Tape # ORAL HISTORY 85-100, Part 2

Interview with Chuck West by Ronald Inouye on February 4, 1985 in Fairbanks, Alaska

RI: We're continuing now with the second part of our interview. Today is, again the 4th of February (1985), and this is tape 2.

Can you continue on? We were discussing as we took our lunch break about how adversity sometimes causes opportunities to sort of come about, particularly in the building of hotels.

CW: Yes, not only in the building of hotels. We started our motor coach company when there were motor coach companies failing in business and leaving a hole, let's say, in our operation and the decline of the Alaska Steamship Company -- it's cessation-going out of business, created another hole in our program which we had to fill ourselves.

And after the two years of no ships in '55 and '56, I recognized that business was on a real downslope, and I resolved to find some way to quit that, and was able to uncover an opportunity in the existence of a company, Union Steamships Limited of Vancouver, BC, who were operating 3 converted castle-class corvettes out of Vancouver, up the British Columbia coast into Alaska. They were primarily passenger freighters: one vessel was more of a cruise-type boat, but the other 2 were principally freighter operators carrying passengers into port.

So I went to Union Steamship Company, inspected the vessels, and determined that if they were willing I would charter 1 vessel for the summer of 1957 and negotiated a ORAL HISTORY 85-100, Part 2

trial arrangement with the "Coquitlam, SS Coquitlam." It was immediately successful, I mean we haul a turnaround immediately; our tour sales increased and proved to me quite conclusively that was the answer.

So I elected to buy the "Coquitlam" and did so, and started advertising and at the same time agreed to charter its sister ship the "Chilcotin" to operate alongside it under their flag.

RI: What was the capacity of the "Coquitlam?"

CW: 140 passengers.

RI: So you had that going constantly then feeding into your other...

<u>CW</u>: Going from Vancouver to Skagway on an 8-day roundtrip, 4 days up, 'days back.

Let me finish this part of it. We then programmed the 2 ships into 1958, and the advanced sales were strong so before summer -- that winter -- I talked to Union Steam about selling me the second ship. I was a little thin right then on capital; I went to the White Pass and Yukon Company and asked them to guarantee a half million dollars of my obligation, bearing in mind they would be fed, their railroad and bus line and their properties would be fed, and so they agreed to do that.

So I bought 2 ships and had them renamed the "Glacier Queen" and the "Yukon Star" in the summer of 1958, took the Union Steamship Company flags off and created another company called Alaska Cruise Lines, Limited, and put the polar bear on the flag and away we went with 2 little vessels in 1958. And that was the real, real beginning of a ORAL HISTORY 85-100, Part 2

real business -- package cruise tours. We were the first company to operate passenger ships strictly for tours. Up to that time it had been freighter passengers, and we were operating these on package tours only.

RI: Had there been other models for you to sort of emulate in creating it? Were there such tours on the West Coast, for instance?

CW: No, not by ship. We had used space on the ships, but we bought the space from other companies. We weren't their only source of business. This time it was all ours, and we had to put our full effort into selling tours, and then buying a passage on the ship also bought a tour. It wasn't just steamer trips, it was tours. We carried no freight and ran a schedule for the tourist.

For example, Under the passenger freight operation of Union Steam, they would schedule their dates to arrive at certain ports convenient to the freight handling without regard for the passengers. So they could come in 5 o'clock in the morning and start those booms working unloading freight, and it wasn't to the passengers' enjoyment at all. So we scheduled the boats to arrive at a given port after breakfast so the passengers would have had breakfast on board and be ready to off-load and go sightseeing. So we held the ships out until that time. The customary thing was to bring in the ship as early as possible in order to get the longshore gangs working right away, and so we changed that format completely.

We also tried to cruise during daytime as much as possible into the scenic areas as much as we could schedule it -- in other words diverting our passage to the areas we ORAL HISTORY 85-100, Part 2

thought the passengers would like to see rather than serving the ports, the small ports along the way.

RI: That cycle was 4 days up and 4 days back. How did that feed into the Interior?

CW: Well, because it was a balance. We had motor coaches operating on the same module, what we call a progressive module-instead of day of the week it was every 4 days. And by balancing loads, the passenger got the same trip up or back; while we also sold round trips we had the same number of days so it was not 3 days one way and 4 days the other; you bought the tour one direction, you got the same number of days going the other direction on a tour. That was a little different than what the ships had been doing; they had been doing either the 7 or 9 or 10 day trip. We said, "Well, we'll adopt this to the tour business, not to the ship -- the ship will serve the tourist. We'll just turn the whole thing around, we'll make the ship serve the tourist."

Also ships, here-to-fore had laid in port 36 hours, they had a crew rest on both ends, both in Vancouver and Skagway. In Skagway they laid over because they wanted people to take the train, most of them were round-trip passengers now. They would take the train up to wither Whitehorse or a place called...at Lake Bennett...West Taku Arm on the "Tutshi," a little steamer at Carcross. Went to Carcross by train, took the "Tutshi" out from Carcross to the end of Tagish Lake to Ben-By-Chree, it was an overnight trip. They came back, went down the road again to the ship. It was 36 hours to do that.

Well the ship waited for them at the harbor – for this trip. Because they were selling primarily round-trip passengers – that was the feature of the round-trip. We said, ORAL HISTORY 85-100, Part 2

"Well, we don't need that because we sell primarily one-way passengers. They're on tour." So we don't need to wait 36 hours 'cause they're going to take the train trip anyway, they're going to Whitehorse on the train. We turned our ships around in Skagway in about 10 hours and turned them back to Vancouver, and in Vancouver the same thing, we turned them around the same day. We got in at 8 o'clock in the morning and left 8 o'clock at night.

The crew rest -- if they want rest they can take time off. You only have a certain number of days of summer to make this thing go; we're not going to give them time off in the middle of the summer; they could have it in the fall, the winter. When they work, they work. When they rest, they rest. But we don't have to owe the crew a rest.

Well that was revolutionary in the business. No one had ever done that, and I was told by Union Steam and Canadian Pacific, "You can't do that, the unions won't go for it." I said, "Well, that's the way we're going to operate If you want work for me that's what it's going to be." I said, "Like an airplane, it doesn't make any money sitting on the ground, as a ship -- making money tied to a dock."

RI: What was the difference in working out of Vancouver versus Seattle?

CW: Jones Act prevents operating out of Seattle for foreign flags, and that was the key reason.

RI: Did you have to build in some sort of other alternative transportation to get them from Seattle?

CW: We took them up from here by, ordinarily, the railroad or Greyhound bus or ORAL HISTORY 85-100, Part 2

by air. Or we could have taken the "Princess Marguerite" over to Victoria and cross on the ferry over to Vancouver; it's subleasing to get there as they are today still doing that.

Anyway we started an 8-day module. I had those little ships going like pistons in an engine -- up, back and forth, back and forth, feeding -- pumping people into Alaska. Every 4 days there was a ship arriving in Skagway; that really brought some business to Alaska. We operated those two little ships for 17 years at a 97.5% load factor. Now that has never been done ever in the history of water transportation. It was full, real full.

THE MARITIME UNIONS

Of course it created, first of all, created an awareness in the industry of what was happening, and after I bought the 3rd and 4th ships, it became very much noticed in the maritime industry -- Chuck West has something going. And right away the big guys take a look at it. Right away the big guys with all the money say, "Hey, there's a little puddle I ought to get into." And so I became aware of the interest on the part some large companies right away, and tile Matson Line sent the "Mariposa" up, for one.

