

FEDERAL BUREAU OF INVESTIGATION
FOI/PA
DELETED PAGE INFORMATION SHEET
FOI/PA# 1205227-0

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Field File No. _____

Serial # of Originating Document _____

OO and File No. 58C-HN-7910-1A1

Date Received 1/22/90

From _____
(Name of Contributor)

(Address of Contributor)

(City and State)

By _____
(Name of Special Agent)

To Be Returned ☐ Yes ☒ No Receipt Given ☐ Yes ☒ No

Grand Jury Material - Disseminate Only Pursuant to Rule 6(e), Federal Rules
of Criminal Procedure ☐ Yes ☒ No

Title:

Reference: _____
(Communication Enclosing Material)

Description: ☒ Original notes re interview of

1.

2.

HN 58C-HN-7910-1A1

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b7C

b6
b7C

1/17/90

b6
b7C

Advise that he works for Trans Marine Navigation (TMN)
This was there since [redacted]
Previously with [redacted]
Rumor running around waterfront - that all

No direct knowledge of any pay-offs to any public officials
re shipping matters

Is not aware of ID of others who witness pay-offs or have knowl
of P.O.

Spec. 95 to ID of anon caller - No ID

Heard Thayer doesn't want AP
Also " against repeal of Jones Act

1/17/90

[redacted]
[redacted] Hawaii Pacific Maritime
[redacted]

^{direct}
No knowledge of any pay-offs to any senior officials or any other
Has not heard of any pay-offs officials
Specifically did not witness a pay-off made by MHI to
senior official
Knows Matsun has 80% of Hawaiian business

b6
b7C

Shop talk speculates Matsun has a friend in Washington
but has never heard of Matsun making pay-offs

Has no idea of any other people that may have witnessed
pay-offs or heard about them

Has been in shipping business in Hawaii for ☐ yrs.

Memorandum



To : SAC, HONOLULU (58A-HN-NEW)

Date 9/11/89

From : SSA [redacted]

Subject : U.S. SENATOR DANIEL INOUE
STATE OF HAWAII;
ALLEGATION OF BRIBERY BY
MATSON NAVIGATION;
BRIBERY;
OO: HONOLULU

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~~1~~
JRA

On 8/29/89, an anonymous caller telephonically contacted SSA [redacted] and advised that he recently read a newspaper article in the Honolulu Advertiser concerning the FBI's public corruption effort. The caller stated he could not identify himself for fear of retribution; however, he stated that he was a fifth-generation Hawaiian and that his [redacted] had been a Republican Congressman representing Hawaii. He described himself as a [redacted] companies in Honolulu. He also indicated that he was an [redacted] employee.

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The caller indicated that he had heard for years discussions among officials in the maritime industry in Honolulu that MATSON NAVIGATION COMPANY has paid off and continues to make cash payoffs to U.S. Senator DANIEL INOUE to prevent competition in Honolulu. The caller advised that [redacted] HAWAII PACIFIC MARITIME, Aloha Tower, Honolulu, observed a MATSON NAVIGATION COMPANY representative deliver a suitcase full of cash (amount unknown) to U.S. Senator INOUE a few years ago to ensure that MATSON NAVIGATION COMPANY received favorable consideration in Washington on maritime issues. The caller stated this specifically was to prevent AMERICAN PRESIDENTIAL LINES from being allowed to operate in Honolulu and thus, preventing any competition for MATSON NAVIGATION.

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b7C

The caller stated [redacted] TRANS MARINE NAVIGATION, Waterfront Tower, and [redacted] citizen, also have information concerning this alleged bribery.

② - Honolulu (58A-HN-NEW)
LCU:tk
(2)

SAC on Ry

#5
A 9/11/89
9/11/89

58A-HN-7910-1

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SEP 11 1989	
FBI - HONOLULU	
JRA	

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b7C

58A-HN-NEW

The caller stated that he is reporting this information without any malice and that he does not even personally know Senator INOUE. He stated he is reporting this information because for years the rumor in the industry is that Senator INOUE is on the take. The caller further indicated he did not believe that the Federal Government would do anything about this complaint.

Captioned investigation is being initiated based on this anonymous complaint. Investigating Agent should ensure that Honolulu indices, as well as FBIHQ indices, are checked concerning Senator INOUE and the other individuals and companies identified in this complaint. Further, FBIHQ should be advised of the receipt of this complaint and Honolulu's investigative strategy should be set out for FBIHQ approval prior to any active investigation being conducted.

Captioned matter is being opened and assigned to SA

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b7C

58C-HN-7910-1X1

SEARCHED-FOIMS	MAN
Indexed	Serialized
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ku/DAS/

FBI

TRANSMIT VIA:

☒ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

☒ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☒ UNCLAS

Date 9/18/89

FM FBI HONOLULU (58A-HN-7910) (P)

TO DIRECTOR FBI/IMMEDIATE/

BT

UNCLAS

CITE: //3280//

PASS: CRIMINAL INVESTIGATIVE DIVISION, WHITE COLLAR CRIME
 SECTION, PUBLIC CORRUPTION UNIT.

SUBJECT: DANIEL K. INOUE, UNITED STATES SENATOR, STATE OF
 HAWAII; ALLEGATION OF BRIBERY BY MATSON NAVIGATION; BRIBERY -
 UNITED STATES SENATE - PUBLIC CORRUPTION MATTER; OO: HONOLULU.

FOR INFORMATION OF THE BUREAU, ON 8/29/89, AN ANONYMOUS
 CALLER TELEPHONICALLY CONTACTED SSA [REDACTED] AND ADVISED
 THAT HE RECENTLY READ A NEWSPAPER ARTICLE IN THE HONOLULU
 ADVERTISER CONCERNING THE FBI'S PUBLIC CORRUPTION EFFORT. THE
 CALLER STATED HE COULD NOT IDENTIFY HIMSELF FOR FEAR OF

JRA:tk
 (1) *tk*

JRA

Approved: *G/* Transmitted 008 7 ²² PM Per *Om*
 (Number) (Time)

TKS002W.261

Searched _____

Indexed _____

Serialized *G*Filed *G*

58A-HN-7910-2

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile.
☐ _____

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date _____

^PAGE TWO DE HN (58A-HN-7910) UNCLAS

RETRIBUTION; HOWEVER, HE STATED THAT HE WAS A FIFTH GENERATION
HAWAIIAN AND THAT HIS [REDACTED] HAD BEEN A REPUBLICAN
CONGRESSMAN REPRESENTING HAWAII. HE DESCRIBED HIMSELF AS A

[REDACTED]
[REDACTED] IN HONOLULU. HE ALSO
INDICATED THAT HE WAS [REDACTED] EMPLOYEE.

THE CALLER INDICATED THAT HE HAD HEARD FOR YEARS DISCUSSIONS
AMONG OFFICIALS IN THE MARITIME INDUSTRY IN HONOLULU THAT MATSON
NAVIGATION COMPANY HAS PAID OFF AND CONTINUES TO MAKE CASH
PAYOFFS TO UNITED STATES SENATOR DANIEL K. INOUE TO PREVENT
COMPETITION IN HONOLULU. THE CALLER ADVISED THAT [REDACTED]
[REDACTED] HAWAII PACIFIC MARITIME, ALOHA TOWER, HONOLULU,
HAWAII, OBSERVED A MATSON NAVIGATION COMPANY REPRESENTATIVE
DELIVER A SUITCASE FULL OF CASH (AMOUNT UNKNOWN) TO U.S. SENATOR
INOUE A FEW YEARS AGO TO ENSURE THAT MATSON NAVIGATION COMPANY
RECEIVED FAVORABLE CONSIDERATION IN WASHINGTON ON MARITIME
ISSUES. THE CALLER STATED THIS SPECIFICALLY WAS TO PREVENT
AMERICAN PRESIDENTIAL LINES FROM BEING ALLOWED TO OPERATE IN
HONOLULU AND THUS, PREVENTING ANY COMPETITION FOR MATSON
NAVIGATION.

