

LONGstorySHORT

with LESLIE WILCOX



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One of the key ingredients of being successful is you gotta like and care about people, so, and then, be passionate about whatever you're doing and I'm totally passionate about Kualoa and preserving it and the mission.

He was midway through college when he asked his father if he could take over management of family-owned lands in Windward O'ahu. They were the site of a ranch, just getting by, after their hey-day as a sugar plantation. What John Morgan did with those lands, next, on Long Story Short.

One-on-one engaging conversations with some of Hawai'i's most intriguing people. Long Story Short with Leslie Wilcox.

Aloha mai kākou, I'm Leslie Wilcox. Kualoa Ranch in Windward O'ahu is an amazing property. It's actually three, virtually intact ahupua'a, or Hawaiian mountain-to-sea districts. This precious property has been in the kama'āina Morgan family for a long time and at times, after the fall of sugar cultivation as Hawai'i's dominant industry, the family struggled to hold onto the lands to make them financially productive. When sixth generation Hawai'i family member, Morgan, grew up, the four-thousand acres were a private nature reserve and cattle ranch. He had no plan when he asked his father, as a college student, if he could manage the place. Over the years of his leadership, the lands took on a diverse new life. There's still some ranching, but the spread is best known as a destination for visitors and locals and filmmakers and TV shows. Parts of the blockbuster movie, Jurassic Park, were filmed here. But big-time media makers don't come by every day. The way John Morgan explains it, Kualoa Ranch's main business is offering environmentally sustainable and educational activities. His great-great-great grandfather bought the first parcel of land that started Kualoa Ranch from King Kamehameha the Third.

Our family got started here in 1828, Dr. Gerrit P. Judd and his wife, Laura, came on the third ship with the missionaries and uh, he was a doctor. He wanted to be a missionary but they didn't accept him at the uh, American Board of Foreign Missions. From what I understood, I read the book—Dr. Judd—and I read it awhile ago, and uh, he, his theological, uh, theologic, uh, credentials weren't good enough, according to the people who were evaluating him. Maybe got a C instead of a B, I don't know.

But still, he was appointed the Mission Doctor?

Yeah, so they wanted doctors here, because as we all know, you know, the whole situation with the, with disease and all of that...

All of the illness...

...and was just terrible. So, there's uh, a lot of epidemics, in fact, we created a timeline for early Hawaiian history and you know, we recorded all these different epidemics uh, that were, were, there was quite a few epidemics and so he, he dealt with it. He learned a little bit about the la'au lapa'au, you know, from the Hawaiians, and he actually wrote uh, the first uh, anatomy book in Hawaiian. And so they wanted doctors and so, kind of in the spirit of being a missionary, but you know, uh, basically helping people out, that's why he decided to come here. He practiced medicine for about ten years before he, uh, went into service for the King, and so he got acquainted with the King and there was a mutual respect there and he wasn't uh, uh, a missionary, and he wasn't a merchant, and he was interested and he was a pretty, you know, smart and honest guy, so he ended up becoming a minister to King Kamehameha the Third. So when successive years he was Minister of Finance, and Minister of Foreign Affairs, and Minister of the Interior, not in that order, but...so he held-held pretty...uh, big positions in the government.

Do you think being a physician helped bring him to the King's attention?

I, you know, honestly, I don't know. Again, the population at the time, you had missionaries who weren't really involved with secular affairs and you had merchants and whalers and others who had their own self-interest, and so here was a guy who um...

Met a lot of the families through helping them...

Yeah, and...

...with their medical issues.

...and didn't have, you know, kind of a self-interest that...and so, he was kind of a neutral, yeah, neutral party, but again he was, reading the books about him and everything that I have and-and-and a lot of people would agree that, you know, he was definitely a solid guy who-who-who was devoted to the Kingdom and the King. The start of the ranch was uh, in 1850, it was part of the King's personal land and uh, and so he sold the-the-that parcel of land to Dr. Judd in 1850.

Did Dr. Judd know what he was going to do with it?