That was the first large ship to come up. They apologized for coming into my waters. I said, "I don't control the waters." And then the Alaska State Marine Highway Division was formed, they started the ferries up there which I thought was competitive then, but as it turned out they weren't really competitive because it's a different kind of trade. But they were on top of us.

Then after the World's Fair, it was '62 or '61, Mr. McDonald of Princess chartered the "Princess Carla," "Italia," excuse me, came into Alaskan waters. Followed with the ORAL HISTORY 85-100, Part 2

"Princess Carla" then so it went. Ship after ship after ship began to discover Alaska and come in and want to compete, which is alright. I mean that's the way business is. I pioneered it, I was here first, I created the interest in it, and was sold out -- the word, it was out that I was sold out. "You can't get space on Chuck's ships 'cause they're sold out all the time." It was great! But that had to end too, and after I bought the 4th ship, the "West Star," and we were doing well, I had my experience with maritime unions. Mr. Skinner [of Alaska Steamship Company] quit because of it, and I found my nemesis there too.

The Maritime unions decided to strike me, they wanted more money, more than I could pay, and they simply put it to me, "We'll break you if you don't give us what we want." And I couldn't pay what they wanted. It forced me to sell the Company, plain and simple. The unions put, lost their own jobs and also put a company out of business.

RI: How many people were employed?

CW: At that time, when I had the strike I had probably 300 people. It's proven with me and it's proven with others the Maritime industry has been decimated by the demands of the Maritime unions. They don't exist any more.

RI: What was the name of the 3rd ship?

CW: The "Polar Star" was the 3rd ship, the "Polar Star" and the 4th ship was the "West Star."

RI: What were the origins of those two?

CW: The "Polar Star" was a German-built ship, it was built in Hamburg as the "Wappen ORAL HISTORY 85-100, Part 2

von Hamburg;" it was a shallow draft, boat built operating the Rhine River estuary and out into the Channel Islands. It was a level load -- it was turbine electric, carried 165 passengers and lots of deck space, lots of amenities. Beautiful little ship. People loved it. I found that ship, actually found it in Greece. it was called the "Delos" in Greece and operating by Omekos Lines. A ship's broker located it for me, and I made the deal and bout it. I had to bring it back to Seattle, not to Seattle to Vancouver, and reflag it under a Canadian flag, and then the requirements of the Canadian Maritime, not union, but law was that I had to modify crew quarters with steel bulkheads which Greeks didn't require, and it cost me a million dollars just to modify the ship and meet the standards of the Canadian, not Maritime, but law.

I had a Canadian crew on all 3 ships, and then when I bought the "West Star," it was called the "Cabo Izarra," it was a Spanish ship with a Spanish crew with a Spanish flag, and the condition of the sale or purchase was that I retain the existing crew through the term of the contract to the owner. And I told the union about this -- we were coming up for negotiations -- that I got a 3rd ship, a 4th ship, excuse me, and I will keep the 3 ships presently on line under the union agreement, but I would have to bring a Spanish crew over on this ship, and I told them why. I said, "At least for the next year I'll have to have a Spanish crew."

So, I put down a million dollars down-payment on the ship and took delivery of it, brought it back to -- was bringing it back to Seattle -- when they struck me. They said "We will have to have that ship as well as the other 3 or you won't sail the first 3. We ORAL HISTORY 85-100, Part 2

won't let you sail the other 3 ships if we don't get the 'West Star.'"

I said, "Well, I can't give it to you." And they said, "Well, you'll have to. You'll have to break your contract." I said, "I can't do it legally. You hit me from behind a closed door; I was telling you -- I was honest and I told you what was going to happen. I buy the ship and get it on its way over here, and then you tell me what's going to happen. It's really dirty pool."

So, in lieu of that I had to charter in another ship. I had the 2 little ships laid up, the "Yukon Star" and the "Glacier Queen" were laid up in the Burrard Shipyard in Vancouver, and the "Polar Star" was in the VMD Yard in Victoria.

I couldn't get to my ships, I couldn't get on board them. They were being picketed. So I, in an emergency situation, chartered a Greek ship called the "Orpheus" operated by the Epirotiki Lines, and I had to pay a charter, I had to guarantee a 2 year charter and pay the delivery of the vessel from across the Atlantic to Seattle which I agreed to do. The ship arrived in Seattle at 6 o'clock in the morning of the day it was scheduled to sail at 3 in the afternoon. If you think that wasn't hairy.

Of course the pickets were there to stop that ship, but we got non-union trucks, stored [supplied] the ship, got people on board, and she sailed. I was, I had my own airplane, I was taking the longshore gangs from here down to Boeing Field, putting them on my plane, flying them to Victoria where they met the ship there. We were hauling flour sacks and everything, everything in the store of the ship. We did it!

And in an exercise, I lost in the whole exercise, \$3 million in cash in a period of ORAL HISTORY 85-100, Part 2

11 months. That hurt! I was not liquid at that point. This is where the story gets to "Westours" changing ownership.

I said, "You may bend me, but you're not going to break me." Well, they almost broke me; they bent me pretty bad. I had an obligation on the "Orpheus;" I had an obligation on the "West Star" -- and I forgot to tell you -- I never did get the two little trucks, ships, never got them at all.

The "Polar Star" was tied up in Victoria; it was in the water and all it had left to do was some, it had some stern gland work to do – that's where the water comes out.

That wasn't ready to go. I couldn't get it; I needed it. I planned on using it.

I hired a scab tub and crew, and Saturday night at midnight that tug came into Victoria harbor, the guys climbed up the side of the ship with axes, cut the hawsers -- lines holding the ship to the dock -- and put a turnbuckle on the forward davit and towed it out of the harbor. Moved it down to the Lockheed Shipyard Sunday morning. I pirated my own ship. That was a drastic measure again. I didn't bother to go through customs which was illegal, but anyway they found the ship, they looked for it by plane, they found it, but I got the work done on Sunday – doubletime -- everything I had to have done, then I took the ship down to Tacoma which is still not out of their jurisdiction necessarily, but it was further away, prepared it with non-union help to sail.

So I had the "West Star" and the "Polar Star" and I had the "Orpheus," I had the 3 ships.

The "Orpheus" was big enough to handle the capacity of the other 2. So I was able to operate. Although I was in business, I took care of my passengers, it was hurting very bad ORAL HISTORY 85-100, Part 2

-- hurting. So I elected to find a partner. Someone who had more money than I did and more expertise in shipping and who was foreign who would not have the problem I had as an American trying to deal with North American unions. They somehow had it in for anybody that lived under the American flag or Canadian flag. I don't know why they did that though.

HOLLAND AMERICA

Anyway, so I got Holland America. I found them, and they found me, and we worked out a deal where I sold them the control of the company understanding they would come in with their ships, their expertise to operate the maritime end of the business. To make a long story short, that's what occurred.

RI: When did that happen?

CW: 1971. 1970 was the year of my real problems; in '71, I sold the control to Holland America.

RI: What happened to the ships you had then?

CW: They were sold eventually.

RI: And what has become of them.