Approved: _____ Transmitted _____ Per _____
(Number) (Time)

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FBI

TRANSMIT VIA:

☐ Teletype,
☐ Facsimile.
☐ _____

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date _____

^PAGE THREE DE HN (58A-HN-7910) UNCLAS

THE CALLER STATED [REDACTED] TRANS MARINE NAVIGATION,
WATERFRONT TOWER, AND [REDACTED] ALSO HAVE
INFORMATION CONCERNING THIS ALLEGED BRIBERY.

THE CALLER STATED THAT HE IS REPORTING THIS INFORMATION
WITHOUT MALICE AND THAT HE DOES NOT EVEN PERSONALLY KNOW SENATOR
INOUE. HE STATED HE IS REPORTING THIS INFORMATION BECAUSE FOR
YEARS THE RUMOR IN THE INDUSTRY IS THAT SENATOR INOUE IS ON THE
TAKE. THE CALLER FURTHER INDICATED THAT HE DID NOT BELIEVE THAT
THE FEDERAL GOVERNMENT (FBI) WOULD DO ANYTHING ABOUT THIS
COMPLAINT.

TO DATE, HONOLULU HAS CONDUCTED NO INVESTIGATION CONCERNING
THIS MATTER. HONOLULU PROPOSES TO REVIEW INDICES CONCERNING ALL
INDIVIDUALS AND COMPANIES WHICH THE CALLER REFERRED TO. HONOLULU
REQUESTS BUREAU AUTHORIZATION TO INTERVIEW THE FOLLOWING
INDIVIDUALS:

1. [REDACTED] HAWAII PACIFIC MARITIME.
2. [REDACTED] TRANS MARINE NAVIGATION.
3. [REDACTED]
4. OFFICIALS OF AMERICAN PRESIDENTIAL LINES.

IF THESE INTERVIEWS SUBSTANTIATE THE ALLEGATIONS, HONOLULU

Approved: _____ Transmitted _____ Per _____
(Number) (Time)

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FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile.
☐ _____

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date _____

^PAGE FOUR DE HN (58A-HN-7910) UNCLAS

PROPOSES TO REVIEW SENATOR INOUE'S BANK ACCOUNT RECORDS AND
MATSON NAVIGATION COMPANY'S FINANCIAL RECORDS. HONOLULU WILL
CONDUCT NO ACTIVE INVESTIGATION UNLESS SPECIFICALLY DIRECTED BY
FBIHQ.

ON 9/18/89, AUSA [] DISTRICT OF HAWAII, WAS
ADVISED OF THE BRIBERY ALLEGATIONS AS DETAILED ABOVE. AUSA

[] ADVISED THAT HE WOULD PROSECUTE MATSON NAVIGATION
OFFICIALS AND SENATOR INOUE IF THE ALLEGATIONS COULD BE
SUBSTANTIATED BEYOND A REASONABLE DOUBT.

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Approved: _____ Transmitted _____ Per _____
(Number) (Time)

FBI

TRANSMIT VIA:

☒ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

☐ Immediate
☐ Priority
☒ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☒ UNCLAS

Date 9/20/89

FM FBI HONOLULU (58A-HN-7910) (P)

TO DIRECTOR FBI/ROUTINE/

BT

UNCLAS

CITE: //3280//

PASS: CRIMINAL INVESTIGATIVE DIVISION, WHITE COLLAR CRIME
 SECTION, PUBLIC CORRUPTION UNIT.

SUBJECT: DANIEL K. INOUE, UNITED STATES SENATOR, STATE OF
 HAWAII; ALLEGATION OF BRIBERY BY MATSON NAVIGATION; BRIBERY -
 UNITED STATES SENATE - PUBLIC CORRUPTION MATTER; OO: HONOLULU.

RE HONOLULU TELETYPE TO BUREAU DATED 9/18/89.

A REVIEW OF HONOLULU GENERAL, CONFIDENTIAL, AND ELSUR
 INDICES REVEALED NO PERTINENT INFORMATION RELATED TO CAPTIONED
 MATTER FOR U.S. SENATOR DANIEL K. INOUE; MATSON NAVIGATION
 COMPANY; HAWAII PACIFIC MARITIME INC.;

JRA:tk
 (1) *tk*

JRA

Approved: *G/g*

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(Number)6:41
(Time)Per *Om*58A-HN-7910 *3*

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Searched.....
 Indexed.....
 Serialized.....
 Filed.....

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TRANSMIT VIA:

- ☐ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

- ☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

- ☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date _____

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AND [REDACTED] DOING BUSINESS AS TRANS MARINE NAVIGATION.

HONOLULU WILL CONDUCT NO ACTIVE INVESTIGATION IN THIS MATTER
UNLESS SPECIFICALLY DIRECTED BY FBIHQ.

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(Number) (Time)

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DE RUEHFB #0203 2642137

ZNR UUUUU

P 202245Z SEP 89

FM DIRECTOR FBI (58-12342)

TO FBI HONOLULU (58A-HN-7910) (P)/PRIORITY/

BT

UNCLAS

CITE: //0622//

SUBJECT: DANIEL K. INOUE, UNITED STATES SENATOR, STATE OF
HAWAII; ALLEGATION OF BRIBERY BY MATSON NAVIGATION COMPANY;
~~LEGISLATIVE BRANCH~~
~~BRIBERY - UNITED STATES SENATE - PUBLIC CORRUPTION MATTERS;~~
OO: HONOLULU.

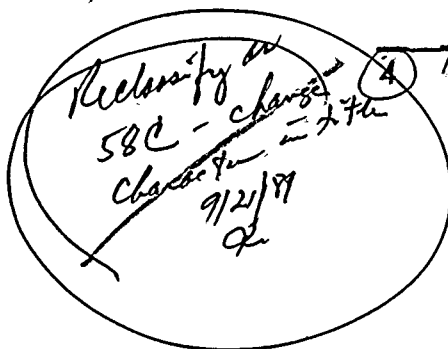
REFERENCE HONOLULU TELETYPE TO FBIHQ DATED SEPTEMBER 19,
1989.

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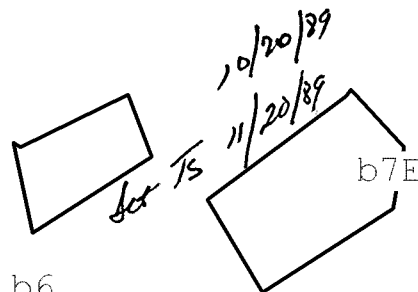
REFERENCED HONOLULU TELETYPE SET FORTH ALLEGATIONS THAT
UNITED STATES SENATOR DANIEL K. INOUE HAS BEEN THE RECIPIENT

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CLOSE ON THIS

Re: O & A



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58C-HN-7910-14

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Indexed	Serialized
SEP 21 1989	
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PAGE TWO DE RUEHFB 0203 UNCLAS

OF BRIBE PAYMENTS FROM MATSON NAVIGATION COMPANY, AS RECEIVED BY THE HONOLULU DIVISION ON AUGUST 29, 1989, FROM AN ANONYMOUS TELEPHONE CALLER. THESE ALLEGATIONS INVOLVE SENATOR INOUE'S PURPORTED INFLUENCE IN THE MARITIME INDUSTRY IN HAWAII. THIS CALLER PROVIDED THE NAMES OF INDIVIDUALS IN THE MARITIME INDUSTRY WHO COULD PROVIDE INFORMATION CENTRAL TO THESE ALLEGATIONS. AFTER SETTING FORTH THIS INFORMATION, HONOLULU PROPOSED TO REVIEW HONOLULU'S INDICES CONCERNING THESE INDIVIDUALS AND, THEREAFTER, CONDUCT INTERVIEWS OF SAME UPON FBIHQ APPROVAL. HONOLULU ALSO PROPOSED TO REVIEW SENATOR INOUE'S AND THE MATSON NAVIGATION COMPANY'S FINANCIAL RECORDS.

