United States Senate

OFFICIAL BUSINESS

TAPE: OCTOBER 1, 1983
TOYOTA CITY, HONOLULU, HAWAII
CIRCULATE AND RETURN TO MARY LOU:
SPEECH DELIVERED AT:
25th Anniversary and Grand Opening of
TOYOTA CITY AND NEW AUTOMOTIVE HEADQUARTERS
Gibson Shopping Center
Honolulu, Hawaii
Saturday - October 1, 1983

THE STEPS LEADING TO THIS EVENT BEGAN IN HIROSHIMA

IN 1906, WHEN CHOHEI FUKUNAGA DECIDED TO SEND HIS SON,

HIDEICHI FUKUNAGA, LATER TO BE KNOWN AS PETER H. FUKUNAGA,

TO HAWAII. MR. CHOHEI FUKUNAGA HAD HEARD OF THE LEGENDARY

PARADISE IN THE PACIFIC, THE LOVELY ISLANDS OF HAWAII,

AND DECided THAT THE TIME HAD COME FOR HIS SON,

HIDEICHI FUKUNAGA, TO ASSIST AND IMPROVE THE STATUS OF THE

FUKUNAGA FAMILY.

SOON AFTER HIS ARRIVAL IN HAWAII, IT BECAME APPARENT

THAT OTHER THAN THE CLIMATE, THIS WAS NOT PARADISE FOR A

JAPANESE IMMIGRANT. LIKE MOST, HE WORKED FROM EARLY

MORNING TO LATE IN THE EVENING. HE WORKED HIS WAY THROUGH

IOLANI SCHOOL AS A HOUSEBOY. HE WAS INJURED AT WORK.
LIFE WAS GRIM. HOWEVER, IN 1919, HE GATHERED TOGETHER
HIS MEAGER EARNINGS AND PLACED A $25 DEPOSIT AND PURCHASED
A TWO-CAR REPAIR SHOP IN HALEIWA. NINE YEARS LATER,
AFTER TWO MERGERS, THIS BECAME THE FAMOUS SERVICE MOTORS
COMPANY OF WAHIWA. PETER FUKUNAGA EXPANDED HIS BUSINESS
INTO HOME APPLIANCES, FINANCIAL LOANS, REAL ESTATE,
PIANOS, ETC.

BY THE END OF WORLD WAR II, HE WAS A VERY SUCCESSFUL
BUSINESSMAN. BUT ALWAYS REMEMBERING THE DIFFICULT DAYS OF
HIS YOUTH, HE ESTABLISHED THE FIRST EMPLOYEE PROFIT SHARING
PENSION PLAN IN HAWAI'I.
IN 1958, HE WAS GRANTED THE EXCLUSIVE TOYOTA MOTOR IMPORT DISTRIBUTION FRANCHISE IN HAWAII. SOME OF HIS COLLEAGUES LAUGHED AT HIM. SOME FELT SORRY FOR HIM. MOST PREDICTED A BUSINESS DISASTER. TOYOTA WAS NOT AN AMERICAN HOUSEHOLD WORD IN 1958.

IN 1960, AFTER ORGANIZING THE CITY BANK OF HONOLULU AND SERVING AS ITS FIRST PRESIDENT, PETER FUKUNAGA PASSED AWAY, AND WAS SUCCEEDED BY HIS SONS GEORGE, WHO BECAME CHIEF EXECUTIVE OFFICER AND CHAIRMAN OF THE BOARD, AND THOMAS, WHO BECAME PRESIDENT.

PETER FUKUNAGA WAS A GIANT IN THE HAWAIIAN BUSINESS COMMUNITY. MOST DID NOT EXPECT HIS SONS GEORGE AND TOM TO CARRY ON SUCCESSFULLY AS DID THEIR FATHER.
BUT THE REST IS HISTORY. THESE TWO YOUNG MEN, TRAINED AND INSPIRED BY THEIR FATHER PETER, CARRIED ON THE BUSINESS OF THE MANY ENTERPRISES AND MUCH, MUCH MORE. TODAY THE FUKUNAGA ENTERPRISES CONSTITUTE A MAJOR BUSINESS ENTITY IN GUAM, SAIPAN AND THE MARSHALL ISLANDS. IN ADDITION TO TOYOTA, THEY ARE THE EXCLUSIVE FRANCHISEE FOR SANYO, KAWAI PIANO, BRIDGESTONE TIRE AND MANY OTHERS.

FROM A ONE-MAN OPERATION IN 1919, TODAY THE FUKUNAGA ENTERPRISES EMPLOY OVER 1,000 MEN AND WOMEN IN HAWAII AND OVER 390 IN GUAM, SAIPAN AND THE MARSHALL ISLANDS.