CW: The "Yukon Quessn" and "Glacier Queen" were sold as scrap to Japan, and the "Polar Star" is sitting over in Ballard right now; it's doing many things but most recently it was a tender for a crab cannery in Kodiak, using it as a dormitory. The "West Star" is operating right now in the Philippine archipelago as the "Donna Matsurat," that's its name. "Donna Matsurat" is the name of the wife of the chairman of the board of this ORAL HISTORY 85-100, Part 2

company. So they're gone. They were small ships, and as you probably know Holland America operates 3 huge 1,200 passenger ships now in Alaska waters supporting "Westours."

There it went -- another story of the entrepreneur/gounder/owner of the company meeting his Waterloo, if you want to call it, that on the backwash of the Maritime union movement -- being forced to give it up.

The tour business depended on ships; I proved that. I proved that in '56-57, '57-58 proved it -- [if] we didn't have the ships, we went downhill as soon as we got them back - returned. This business takes capital it's a very capital intensive business.

Ships today cost \$160 million apiece, and the little guy just can't compete in that market, he just cannot. As an individual he cannot do it.

RI: Could you have maintained control over the other aspects of it and done well if you would have had Holland ...

CW: Well, no. It all had to go as a package. It's what is called "vertical integration," they feed each other. Ships and the buses and the hotels, the tour operation is a source of marketing for the whole package. They go together.

You think when I sold off the marine department and kept the tours -- no. When it was one company the assets were all in one pot, and I needed the strength -- I didn't believe practically when I sold control I would leave the company at that point. I thought I'd give up control, but I was still on as chief executive officer, they told me I would. That was a dream because it didn't work that way. That's another story that happens a thousand ORAL HISTORY 85-100, Part 2

times where you have people with different philosophies coming together. I was the founder/owner and the entrepreneur – the hard-charge, and they were the Dutchman. We didn't think alike. That's the thing against them or me; our philosophies were completely different.

RI: What were some of the rubbing the edges of that philosophical difference?

CW: I was used to making decisions; I spent \$50,000 and spent \$50,000, whatever it was; I make the decision and do it. They required me to justify every capital expenditure with a report, projection, feasibility study, and 16 pages of "whys."

I said, "Wait a minute! My judgment has been proven to be good, why do I have to go to all that trouble to make a decision on spending some money? I've spent the money before logically; it's proven to be the right decision. I will not impel myself with that kind of balderall."

They said, "We are the controllers; we want you to do that. Our accounting department says you've got to do it." I said, "Well, tell them to go stuff it in the ear!" I can't accept that restriction, that restraint on me. I've got to act as an executive and make decisions; I can't have anything I do second-guessed or I'll be ineffectual if you require that of me. That's the way they wanted to deal with it, and they had the right to say that. That was their company at that point; they had the control. [They said,] "You'll have to do it our way." I said, "You don't understand, you don't understand this business." And they didn't understand it, and they didn't understand it. You have to understand how it was built, what makes it tick. You don't understand anything about it; you're from ORAL HISTORY 85-100. Part 2

Holland. How do you know how North Americans operate?" We just never got along.

RI: Do you think that passengers lost service once that transition was made or how did it affect...

CW: When I left the company?

RI: Yes, when you didn't have control of the situation.

CW: I never gave up control, that was the point. I never gave into it. I continued to do what I wanted to do in spite of their objections, I continued to do. And so we came to an impasse.

"Hey look, you're going to do our way, or else," [they said.] I said, "I'll buy you out, or you buy me out." I still had stock. I'll pay you 100% on your money, let me have the company back. "No," [they said]. They knew they had a good thing. [They said], "We'll buy you out." We had a buy-sell agreement, so they bought me out.

RI: When was that?

CW: '73. I had a 2-year non-compete which allowed me to come back in the business after 2 year; that's what I'm doing now.

I say philosophically, they were European by manner and custom and thinking, and little things which are insignificant really, but to give you an idea:

I went to lunch one day with some people from my accounting department which I was accustomed to do when I chose. They had placed a Dutchman in my office as sort of a representative of Holland America, and he came in my office and said, "Mr. West, I noticed you were out to lunch with so-and-so." I said, "Yeah, I did." [He said,]

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"Executives lunch with executives; we don't lunch with the people in the outer office." I said, "Oh? I do." I said, ." "You're not going to tell me who I'm going to go to lunch with." I said "That may be your custom but it's not my custom. I will continue to elect to go to lunch with anybody I like, and it may not always be you, very seldom will there be."

RI: Different way of doing things.

CW: There's a class distinction; unfortunately, there was. I hope it's gone now.

There was that class distinction; the executives were with executives, and the peons were peons.

I went to Holland America's offices in Rotterdam, it was like that. They had their own executive dining room with their own chef, their own waiter, their own bar. And the people in the office streamed across the street to the restaurant, and the executives sat up there in this beautiful executive dining room and had lunch served to them in their own private dining room.

Fine, but we don't do that in this country. Those are just examples of the philosophical differences, protocol, pure BS that protocol stuff. It's not American, and I wish there was a ban to that. Business-wise, the Dutch are very astute, obviously they're businessmen known all over the world for their astuteness.

RI: Right, historically.

CW: And they were very astute when they bought my company. It was a jewel in their crown. They seize on an opportunity which made them more money than they ORAL HISTORY 85-100, Part 2

thought of making. "Westours" has been very profitable for them.

I'm not vindictive about it; I'm not...bitter. I lost my company, but shucks that happens all the time. I'm alive and well; I got paid off, they paid me the money for the company so I got more money when I sold out than I thought I'd ever own in the world. Whether that was the thing, I enjoyed doing it, being a part of the company. I enjoyed building it, enjoyed having the satisfaction of seeing it grow and materialize, and I still have some feeling of pride in what "Westours" is doing right now because it's my company still, in my name. I identify with it even yet. People think I'm still there. So that's all good.

RI: Well during that 2 year interim period before you could start mobilizing again, what kinds of things were you doing?

CW: When I left -- they didn't want me to leave. They said, "In spite of our differences we'd like to have you stay on as what we call 'Chairman Emeritus' of the board." My duties however, would have been without -- I'd have no authority. I would not be able to make policy; I'd been more or less a figurehead; they'd use my name "Chuck West, founder." I'd go out and make speeches, public relations work, be a figurehead. I want to be active in the business, or I don't want to be there at all."

They offered me a 6 figure number to stay on through my retirement age of 65. I said, "I appreciate that." Then I was feeling pretty flush with all the money I was going to get, and I said, "I think if I'm worth that much to you out of business, I'm worth more in business." And the Dutch couldn't understand that -- they couldn't understand that I was that determined to keep my identity.

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I had a 2 year non-compete which isn't that bad. They wanted 5, they wanted a life-time; my attorney and I got it negotiated to 2. The thing was on the non-compete, I could not do anything in those 2 years that "Westours" had been doing the year before they bought me out. That was the condition. So whatever they had been doing the year before, I could not duplicate. So I examined what "Westours" had been doing, was doing, and one thing -- they were not a travel agency.

WESTRAVEL

CW: I had been a travel agent, so I left the office like on a Friday and the following Monday I went out and bought a travel agency and renamed it "Westravel."

RI: And that was here in Seattle?

CW: In Seattle, Magnolia Street. It was close to my home, that gave me what I call my re-entry platform; it gave me a position in the travel industry. I had been the international president of ASIA (American Society of Travel Agents); I'd been active in the AVA (Alaska Visitors Association) and so on, and I wanted to stay in the industry. I wanted to have what I call a platform from which I could operate. So having a travel agency gave me that.