FBIHQ AUTHORITY IS NOT GRANTED AT THIS TIME TO CONDUCT INTERVIEWS, SUBPOENA RECORDS, OR REVIEW FINANCIAL RECORDS OF SENATOR INOUE AND THE MATSON NAVIGATION COMPANY BASED UPON INFORMATION PROVIDED BY THE ANONYMOUS CALLER.

THIS MATTER SHOULD BE CLASSIFIED AS WITH THE FOLLOWING INVESTIGATION BEING AUTHORIZED BY FBIHQ:

A REVIEW OF REFERENCED TELETYPE REVEALS THAT THE ANONYMOUS TELEPHONE CALLER PROVIDED SEVERAL FACTS CONCERNING HIS PERSONAL HISTORY IN ESTABLISHING HIS BONA FIDES WHICH MAY

b7E

PAGE THREE DE RUEHFB 0203 UNCLAS

LEAD TO THE IDENTITY OF THIS ANONYMOUS CALLER. HONOLULU SHOULD CONDUCT APPROPRIATE, DISCREET INVESTIGATION IN AN ATTEMPT TO IDENTIFY THE ANONYMOUS CALLER. UPON SUCH IDENTIFICATION, FBIHQ SHOULD BE ADVISED BY TELETYPE OF THE CALLER'S IDENTITY AND THE RESULTS OF A HONOLULU INDICES SEARCH CONCERNING THIS INDIVIDUAL. THIS TELETYPE SHOULD INCLUDE HONOLULU'S RECOMMENDATION CONCERNING INTERVIEW OF THIS INDIVIDUAL.

HONOLULU SHOULD CONDUCT AN EXTENSIVE INDICES SEARCH CONCERNING THOSE PERSONS AND COMPANIES NAMED BY THE ANONYMOUS CALLER AND PROVIDE THE RESULTS TO FBIHQ.

HONOLULU SHOULD CONDUCT A DISCREET EXAMINATION OF PUBLIC SOURCE RECORDS CONCERNING HAWAII'S MARITIME INDUSTRY AND PROVIDE AN ASSESSMENT TO FBIHQ OF THIS INFORMATION IN RELATIONSHIP TO THE ALLEGATIONS SET FORTH IN REFERENCED HONOLULU TELETYPE.

THROUGH ESTABLISHED SOURCES OF KNOWN RELIABILITY, WITHOUT DISCLOSING THE NATURE OR SUBJECT OF THIS INVESTIGATION, HONOLULU SHOULD ATTEMPT TO DETERMINE THE COMPETITIVE NATURE OF, REGULATIONS AFFECTING, AND GOVERNMENTAL UNITS HAVING

DONE *MA*

PAGE FOUR DE RUEHFB 0203 UNCLAS

AUTHORITY OVER THE MARITIME INDUSTRY IN HAWAII IN RELATIONSHIP
TO THESE ALLEGATIONS.

SUTEL RESULTS TO FBIHQ ATTENTION: PUBLIC CORRUPTION
UNIT, RM 3849, BY CLOSE OF BUSINESS OCTOBER 20, 1989.

THIS INVESTIGATION IS MORE APPROPRIATELY CLASSIFIED AS A
58C MATTER (BRIBERY - LEGISLATIVE BRANCH). ACCORDINGLY,
HONOLULU SHOULD RECLASSIFY THIS MATTER.

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58C-HN-7910-5

INDEXED	FOIAMS	MAN
Serialized	Files	
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FBI - HONOLULU		
		JRA

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Hawaii Investor "O"
10/89 issue

ALOHA. 3 TIMES A WEEK.

No one knows Hawaii like Matson. One reason is simply that no one goes to Hawaii as often as we do: three times a week, rain or shine. From more Pacific coast ports, to more Hawaiian ports, than anyone else.

And that's just the beginning of our dedication. Matson serves Hawaii with more ships, more containers, more capacity and more "aloha" than anyone in the business.

Call us at 1-800-MATSON4. In California call 415-957-4888. Because no matter where your cargo originates, Hawaii is always closer than you think.

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A subsidiary of Alexander & Baldwin, Inc.

SEARCH
Index

■ \$1.90-2.65 sq. ft./mo., gross
Hawaiian Life Building
1311 Kapiolani Blvd.
Office/Zone 10
44,222 sq. ft./1,150 sq. ft. avail.
171,000 sq. ft. parking
Hawaiian Life/544-3633

■ \$1.55-1.57 sq. ft./mo., net
HMA Building
1360 S. Beretania St.
Office/Zone 11
17,500 sq. ft./500 sq. ft. avail.
1/650 sq. ft. parking
Wagner & Wagner Inc./526-0896

■ \$2.45-2.85 sq. ft./mo., gross
Honest Tower
1361 Kapiolani Blvd.
Office/Zone 10
102,351 sq. ft./78,000 sq. ft. avail.
1/500 sq. ft. parking
Coldwell Banker—Hawaii/
521-1200

■ \$1.40-2.85 sq. ft./mo., gross
International Savings Building
1111 B-shop St.
Office/Zone 8
47,982 sq. ft./2,000 sq. ft. avail.
1/700 sq. ft. parking
National Mortgage & Finance Co.
Ltd./531-9204

■ \$1.00 sq. ft./mo., net
James A. Patterson
2810 Paa St.
Office/Zone 4
28,000 sq. ft./19,333 sq. ft. avail.
Parking open
James A. Patterson/836-8899

■ \$1.35-3.25 sq. ft./mo., net
Kaheka Professional Center
1481 S. King St.
Office/Zone 10
60,000 sq. ft./2,000 sq. ft. avail.
Parking available
MGS Hawaii Corp./528-2666

■ \$2.05-2.38 sq. ft./mo., gross
Kalakaua Center
2155 Kalakaua Ave.
Office/Zone 13
151,791 sq. ft./20,012 sq. ft. avail.
1/900 sq. ft. parking
Wagner & Wagner Inc./526-0896

■ \$1.25 sq. ft./mo., net
1833 Kalakaua Ave. Building
1833 Kalakaua Ave.
Office/Zone 13
83,537 sq. ft./3,270 sq. ft. avail.
Parking available
Monroe & Friedlander Inc./
524-2666

■ \$1.75-2.00 sq. ft./mo., net
Kalama Village Center
Kealahou Street
Office/Zone 16
25,000 sq. ft./25,000 sq. ft. avail.
1/220 sq. ft. parking
Bedford Properties/395-2331

■ \$1.65 sq. ft./mo., gross
770 Kapiolani Building
770 Kapiolani Blvd.
Office/Zone 10
55,000 sq. ft./9,000 sq. ft. avail.
1/500 sq. ft. parking
Waterhouse Properties/
521-6751

■ \$1.65 sq. ft./mo., gross
Kapiolani Business Center
1680 Kapiolani Blvd.
Office/Zone 10
107,000 sq. ft./25,204 sq. ft. avail.
1/800 sq. ft. parking
United Realtors/955-5848

■ \$1.65 sq. ft./mo., net
Kapiolani Commercial Center
1580 Makaloa St.
Office/Zone 10
80,498 sq. ft./12,000 sq. ft. avail.
1/450 sq. ft. parking
Wagner & Wagner Inc./526-0896

■ \$1.67-2.45 sq. ft./mo., gross
Kawaiahao Plaza
567 S. King St.
Office/Zone 8
123,165 sq. ft./10,070 sq. ft. avail.
1/500 sq. ft. parking
Chaney Brooks Realty Inc./
528-0039

