BIOGRAPHICAL SUMMARY: WILLIAM PATY, manager, Waialua Sugar Company

William Paty, Caucasian, was born in Honolulu, January 22, 1921. He was educated in Honolulu and at Cornell University. He spent time in the military, married, and went to work for Waialua Sugar Company in 1946 as an assistant agriculturalist.

Bill has served Waialua Sugar Company in several capacities over the years, including Industrial Relations Director, Preparation and Transportation Superintendent, assistant manager, President of the Planning Division for Castle and Cooke, and President/Manager of Waialua Sugar Company.

He and his wife Marguerite are very active in the community. They are the parents of five grown children and currently reside in Waialua.
This is an interview with Bill Paty, manager of the Waialua Plantation in his office on June 10, 1976. Okay, you want to look at the list of questions? We talked to Midkiff already and he said that he hired you. Is that...

Yeah, that's right. Actually after I get out of the service, I intended to go into what then the prescribed walk for people going into the career of sugar business was; taking the two year trainee course at the HSPA experiment station. But I was married then and they were still offering the $125 a month as a stipend for taking the session. That may have been fine pre-War but I couldn't live on that so I came out. I had been talking with Jot Pratt who was then manager, excuse me, vice president of the pineapple operations for Dole and he made an interesting offer. I came down subsequently to see John Midkiff and John made me a little better deal and I kinda like the looks of Waialua as opposed to going to Lanai. So I came on board after I got my discharge.

You were living in Honolulu?

I was living in Honolulu at that time, with my folks. I was home on leave really, prior to getting married, when I first made the initial contact.

And how has your family enjoyed living in Waialua? You've been living out here now...

Yeah, we've lived here continually. We started living in the plantation area itself right near the office right here in Kupahua Street and subsequently we moved down to Kawailoa beach for almost a dozen years. I don't think there's any place more attractive than the North Shore and its community. We've had opportunities to move and relocate and haven't had any real trouble saying no.

Is your wife from here?

Yes, we went to school together in high school.
GG: And how many children do you have?

WP: Five. The youngest is 20 now just the other day. This is her second year in college. She is the baby of the family.

GG: Have they dispersed and gone off elsewhere?

WP: No, the oldest boy is selling; located on the other side of the island. Number two works here and the third...the other daughter graduated and took up graduate work in occupational therapy; getting married very soon to a high school classmate of hers who graduated from the Air Force Academy same time she got out. Then of course our fourth is a junior in college. Susie is our last.

GG: So living in Waialua has been pleasant for the most part for all of you then...

WP: We've been through our problems with young people. You name it, we've been there--the bitter and the sweet in some cases.

GG: Tell me now about your career advancement.

WP: Well, I came here originally as an assistant agriculturalist and was looking to the progression through the field area. But about the time I came on board in 1946 was about the time that industrial relations was really getting its impetus in the sugar industry. They needed someone to take on that aspect of it. (I'd been here less than a year,) when John Midkiff asked me if I was interested in taking on a job as Industrial Relations Director. Well it was a department head's job but. It was a branch off of the path that I felt was the normal way to progression here but I said yes and I didn't change jobs again for another nine years. Nonetheless, it it was very interesting if not traumatic at that time because both sides were learning the hard way. It was a very difficult time. The union was very very militant. I'll come back to why I think that came about, vis-a-vis John Midkiff's administration and then what happened subsequently. But nonetheless, at that time we had, Waialua had a very militant group. There were strikes, there were slowdowns; there were job stoppages, there were grievances without end. We and the Hawaiian industry in Hawaii, I think in a crucible of time of a dozen years, almost compacted into that period, what had taken the labor movement in the U.S. the better part of the century. So that for us this was, for me anyway, looking over, it was quite an instructive and very informative part of my life.

GG: You care to comment in any more depth or specifically?