I immediately was elected to the board of AVA as "Westravel." I looked further; I said, "They have the bus line which I started which is Alaska Highway Tours -- you may remember my saying that company had to have a "closed door" to the general public, [it was] a tour company, leaving open the "open door" operation which was regularly scheduled motor coaches. At that point no one, no bus company was serving Haines or ORAL HISTORY 85-100, Part 2

connecting with the Alaska Marine Highway at the Haines junction which was the only highway link to the Interior at that time. Skagway road had not opened.

So I said, "Oh. There's an idea!" So I formed a bus company, Alaska Yukon Motorcoaches and applied for the routes, etc. which were opposed heavily, strongly by Westours among others, my old friend Norman Kneisel. No one wanted me in business. I got their message -- nobody wanted me in business. I couldn't understand why.

I won every battle; I never was defeated in one application, I got them all. It took some attorney's fees at times, but I won them all and established the motorcoaches which was a part of my plan because I said to myself after examining again "Westour's" background and all that happened, "the hotels never made money." They were a means to an end; we had to have beds. You couldn't sell tours to people without a pillow under their heads every night; but the hotels never made money, they were loss centers principally because they were seasonal. You operated them in the summer season then closed them up. They don't make money today, frankly. The Fairbanks Inn doesn't make money. But they have to have them.

I said, "I don't need to buy hotels or build them because there are hotels now." Not only "Westours" but a lot of hotels have been created in the meantime, the 20 some odd years it has happened -- 25 years. I said, "I'm not going to own any ships, I've had that experience."

RI: Quick learner.

CW: I've already had ships. Where the money is, is in tours and motorcoaches for ORAL HISTORY 85-100, Part 2

ground transportation where you have to provide a service between the arrival of a party and a train station, airport, or whatever -- the dock. He has to get from those points of arrival to his hotel, he has to sightsee, and he has to move around the country. That's ground transportation.

So I said, "Ground transportation is the key." So Alaska Yukon Motorcoaches was formed in the beginning and following that shortly thereafter came Alaska Sightseeing Company...[presents a brochure.]

The travel agency was not a tour company, I didn't operate a tour company, and I didn't have a sightseeing company; I had a motorcoach company and travel agency. I elected to assume the name "TravAlaska Tours" in my mind, but I couldn't sell it until 1975. And it was February, 1975, that my non-compete would terminate. I also knew that you can't start promoting something in the first of summer, you have to do it way ahead. Now I couldn't start selling until February, but I could print something before February. So I designed a program and printed it and held it in storage, ready to go. Jack Musiel who took my place at "Westours" -- he had been my right hand over there -- called one day and said, "Chuck, you're violating your non-compete." I said, "How's that?" He said, "You got a brochure out." [I said,] "It's not out. When it's out, I'm competing, and when it's not out, I'm not. If I'm not selling from it, it's not competing." "Yeah," he said. [I said], "Believe me, Jack, call your attorney."

RI: I imagine that kind of word goes very quickly.

CW: Oh yes. So at midnight of the night before my non-compete finished I had ORAL HISTORY 85-100, Part 2

the mail going. That started me back in the tour business, in '75. And, we're still here.

RI: And you kept your travel agency?

CW: No, I sold the travel agency.

TRAVALASKA

CW: ...I came into the wholesale business. I repeated selling what I had already done before which is to move from retail to wholesale, and I did that again. As soon as I got up and at them I sold the travel agency to a local company and went into the wholesale business where I am now.

So that is the story; I may have missed some things but that's essentially the story of the beginning, and not the end, but the beginning of my experience in tourism, securing it through to the sale of the company to Holland America and then my opportunity to come back into business in this present organization which I'm keeping small and do not want it to grow too big. I don't want to have that pain again. We like to find our niche, stay in it, not get spattered with the blood of the competition which is going on out there right now among the big giants with their \$160 million ships; I don't want to be in that. We're staying in our own little orbit, operating a couple of private yacht charters and our own buses, our own sightseeing, and our own tour program.

RI: Are you going for a particular kind of secure market, essentially?

CW: I call it a niche. We have a wide variety of products, more than anybody else. We control our own ground service. We're very strong on what's called "independent travel"; we plan tours for people. They don't have to buy a stock package;

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they can do anything they like. We'll arrange any tour they wish including as many variations as they wish. We're very strong in independent market which doesn't work through a computer; you have to have individuals doing this. It's professional work -- individualized. The big companies don't have the people for it, nor do they want it. They want to hit the buttons and have the computer running off the combinations and get volume.

We're not trying for volume; we're trying for more of the individualized, personalized sale. It gives each individual person, individual attention, not treat them as part of a herd and running into the thousands which they are now. They get 1,200 people on a ship, they don't even have a chance to get to know each other. Really, they don't. They don't meet each other anywhere; gosh in the dining room they might know the people at their own table -- that's about it.

We're going back to the yacht idea – small groups and small boats where you get to know each other; it's more intimate, more personalized. They see more of the real Alaska, they see it by daylight rather than by traveling half the time at night or outside the Inside Passage. The big ships have to go outside the Inside; they can't go through narrow channels, so they go like from Glacier Bay to Sitka — it's outside right? Out of Sitka to [Prince] Rupert is outside. Hell, they aren't Inside; they can't go through the Narrows, they can't go through the Wrangell Narrows, they can't go to Sturgess, they can't go to lots of places they can't get into.

RI. How did you then get involved in Southeast?

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CW: It was an evolution -- you mean the sightseeing business?

RI: Right.

CW: It was an evolution of our growth. First of all, as we gained more business

we had more -- provide more service for our people so we decided to do it for ourselves.

We established our bus operations, tour bus operations in Ketchikan and Juneau,

Skagway and Haines. You haven't been down there yet?

RI: I lived in Ketchikan for 3 years.

CW: How long ago?

RI: '70-73

CW: Have you seen Alaska Sightseeing tour buses there?

RI: Yes.

CW: Okay. And then we started working with summer cruise lines, their ground

services. We have "Cunard," we have "Sagafjord," we have "Royal Viking," we have

"North Star," and some of our US boats and our yacht operation. So we're a competitor

to"Westours" in actuality.

RI: How large is your current operation in terms of people?

CW: We have a hundred people, not here. Here and in Alaska.

RI: And do you have family members who are assisting you?

CW: I have a son who is executive vice-president.

RI: What is his name?

CW: Richard West, Dick West.

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RI: I understood from Carla Zervos [Executive Director of the Fairbanks Convention and Visitors' Bureau] that you have a daughter.

CW: I have a daughter who is not in our business, not in this company. She was, but she's gone into business for herself. She's Ral, "R" "A" "L" West; She's got a company called Ral West Associates. She's doing public relations and advertising, folder preparation, etc. She worked for Carla. She's very much of a "go"er.

RI: I'm sure she's well trained.

CW: It comes quite naturally. All my kids have been in the business at one time or the other, but Dick is the only one remaining now as a full time person. He's my right hand right now; he'll provide succession to us.

THE WEST LOGOS

RI: I was curious if you could talk a little bit about your, I guess you might call it a logo in a sense, startling with the painting you have in your office right here done by Rusty Heurlin.

CW: That was the original concept (I have a brochure). The polar bear I adopted long time ago (there's a polar bear in the window up there [stained glass]). Do you want to stop that [the recorder] for a second...