■ \$1.67-1.97 sq. ft./mo., gross
Kawaiahao Plaza
567 S. King St.
Office/Zone 8
123,165 sq. ft./600 sq. ft. avail.
1/680 sq. ft. parking
Coldwell Banker—Hawaii/
541-5111

■ \$1.00 sq. ft./mo., net
Kingsgate Plaza
555 N. King St.
Office/Zone 5
25,000 sq. ft./20,903 sq. ft. avail.
Parking negotiable
Chaney Brooks Realty Inc./
528-0039

■ \$1.40-1.70 sq. ft./mo., net
33 South King
King & Nuuanu streets
Office/Zone 8
71,537 sq. ft./14,000 sq. ft. avail.
Parking available
Reynolds & Shidler/526-2877

■ \$1.50-2.00 sq. ft./mo., gross
Koko Marina Shopping Center
7192 Kalanianaʻole Hwy
Office/Zone 16
150,000 sq. ft./1,600 sq. ft. avail.
Parking open
Hawaii Management Corp./
531-9941

■ \$1.25 sq. ft./mo., net
Kukui Plaza
50 S. Beretania St.
Office/Zone 8
61,000 sq. ft./1,459 sq. ft. avail.
Parking available
Chaney Brooks Realty Inc./
528-0039

■ \$1.25-2.50 sq. ft./mo., net
Market City Shopping Center
2919 Kapiolani Blvd.
Office/Zone 14
86,000 sq. ft./3,878 sq. ft. avail.
1/430 sq. ft. parking
Market City Ltd./734-0282

■ \$1.90 sq. ft./mo., gross
Melina Building
333 Queen St., Suite F
Office/Zone 8
65,155 sq. ft./2,656 sq. ft. avail.
Parking upon availability
Melina Building Mgt./533-2991

■ \$1.75-2.10 sq. ft./mo., net
Milliani Town Center
95-1249 Menhuta Parkway
Office/Zone 22
166,476 sq. ft./8,625 sq. ft. avail.
Parking open
Monroe & Friedlander Inc./
524-2666

■ \$1.00-1.75 sq. ft./mo., net
The Mill
56-700 Kamehameha Hwy
Office/Zone 21
37,935 sq. ft./4,754 sq. ft. avail.
1/103 sq. ft. parking
Hawaii Management Corp /
531-9941

■ \$1.10-1.35 sq. ft./mo., net
Model Progress Building
1188 Fort St. Mall
Office/Zone 8
50,244 sq. ft./2,299 sq. ft. avail.
No parking
Monroe & Friedlander Inc./
524-2666

■ \$1.00-1.35 sq. ft./mo., net
94-810 Moloalo Street
94-810 Moloalo St.
Office/Zone 18
40,000 sq. ft./3,500 sq. ft. avail.
Parking available
Chaney Brooks Realty Inc./
528-0039

■ \$1.30-2.20 sq. ft./mo., gross
National Mortgage & Finance Building
1022 Bethel St.
Office/Zone 8
42,000 sq. ft./200 sq. ft. avail.
No parking
National Mortgage & Finance Co.
Ltd./531-9204

■ \$1.25 sq. ft./mo., gross
NCR Building
720 Kapiolani Blvd.
Office/Zone 10
41,000 sq. ft./1,908 sq. ft. avail.
1/500 sq. ft. parking
NCR Corporation/529-1114

■ \$1.00-1.55 sq. ft./mo., net
Newtown Square
99-1247 Kaahumanu St.
Office/Zone 25
59,375 sq. ft./2,152 sq. ft. avail.
Parking available
Chaney Brooks Realty Inc./
528-0039

■ \$80-150 sq. ft./mo., net
43 Oneawa Business Plaza
43 Oneawa St.
Office/Zone 26
12,870 sq. ft./350-1,200 &
1,630 sq. ft. avail.
Parking available
Ferry & Associates/261-1708

■ \$2.05-2.45 sq. ft./mo., gross
Pacific Park Plaza
711 Kapiolani Blvd.
Office/Zone 10
253,000 sq. ft./90,000 sq. ft. avail.
1/500 sq. ft. parking
TDC Hawaii Inc./522-5000

■ \$1.75-1.95 sq. ft./mo., gross
Pali Palms Plaza
970 N. Kalaheo Ave.
Office/Zone 26
59,500 sq. ft./8,642 sq. ft. avail.
Parking open
Marcus & Associates/839-7446

■ \$2.23-2.35 sq. ft./mo., gross
Pan American Building
1600 Kapiolani Blvd.
Office/Zone 10
221,000 sq. ft./2,800 sq. ft. avail.
1/600 sq. ft. parking
Wagner & Wagner Inc./526-0896

■ \$1.10-2.75 sq. ft./mo., net
Pantheon Building/Hawaii Building
1108 Fort St. Mall/
1127 Bethel St.
Office/Zone 8
47,000 sq. ft./1,700 sq. ft. avail.
No parking
Keawe Dowsett/536-8912

■ \$2.25 sq. ft./mo., gross
Pauihi Tower
1001 B-shop St.
Office/Zone 8
438,000 sq. ft./5,000 sq. ft. avail.
1/1,000 sq. ft. parking
Coldwell Banker—Hawaii/
541-5111

■ \$1.75 sq. ft./mo., net
Pearl City Plaza
97-917 Kamehameha Hwy.
Office/Zone 25
32,479 sq. ft./16,425 sq. ft. avail.
1/400 sq. ft. parking
Mike Furutani Realty/848-0531

■ \$1.75 sq. ft./mo., net
Pearl City Plaza
97-917 Kamehameha Hwy.
Office/Zone 25
32,479 sq. ft./6,800 sq. ft. avail.
1/unit parking
Monroe & Friedlander Inc./
524-2666

■ \$2.25 sq. ft./mo., net
Pearl Kai Center
98-201 Kamehameha Hwy.
Office/Zone 25
100,000 sq. ft./2,200 sq. ft. avail.
1/200 sq. ft. parking
Monroe & Friedlander Inc./
524-2666

■ \$2.00 sq. ft./mo., gross
615 Piikoi Building
615 Piikoi St.
Office/Zone 10
147,000 sq. ft./6,080 sq. ft. avail.
1/400 sq. ft. parking

■ \$1.76-2.22 sq. ft./mo., gross
Pioneer Plaza
900 Fort St. Mall
Office/Zone 8
250,000 sq. ft./880 sq. ft. avail.
1/652 sq. ft. parking
Chaney Brooks Realty Inc./
528-0039

■ \$2.11-2.19 sq. ft./mo., gross
Pioneer Plaza
900 Fort St. Mall
Office/Zone 8
250,000 sq. ft./7,554 sq. ft. avail.
1/700 sq. ft. parking
Gomes/Smith/Thomson Inc./
521-3233

■ \$1.35-1.64 sq. ft./mo., net
Puck's Alley
1019 University Ave.
Office/Zone 12
50,076 sq. ft./500 sq. ft. avail.
1/333 sq. ft. parking
Imperial Associates/946-2966

■ \$1.70-2.20 sq. ft./mo., gross
Queen Emma Office Building
1270 Queen Emma St.
Office/Zone 8
55,500 sq. ft./9,591 sq. ft. avail.
No parking
Marcus & Associates/839-7446

■ \$2.20 sq. ft./mo., gross
Queen Street Building
345 Queen St.
Office/Zone 10
66,380 sq. ft./25,012 sq. ft. avail.
1/350 sq. ft. parking
Chaney Brooks Realty Inc./
528-0039

■ \$2.30-3.95 sq. ft./mo., net
Restaurant Row
500 Ala Moana Blvd
Office/Zone 10
180-1,500 sq. ft. avail.
Parking available
Monroe & Friedlander Inc./
524-2666