WP: Well just by way of historical background. John Midkiff was a unique person in that he had a great way with people. Waialua was the last sugar company to organize, in effect. At that time he said he recognized the handwriting on the wall until the organizers said go ahead and join the union. But their personal loyalty to him was such
at that time, that the union organizers who were successful almost everywhere else, they couldn't crack Waialua. But an interesting observation on a human personality is that a number of the people who found recognition from his style of management and the way he worked things, once the union became the primary element of representation, took very strong positions with the union. And where you might have thought that out of John Midkiff's very, I would say very paternal policies they were all paternal in a sense, but fair and balanced policies we had for example a wage rate that was higher than anybody else in the industry you know, and we did these other things over and beyond what other people had done, at that time. You might have thought that we would have had a union that was if nothing more, a company union in effect. Matter-of-fact, it was the other way around. I think Waialua ranked possibly with one or two others as the most militant of the entire sugar industry. In 1953 for example, we took a strike at Waialua over a change-over, when we went from railroading to trucking our cane to the mill. But this was an extension of the same militant feeling; it was a three-month strike at Waialua by itself. Up through that time and subsequent to it were very difficult times. Again the same people that he had looked to in a way as people that worked with him to keep him posted on various trends and reactions and feelings of the people were the ones that took leadership positions in the union; came back just as hard as they possibly could. I think this union pressure of a constant...one problem after another finally kind of led him to feel that he didn't have to stay on as manager till the end of his career. So that from that aspect, it was kind of interesting. It was a great switch-around that took place. And I think that it probably took us 15 years before Waialua achieved a balanced relationship where the maturity on both sides grew to the extent that we can now talk more easily about these things and then work things out. Not that we don't still have a very strong union, but we've mellowed over the years and become more of a pro at the business. Certainly looking back on it, it's been black and white compared with the early years.

GG: Fine, well both sides have kind of grown up a little better.

WP: Sometimes of necessity, you know.

GG: Right. Okay, well how do you see your role or your function as a plantation manager today?

WP: Well, you have several elements in this whole picture, not necessarily in order of importance. First of all you are here to try to see that the company does as well financially as it can. So that your job in effect, is to do the best job you can in returning a reasonable equity on the money that's invested. That is why you're here. If you don't do that they can get somebody else on the job, you know. You can be a hell of a nice guy, but if you don't get a good crop, if you don't show a good profit, they'll look for somebody else. You got to remember, this is the basic function. And it serves a double
barrel function in that if you don't have someone who does this kind of job, why they find alternate means to use the land in some facet or another. This has been the history throughout the Hawaiian sugar industry that the marginal plantations simply have not been able to survive. With that you might say as a prime function, you pull these other sources in on what you are trying to do. Relative to this is to develop and maintain a work force that is trained, skilled, that hopefully is loyal, hopefully is motivated to the point that the productivity compares with the best of the other companies in the islands to achieve these kinds of things. Why, you try to maintain a balance of being reasonably fair and not run a give-away program. But at the same time you don't want to be an autocrat-type thing where a buck is buck is a buck. Now there certainly are opportunities where if it doesn't run counter to a fairly basic principle of employer relations or set precedent that might put us in a bind, you know, we'll try to work things out. But if it comes, for example, to a question of somebody who wanted to featherbed or if it comes to a question of somebody setting bad work, putting us into precedent then we say a flat no. In terms of the community of course, being the largest employer by far in the district, we have to play a role I like to think is balanced by being supportive and helpful without giving the impression of it being a company town. We don't mean to throw our weight around. We don't say that we always keep a low profile. At the same we don't run out and try to stack the community association with our people. We don't go out to toot our horn or tell people what we want done. On the other hand, if there's something a development or something we think would run counter to the long term benefit of our community and our district, why, we take a fairly strong position as we did in connection to the development that was proposed for Kaiaka Bay. And it was, for example, there was a vote on that thing—which way this community would support it. We wanted to oppose. On that particular occasion we turned our people out in force. I mean we turned them out. Because we felt this was not good for our community. Secondarily, it was not good for our operation but primarily because of the long term adverse effects we felt it would have on our small, compact community. In terms of management style, I like to feel that I don't... it's a hackneyed phrase, saying that the door is always open but I like to feel that I can get around, that my relationship with the people is such that most of them feel that they can come in and talk about a given problem. I try to work at creating this type of impression so they don't feel they gotta go through a secretary and get an appointment two weeks in advance and maybe they see me and maybe they don't. That kind of thing. At the same time I don't purposely try to make end runs around my people to do it. So we try to strike a balance, so the people don't feel they can always run in and get something from me that they can't get through normal channels but you try to maintain a balance. I enjoy the kind of work that is involved in a manager's position. I think it involves a balance in working with people in a nice and a good environment, in a good community. At the same time it has a challenge of returning a satisfactory profit for
the owners of Castle and Cook which is our parent company. It's an opportunity which has lots of things unique about it. I enjoy, very honestly speaking, being the head guy or the large frog in the small puddle. I have had offers to work elsewhere only just recently to work with another company; I have said no to a large extent, because the lifestyle here and the people I'm working with and the kind of work I'm doing is such that I don't feel that a town type corporate job would provide the same satisfaction.

