several years and then had gotten out and been in a couple of other places and (had just completed) the job that (Fuller) had hired him for, and he was immediately available, and he came to work for us within a matter of, oh, hours after we made the proposition. And so we were extremely fortunate in having a very capable man start a San Francisco office for us. So he rented a space in San Francisco, (hired staff), and we even got word out immediately by mail to every one of our suppliers, and he got word out and started on the phone calling all of them, and saying that he was our representative in San Francisco, and to shoot everything through him. And in that way, why, we were able to quickly, very quickly, start a buying department in San Francisco. (Mitchell expedited, coordinated, and arranged for transportation which the government had to approve.)

Now, in the northwest on lumber, we had had a (very capable buyer) up there who was sort of an agent for us, he wasn't an employee. We (had) paid him on a commission basis. And so we just kept him on, and he was our buyer, and he bought lumber from northern California to, through Oregon, Washington, up and into Canada, and knew that game very, very well. (He now took on the problem of getting the lumber forwarded to us here to handle for the navy, etc. and alleviate the extra problems of government bureaucracy.) And so we kept him on. And so we had a lumber purchasing office up there, and we could use him also for other things, if they came from up there that Mr. Mitchell couldn't handle it from San Francisco. So again, looking for survival, why, I think probably one of the most important moves we made was to set up this San Francisco (office) immediately. We kept Mr. Mitchell on for several years up to a time when the war was (well) over, and we didn't feel we needed him any longer. And anyway, he

wanted to stop at that point (and retire).

WN: So because of Mr. Mitchell and the agent in the Pacific Northwest . . .

FL: Yes, his name was Jernberg, J-E-R-N-B-E-R-G. Newton Jernberg.

WN: And having these people facilitated you getting materials faster.

FL: Oh god, yes. We would have been at a terrible disadvantage without the two of them. And with Jernberg it was just a matter of (adding to his regular duties). Jernberg commanded the respect of anybody he dealt with, (as did Mitchell).

WN: So they helped get the materials from the West coast prior to April, or April was the first?

FL: No, prior to April. (He got space lined up to coordinate with his buying but the first convoy did not leave until April.)

WN: Prior to April, you . . .

FL: Right. Another (very important) function that he performed in San Francisco, you had to get a shipping permit in San Francisco for (everything) that you brought down here. So there he was, (luckily), in San Francisco, and so he had to go down and spend many hours, every day, probably, trying to convince the shipping (officers) or whoever was responsible—I don't know what they called it—but to ship this stuff to Honolulu. (You had to have approved merchandise ready for shipment.) And we had to back it up by orders from the government here. So we were really a sort of a subsidiary department of the government, but acting on our own within the framework that the government set up, and had to follow all their orders.

WN: There were no problems, I mean, did your father feel any kind of frustration that, you know . . .

FL: Well, we still . . .

WN: . . . here he is running a business, until . . .

FL: (We were trying to do our part in winning a war. Bureaucracy was necessary. Some of it was good and some was very poor. We had to accept what the government was able to put together.) And besides, the government really didn't know what they were doing (They were trying to do their best, but, you know, they would okay some of our stuff and (not others). Well, it was frustration over that because they had to put people into jobs who really didn't have any (knowledge of what it was all about). Some of them hadn't been in that sort of thing at all. So they were learning from us, in a way. So it was a tough (war period). And we didn't have enough people, so we were hiring but we were working our crews, rather than a forty-hour week, maybe a forty-four, forty-eight hour week. And so our costs went up very, very considerably, and we couldn't pass it on, until the office of price (control) approved it. And

eventually, we (might) get these approvals, but they'd come through way after we'd had to sell the materials. And so our gross margins dropped. In other words, margins between what we bought it for and what we sold it for, dropped because we had to use the old prices. So they were rough years (mentally and physically and profit-wise. But we were a lot better off than the guys fighting the war.)

WN: For your labor, did you raise wages at all?

FL: I (know) we raised wages, (as we could), all during the war, (if they allowed it. (Other things we did to help the effort and to bring in revenue to survive) was to lease to the army engineers the Queen Street lumberyard property. And we leased part of our (office) at Queen and Cooke Street. Sales (in 1942) were 20 percent less than in 1941, even at the higher prices that were allowed, so that the number of units that went out during that year were considerably less (than in 1941).

WN: You leased it out to the navy (and other government agencies) . . .

FL: Oh, in order to try and bring in as much revenue as we (could to survive) because our sales were falling and our prices were (not keeping up with inflation). We had this contract with the navy which brought in (revenues). And the we stored for the army food supply. They brought in quantities of food. We also warehoused, for them, in our warehouses a lot of food (because space was available. I can remember at one time, we had several hundreds of cases of corned beef, and I think there probably were a lot of other foods we had, too, but I just happen to recall that.

FL: (Since there was a limited availability of shipping space, we had to cut way back on on civilian home building supplies at the beginning of the war. We had to close our home building department.) We tried everything we could to find out what the army, navy wanted, then would find it and arrange space to get it here for them. Because building materials were high priority items, we were able to get many of our orders approved. For all the islands of the Pacific where they were building bases, (we had a large catalog made up in 1939-40. We sent copies forward and had it reprinted as soon as they could do it so Lewers & Cooke was known all over the forward areas).

WN: Did your father hire women?

FL: Oh yes, the number of women started to go up. Our staff, in 1942, included twenty-two women, or 7 percent of our regular employees, compared to an average of approximately 3-1/2 percent of women employees prior to the war. So we had, we doubled up on women in the first year. And I gather, during later years we probably increased women as—you know, if we could find them and they could (perform our kind of) work. (We were happy to have them.)

WN: What kind of jobs did they normally do?

FL: Well, in those days, you didn't usually use women for warehousing work (or for handling

lumber). I mean, it wasn't thought, it wasn't considered—so I think most of them went on in stenographic work, clerical work, telephone work, taking orders, double-checking. For instance, they were good, excellent on doing all this double-checking on the government orders that came into us. And that had to be double-checked to make sure they had proper (purchase) orders backing them up (so that the government bureaucracy couldn't haggle about and not pay the bill).

WN: And prior to that, men were doing that?

FL: Prior to that, (we had less problems with people not paying bills). We had some of those women, 3-1/2 percent of women that we had were doing it, but now more women wanted jobs, and so we could, wherever we could find one, you know, we would hire them. And they were capable girls. (Before, we did not have all this government bureaucratic work to do and we had few job applications from women.)

WN: What about students?

FL: I have no recollection of students coming to work for us. There may have been some, I just don't have any recollection of that. Certainly if they'd wanted to come to work for us, we would have taken them.

WN: Okay. While we're on the subject of labor, was there any kind of union activity involving Lewers and Cooke?

FL: No, the union activity, as I recall, did not start until after the end of the war. Our first experience with organized (labor) was a group of men that worked in the lumberyard. (They may have been extras--not hired on a regular work week. We had to use a number of extras because we never knew when certain materials were coming, particularly lumber which came in large amounts few times a year.) And they signed up, and the union (wanted to) negotiate. And then, lo and behold, within about sixty days, we got a petition from 84 percent of those who had signed up with the union, saying, "We don't want the union."

And so, we were caught in a bind. The union said we represent these people, but 84 percent of those who signed up (changed their minds). We've got to respect the wishes of our employees, and we did not negotiate. The matter did not come up again, until after this long, very violent serious strike (of 1949, when our problems really began. Nineteen forty-nine began a period that was much more difficult for Lewers & Cooke than the war was.)

END OF INTERVIEW