TODAY IS INDEED AN IMPORTANT MILESTONE, NOT ONLY AS THE 25TH ANNIVERSARY OF THE FUKUNAGA RELATIONSHIP WITH TOYOTA,
BUT MORE IMPORTANTLY, AS AN OBSERVANCE OF THE VALIDITY OF
THE CLAIM THAT AMERICA IS A LAND OF OPPORTUNITY. THE
FUKUNAGA SUCCESS STORY IS A MAJOR ONE IN HAWAII, BUT LIKE
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AND OF MUCH WORK. PETER FUKUNAGA WAS WISE, WAS INNOVATIVE
AND WAS NOT AFRAID OF WORK. HIS SONS GEORGE AND TOM
HAVE CARRIED ON WITH EQUAL VIGOR, EQUAL BRILLIANCE AND
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Peter H. Fukunaga

Came to Hawaii from Hiroshima - 1906 or so

Passed away - December, 1960

Grandfather's name - Chohei Fukunaga

Worked at Parker's Ranch after he worked for his older brother in Honokaa who had a large family and who subsequently died.

First business - Est. 1919 after he had completed Iolani working as a house boy and later contracting TB and finally after a few years as a mechanic at Royal Hawaiian Motors, a GM dealer here. Broke his leg in an accident and when he got well he put a $25 deposit and bought out a small Haleiwa 2-car repair shop in 1919. Merged with 2 other companies in 1921 and became Waialua Garage Co. Ltd. Moved HQs to Wahiawa in 1928 and changed name to Service Motor Co., Ltd. Expanded into home appliance and electronics, finance co., real estate, pianos and organs. In World War II merchandise shifted to whatever was available and .. sold clothes, jewelry, sundries and even hula skirts. Reverted after the War to normal business. Expanded into State wide imports in 1958 with Toyota (.. 25 years in 1983). Expanded geographically in the 70's to Guam and now Saipan and shortly to Marshall Islands. Growth of Co. now at $134 million plus another $36 million in subsidiaries and affiliates. 1000 employees here and 300 in Guam and Saipan.

SERVCO PACIFIC INC.  
HONOLULU, HAWAII 96803

Senator Daniel Inouye

Serving the Pacific Since 1919 — Oldest GM Dealer in Hawaii
1919. A two car auto repair garage in Haleiwa, Waialua, acquired by Peter H. Fukunaga for $1,500 with a down payment of $25.

1921. Two other firms merged in and the new Company incorporated as the Waialua Garage Company, Limited, started selling various lines of vehicles under sub-dealer arrangements.

1926. Obtained first Chevrolet franchise from General Motors for the Waialua headquarters and today Servco is the oldest, continuous General Motors dealer in Hawaii.

1926-39. Added and operated several service stations in various parts of this island in Haleiwa, Wahiawa, Waipahu and Honolulu on a chain basis. They were phased out in the late 1930's.

1930. The Company started auto sales and service business in Wahiawa as Service Motor Company, at new headquarter facilities there, while retaining its corporate name.

1931. Operations diversified into the retail and wholesale appliance business known as Easy Appliance Company, which was headquarterd in Honolulu with a branch in Wahiawa.

Servco Financial Corp., formerly known as Service Finance, Limited, was organized as a separate company located in Wahiawa.

1938. The Company's name was formally changed to Service Motor Company, Limited.

1940. The appliance operations in Honolulu diversified into the music business.

1941-45. Company reverted to selling used cars and appliances, sundries and tourist supplies due to wartime lack of cars, appliances and pianos.

1945. Resumed full operations.

1945-57. Obtained various new franchises and shifted Company headquarters to Honolulu.

1951. A second General Motors Chevrolet dealership location in Waipahu was opened as Waipahu Auto Co., Ltd.

Fukunaga Scholarship Foundation was started by Mr. Fukunaga for business administration students.

Started Employee Profit Sharing Pension Plan for the Company, the first locally formed Plan in Hawaii.
1957. Peter H. Fukunaga named "Father of the Year" by the Chamber of Commerce of Hawaii.


1959. Peter H. Fukunaga helped to organize City Bank of Honolulu and served as its first President.

1960. Mr. Fukunaga passed away and was succeeded by sons George (C/B) and Thomas (President).

1966. Acquired the exclusive Sanyo import-distribution franchise for the entire State.

1968. Acquired control of Gibson's Department Store.

1969. Corporate name changed to Servco Pacific Inc. to indicate its service-to-customer orientation as well as its Pacific Basin orientation.

. Its 50th (Golden) Anniversary was observed.


1972. Acquired Film Services of Hawaii, including many leading audio-visual franchises such as Bell & Howell.

. Entered into a joint venture agreement with the prestigious Felix M. Camacho family of Guam and formed Pacific International Company.