GG: What would you get out of it except extra money?

WP: Yes, that's right. And somebody else looking over somebody else's shoulder. I enjoy working with the other people in the community, not just the employees here. I think I have a lot of close friends in the Haleiwa group. We try to maintain an interest in the youth program here. I get almost too involved sometimes in community work, I think sometimes to the detriment of the job, in trying to do your share of working with the community. Sometimes you kinda meet yourself coming and going. It runs in surges but certainly recently it seems to have been a pretty steady thing. Politically, I enjoy the political arena. I work very closely with our people in the legislature; year-round effort at maintaining our contacts with government officials and City and County people and that sort of thing. Political things take time. We do it purposely because we think it's important that we do this. We play golf with them, we go out and have a few drinks with them, go to lunch, a lot of 'em are really fairly close personal friends, at the State and County Level. Usually I'm on a commission of some kind. I'm now on the Criminal Injuries Compensation Commission which meets almost twice a week sometimes. This takes time. I'm also working with the committee set up by Mayor Fasi, who's asked us to help out with practices in city administration to see if we can help them become more efficient. Previously I served for a dozen years as a member of the City and County Civil Service Commission. I'm chairman of the Aloha Council Boy Scout Camping Committee. I'm also chairman of the Kaala district. The island of Oahu is divided into districts and our district runs from Waianae out to Waipahu and on to Pearl City and back up through Mililani, Wahiawa and out this way. We're the largest district in the state. I'm also a vice president of the Aloha Council. So scouting takes a good part of my time. Then I work with a number of people here in supporting the Little League. I'm no longer as active as I used to be in Pop Warner and Little League but you support these activities. I serve as chairman of a committee to develop the new Haleiwa Surf center. I'm a director of the Hawaii Chamber of Commerce and few other such things.

GG: What do you do in your spare time?

WP: Well, it runs pretty tight. Recreation time is hard to come by but we try to make time for that.

GG: I would presume that is all in achieving that balance that you were...
WP: Well yes, but I don't know that each manager in his own way or each president decides how he wants to do it. Some so-called executives do very little and get by because in the final analysis the people that hire you are looking at really how he's doing in the bottom line. Is he making profit or can he? Community activities are important but you could be doing all these things and if you didn't show a profit you'd probably be looking for a new job.

GG: But how has Waialua been fortunate enough--I think we've seen it documented and we've also been told that almost every manager they've had out here has been I think, partly a real individual and forward thinking and an enlightened management, I think you could call it.

WP: Well, Waialua has been, speaking very honestly, fortunate that way, or as frankly as I can. John Midkiff certainly was the one that I knew actually and he was innovative then. John Anderson had a problem in the sense that John Midkiff's relationship with him was such that he was sort of a senior in the office next door and it made it difficult for him to work out here with John Midkiff sitting over there as a consultant. John worked as consultant, was in touch with the people in town more than Anderson was, but John was a very capable individual. But under those difficult circumstances it would have made it difficult for anybody, I think. Harry Taylor was a very unique individual and he had a knack for getting a team to work together. He wasn't as concerned with the community aspects but certainly made some real progress in pulling the organization together. So that you look at the alumni that have come out of Waialua itself; Phil Conrad who was with us and now manager of McBride, and Tom O'Brian manager of Puna. Doug Thompson left here and he's retired manager of HC and S. Jack Hewetson left here to become manager of Ka'u. The Waialua alumni association, having gotten their basic training, there has done well.

GG: Speaks well...what accounts for this? Can you offer something that accounts for this? Is it the isolation of the community perhaps?