■ \$1.75-2.50 sq. ft./mo., gross
Salt Lake Shopping Center
848 Ala Moana St.
Office/Zone 25
89,000 sq. ft./4,500 sq. ft. avail.
1/255 sq. ft. parking
Commercial Mgt. Corp./521-8571

■ \$1.25 sq. ft./mo., net
Tropicana Square
94-866 Moloalo St.
Office/Zone 18
25,524 sq. ft./3,300 sq. ft. avail.
Parking open
Monroe & Friedlander Inc./
524-2666

■ \$1.00+ sq. ft./mo., net
Union Plaza
1136 Union Mall
Office/Zone 8
46,408 sq. ft./30,000 sq. ft. avail.
No parking
Finance Investment Co. Ltd./
543-5190

■ \$1.65-1.98 sq. ft./mo., gross
Village Maluhia
1535 Pensacola St.
Office/Zone 12
89,200 sq. ft./830 sq. ft. avail.
Parking negotiable
Chaney Brooks Realty Inc./
523-0039

■ \$3.25 sq. ft./mo., gross
Wahiawa Shopping Center
823 California Ave.
Office/Zone 22
60,000 sq. ft./125 sq. ft. avail.
1/500 sq. ft. parking
Commercial Mgt. Corp./
521-8571

■ \$1.10-1.35 sq. ft./mo., net
Waikamilo Business Center
420 Waikamilo Road
Office/Zone 5
161,000 sq. ft./17,122 sq. ft. avail.
1/500 sq. ft. parking
Chaney Brooks Realty Inc./
528-0039

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Bob Hamilton, CLU

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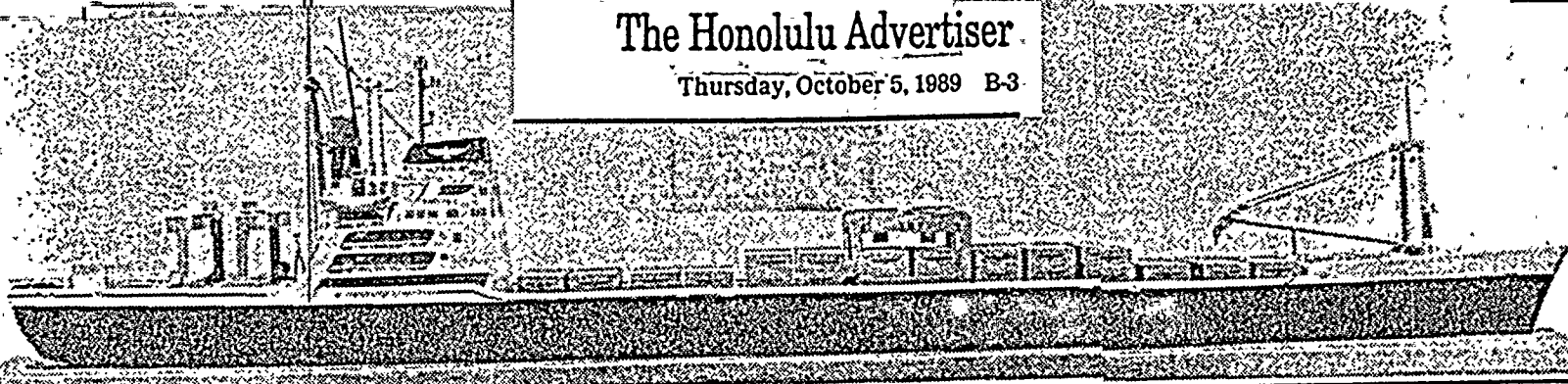


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All this, plus our proven record for stability, flexibility, reliability and personal service.
Work with the best in the business.

The Honolulu Advertiser

Thursday, October 5, 1989 B-3



American President Lines containership model: California-Hawaii service approved for five-year period.

APL gets Hawaii service approval *Matson will protest decision by DOT judge*

By Kit Smith

Advertiser Financial Editor

American President Lines has received preliminary approval to offer Mainland-Hawaii cargo service but with conditions — notably that the authority be for a five-year period.

"APL has some specific concerns but in general we're quite satisfied," said Gil Roeder, manager of corporate communications for APL's Oakland-based parent, American President Companies.

Matson Navigation Co., which has vigorously opposed APL's bid, said it will file exceptions to the decision, which was is-

sued Monday by Administrative Law Judge Daniel Head of the U.S. Department of Transportation.

The 176-page initial decision, besides the five-year limitation, would set an annual maximum for cargo of 28,200 40-foot container equivalents on 52 or 53 sailings from California. APL was denied permission to serve Hawaii from the Pacific Northwest.

The decision now goes to the U.S. maritime administrator for a final ruling. Matson said that allowing for the several steps available for review and appeal, a final resolution isn't expected until the second half of 1990, and after that a re-

view in the federal courts would be possible.

American President Lines filed 2½ years ago for authority to provide the service, proposing to use containerships that would stop here enroute to the Far East.

APL said Hawaii businesses would benefit by having another major alternative to Matson, which is by far the dominant carrier in the trade. APL said it had no intention of starting a price war but would depend on "superior service" to win and keep customers. It said it operates the largest double-stack train network in the

co, however, APL's application was protested not only by Matson but by SeaLand Service Co., which in 1987 succeeded bankrupt United States Lines as the major competitor to Matson in the Mainland-Hawaii market.

The protesters' main argument is that because APL receives federal subsidies — to allow it to compete more effectively in its international business — APL would have an unfair advantage. That argument holds, they said, even though APL would

United States to feed its westbound ships.

Yesterday, Roger Ulveling, director of the state Department of Business & Economic Development, said APL's prospective entry to the market "bodes well for Hawaii," in establishing not only a new Mainland-Hawaii link but additional service to the Far East.

At March 1988 hearings in San Francis-

co, however, APL's application was protested not only by Matson but by SeaLand Service Co., which in 1987 succeeded bankrupt United States Lines as the major competitor to Matson in the Mainland-Hawaii market.

Robert Pfeiffer, chief executive officer of Matson and of its parent Alexander & Baldwin Inc., commented yesterday that the limitations set by Judge Head "are significant in that they demonstrate recognition of this problem."

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58C-HN-7910-12

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Date 10/20/89

FM FBI HONOLULU (58C-HN-7910) (P)
TO DIRECTOR FBI (58-12342)/PRIORITY/

BT

UNCLAS

CITE: //3280//

SUBJECT: DANIEL K. INOUE, UNITED STATES SENATOR, STATE OF
HAWAII; ALLEGATION OF BRIBERY BY MATSON NAVIGATION COMPANY;
BRIBERY-LEGISLATIVE BRANCH; OO: HONOLULU.

RE BUREAU TELETYPE TO HONOLULU DATED 9/20/89.

REQUEST OF THE BUREAU:

THE BUREAU IS REQUESTED TO AUTHORIZE HONOLULU TO CONDUCT
INTERVIEWS OF [REDACTED] OF HAWAII PACIFIC
MARITIME, ALOHA TOWER, HONOLULU, HAWAII, AND [REDACTED], TRANS
MARINE NAVIGATION, WATERFRONT TOWER, HONOLULU, HAWAII, REGARDING
THEIR KNOWLEDGE OF PURPORTED CASH PAYOFFS BY MATSON NAVIGATION

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(1) *tk*

58C-HN-7910-13

Approved: *7/10/89*Transmitted *002*

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COMPANY TO UNNAMED PUBLIC OFFICIALS (WITHOUT IDENTIFYING UNITED STATES SENATOR DANIEL INOUE BY NAME OR OFFICE) TO PREVENT COMPETITION IN HAWAII. IN THE ALTERNATIVE, HONOLULU SUGGESTS THAT IF SUFFICIENT PREDICATE DOES NOT EXIST AT THIS TIME, THAT DOJ CONSIDER AN ANTI-TRUST INVESTIGATION CONCERNING THE ALLEGATION OF CONSPIRACY TO ESTABLISH A MONOPOLY BY MATSON NAVIGATION. FBIHQ IS REQUESTED TO ADVISE HONOLULU WHAT ADDITIONAL INVESTIGATIVE STEPS, IF ANY, CAN BE TAKEN.