What we understand is that he, you know, just liked farming, he just wanted his own farm and uh, so, I'm not sure, because there's no records of it, how much that he was aware of, you know, the cultural and historical significance of Kualoa, but uh, but he-he did build a house out there and uh, actually shipped schooner loads of squash and melon back to Honolulu, so, he did actually run it as a farm.

How much did he pay for the land, do you know?

I think it was thirteen hundred dollars.

For how many acres?

Six hundred and twenty-two.

Amazing.

Yeah, yeah.

So, uh, then, so that's your great-great-great grandfather?

Yeah.

I believe I've read that Dr. Judd chose to renounce his American citizenship to serve the King of Hawai'i, King Kamehameha the Third.

Yes, he did. Rick Cord, is the first one, so he was the second U.S. citizen to renounce his U.S. citizenship and that was a, it was a telling act on his part, yeah.

Does your family have an opinion of what happened during the Overthrow times?

Not really. Dr. Judd was gone already and Charles was there. Charles was in service to the King, he was a chamberlain to King Kalākaua and so, all of our ancestry, you know, up to the point of the Overthrow was definitely in favor of the monarchy.

Which of the generations was it who got involved heavily in sugar industry which was king in Hawai'i?

So, Dr. Judd's had uh, nine kids, seven of which who lived at least to adulthood and one of those nine kids was Charles and so that was my great-great-grandfather, and he actually went into business with Samuel Wilder, who was his brother-in-law, he married one of Dr. Judd's uh, daughters, and uh...

And as you're saying these names, I think of streets in Hawai'i which bear these names...

Yeah, so Samuel Wilder and Charles Judd, uh, basically bought Kualoa from Dr. Judd, and started the sugar uh, mill, in 1863 and it went bankrupt, actually, and so, uh, Dr. Judd got the land back because they couldn't pay it all off and uh, and so, so, that's how Charles got involved and then, Charles actually ended up buying the neighboring two ahupua'a of Ka'a'awa and that was in 1860, and Hakipu'u in 1880. So, by 1880, the ranch was intact three, you know, separate but continuous ahupua'a.

It's three ahupua'a? Are they still intact?

Still intact and still contiguous, yeah.

So, for all this time, since the days of the monarchy, um, your family's had these three contiguous ahupua'a and kept them. That's very unusual, isn't it? To not have to sell off land?

It is, I mean, when you look at a lot of kama'āina families, in order to preserve they, you know, or whatever, for whatever reason...

Whatever reason, right..

...and so, during the Depression, that was a very tough time, and uh, um, at that time, my great-aunt was kind of in-charge and things were-were-were-were again, very tough. That's when Ka'a'awa town was created and that was our way, that was our time when we sold land, we didn't sell it at the time, we just created lots in Ka'a'awa town and leased them all out. Uh, but that was about the extent of that and luckily, we didn't do more.

Long term leases?

Long term leases.

Are they...is the land still leased?

Uh, no, it's all sold off through, you know, through uh, you know The Land Reform Act, you know, that occurred in the 1970s, so that all went to fee in uh, I think uh, '84.

Was that part of the ahupua'a?

That was part of the ahupua'a, yeah.

So, so a small section was sold off?

Little small section uh, just kind of...it's cut off from the main part of uh, Ka'a'awa Valley by a little ridge, and so, it, it, you know, didn't disrupt uh, you know, other parts of the operation and so that's why they chose to develop it over there.

Well, what is the cultural significance of the Kualoa lands?