WP: Well, I think that's one thing. Waialua first off is a profitable company; has been historically. It has the ability to attract good people and so we've been able to get out and get good people to come here by reason or the same way a good university will attract better scholars, if you want to put it that way. That may account for it but certainly not that much. You don't find the alumni from most of these other places scattered around in key positions like you do ours. I don't know, it just seems to be really well balanced on our management team in that sense of the word. But Castle and Cooke on the other hand in the early years put an awful lot of executives out of their area into one company.

GG: And what is your role or relationship with HSPA?

WP: Well, the Hawaiian Sugar Planters' Association is in effect cooperative
and out of this association we have an office in Washington that is headed by Bob Cushing who coordinates the legislative aspect of it. We have an office that helps administer the affairs of the association and then also administers the experiment station. The fellow that is the head of the experiment station is also the V.P. of the association so he fills two jobs. Out of the experiment station of course, we draw most of our technical resources. Our variety programs, advancements and some of the plant physiology and the work and the factory and the technical end and this sort of thing. It's been perhaps unquestionably a lifesaver for the industry over the years that we've attracted and kept high quality people there and the research level of the experiment station is second to none in the sugar world. We continue to look to 'em and work with them. I've served on the advisory committee, worked with some of the managers on where the emphasis should go with respect to the experimental work and this sort of thing. We are in constant touch with them and we form task forces; efforts for example, in terms of our drip irrigation. The people get together from the different plantations to work with the experiment station there and they all share and share alike. Unlike the pineapple where you're competitive, you meet for purposes of mutual problems, i.e. legislative undertakings but you don't share technical know-how. Whereas with the sugar, we market together with the cooperative C and H which is the other aspect of HSPA. So we all divide the income equally, by tonnage so we have nothing to gain by trying to chop somebody next door.

GG: How in relation to this are decisions made as to things that are pioneered in various plantations?

WP: Well, in Waialua we're fortunate in that they leave us I say "they" meaning the parent company, Castle (and) Cooke--leaves us pretty much alone. We are now of course the only plantation that Castle and Cooke has. But traditionally, Castle and Cook has subscribed to the philosophy that they leave their managers to manage, as opposed to some agencies where they maintain a central staff and oversee almost everything you do rather closely. At one company for example, they have a guy, a head guy, that calls every single plantation at 7 o'clock in the morning and the manager tells him how much cane he ground and how the mill is doing and all that kind of stuff. Well shucks, I write a weekly report that goes in to town. They read it--those who are interested. But my contact is with a group vice president that I report to and is on a periodic basis. If he has something he wants to tell me, he calls me. If I have something I wanna ask him, I'll call him. We may go for two or three weeks without even saying hello. It's partly I recognize because we have been able to run a fairly good show out here. If we weren't, why, they'd be looking over our shoulder so there's that aspect of it. We're fortunate in that regard. They don't have a stable full of people that are around here trying to look at our mill, advising us on our agricultural practices and so. If we see something that looks attractive that we want to begin a move on we go out and do it.
We went out and tried this center pivot circular irrigation unit, trying to find an irrigation system that would be suitable to flat culture. We found out that it didn't work worth a damn but okay, what you...find out what doesn't work is as important as what does work. But nobody said to us, "Hey, you better not do it," or "Have you thought about what might happen?" We did it, we went and got these water winches but they weren't the answer. But nobody's come back and said, "Gee, you shouldn't have done it." Now of course we ended up with drip irrigation which is really the way we're gonna go and at the same time we began to move into this Toft harvesting machine which is a totally new concept. We aren't out of the woods by any means on that yet but we did the study ourselves. We examined what we felt was the potential in the machine. We worked up the economics of it and took it to our directors or really the key executives Castle Coole that come around and sit down with us and review our capital budget. We try to sell it to them. We say, "Listen, we think we can make more money doing this. We think it's better we go this route for a number of various reason and we need two million in order to bring us about." We developed the numbers to support our assumptions then we got the two million dollars. We got the machines and we damn well better produce. We've been working real hard trying to make it come true, at the same time combining it with flat culture effort where we're converting the old method of irrigation around the Waialua flumes that John Midkiff and his people developed into this flat culture. And this is a very major undertaking. Nobody else in the industry—ah, only one other plantation has bought these Toft harvesting units and we're the only one that is going ahead on the basis that the economics will pay off. The other people did it because they had to de-trash the cane before they brought it to the mill. They couldn't dump trash in the ocean anymore. They were forced from an environmental constraint to move. We weren't forced because we don't dump trash mill water into the ocean so we don't have that problem. So we say we're doing it on the basis of more sugar recovery. And the same thing with enlarging the factory and the expansion programs that we're involved with. So that from a technical standpoint they've given us about as much rope as we feel we can handle but we've got to justify it all the way along. And well, now that we bought it, we gotta make sure that the figures we showed them to begin with are there.