REFERENCED BUREAU TELETYPE SPECIFICALLY DENIED AUTHORITY TO CONDUCT INTERVIEWS, SUBPOENA RECORDS, OR REVIEW FINANCIAL RECORDS OF SENATOR INOUE AND/OR THE MATSON NAVIGATION COMPANY BASED UPON INFORMATION PROVIDED BY AN ANONYMOUS CALLER. REFERENCED TELETYPE WENT ON TO SET OUT SPECIFIC INVESTIGATIVE STEPS TO BE TAKEN BY HONOLULU.

HONOLULU HAS BEEN UNABLE TO IDENTIFY THE ANONYMOUS CALLER WHO MADE THE ALLEGATIONS AGAINST SENATOR INOUE AND MATSON NAVIGATION COMPANY AND IS NOT AWARE OF INVESTIGATION THAT WOULD LIKELY RESULT IN IDENTIFYING THE ANONYMOUS COMPLAINANT.

MATSON NAVIGATION COMPANY HAS BEEN SERVING HAWAII SINCE 1882. ON 1/20/64, THE U.S. DEPARTMENT OF JUSTICE FILED A CIVIL

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ANTI-TRUST ACTION CHARGING THAT CONTROL OF MATSON BY ALEXANDER AND BALDWIN, CASTLE AND COOKE, SEABREWER AND COMPANY, AND AMERICAN FACTORS CONSTITUTED ILLEGAL RESTRAINT OF TRADE. (FOR THE INFORMATION OF THE BUREAU, IT SHOULD BE NOTED THAT THE BIG FIVE COMPANIES IN HAWAII REFERRED TO BY THE ANONYMOUS CALLER INCLUDE THE FOUR AFOREMENTIONED COMPANIES AND THEO H. DAVIES AND COMPANY, LIMITED.)

IN JULY, 1964, ALEXANDER AND BALWIN PURCHASED THE SHARES OF THE OTHER THREE DEFENDANTS IN THE ANTI-TRUST SUIT. IN THE NEXT FIVE YEARS, ALEXANDER AND BALWIN PURCHASED THE REMAINING OUTSTANDING STOCK, MAKING MATSON A WHOLLY OWNED SUBSIDIARY IN 1969.

AN ARTICLE IN THE HONOLULU ADVERTISER DATED THURSDAY, 10/5/89, REPORTED THAT AMERICAN PRESIDENTIAL LINES (APL) HAS RECEIVED PRELIMINARY APPROVAL TO OFFER MAINLAND-HAWAII CARGO SERVICE, BUT WITH CONDITIONS, NOTABLY THAT THE AUTHORITY BE FOR A FIVE YEAR PERIOD.

MATSON NAVIGATION COMPANY WHICH HAS VIGOROUSLY OPPOSED APL'S BID SAID IT WILL FILE EXCEPTIONS TO THE DECISION WHICH WAS ISSUED MONDAY, 10/2/89, BY ADMINISTRATIVE LAW JUDGE DANIEL HEAD OF THE

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U.S. DEPARTMENT OF TRANSPORTATION.

THE DECISION NOW GOES TO THE U.S. MARITIME ADMINISTRATOR FOR A FINAL RULING. MATSON SAID THAT IN ALLOWING FOR THE SEVERAL STEPS AVAILABLE FOR REVIEW AND APPEAL, A FINAL RESOLUTION IS NOT EXPECTED UNTIL THE SECOND HALF OF 1990, AND AFTER THAT A REVIEW IN THE FEDERAL COURTS WOULD BE POSSIBLE.

APL FILED TWO AND ONE-HALF YEARS AGO FOR AUTHORITY TO PROVIDE THE SERVICE PROPOSING TO USE CONTAINER SHIPS THAT WOULD STOP IN HAWAII EN ROUTE TO THE FAR EAST.

APL SAID HAWAII BUSINESS WOULD BENEFIT BY HAVING ANOTHER MAJOR ALTERNATIVE TO MATSON WHICH IS BY FAR THE DOMINATE CARRIER IN THE TRADE. APL SAID IT HAD NO INTENTION OF STARTING A PRICE WAR BUT WOULD DEPEND ON "SUPERIOR SERVICE" TO WIN AND KEEP CUSTOMERS.

AT MARCH, 1988 HEARINGS IN SAN FRANCISCO, APL'S APPLICATION WAS PROTESTED, NOT ONLY BY MATSON, BUT BY SEA-LAND SERVICE COMPANY WHICH IN 1987 SUCCEEDED BANKRUPT UNITED STATES LINES AS THE MAJOR COMPETITOR TO MATSON IN THE MAINLAND-HAWAII MARKET.

THE PROTESTER'S MAIN ARGUMENT IS THAT BECAUSE APL RECEIVES FEDERAL SUBSIDIES, TO ALLOW IT TO COMPETE EFFECTIVELY IN THIS

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INTERNATIONAL BUSINESS, APL WOULD HAVE AN UNFAIR ADVANTAGE. THAT ARGUMENT HOLDS, THEY SAID, EVEN THOUGH APL WOULD FORFEIT PORTIONS OF SUBSIDIES RELATED TO THE MAINLAND-HAWAII LEG OF ITS VOYAGES.

A MATSON ADVERTISEMENT IN THE OCTOBER, 1989 ISSUE OF THE HAWAII INVESTOR STATED THAT, "NO ONE GOES TO HAWAII AS OFTEN AS MATSON DOES, THREE TIMES A WEEK. FROM MORE PACIFIC COAST PORTS TO MORE HAWAIIAN PORTS THAN ANYONE ELSE. MATSON SERVES HAWAII WITH MORE SHIPS, MORE CONTAINERS, AND MORE CAPACITY THAN ANYONE IN THE BUSINESS."

ON 10/13/89, [REDACTED] WHO HAS FURNISHED RELIABLE INFORMATION IN THE PAST, ADVISED THAT SENATOR INOUE ATTENDED A 1987 MEETING AT THE PACIFIC CLUB IN HONOLULU, HAWAII, AND WAS OVERHEARD STATING, "APL (AMERICAN PACIFIC LINES) WILL COME IN OVER MY DEAD BODY", REFERRING TO APL'S ATTEMPT TO COMPETE WITH MATSON NAVIGATION.

IN SUMMARY, HONOLULU RECOMMENDS (1) INTERVIEW OF SHIPPING INDUSTRY OFFICIALS REGARDING PAYMENTS OF BRIBES BY MATSON NAVIGATION TO UNNAMED PUBLIC OFFICIALS TO PREVENT OR RESTRICT COMPETITION; OR IN THE ALTERNATIVE, (2) THAT DOJ AUTHORIZE AN ANTI-TRUST INVESTIGATION CONCERNING ALLEGED CONSPIRACY BY MATSON

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NAVIGATION TO CREATE A MONOPOLY.