It's mentioned in the Kumulipo, uh, you know, the name—Kualoa, and then there's a whole bunch of legendary reference to you know, Kualoa, whether it's Lu'anu'u who's supposed to go and find a place for a sacrifice, or the legend of Mokoli'i, or uh, you know, there's a...there's just a number of different legends. I wouldn't call it a legend that it was a training ground of chiefs because when you go back to, you know, Kamakau, or you know, some of the other, the writers, who talk about uh, you know, back in the time of Kahahana and Ka'a...Kahekili, there was a, a kahuna, Ka'opulupulu, who-who-who was advocating that uh, you know, Kualoa was so sacred that Kahahana shouldn't give it to Kahekili because Kahekili actually was demanding it in order to keep peace. So, I don't consider those as much legends as more recorded history, even though that was back in the 1700s. So anyway, there's a lot of different reference to uh, to how important Kualoa was in the ancient times and for us, it's a, it's really important to honor that, understand that, and keep that uh, as something that we still cherish.

Managing Kualoa Ranch had never been a full-time job for any of John Morgan's ancestors, but with changing times, he felt driven to make the lands financially productive or risk losing the precious property.

Except for a short time in your life when you went to college, essentially you've lived at Kualoa, at least part-time, I think your family, when you were a kid, went back and forth...to Nu'uano and...

And Kualoa, yeah.

So, you've spent a lot of time as a resident, at least a part-time resident, of Kualoa all your life?

All my life, yeah.

You know, you must know every little nook and cranny over there?

I'd like to. You know, there's all these little valleys and you know, I love...my wife and I love to go hiking out there...and the kids...and so, but, you know, it's funny, it can

be...it's a big place but it's also a small place and if you want to go to every single corner it's gonna take a lifetime, so...haven't been to every place yet.

Did you know you'd become the CEO of the family property, Kualoa Ranch?

No. It's one of those things that when you're young and there's only five employees and you know, fixing fences, spraying herbicide in the pastures, and moving irrigation, you know, for the corn fields and everything...

And you did all that?

So we did all of that. And take uh, when we started horseback rides, took out the horseback rides with my wife and, and-and-and, you know, I asked my father if I could make a career at the ranch and so, you know, when he said yes, I came back from Oregon State University to the University of Hawai'i, but it's really just one foot in front of the other, there was no grandiose plan and uh, you know, certainly couldn't have envisioned Kualoa Ranch being what it is today, way back then.

Well when you said...when you asked your father, did you have a sense of—it would continue to be horseback rides and, and beef?

I definitely had a sense it would continue to be horseback rides and beef but there needed to be something else, because it was clear that it wasn't sustainable. My grandmother, my great-aunt, my father, my aunt and my uncle, who were all the older generation, uh, you know, knew that it wasn't a sustainable business anymore. It never paid a dividend. Um, and so...

So, everybody always had other jobs?

Everybody always had other jobs...

As they ran the ranch?

Yeah, that is one of the things that we can credit my ancestors is nobody looked at it as a cash cow, and so everybody wanted to preserve it. But, you know, if you're losing money every year, it's harder to do that and so, um, when I...you know, asked him if I could try to make a career there, I knew that it was...I had to figure something out.

But you were okay about figuring it out?

Yeah, you know, I guess I stepped up to the challenge.

When you came back from uh, a couple of years of college at Oregon State and decided to go to school in Hawai'i and work on the ranch, you took a lot of credits but they weren't necessarily...I think you took enough classes to get credits to graduate but they weren't in the right areas...

Yeah, yeah.

Because, you were just picking what you thought you would need. You knew what course you were going to take.

That's right. So, I was an Economics major, I didn't really take college as seriously as um, glad, all my kids took it more seriously than I did, and um, so I applied to three colleges, chose Oregon because I didn't want to go to California or Colorado where I was accepted to both other colleges, and I didn't know what I wanted to do when I first uh, went to college, so I thought Economics was, you know, gives you a good understanding of life, and so, so, I was a major in Economics in Oregon State, and when I transferred back to University of Hawai'i, I stayed in that. But you're right, I took finance and I took accounting, and horticulture, and agronomy, and Hawaiian language, and all the different things that I thought might help me because, you know, I'd already made the decision and my father had supported it, that I'd make a career at the ranch. And I'm glad that I took all of those things because now when you read financial reports or, I love, you know, knowing...certainly not fluent in Hawaiian, but uh, you know, I know a little bit, so, all of those things help me tremendously.