GG: Right. Well two more question; it's getting close to 11:30. What your role is with the union and also a little bit perhaps about the future of Waialua.

WP: Well, with the union, well, I gotta say it very personally, I try to stay fairly close to the union leaders myself. I try to make a point of getting around all operations of the plantation every week or usually through the factory and shops several times a week. I usually make a point of stopping off to talk to one or more of the opinion leaders if not the union leaders to kinda touch base and find out what's going on because I think it's important that any key individual get around and make himself available so they can see him
and know he's there. You get a feel for talking to the foreman, the people on the job. They talk to you about this thing or that thing sometimes and I'm a strong believer in aggressive sharing of information with the union. We try to make a point of keeping them posted on new developments, where we think we're gonna go. We try not to pull any punches. We try to lay it right on the table because one of the things that was a real mistake during the early years of the union, we felt that by trying to be good guys and trying to establish policies that were over and beyond what other companies were doing, we could buy favor and buy understanding and it didn't work worth a damn. To regress just a bit on that kind of thing, we learned things that are really fundamental. When you think about them that people really don't appreciate some things that are just handed to 'em. We had a vacation policy well beyond that of the industry of the time. We had a severance arrangement when we moved people with rate protection way beyond what the industry had done at that time. All worked out of our efforts of trying to appease, in effect, instead of hanging tough. They were darn tough problems and solutions were not simple. We had as I said a tough militant union group. We decided finally that after I got back to Waialua that we had to cut the prior practice things out. We cut them back and said, "Look, if it's not on the agreement then we ain't gonna do it." Not nastily but anything that was one of those prior practice things when we came to work these things out we said, "Look, we have to get on a basic understanding. It's got to be based on the union agreement. All these side-deals on Waialua just create more problems." So I guess this is just one of the moves we made to help establish a cleaner, sounder working relationship with the union. It doesn't mean that we don't bend over backwards to try to take care of a problem here and there but when it gets down to the nitty gritty, why we found that it doesn't pay to stray very far from what the fine print says. So union leaders we know well. I've known them all for years. Some are easier to work with than others. I try not to get too involved initially in some grievances but sometimes they'll come in as an informal group to my office and talk about it--a special problem. Particularly in relationship to disciplinary problems. You've laid somebody off for two weeks for fighting or stealing, whatever and they'll come in, wanna talk to me about it. Well, sometimes it's a little hard to say, "Look, go through the grievance procedure and I'll be here in the third or fourth step." There are times when you just have to sit down and talk to them on an informal basis and then sometimes they don't agree with you and they'll go back and file a grievance, already knowing that you're not going to move off of your position. However, sometimes knowing that I'll say okay in terms of instead of two weeks why we'll make it ten days and so we play within this range sometimes. It's one of those things that you just have to work out. You sit down with your people and say the guy is gonna be laid off two weeks but then the union guys come in, they cry and moan and groan about and you say well, "Okay, we'll work it ten days or something." And it doesn't always sit too well with some of the other supervisors but these are some of the things that you have to do sometimes just to help things
balance out. They're never quite satisfied with ten days but on the other hand, they recognize it. So we get along with them pretty well. There are full time union people from Waialua like Eddie Lapa, Jose Corpuz, or those that have been away from us for many years.

GG: 25 for Corpuz.