I was searching for an image. I recognized that every year tour companies in Alaska seemed to try to find a new cover every year, and it's still true today. Every year the cruise companies come up with a different cover so they can identify something different. They want people to think that this is '85 [brochure], so they look for a different ORAL HISTORY 85-100, Part 2

cover [to keep it from being] confused from '84. They spend a lot of money in design to come up different brochure covers.

So I said, "I'm going to adopt a logo that will be perpetual that will never change. So when they see it, they'll recognize it as being ours; we'll change it somewhat but this will identify it. We'll change the year." Josephine Crumrine who has been a friend of my for a long time agreed to paint me a polar bear cub.

This is Oliktok. I said "Josephine, I want to be able to use this as my logo exclusively." She said, "You own the painting, the visual image is yours." That painting's on the wall out here.

So way back in the beginning we started out with this little baby. We've had him ever since, now since 1975; every year you'll see Oliktok on the cover. The cover will be different, perhaps, each year, but Oliktok is still there. This is '85 [brochure].

RI: You change the [portion of the] graphic that indicates the year.

CW: Here's '84.

RI: He's still there although there will be some graphic change.

CW: When I was at "Westours," I adopted the polar bear in a triangle as our logo. Then we moved away from that and took another logo -- Holland America did -- with hotels and buses and ships and dropped the polar bear. So [when] they dropped it, I picked it up again; they stopped using it. I began immediately – my business cards announce with a polar bear.

RI: I'm going to switch the tape now.

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CW: We wear polar bear pins, there's one on my coat up there.

RI: I can see that.

CW: And on our cars and stationery, advertising, everything is a polar bear -that's our logo. No one can take that away from us; we don't worry about anyone stealing
it, duplicating it, or copying it. It's unique to us.

RI: I've noticed that you have that painting. Can you discuss that a little bit? I think that would be of interest to folks.

CW: The Rusty Heurlin polar bear. I said I met him when I was flying for Wien. As a matter of fact, I piloted an airplane over the arctic ice for Rusty. He wanted to do a calendar for Wien. I went up and made all kinds of banks and turns around the sky for Rusty as he was doing the sketches which then became a very well known calendar/poster for Wien Airlines. I don't have one right here now, but I fell in love with the polar bear because it's so symbolic of Alaska, and I adopted it for "Westours." And I've got polar bears everywhere, all around the place [motions around the office].

RI: Ceramic ones, glass ones, etc.

CW: Rusty did that for me, and that done in about ...gosh.... 1950. There's only one of those; that's it right there [points to a large canvas]. Did you notice the polar bear skin or the wall out there? That polar bear I took on a hunt at Pt. Barrow in 1951, it was that long ago, out on the sea ice.

I have another, one I didn't take which is at home, a polar bear cub rug which I have in my den. I'm surrounded by polar bears.

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RI: That's interesting to see how personal everything is.

THE ALASKA VISITORS' ASSOCIATION

RI: Can you discuss a little bit your work in helping to establish the Alaska Visitor's Association? I know you were instrumental in having it formed.

CW: One winter I was in my office in Fairbanks, the Empress Theater building there next to the Coop, and George Sundborg came in. He was administrative assistant to Governor Gruening; I knew George, and he just came in to chat. We were talking about the future of tourism.

I said, "You know, George, what this state needs is a promotion agency of some kind like Hawaii has just started." They had just started the Hawaii Visitors' Bureau. And I said, "There's a guy named George Armitage out there who's the head of it. We need something like that in Alaska to get the whole community of Alaska together, promoting Alaska."

He said, "That's right." I said, "Why can't you get the Governor to set up such a department?" He said, "We got to get some way to get interest locally." I said, "It just so happens that I have been in correspondence with a fellow named Robert 'Morgan who was the publisher of the Travel Agent magazine [do I have a copy?].

RI: So that's professional trade association?

CW: That's the publication; he's [Robert Morgan] dead now. I was getting it. He said,
"He's asking me to advertise in the publication. He's expressed interest in coming to

Alaska to solicit advertising, but he is also a well known person in travel circles, and he's

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a good speaker; he could talk to us about how something like this could be put together.

I'll ask him, if you're interested."

He said, "Go ahead. I'll fund his trip." He said, "Let's put it together." He said, "Who could we invite?" [I said,] "Let's invite all the presidents of all the local airlines, like the people from Alaska Steam, the Alaska Railroad, White Pass and Yukon -- everybody who's interested." So he said, "Will you help, too?" [I said,] "Sure, I'll help."

He and I put together this visit of Robert Morgan; we met him in Anchorage. At the first meeting Ray Peterson was there (then Peterson Airways), Jack Whaley from Wien, a fellow named Fred Dunn from Pan American was there, Bob Wright from Northwest Airlines, Bob Ellis from Ellis Airlines, Benecke from Alaska Coastal Airlines, Cordova Smith with Cordova Airlines...and gee, we had a lot of people there. I forget now who was [with] Alaska Airlines.

Patton came in, Greimann came in...and we had a guy named Marshall Crutcher who was a banker came to the meeting -- got a lot of people in there. We sat around and listened to this program, and we all got enthused about the idea and was bubbling with it. So we decided right then to form the Alaska Visitors' Association, right there. That was what year... 1951.

Immediately elected a board of directors and a president, and Marshall Crutcher, as the banker, was made president. It was good; he was non-industry. Helen Monson of the Juneau Daily Empire became a director; Helen Monson, I think she's passed away; Bernice Stoke of Petersburg owned the Mitkof Hotel; Henry Green of Alaska Steamship ORAL HISTORY 85-100, Part 2

Company; Benecke of Alaska Coastal Airlines; Bob Ellis; Cott Hayes of Northwest Airlines came in; Ray Peterson; Jack Whaley for Wien. That was our board. Somewhere I have a picture of them.

And from there we said we're going to go for matching funds; we going to the Territorial Legislature and ask them to match us dollar for dollar. We'll put up a dollar, they'll put up a dollar -- a matching fund grant to promote tourism. That's the way we started out. All tine companies including myself came in with our contributions, and it started. It wasn't big, but it got started.

RI: Was the Legislature interested?

CW: Gruening kind of did it. I mean, it wasn't as though the legislators had to vote it at that time. He had some emergency funds or something like that; he'd just do it. Then we had to sell it to the legislature for the ongoing, for the appropriations. So it got started like with \$25,000 or something like that from the Territory matched with \$25,000 from us which was a lot of money then. It got started; we decided we had to hire a secretary, and all this. Everything was honorary then of course; we were contributing our time. But it took off from there.

RI: What were some of the first activities of the association.

CW: The first things were to try to get people to join together in advertising, joint advertising program which they're still doing, like in the trade magazines and in newspapers where we would get everyone together to buy a small ad in a given publication. That's still being done but on a small scale.

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Then we started promoting trade shows; we'd sponsor an event like at the ASTA meeting. We'd take a group of Eskimos down and put on a show for them [ASTA] -- advertise Alaska. And then it was volunteers too; airlines would contribute the space, and the people contribute their time. Those interested in selling their product would be there helping -- that sort of thing.

RI: What do you think about the current contribution level from the state for getting some of the national TV ads and things like that? Was that a logical kind of progression?

CW: Oh yes, it's very positive. [An] \$8 million budget is a long way from \$25,000.

RI: As I understand, there are queries coming in all the tine.

