

family business matters

The Newsletter of the Family Business Center of Hawai'i

UNIVERSITY OF HAWAI'I AT MĀNOA SHIDLER COLLEGE OF BUSINESS

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IN THIS ISSUE

- 1 Fred Baldwin Foundation Trustees Share Family Foundation Experiences with FBCH Members on Maui
- 2 Remembering Ralph Hook Jr. – Founding Faculty Director of the Family Business Center of Hawai'i
- 3 UH President Emeritus David McClain Speaks on Leadership
- 4 Family Business Center Members in the News

MESSAGE FROM THE FACULTY DIRECTOR

I can't believe that I am beginning my ninth year as the faculty director of the Family Business Center of Hawai'i. That must mean that I am having fun, because time flies when you're having fun. Those of you who are old timers will recognize that Smokey Robinson also has an album by that title.

We have grown from one chapter to two chapters, and attendance at meetings has grown from the low 20's to the 80's on Oahu. We are also seeing growth at our Maui meetings, which means we may eventually have to move to a new venue.

Growth is good but it also requires a lot of work. I am indebted to Krystal Lee, our program manager, who keeps operations running smoothly and to Alvin Santander for his support for our Maui operations.

However, the unique thing about the FBCH is that our members really run this center. In most family business centers, members are passive observers, who attend various events. Our members recruit and select the speakers and are key to the success of our operations. Thus, special thanks to all of you who have made this such a fun job!



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FRED BALDWIN FOUNDATION TRUSTEES SHARE FAMILY FOUNDATION EXPERIENCES WITH FBCH MEMBERS ON MAUI

Fred Baldwin graduated from Yale University in 1903 and then returned to Maui to manage the Ha'ikū and Grove ranches. On a trip to New York, he fell ill, and died after surgery for appendicitis when he was 24 years of age. In 1910, his parents created the Fred Baldwin Memorial Foundation, which initially provided funding for housing for the elderly on Maui, but has since evolved to support a number of needed activities on the island.

Three of the current trustees, Kristina Lyons-Lambert, Mary

"Maizie" Sanford and Frances "Effie" Ort, spoke on "Family and community—104 years of giving" at the King Kamehameha Golf Club on January 16. They pointed out that the trustees represented the various branches of the family tree, which has grown considerably since 2010. The current president is Ms. Lyons-Lambert. Her father also served as president of the trustees.

They emphasized that the foundation has been a way for the family to continue to contribute to the welfare of Maui and speculated

that it has lasted longer than any of the businesses that were founded by various members of the family.

They like the fact that they can see the direct results of their grants and that they have a direct impact on the social and educational needs of Maui. For instance, when the local band needed new drum covers, they were able to provide them and see the results.



Photo courtesy of fredbaldwinfoundation.org.

Kristina Lyons-Lambert, president, (fourth from left) Mary "Maizie" Sanford, secretary, (third from right) and Frances Ort, assistant secretary, (not pictured) shared their experiences as foundation trustees with Maui members of FBCH.

REMEMBERING RALPH HOOK JR. – FOUNDING FACULTY DIRECTOR OF THE FAMILY BUSINESS CENTER OF HAWAII



Dr. Ralph Hook Jr. with Sandy and Marvin Fong and Rann Watumull at the 60th birthday celebration of the Market City Shopping Center.

By Sandra Au Fong – EMBA XI

Dr. Ralph Hook Jr., a dear friend beloved by many, the champion of business and entrepreneurial education in Hawai‘i for 40 years, passed away on January 18.

Dr. Hook served as dean of the University of Hawai‘i College of Business Administration from 1968 to 1974, and presided over the construction of what is now the Shidler College of Business. Thanks to his leadership, the college was able to gain AACSB accreditation for its MBA program. Following his time as dean, he served as chair of the Marketing Department.

HE TRULY UNDERSTOOD THE MANY CHALLENGES OF OWNING A FAMILY BUSINESS AND OF SUCCESSFULLY PASSING IT TO THE NEXT GENERATION.

Dr. Hook began his teaching career at the University of Missouri (1947-1948). He then taught at Texas A&M University (1948-1951), Kansas City University (1953-1958) and Arizona State University (1958-1968) before coming to Hawai‘i.

Among the many honors he was accorded were a Jefferson Award for Public Service (2004), the Junior Achievement Hawaii Business Hall of Fame (2000), Marketing Educator of the Year (1998) and the American Marketing Association’s Wayne A. Lemburg Distinguished Service Award (1995). Dr. Hook also served as the Commandant of the U.S. Army Reserve School (Pacific) in Honolulu from 1974 to 1977 and as an advisor to Pi Sigma Epsilon, a national marketing fraternity, from 1974 until his retirement in 1995.

After retirement, Dr. Hook remained involved in the community, volunteering at the Samaritan Counseling Center and regularly attending meetings of the Waikiki Rotary Club.

Marvin and I had the privilege of meeting Dr. Hook through the Family Business Center of Hawaii, which partners with the Shidler College of Business. He was a strong advocate for family-run businesses, and I believe that he and his brothers had a family business of their own. He truly understood the many challenges of owning a family business and of successfully passing it to the next generation.

I believe that’s why he and Rann Watumull cofounded the Family Business Center in 1995. The Center serves an important function in Hawai‘i, where many businesses are family-owned and -operated. It is still going strong today under the leadership of Chair Ken Gilbert and Vice



Dr. Ralph Hook Jr. with Keli'i Lum, the recipient of the Ralph and Joyce Hook Jr. Scholarship.