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(Number) (Time)

Memorandum



To : SAC, HONOLULU (58C-HN-7910) (P) Date 10/24/89

From :

SSA [redacted]

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Subject :

DANIEL K. INOUE
UNITED STATES SENATOR
STATE OF HAWAII
ALLEGATION OF BRIBERY BY
MATSON NAVIGATION
BRIBERY - ~~UNITED STATES SENATE~~ - LEGISLATIVE BRANCH
~~PUBLIC CORRUPTION MATTER~~
(OO: HN)

(X)
JNA

On 10/23/89, FBIHQ Supervisor [redacted] telephonically contacted SSA [redacted] and advised that additional investigation needs to be conducted concerning FBIHQ original request to include the following:

11-3-89
TO 1A [redacted] JNA
A DUN AND BRADSTREET check should be made of the five businesses referred to in previous communications to identify the executive officers of those "big five" businesses. Investigation should then be conducted including indices and ELSUR searches in an attempt to identify the complainant who said he was a Republican Congressman's [redacted] and a former employee of the [redacted]

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SSA [redacted] pointed out that ELSUR and indices searches also should have been conducted regarding the other names of the "big five" businesses, their Board of Directors, to include American Presidential Lines and Sealand Services. He advised that once these investigative steps are completed and in the event the complainant is not identified, Honolulu should state its position as to whether or not additional inquiry is necessary to attempt to identify complainant and whether or not it is likely to be of any value to identify complainant.

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SSA [redacted] stated in the event this investigation is not completed [redacted]

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The case agent in this matter should take appropriate steps to cause the DUN AND BRADSTREET reports to be obtained as mentioned above, and ELSUR and indices searches to be conducted on the other executives and companies identified.

Sea-Land executive to speak on Hawaii's future in cargo

Does Hawaii have a role in cargo shipment development around the Pacific?

William J. Kenwell, the newly arrived vice president and general manager for Hawaii/Guam at the Pacific Division of Sea-Land Service Inc., will answer that and other questions at the next luncheon meeting of the "8 Bells" waterfront symposium.

The meeting is scheduled for Oct. 24 at noon in the Hawaii Maritime Center's Pacific Room.

Kenwell also will focus on the need for container space on the waterfront in Honolulu.

Maritime businesses believe such issues are important as American President Lines moves closer to serving Hawaii.

Earlier this month, an administrative law judge in Washington, D.C., gave preliminary approval to the firm's application to ship container cargo to and from Hawaii.

At Sea-Land, Kenwell succeeded Dick Murphy, who was transferred to Singapore after less than two years working in Honolulu.

The "8 Bells" monthly symposiums are co-sponsored by the Maritime Affairs Committee of the Chamber of Commerce, the Propeller Club Port of Honolulu, the Hawaii Maritime Center, Mamala Bay Catering, and the University of Hawaii Sea Grant Extension Service.

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T set for 11/6/89.

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Routing Slip

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Attn: SSA [redacted]
SA [redacted]

TO: LEGAT,

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- ☐ ASAC, New Rochelle (MRA)
☐ ASAC, Brooklyn-Queens (MRA)

10/22/89
Date

RE: 58C-HN-7910

Daniel K. Inouye, U.S. Senator, et al;
Bribery Legislative Branch; OO: HN.

- Retention For appropriate
☐ For information ☐ optional ☐ action ☒ Surep, by upon receipt.
☐ The enclosed is for your information. If used in a future report, ☐ conceal all sources,
☐ paraphrase contents.
☐ Enclosed are corrected pages from report of SA _____

dated Reminder: per our conversation 10/23/89.

Remarks: Please submit FD-761 & LHM as set forth in MEOG at this time if not already completed to date. Also note [redacted]

(Rel. FBIHQ teletype 9/20/89)

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Please call if you have any questions.

Thanks

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PCU, FBIHQ
X-5701

FBI/DOJ

58A-HN-7910

JRA:tls

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On October 13, 1989, [redacted] advised Special Agent [redacted] that United States Senator DANIEL K. INOUE had attended a luncheon at the PACIFIC CLUB in Honolulu, Hawaii during 1987. INOUE made a statement at his table that "AMERICAN PRESIDENT'S LINE (APL) will come in over my dead body." This statement was made during a discussion of APL's bid to enter the Hawaii-California shipping business in competition with MATSON NAVIGATION COMPANY.

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Information herein obtained confidentially; Informant's name is not to be disclosed in a report or otherwise unless it has been decided definitely that this person is to be a witness in a trial or hearing.

Delay in reporting is due to stenographic delinquency in the Honolulu Division, of which the Bureau is aware.

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58A-HN-7910-17

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☐ Facsimile
☒ AIRTEL

PRECEDENCE:

- ☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

- ☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 11/13/89

To : Director, FBI (Attention: Criminal Investigative Division)
 From : SAC, Honolulu (58C-HN-7910) (P)
 Subject : Public Corruption Data Transmittal Form

1. Title: (use additional page if necessary)

DANIEL K. INOUE, UNITED STATES SENATOR,
 STATE OF HAWAII:

Re: (continued on page 2)

Honolulu teletype to the Bureau dated 10/20/89.

2. ☒ Enclosed are the original and three copies of a LHM for dissemination purposes.
(check if appropriate)

3. Office of Origin File No 58C-HN-7910 (include alpha)

4. ☐ Initial submission ☐ Supplemental submission (check one)

5. Date opened upon SAC authority

6. Level of subject official (See codes on reverse. Use additional pages, as necessary, for additional subjects.)

Level K04 Number of Subject(s) 1
 Level . Number of Subject(s)
 Level . Number of Subject(s)

7. Indicate which of the following investigative techniques have been utilized to date.
(check all appropriate boxes)

Code Number / Description

- Z1 ☐ Acct. Tech. Assist.
 Z2 ☐ Aircraft Assist.
 Z3 ☐ Computer Assist.
 Z4 ☐ Consensual Monitoring
 Z5 ☐ Elsur - FISC
 Z6 ☐ Elsur - Title III
 Z7 ☐ Eng. Sect. Field Support
 Z8 ☐ Eng. Sect. Tape Exams
 Z9 ☐ Hypnosis Assist.
 Z10 ☐ Ident Div. Assist.
 Z11 (A) ☒ Symbolized Informant
 Z11 (B) ☐ Cooperating Witness
 Z11 (C) ☐ Cooperating Subject
 Z12 ☐ Lab. Div. Exams
 Z13 ☐ Lab. Div. Field Support

Code Number / Description

- Z14 ☐ Pen Registers
 Z15 ☐ Photo Coverage
 Z16 ☐ Polygraph Assist.
 Z17 ☐ Search Warrants Use
 Z18 ☐ Show Money Use
 Z19 ☐ Surveillance Squad Use
 Z20 ☐ Swat Team
 Z21 ☐ Tech. Agent
 Z22 ☐ Telephone Toll Records
 Z23 ☐ Group I UCO
 Z24 ☐ Group II UCO
 Z25 ☐ Undercover - Other
 Z26 ☐ NCAVG/VI - CAP
 Z27 ☐ VIA

(2) Field Office - Honolulu

3 - FBIHQ (Enc. 4)
 (1 - White-Collar Crimes Section, Public Corruption Unit)

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b7C

JRA:lmb
 (5)

Approved: _____ Transmitted _____ Per _____
 (Number) (Time)