CW: Hundreds of thousands. It's a big business now; tourism is big business. It was nothing then, it was hardly getting off the ground. People didn't even understand what it was. "'Westours?' Who are those people?"

There was a great deal of spadework to be done just with the people of Alaska and the communities of Alaska, get them to understand the value of tourism. They'd ask, "What do you want tourists for?" [We said,] "Because they bring in money." [The public would say,] "I can't see it, I can't see the smoke coming out of the chimney; where's the industry" [We'd respond,] "We're not going to wear out the scenery by looking at it."

But there was money in the opportunity to see it; they keep on looking at it every year, and drop money in the streets and the towns as they look at it -- enjoy it. That's the ORAL HISTORY 85-100, Part 2

industry -- smokeless industry. Now, what is it called? Non-polluting. It doesn't destroy anything, it doesn't leave tailing piles or antler horns or fish scales or anything else; it just brings in money.

TOURISM AND PUBLIC POLICY

RI: I guess sort in the same light, what are some of the issues that you think are basic [to] tourism? Primarily at a philosophical level with national park management, for instance, and the need to control access to things like Glacier Bay. And yet since that is a public monument and people do want to see it, is seems as though there are some contradictory policies just trying to regulate access to what should be public areas.

CW: I understand the environmentalist's side. [phone interruption] One of the problems really is that National Parks are supposed to be for the general public, and I'm speaking now as a tour operator and I have to be careful what I say, but I think perhaps the public is being shorted because of the capturing of so much of the space by the package tour operators. I'm going against my own interests when I say that. But, I'm aware of the fact that my old company "Westours" has by far the largest block of hotel rooms in McKinley Park of anyone, and the public is not able to get into the Park hotel rooms because of that.

Now "Westours" does a hell of a job promoting Alaska, but it may be a bit inequitable for them to have that space in the Park. Now I don't know how that is controlled or if it should be controlled, but the public has to be served too. The independent traveler has to be served.

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Just like the ferry system. We have a certain amount of suggestion that we have a limit on the amount of space we should block out. I'm going with that. We want some space, but we don't want to take it all. We want to leave some for everybody else.

RI: What do you think the role is of setting public policy to actually capture more areas into Park status in anticipation that people will want to see that area in a relatively pristine state? We know a lot of people come to Alaska because it is that way and often times people who are against Park designation, opposed for many reasons, but they never see it as an investment that later will pay off in attracting people.

CW: I think we should make a concerted effort to open up the south end of McKinley Park, the south side of McKinley Park and the Tokositna area where the view is everyday. You don't have to wait for the clouds to raise. If you're there at the Tokositna site in the hotel there, it's closer to Anchorage, and at the base of the Mountain whereas the McKinley Park Hotel is not at the base of the Mountain, [which is] 60 miles away. And you have to travel half a day to get to see the Mountain if you can see [it]. You take a chance on that. People go primarily to see the Mountain; often, most of the time, they're disappointed. It's kind of, it's unfortunate that they are told they are going to Mt. McKinley, and they never see it.

They offer 2 tours a day out of McKinley, one early in the morning at 5 o'clock, and one at 2:30 in the afternoon. Forget it if you go in the afternoon, very seldom can you see the Mountain, clouds form over the tops of the peaks. Early morning -- fine. But they take them all in the morning, and alot of them don't want to go at 5 o'clock in the ORAL HISTORY 85-100. Part 2

morning; it's too early for them to get up. But that's what they should be doing.

At the Tokositna site, they could see it at night and the morning. During the day when the sun is hot, the clouds build up – you don't see it. You want to see McKinley, see it at midnight or 5 in the morning; that's when it's open.

The government's got to do that though. Private enterprise could manage it, but it's too expensive for private enterprise to build the roads and build the facilities.

RI: Do you feel similarly about other areas that are pretty inaccessible currently, "Gates of the Arctic" for instance?

CW: I don't see any great need to open "Gates of the Arctic" to any mass travel.

Let them find their way in there. That's wilderness, a real wilderness area. You don't need to build roads into that.

RI: Do you think there's a good market for that kind of experience?

CW: Yes, there is. Not for me, but there is a market for it, and we're selling package tours and that does include the adventurous person. They don't buy a package tour; they pull on their hiking boots and leave home and [don't] take them off until they get back [home).

RI: Tell me about Lindblad and some of their ventures into the state. How do they organize their tours? I know they have naturalists on board, and it's pretty sophisticated.

CW: That's one experience. They go onboard the Lindblad "Explorer" and stay aboard the boat, and they're not buying a package tour; they're buying an experience onboard Lindblad's boat. That's a limited market, very expensive, different, but I see no ORAL HISTORY 85-100, Part 2

surge of that kind of thing because it's too exclusive, too expensive in my opinion.

CURRENT ALASKA TOURISM

RI: Do you see other philosophical issues before the visitor industry?

CW: Philosophic?

RI: I guess access will always be one just because of where the sites are and the expense of getting there.

CW: I don't think we're ever going to change the character of Alaska or its geography, and we can't and shouldn't. Alaska should remain a pristine country of tremendous scenery and beauty, and remoteness which is part of its attraction. I think to make it accessible, too accessible, would reduce and eliminate some of the lure of Alaska. I think people should be forced to get off the highways and go out into the brush, and experience it more.

And in that vein, we are changing our MO [mode of operation] on the highway, and we're adding a full day to each of our highway programs, slowing down the travel to the extent we're deviating off the highway. Instead of just going zap -- as fast as you can from the morning to the night, stop long enough for a quick pee and lunch -- we are now slowing down and, as I say, going, and smelling the flowers and feel the ground. We're letting them do such things as skip rocks in little streams alongside the road and go have a little picnic lunch someplace by a lake, stop by a miner's cabin and let them show them how he operates. Things like that which are an effort to give people more of a feel of the real Alaska.

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I could set them off on a hike over the top of the hill. What we do in Skagway, we take them over to Dyea to the head of the Chilkat trail; we let them walk up the trail a ways. We give them a certificate saying "I traveled in the footsteps of the pioneers."

Little things like that. We've done that; no one else is promoting Dyea, we're doing it. It's part of a pioneering wilderness experience; I think people want some of that. The average person wants to have their pioneer experience in a vicarious manner. They want to sit behind a thermopane window and watch someone else do it. But everyone likes to participate a little bit; everyone likes to get a little bit into the action, and few actually have done something. They've picked up a hand-full of gravel, waded in a stream, or yelled down by a brook and cupped their hands into the water and cupped a drink and things like that. I think they need that; they need to have that experience -- old ladles, old men, and young girls; they all need to have that experience.

RI: You must obviously believe then the whole process of tourism in Alaska is unique from other locations?

CW: Absolutely! You don't go to Alaska to see the cities. You see cities anywhere.

Anchorage is a typical mid-western city. The streets and cross-streets, stopsigns, parking meters -- you find them anywhere. What is beautiful about Anchorage is the surrounding area; that's where the beauty is. But you've got to present that to them, let them experience that in a way that is enjoyable and memorable.

I sense there is no instant Alaska. You've got to see it, you've got to move through it to see it and enjoy it. You can't fly over it at 30,000 feet and enjoy it. You got to get ORAL HISTORY 85-100, Part 2

down on the ground and move through it slowly to experience it and see it and really appreciate it. It can't be done overnight; and it's not a one-point destination. Alaska's not a one-city destination.