Left: Dr. Ralph Hook Jr. pictured with his beloved wife, Joyce. Right: Dean Ralph Hook Jr. circa 1969



himself to join our celebration. It was only in the last two years that he could not join us any more, even though we offered to pick him up – he said he did not want us to bother.

We will always remember him and be forever grateful for his help when we faced our greatest business challenge. His business expertise and steadfast support helped us survive, and it is thanks to Dr. Hook that we are still operating Market

Chair Jenny Kelley. Most of the membership is on Oahu, and there is another chapter on Maui.

We became close friends with Dr. Hook and his wife Joyce. They were the nicest couple, and Dr. Hook absolutely adored Joyce. When he and Joyce moved to the Hawaii Kai Retirement Home, Marvin and I visited them as often as possible. They really enjoyed celebrating Chinese New Year at Market City with us, and when Joyce could no longer come, Dr. Hook would still drive to Market City by

City today. Not too many people would step forward to help you like that, and stand by your side, but Dr. Hook certainly did. He was a gentle and soft-spoken man, but he had a strong mind, tremendous integrity, and he was wise even beyond his 90 years.

We thank you, Dr. Hook. We will always remember you and we bid you our fondest aloha and our heartfelt mahalo for sharing yourself, your knowledge and wisdom with us. A hui hou, which means until we meet again.

UH PRESIDENT EMERITUS DAVID MCCLAIN SPEAKS ON LEADERSHIP

Dr. David McClain, professor and president emeritus of the University of Hawai'i spoke to the Family Business Center of Hawaii on, "Leadership: What got you here...will it get you there?" on January 29 at The Pacific Club. Dr. McClain, who has held leadership positions in the military, private, public and educational sectors outlined the lessons he has learned on how to be successful in each leadership position. One of the interesting points he made was that when you take a new leadership position, you have to leave your successor alone unless they ask for help. He said to move on and take up the new challenge.

Dr. McClain also stressed the need to be aware of what is going on in the organization. Good leaders need to be constantly aware of what is going on in the organization and have an effective mechanism for collecting information, he said. He explained that you do not want to be surprised by some important issue that suddenly arrives on your desk as a crisis that could have been dealt with more effectively several months earlier.

He also mentioned that some leaders decide they have to deal with every issue brought to their attention. It is possible to do this, but very few individuals can do this effectively. Normally, this results in most of the issues being dealt with ineffectively. Leaders of large organizations have to learn to be selective in determining those issues over which they will take ownership and assign others to subordinates. In response to a



Dr. David McClain, professor and president emeritus, University of Hawai'i, spoke on leadership at the January Oahu FBCH meeting.

question Dr. McClain said, he also felt maintaining good health was extremely important. Most leadership jobs are demanding in both mental and physical terms.

Dr. McClain will travel to Maui on Wednesday, May 7 to repeat his presentation at the King Kamehameha Golf Club.

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Watumull Brothers Ltd.

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* Maui Chapter Advisory Board

FAMILY BUSINESS CENTER MEMBERS IN THE NEWS



Daniel and David Arita at the 2013 Annual Retreat.

family firm and was recently promoted to vice president.

Daniel gave his dad credit for teaching him about the business. In the article, he said, "My dad did a good job grooming me. He showed me the good and tough parts of the business. But one can make a good living working in the flooring industry." Sounds like this is the type of advise that could lead to a smooth and successful succession.

AMERICAN CARPET ONE

One of our new members, American Carpet One, celebrates its 40th anniversary. Midweek featured the firm in a cover story. If you missed it, you can find it online at www.midweek.com/american-carpet-one. David Arita started American Carpet One in 1974 with five employees. Their current facilities are on Sand Island Access Road with 110 employees. David's son, Daniel works in this

HAWAII NATIONAL BANK

Bryan Luke has been named president and chief operating officer of Hawaii National Bank. The bank was one of the original members of the Family Business Center of Hawai'i and has continued to be a strong supporter of the FBCH.

Congratulations to Bryan and best of luck in his new position!

UPCOMING EVENTS

OAHU MEETING

Tuesday, March 11
11:30 a.m. to 1 p.m.

"Six generations of giving together."
Speakers: Dale S. Bachman, President; Amber Strong Makaiau, Alternate Trustee; and Gregory Wrenn, Alternate Trustee, Cooke Foundation, Ltd.

MAUI MEETING

Thursday, March 27
11:30 a.m. to 1 p.m.

"Transitioning from generation to generation and keeping the core family values alive."
Speakers: J. Stephen Goodfellow, CEO, and Chad Goodfellow, President, Goodfellow Bros., Inc.

MAUI MEETING

Wednesday, May 7
11:30 a.m. to 1 p.m.

"Leadership: What you got here...will it get you there?"
Speaker: David McClain, Professor and President Emeritus, University of Hawaii

OAHU MEETING

Wednesday, May 14
11:30 a.m. to 1 p.m.

Speaker: H. Mitchell D'Olier, Chairman of Kaneohe Ranch Co. and the Harold K.L. Castle Foundation

MISSION OF THE FAMILY BUSINESS CENTER OF HAWAII'I:

Equipping, Educating and Celebrating Families in Business

The Family Business Center of Hawai'i is a nonprofit, member-based forum, housed within the Shidler College of Business at the University of Hawai'i at Mānoa. Administrative support for the FBCH is provided by the Pacific Asian Center for Entrepreneurship.



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