Did you have an inkling of what you wanted to do?

I did. Uh, knew that you know, people coming to the ranch and tourism was...

Tourism.

...probably the answer and so...

But what would they look at?

Ah, at the time, you know, again, 1981 when I took over didn't know, but by '84, I met a whole bunch of people in Waikīkī and realized that tourism was booming and especially the Japanese tourist part of the business was booming and so, when we opened what we called The Activity Club, at the time, 1985 on April...April 1st, 1985, uh, we had put together a variety of different activities: horses, ATVs, uh, jet skis, helicopters, a gun range, all these different activities and uh, we presented to the Japanese travel wholesalers. So, we had one type of client, which was the Japanese travel wholesaler. The consumer was the, you know, the Japanese customer, uh and then we had all of these activities and uh, and so we launched and it was a very, you know, started off

slow but it really resonated with the marketplace, so by the end of the 80s, we're doing gangbusters and you know, thought I was a genius.

And that was before the movie productions came in?

Yeah, we had a couple of small ones. I think the original Hawaii 5-0 had come out there and early 80s Magnum P.I. had come out there, but really before anything big had started, yeah, yeah.

For example, 50 First Dates, King Kong, Skull Island, and Jumanji: Welcome to the Jungle. Under John Morgan's leadership, Kualoa Ranch was thriving as a visitor destination, but world events and economic changes during the 1990s and early 2000s made him re-think his business model.

And then everything changes, ah, you know, in the early 90s, I think the Gulf War's in '91 and there was a currency crisis in the East, and you know, just a bunch of different things happened and you know, lot of other businesses were saying, hey this Japanese business looks good and so, it started to really uh, struggle and so by the late 90s it was struggling and then, course, 2001, it was a terrible situation for everybody. So we had to kind of re-look at what we're doing and-and-and-and, you know, wasn't all in one fell swoop but we...introspected, looked, and tried to figure out really what was the strength of the ranch and what was our core competency, and, you know, whether it was from a cultural perspective or you know, market-driven, we realized that it was really the land and the history and the culture and uh, and the agriculture. So, we got rid of a lot of the stuff that didn't really fit with uh, the brand that we wanted to build. So, we got rid of the gun range, got rid of the jet skis, got rid of the helicopters, got rid of a lot of the different things and focused on ways that people could just experience the land. We recognized that uh, in order to be able to sustain the land, you know, we have to have a viable business and so, tourism and local, local visitors as well, it's not just tourists. So, how do we, how do we provide enriching experiences for people and get them close to the land? And you know, introduce them to agriculture, introduce them to the Hawaiian culture, and of course, the movie part doesn't hurt, either. But um, so, as time goes on, we try to, try to, you know, enhance different parts of the land by you know, doing different things whether it's cultural or agricultural or otherwise, and so, we're kind of in a perpetual landscape improvement mode. So right now, we're resurrecting taro patches in a bunch of different areas and uh, so that when people go through these areas, you go—wow, this is gorgeous...and you learn about it, and then not only that, we harvest the crops. So, and then we built a replica, it's not a heiau because it's new, but we built a replica of that. We've had several different areas that uh, yeah, we're doing different things from a, from a cultural perspective. We're doing things, you know, a lot of our agricultural developments occurring around the tour routes. We built a six thousand square foot piggery made out of a repurposed movie set. It's right on one of the tour routes because people like that kind of stuff, so whether

it's the culture or the agriculture or you know, other things, we...we know that integrating tourism with what we do is uh, and the history of the place is-is-is what makes us successful.

You're basically not near the city center, you're not near the Legislature which could be making laws that would, you know, that would affect you...it's kind of a really different life, isn't it? I mean, the skills you need to do well on the land you own and also, you know, what it takes to keep that land in a modern American city.