WP: Eddie is at least that long. We maintain a social and a business relationship, of course, but he stepped back from the division head job. But Eddie is more in line now. We work, we try to keep in touch with the business agents as well but you don't want to get too far removed from them because if they don't feel they can come and talk to you on a frank and open basis, then you've lost something. At the same time I don't believe in meetings just to have meetings. Some places they have meetings with the union simply because they wanna have a meeting. Too often when they have meetings, they usually end up giving something. And so you try to strike a balance as best as you can. But they're here to stay. If I were a bargaining unit member, I would join the union. I don't think anybody who is eligible for the union should not join the union. I feel this way. I'm not like some people who don't like the union, you know. Some I think do a better job than others but I think everybody oughta have representation. On the whole this thing of trying to get people to understand and to work to go there has always been a fascinating thing with me. I guess it's an offshoot from the things we did when I was in IR and you became more involved with the behavioral sciences. I still try to do my reading in that area. I follow this type of thing with an interest. It was out of this sort of thing that we moved into our Management by Objectives Program with which we pretty much get together with the other supervisors and we develop these objectives. We have cost objective and performance objective which is over and beyond the budget that we submit to Castle and Cooke. And again with the idea we try to challenge people and to try to get them to participate. It isn't something that just comes out of here, this office and this is what you're gonna do. It's an effort of trying to bring people on board. It still eludes me on how you can, as a practical matter, bring your bargaining people on board more without becoming too participative, if that's the word for it. But yet recognizing that as we've taken on younger people, they're more educated, they wanna be informed, they want a piece of the action. Also to try to make a job that's so repetitive that it's dull and uninteresting and make it more interesting. This type of thing, it has the best minds in the country still scratching. This kind of thing bothers me. I think about it, yet I still don't quite know how to get at some of these things. But I think it's in this arena that we are gonna begin to move in time, recognizing the constraints of the union agreement. You just can't tell people that we're having a meeting here and this is what we're doing, even with the unions involved. I do think that there's still an awful lot of opportunity for this kind of thing—to involve people more deeply. As we take on more new supervisors, they're better educated, better able to communicate, better able to
understand, I think we'll make some progress in this direction. We're trying now to give more emphasis to training our supervisors in terms of working with people. I can't help but feel, looking down the road, that the progress that we have made and are making in our technical area with the drip irrigation, with new harvesting system, the growth regulators, and other technological advances with the better, coupled with more workable understanding with the union...not that they don't drive a darn hard bit but nonetheless I think that they recognize the economics of the sugar industry.... that Waialua has, and the sugar industry in general, has a reasonably secure future in the Hawaiian scene. I see, in view of Castle and Cooke's long term development plans, no reason to assume that Waialua would not be a strong economic force over the next two decades. Might, might, who knows, it's hard to look down the road five years let alone twenty. But we're hoping that the ground work we lay here now for this change-over, which is really major when you think of the irrigation or harvesting or the growth regulators, the expansion program, will serve as the foundation of another decade or two for the company.

GG: Well, I know you want to leave by 11:30 and we're past already. I certainly thank you and I will take this back and go over a little bit and if I have any more questions, may I possibly...

WP: Okay, sure, come on by because...

GG: I think we did very well in covering the time limit.

WP: Well, if you have anything else...perhaps I'll have a thought or two because this...we're just coming out the top of my head on this thing, and not having, as you said, the time to think through some of these things in a more cogent form, so on. We could check things up a little bit more, specific things which we could better illustrate the things we are talking about.

GG: Right, as we talk to more and more people in the community, we may end up with more questions.

WP: How have you been doing?

GG: Just marvelous, really enjoyable and interesting and the people are so open and so willing to talk. We've run in to a few that still preferred not to participate, which is normal.

WP: Yes, of course.

GG: But then the one thing that's been really sad, out of, I would guess twenty that we've contacted more than once, we've already had four that have ended up in like the hospital or...

WP: Oh really, is that right.
GG: Things like this and it's really kinda spooky. You begin to think it's a race against time kind of thing.

WP: We should have been doing this ten years ago but it's better to do it now than not.

GG: Yes.

WP: Well, I'm glad it's been going well...

END OF INTERVIEW
WAIALUA & HALEIWA
The People
Tell Their Story
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CAUCASIANS
CHINESE
HAWAIIANS

ETHNIC STUDIES ORAL HISTORY PROJECT
ETHNIC STUDIES PROGRAM
UNIVERSITY OF HAWAII, MANOA
May 1977