1974. Servco Financial Corp. became a wholly-owned subsidiary of the Company. Along with this transaction, the Company entered the advertising and travel businesses through two new subsidiaries.

. Acquired the Kawai Piano and Organ franchise.

1975. Obtained statewide distributorship franchises for Frigidaire and Zenith products.

. Operations commenced first week of June for Pacific International Company, a Guam joint venture, with the opening of the first major shopping center in Guam which included a Gibson's Dept. Store.

1976. Pacific International Company organized a wholly-owned subsidiary, Pacific Financial Corp. Also, an automobile dealership was purchased and Pacific Motors Corp. commenced operations in Guam as a subsidiary also.


     . SFC established Equipment Leasing Division.

1979  . Consolidated revenues exceeded $100 million for the first time.
     . Acquired majority interest in Evergreen Nurseries, Inc.
     . Acquired Wurlitzer, Kawai, Fender, Rogers, Fender-Rhodes, Baldwin franchises for Guam.

     . MGGSC Mall completed. American S & L key tenant.
     . 1st member of Half Century Club -- Ralph P. Fukunaga, former Cashier and now a Director.

1981  . Pacific International Company, Inc. opened automobile dealership dba Midway Motors in Saipan under joint ownership with Mr. Calistro Izuka under a Pacific International Company Inc.'s affiliate the Pacific International Marianas Inc.
     . "True Value Hardware" and "V&S Variety" franchises secured for Hawaii and Guam.
     . Fisher consumer electronic, Arco Solar and Ricoh copier, Rapicom facsimile machine franchises added, Kozo Sushi, and Arco Solar, etc. for Pacific.
     . Started first Rex Tire retail store. Added Gabriel shock absorbers.
     . Acquired Bayliner boats franchise.
     . Started first Magoo's in Guam.
     . Acquired Zenith Data System (computers) franchise.
     . Tom Fukunaga elected President & COO and George Fukunaga Chairman & CEO.
1982

. Acquired McKee Beachcraft Boats franchises.

. Acquired Ricoh Copiers, Ricoh Facsimile machines and Bridgestone Tires franchises for the Pacific.

. Acquired Sierra Electric Typewriters (Juki) franchise.

. Acquired Radio Shack franchise for Guam and environs.

. PIC acquired Pacific Wholesalers, a food and sundries distributing firm based in Guam from Soriano Brothers' Hong Kong subsidiary.

. Opened second Maqoo's in Guam.

. Opened second Rex Tire retail store.

. MGGSC Gibson's True Value Hardware dept. opened. New Garden Shop and Pet Shop finished. New Market area finished.

. California First Bank Tamuning Branch became key tenant in 2nd Phase Bldg. in GSC.

. 2nd member of Half Century Club -- Francis H. Sato, former Treasurer & Director and now Business Manager on retirement extension.

. Financial and Services Groups consolidated into Financial/Services Operations under SVP George Sakurai.


. SPC observed 50th Anniversary.

. Letter of Agreement of June 1982 consummated with formal incorporation in November 1982 of a new Marshallese corporation, the Pacific Marshalls Inc. with 50-50 ownership by PIC Guam and the Presidential (Kabua) family interests for a retail-wholesale operation and a Shopping Center in Majuro.

. Servco International Corp. redesignated Servco Insurance Agency Inc. and assigned to Financial/Services Operations. Leaves Servco Services Corp. as the only dormant corporation.
1983

- Acquired Commodore Computers & Colecovision Electronic Games & Computers franchises as we elected to terminate Atari Electronic Games franchise.

- Austerity program put in place early in 1983 enabled the Company to turn around by mid-1983, Thanks to the efforts of all employees.

- Expansion plans reviewed and blueprints completed for Guam Shopping Center's Phase III. Preliminary funding approval was given via $4.6 million new bond issue given by Guam Economic Development Authority. The bond issue is now being reviewed by our major bank supporter, California First Bank, on this project.

- New $2 million Majuro, Marshalls Shopping Center concepts and plans were approved. Funding and construction negotiations have been underway with Sumitomo Corporation.

- Suzuki Auto Franchise for Marshall Islands awarded to PMI.

- GS Batteries re-started in Hawaii.

- Moanalua Gardens Gibson Shopping Center's Multi-Years Additions & Remodelling Project will be finally completed. The redwood additions of several years ago was supplemented by new True Value Hardware, Garden & Pet departments as well as a brand new Gibson's Super Market. The final phases of a new Toyota City dealership and an Automotive Headquarters are now being completed this month with Toyota Chairman Eiji Toyoda joining in the festivities on an October 1st Grand Opening-25th Toyota-Servco Anniversary Celebration.