Hawaii, you can go to Honolulu and your first visit over there and have a good time. Walk up and down the beach at Waikiki and buy your muumuu and your aloha shirt, and you've been to Hawaii. You can't do that in Alaska. Go to one city would be a mistake. You've got to move through it, you got to see it city by city by city, community by community, and the experience between those towns is where you have to enjoy. We're doing that with our buses, we doing that with our little yacht where we take them by daylight through these waters; we don't take them overnight where they're sleeping through the scenery. We let them sleep ashore, and then we put them back on the boat in the morning and take them for another day's trip through the pristine waters of 'the Inside Passage, called the "Sheltered Seas" -- that's what it is.

That word came from an advertising campaign which Alaska Steam had the early days. They said, "Sail the beautiful sheltered seas of the Inside Passage." And that's the word, "Sheltered Seas."

RI: Some of those ideas are still there.

CW: Yeah.

RI: What do you think the basic incentive is for people to come to visit, to come as tourists or as sightseers?

CW: I think there is history to Alaska, and I think it's the scenery, the grandeur, ORAL HISTORY 85-100, Part 2

it's the openness, it's the fresh air, it's the midnight sun, it's the aurora borealis, it's the mountains, the glaciers, it's the Eskimos, the Indians -- I say all those things are part of what they are looking for, I think.

They aren't looking for gourmet food or fashion shows or Eiffel Towers or historical monuments or Churches or Cathedrals -- there are a few of the Russian Churches, but they're not going for that. You go to Europe, you're looking for all historical things and the gourmet experience and the foreign atmosphere.

Alaska is America, and you use American currency and speak English it's a part of the United States, but it's a different part.

RI: I'm curious if you can sort of outline what [your] holdings were at the time when Westours was probably at its most diverse -- the hotels under Westours, the bus lines, and the various aspects of the company.

CW: How do you want me to describe that?

RI: How many hotels for instance in Fairbanks and could you name them?

CW: When I sold out?

RI: Right.

CW: I had the Fairbanks Inn, and I had the Alaskon Border Lodge at Beaver

Creek, the Klondike Hotel in Skagway. I had the foundations in for Whitehorse and
subflooring, foundations in to build it; and I had the ground purchased and plans made for
a hotel in Juneau right across from the town there on the Douglas island side. And I had
dreams of a resort lodge in Haines; I had the property, but didn't build it. So that was the

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extent of my hotel construction and plans at that time.

And the buses, I probably had a hundred buses at that time, operating all over the highways and all the cities of Alaska, sightseeing and highway service. Operating from Seattle all the way to Alaska over the Alaskan Highway, Canadian Rockies -- quite extensive.

I had the 4 ships: "Glacier Queen," "Yukon Star," "Polar Star," and "West Star;" those 4 ships. And I had offices in Seattle, I was in the IBM building over here with huge offices, and I had 300 people working for me year-round, and I had more in the summer, about 500 in the summer total.

We had offices in the major cities in Alaska; we had representatives in the United States -- an office in California, representatives in most of the major cities were selling for us. It was a pretty well structured organization.

RI: What did you do with your off-season capacity? For instance the ships and the buses.

CW: Tied 'em up, laid them up. They can't make money in Alaska when the tourists aren't there. So we laid them up, let them cover with snow.

RI: And what about your ships then?

CW: The ships -- the idea of the "West Star" was to have a year around operation, and it never happened because...well it did happen, but I didn't go to the South Pacific with the ship.

RI: Oh really?

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CW: Yeah. I went to Mexico with the "Orpheus." Went to the South Pacific with the "Polar Star" and the "West Star," but they were not successful. I learned something there which I don't think that lesson has been quite learned yet by some others that it's a mistake to think that you have to utilize an investment year round when in reality, you'd be better off to take some slight loss by laying the equipment up than to be sure of a large loss by operating it.

RI: I should think one year of that experience would be enough to convince you.

CW: The syndrome is "Oh, you gotta use it 'cause you got it." You've heard the expression: "If you don't use it, you'll lose it." That's not so. Not so. You might lose it quicker.

On the other hand, I'm not talking about a\$160 million ship; but that's a problem right now that the industry's having. I believe in laying the buses up because you can't make money in the winter time just like the river boats lay up on the bank. Jim Binkley's boat ties up on the bank, right; he's in Hawaii right now having a good time. McKinley Park closes down, George Flagherty goes to San Diego; he runs the McKinley Park Hotel. Glacier Bay Lodge closes down; people go down to Arizona.

Why fight it? You can't. The people aren't there, the operation isn't going to run, so price it accordingly. Don't try to figure out some way to use it; you can't move a hotel anyway. Buses you can move, but it's a mistake to try to move. Ships you can move, and they are moving, now, but they're losing their you-know-what's doing it. They're all over each other in southern waters, crowd each other into the docks, and spilling these people ORAL HISTORY 85-100, Part 2

off with tremendous discounts, tremendous give-aways to get some cash flow on the boat.

RI: That's certainly characteristic

CW: I don't want to get caught in that. The outfits we have, they don't operate in the wintertime, they'll lay up.

RI: Just out of curiosity, what do you think yet needs to be done to better accommodate visitors?

CW: We don't have enough rooms yet. We don't have enough rooms in the places we need them like McKinley Park -- still don't have enough rooms at McKinley Park. There's a definite need for increased accommodations; Fairbanks doesn't have enough rooms. You live there, but there are not enough hotel rooms in the summer time, and "Westours" owns the 2 biggest hotels, the Fairbanks Inn and the Travelers Inn. And so everyone else is frozen out of those hotels. That's not fair. That's the way it is, but it's not fair because one company controls the majority of the space. That's called a monopoly.

RI: Are there other kinds of activities that you think need to be developed for people once they arrive in their destinations?

CW: I think that's being handled. I think there is enough variety now, enough fishing, enough hunting, enough canoeing, enough rafting – they're rafting every river in Alaska or three. There's enough of a choice in that area. Fishing lodges, hunting lodges, rafting trips, and balloon flights, flightseeing; so there's enough of that. Matter of fact there probably could be less; two airlines just went broke this last ORAL HISTORY 85-100, Part 2

year up there, Valdez Air and Northern Air. You know about that. I'd say maybe there could be less operators, fewer operators [could] make it for those a little more profitable.

They're hurting on bus companies.

CAP LATHROP

RI: As we sort of wind down, I'm just wondering if there are any particular individuals who were inspirational to you or particular events which were sort of turning points.

CW: I have to leave at quarter to 5 to catch my ferry; I live on an island. Cap Lathrop, ever heard of him? He was not only an inspiration to me, but a great help to me in the beginning. When I was in that First Avenue office, I remember him coming into see me one day [inaudible].

He said, "What are you doing down here?" I said, "I'm trying to start a tourist business." He said, "Well, what do you want to do?" I said, "I want to bring tourists to Alaska, and I want to set up some attractions for them; they'll enjoy visiting here." "Good idea," [Cap said.] He said, "You can't do it from this hole in the wall down here." I said, "Well, I could probably have a better office." "Why doing you go up on Second Avenue?" [Cap said.] "Well, I don't of anyplace up there I can afford, much less there isn't any space open." [Cap said,] "You let me worry about that; come and see me tomorrow."