Yeah, you know, hate to use the analogy of the plantation era, but, you know, plantation era's not all bad because people were taking care of the land and maybe monoculture, cropping, is...not everybody likes now, but, from a...from the standpoint of being there and not in Bishop Street, so to speak, and you know, being close to people and being close to the land, uh, you know, I really, I really appreciate that. I do get to town, you know, whenever you need to, but uh, but I'm fortunate and even our sales people are fortunate that we're at a point now that instead of having to go drum up business, a lot of times people come to us and so, a measure of success is when-when-when, you know, you don't have to go to town to go to-to-to do everything and uh, we can stay out there and do our work and attract the right kind of people, so...

What do you worry about? What keeps you up at night when it comes to running a ranch? And this uh, this uh robust visitor operation?

Yeah, obviously worry about the people, we have almost 400 employees and they're a big responsibility and you know, we want to take care of them. We want to uh, you know, see if we can have more of a positive impact in our community. We're a big company in a small community. Those things don't really keep me up at night but they are parts of the responsibility that are important. Um, you know, again, from that perspective, we certainly hope that the visitor industry in Hawai'i remains robust because if it wasn't, you know, it hurts everybody including our company. We know that as we evolve we need to, you know, put more effort into different areas. Five years ago we hired a...created a position for a Hawaiian Cultural Resources manager, so that person is just devoted to, you know, encouraging and all of the awareness and uh, learning about Hawaiian culture within employees as well as guests. Now the same thing is going to happen with sustainability just to push the envelope a little further, push the needle, you know, a little...

And what kind of sustainability will that person look at?

Ah, everything, um, but we're not all that good on energy right now, uh, we want to do a better job in recycling but you know, it's really how do we integrate all thoughts and-and-and of sustainability into all the different diverse things that we have going on, because we're really diverse. So, so, so that's kind of direction...you know, we don't see

major changes in the, in the short term. We just hired another, another agriculture manager at the same time, he's going through training this week and-and, so we're adopting a new kind of approach to our agriculture. We used to say, this is diversified ag, this is livestock, this is aquaculture and now we're doing it more from a kind of a kuleana perspective of this 40 acres is your kuleana and it has taro, you know, shrimp, and you know, lettuce, and everything else, and you run this area and so we have three diversified ag "hubs" that we call them. One of them's about 40 acres, one of them's about 60 acres, and another one in lower Ka'a'awa, so, that's where the piggery and the sheep and the chickens and cacao and all kinds of stuff.

Cacao too?

So, we have cacao and bananas and papayas and all kinds of, all kinds of things.

And it all adds up to sustainability. You have a succession plan for you?

Nope.

You don't?

Not yet, yeah.

Does any of your children want it?

Everybody, uh, is definitely interested in-in being involved and so our whole family, we're so lucky that...it's my brother, my sister and I, and we have some cousins that are involved on the ownership side and everybody is uh, is passionate about the preservation of it and everybody is committed, but from a succession point of view, that's still a work in progress.

Is it, as they say, complicated?

Ah, it's-it's-it's complicated. I mean, you know, being involved is one thing, being a CEO is a whole nother thing. And so, we're really grateful that everybody wants to be involved, but I think everybody realizes that from a succession point of view on a CEO, the best person should do it. It's not whether it's family or not, and so...so, we're in that process of trying to figure out...I think I still have ten more years or something, so we'll see.

Mahalo to John Morgan of Nu'uaniu in Honolulu for sharing your story with us, and thank you for joining us. For PBS Hawai'i and Long Story Short, I'm Leslie Wilcox. Aloha nui.

What's the biggest risk you've ever taken?

Hm, I don't know, I'm kind of an adventure thrill-seeker, if you're talking about the personal side. You know, some friends and I climbed the top of Mount Rainier, I didn't think that was really a risk, it was very strenuous but, um, you know, surfed big waves, if you're comfortable doing it, uh, you know, did the Molokai Crossing with a couple of friends in a relay on stand-up paddle boards, it's a challenge, so...on the personal side, you know, I don't...I don't really think about things as monumental risks, maybe I'm forgetting things right now, and on the business side, I mean, every time you do anything it's a risk.

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