So I went into his office in tile Lathrop Building over on Second Avenue, and ORAL HISTORY 85-100, Part 2

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Mariam Dickey was his secretary. She said, "He's expecting you," and I went into his office. He said, "How would you like to be in the Alaska Steam office on Second Avenue, the Empress Theater Building?" I said, "Well, don't they have it?" He said, "God damn it -- answer my question." I didn't know it but that was the way he talked. I said, "Sure, Cap." [He said,] "You're gonna be there, I've got it all arranged; they're going to give you a desk."

I went across the street and talked to Bob Gardiner who was an agent there and said, "Bob, I understand I'm coming in with you." [He said,] "So I understand." He said, "Cap talked to Skinner who owned the Steamship Company." So hell, I moved right into a little desk right in the corner. In 2 years I had the office, and Bob had the corner.

Cap helped me get an office in Anchorage too, the same thing happened. I saw him in the hotel lobby there one time, I went down looking for an office. "What are you doing down here?" [I said,] "Trying to find an office location." "Well," he said, "you got one?" [I said] "No." [He said,] "Would you like one?" I said, "That's why I'm here, Cap." He said, "Well, come and see me. You want to be in at Fourth Avenue?" I said, "Well, yeah." He said, "I got a building I think you'll like." I said, "Yes you do, you have the Fourth Avenue Theater Building." And he said, "Come and see me."

I walked by there, and wondered "where in the hell is he talking about? I don't see any office space; it's all theater marquees, entrances and exits, etc. I don't want to be around the corner down the alley or upstairs; I want to be on the street." So I walked in with some trepidation, and I said, "Cap, I appreciate what you're trying to do for me, but ORAL HISTORY 85-100, Part 2

I've got to be on the street."

He said, "I know that, silly SOB>" I asked, "Where, Cap?" [He said,] "You see that exit you came by?" [I said,] "Yeah." [He said,] "You saw the entrance, did you, saw the exit. Well, we're gonna put a floor down and make that your office, close off the exit 'cause we have another exit out the back door, don't need that one; the architect was a fool. He'll just put a floor above that area which was a downstairs; that's your office." I asked, "Can I afford it?" He said, "You can afford it." It was \$200 a month.

That was Cap; he didn't make a thing from me. I never paid him anything; it was all gratuitous; he did it because he wanted to help. There was a great man. He was a philanthropist and a builder, a great guy.

And he said to me, "Chuck, you'll be successful if you will always surround yourself with people who are smarter than you are and have more ability then you have. You can be the leader, but pick guys [who] are better than you are. Don't pick guys you look down to -- pick guys you look up to. That's the kind of people you want working for you, and they'll make you successful." Not bad advice. Don't go cheap on people. Right? That was a good philosophy.

And Skinner helped me, too . Alaska Steamship Company, [he was] the owner, and his son later -- people of that kind. Jack Whaley of Wien Airlines became a very good personal friend; we worked together very well. He unfortunately died in an automobile, rather airplane accident, in an airplane he and I delivered to Alaska. That was too bad; Jack was a good friend.

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And Everett Patton, he was a part of the original team. I found him under a bus mechanic. He's still a good guy, a good friend. A few that I associate with – Jim Binkley.

I found Jim, hired him as a river boat captain on the first river boat. The "Godspeed" was boar that Bishop Gordon used to operate around the rivers of Alaska. He learned how to fly and decided he wasn't going to use his boat anymore. I went to Bishop Gordon and said, "Look, can I rent the "Godspeed" from you, charter it, lease it, buy it, whatever?" He said "I'll let you have it if you have someone to skipper it." And I said, "Well, I'll try to find a skipper." He said, "Well, I know someone." Jim Binkley was a member of his parish, and he said, "Go out and see young Jim Binkley."

So I went out to see young Jim Binkley; he was in his bib-overalls down in the steamroom of the University of Alaska power house. I talked to Jim about it and he said, "Yeah, it sounds like a good idea."

He had to change his shift to do it because he was on the day shift, and he had to go to a night shift so he could run the boat, which he did, and I hired him as a skipper, the first year on the "Godspeed." And Jim fell for it – bang -- right away, he loved it. He said, "I want a part of this." So he became a partner with me, then he bought me out, then I helped him finance the first sternwheeler. So Jim and I have a long history together. That's why I enjoyed being a part of things like that where I'm helping other people grow.

I helped Pat go into business; I helped Jim go into business. Brad Phillips, I helped Brad go into business; I employed him first and helped him go into business. Things like that, that's the thing that I really enjoy, Ron, about having been in Alaska, the ORAL HISTORY 85-100. Part 2

associations that I've made, and the fact that I feel I've really helped other people. I don't try to always own it all, grab it all, and control it all. Let's work with other people, like Brad and Jim and Pat. They're examples of Cap -- associate yourself with people who are great people, and they'll help you be successful. They helped me be successful. We worked together; they didn't work for me, they worked with me, and that's great. That's missing right now, there's not enough of that. Too much of the greed, avarice, and the grasping and the control, the desire to control, is not good.

RI: Do you think that's something we're experiencing temporarily?

CW: I think it's in the world. Money controls -- money, power controls and that's unfortunate. It makes it difficult for the entrepreneur to exist; he raises his head up and starts getting along, and the big guy comes along and says "I want to buy you out. If I don't buy it, I'll get what you're doing." The law allows it; too bad.

There are examples of that all around -- all around in tourism. I don't like to see it.

RI: What kind of advice would you give to someone who was starting out with a new idea...

CW: Start out with capital. And the idea. without capital, forget it, forget it.

Today, if you don't have the capital, you can't make it. Ideas are a dime a dozen; it takes the money to implement them. The guy with the money is going to own it unless he's a philanthropist like Cap Lathrop or someone who doesn't care, who wants to help like I was. I'm willing to help; I don't have to own everything.

But there are too few people like that left; they all want to say: "It's your idea; I've ORAL HISTORY 85-100, Part 2

more money, so I got it. I got 51% so you're working for me." That's the way it is in the hard, cruel, business world out there.

RI: That's right in a lot of the sectors of the economy.

CW: It's discouraging, but I say as advice to anybody going into any business, start in the business with enough capital to see yourself through the first few years; if you can't do that, don't do it, because you're going to have ups and downs. Instant success doesn't happen very often. I was lucky; it doesn't happen very often.

How do you finance yourself? You get something going that looks good ..."I need another so many thousand dollars, I haven't got it." And the idea is just about to crest you see, the guy you go to somebody who says, "Okay, I'll put it up; I get the control." And the idea's gone; there you go, you've lost it. If it's good, he's got it; if it's bad he's still got. But, I mean, you've lost the incentive. Too bad. Entrepreneurship is a thing of the past -- almost.

Inventive ideas, even invention, you have to have capital to promote the product.

RI: Do you see venture capital being accessible to most people or is it controlled...

CW: I think it's controlled right now. I really do. Do you know how to borrow a thousand dollars? Have two thousand.

RI: That's true if you work through the standard procedures of banks. Well I know you have to catch your ferry to go home, and I wanted to take some photographs if I could, and then terminate our interview.

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CW: Okay.

RI: I sure appreciate your spending your time with me.

CW: That's all right, glad to do it. I hope you got enough information; it's sketchy, but I think you got the basics.

RI: And I'll make sure we get a copy back to you, and I'm sure we're going to need some help with some of the names to make sure the spellings are correct.

CW: Okay. [Interview ends]

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