58C-HN-7910-119

Searched

Indexed

Serialized

Filed

FBI/DOJ

Codes for Levels of Officials

Federal		Local (Continued)	
K01	President	M13	Law Enforcement Officer - command position Field Office or SSRA city
K02	Vice-President	M14	Law Enforcement Officer - command position Non-Field Office or SSRA city
K03	Cabinet Level	M15	Law Enforcement Officer - ranking officer Field Office or SSRA city
K04	U.S. Senator	M16	Law Enforcement Officer - ranking officer Non-Field Office or SSRA city
K05	U.S. Representative	M17	Other Elected Officials - Field Office or SSRA city
K06	Judge	M18	Other Elected Officials - Non-Field Office or SSRA city
K07	Prosecutor	M19	Public Employee (appointed) - Field Office or SSRA city, managerial level or above
K08	Law Enforcement Official	M20	Public Employee (appointed) - Non-Field Office or SSRA city, managerial level or above
K09	Federal Employee, GS-13 and above	M21	Public Employee (appointed) - Field Office or SSRA city, less than managerial
K10	Federal Employee, GS-12 and below	M22	Public Employee (appointed) - Non-Field Office or SSRA city, less than managerial
K11	Military Personnel, commissioned		
K12	Military Personnel, non-commissioned		
State		Territorial	
L01	Governor	N01	Governor
L02	Lt. Governor	N02	Lt. Governor
L03	Cabinet Level	N03	Cabinet Level
L04	Senator	N04	Senator
L05	Representative	N05	Representative
L06	Judge	N06	Judge
L07	Prosecutor	N07	Prosecutor
L08	Law Enforcement Officer	N08	Law Enforcement Officer
L09	State Employee, managerial or above	N09	Territorial Employee, managerial or above
L10	State Employee, less than managerial	N10	Territorial Employee, less than managerial
Local			
M01	Mayor - Field Office or SSRA city		
M02	Mayor - Non-Field Office or SSRA city		
M03	Legislator (Commissioner, Council- man, etc.) Field Office or SSRA city		
M04	Legislator (Commissioner, Council- man, etc.) Non-Field Office or SSRA city		
M05	Judge - Field Office or SSRA city		
M06	Judge - Non-Field Office or SSRA city		
M07	Prosecutor - Field Office or SSRA city		
M08	Prosecutor - Non-Field Office or SSRA city		
M09	Chief of Police - Field Office or SSRA city		
M10	Chief of Police - Non-Field Office or SSRA city		
M11	Sheriff - Field Office or SSRA city		
M12	Sheriff - Non-Field Office or SSRA city		

8. Type of Corruption Investigated (check all appropriate boxes)

Code Number/Description

- (A) Judicial Corruption
A1 ☐ Federal
A2 ☐ State
A3 ☐ Local
A4 ☐ Territorial

(C) Contract Corruption

- C1 ☐ Federal
C2 ☐ State
C3 ☐ Local
C4 ☐ Territorial

(E) Law Enforcement Corruption

- E1 ☐ Federal
E2 ☐ State
E3 ☐ Local
E4 ☐ Territorial

Code Number/Description

- (B) Legislative Corruption
B1 ☒ Federal
B2 ☐ State
B3 ☐ Local
B4 ☐ Territorial

(D) Regulatory Corruption

- D1 ☒ Federal
D2 ☐ State
D3 ☐ Local
D4 ☐ Territorial

9. Does corruption involve drug related activity? (check one) ☐ Yes ☒ No

10. Statistical Accomplishments (number since last submission)

- | | | | |
|-------------------------|-------|-----------------------|-------|
| A. Complaints | _____ | F. Acquittal | _____ |
| B. Informants | _____ | G. Recoveries | _____ |
| C. Indictments | _____ | H. Restitutions | _____ |
| D. Convictions | _____ | I. Potential Economic | _____ |
| E. Pre-trial Diversions | _____ | Loss Prevented | _____ |

11. Forfeiture Provisions Utilized (check one) ☐ Yes ☐ No

12. Status of Case (check one)

☐ Closed

13. Basis for Closing (check one)

- ☐ U.S. Attorney Declination
☐ Dismissal
☐ Acquittal
☐ Conviction
☐ Administrative by SAC (no other basis involved)

Additional Administrative Data (if needed):

Continued from Title:

ALLEGATION OF BRIBERY BY MATSON NAVIGATION CO.;
BRIBERY - LEGISLATIVE BRANCH
(00: HONOLULU)

ADMINISTRATION:

Confidential source is

b7D

REQUEST OF BUREAU:

b7E

b7E

Memorandum



To : SAC, HONOLULU (163A-59997)

Date 11-22-89

From : SA [REDACTED]

Subject : COLDWATCH
FPC

b6
b7C

(X)
JMA

SA [REDACTED] was assigned on a full-time basis to this matter from 9-28-89 thru 11-10-89.

20 - HONOLULU.

29 E - HN - 7833

29 A - HN - 7970

29 A - LA - 15955

29 K - 2117

29 J - 2119

49 A - HN - 7876

58 A - HN - 7888

✓ 58 C - HN - 7910

[REDACTED]

164 B - 433

194 C - HN - 7859

194 B - HN - 7864

194 B - HN - 7889

194 A - 120

196 B - HN - 7817

196 A - HN - 7867

196 A - MM - 2858

196 A - 702.

206 A - 149

206 A - 182

b7D

b6
b7C

58C-HN-7910-26

SEARCHED-FOIMS	MAN
Indexed	Serialized
NOV 23 1989	
FBI - HONOLULU JMA	

#5

580-HN-7910-21

SEARCHED-FOIMS	MAN
Indexed	Serialized
DEC 6 1989	
FBI - HONOLULU	

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b7C

#5 9

(Mount Clipping in Space Below)

No smooth sailing for

Hawaii shipping

Eleven firms quit in past three years

By Rod Smith

In the past three years, 11 shipping companies have quit serving Hawaii for various reasons, primarily because of the state's remote location, a top local maritime executive said.

"In terms of a major economic zone, we are probably one of — if not the most — remote places in the world," said Tim Guard, president of the state's largest and oldest stevedoring company, McCabe, Hamilton & Renny Ltd.

Hawaii is 4,200 nautical miles from Japan and 2,500 nautical miles from the Mainland, and is described as the longest "single hop" in the world with no alternative stop.

"Contrary to popular perceptions, we are not the crossroads of the Pacific. A ship from the Panama Canal to the Philippines will sail 400 miles south of us," said Capt. Don Gately, Oahu district manager of the state Harbors Division.

Guard said overcapacity, inadequate financing, and poor management also had been stumbling blocks to shippers trying to operate in Hawaii.

He said there have been too many vessels competing for too little cargo. Guard added that "slashing tariffs" and "strong competition" have spelled "too little revenue."

He also said shippers have been undercapitalized, earned inadequate voyage revenues, and faced high costs for certain services.

Some companies "have failed to pay attention to certain basic elements, including financial, sales, and operations, and they may have used unsuitable equipment or equipment that is poorly maintained."

Guard listed the 11 shipping and maritime companies he said have withdrawn from Hawaii service since 1986:

- U.S. Lines, now bankrupt, "had a number of ships built in the Far East when fuel was the primary consideration but which did not meet the needs of the around-the-world schedule they were trying to run," Guard said.

- Lykes Brothers Steamship Co. Inc. "pulled back from trans-Pacific routes because of overtonnage in the Pacific and the decrease in cargo volume and revenue." The firm is still operating in the North Atlantic.

- Pacific-Australia Direct Line merged with Sofrana for lack of freight revenues.

- Honolulu Inc. was a local barge company that Guard said "just couldn't make it" because of competition from other barge operators.

- Transport Express Lines and Coastal Hawaiian Lines both went bankrupt after finding that "running a long-haul barge operation was difficult and costly," Guard said. "Without large barges and tugs, smaller barges find the trans-Pacific haul hard to sustain."

- The S.S. Monterey bankruptcy was "partly a marketing problem. They came in against entrenched competition and misestimated the difficulty of getting into the cruise ship business."

- Kwoya Line failed because of insufficient volume and

(Indicate page, name of newspaper, city and state.)

Pacific Business News
Honolulu, Hawaii

Date: 10/30/89

Edition:

Title:

Character:

or

Classification: 58C-HN-7910

Submitting Office: Honolulu

Indexing:

X
JWA

58C-HN-7910-21X1

SEARCHED-FOIMS	MAN
Indexed	Serialized
OCT 31 1989	
FBI - HONOLULU	
JWA	

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FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ AIRTEL

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 12/7/89

TO : DIRECTOR, FBI
 FROM : SAC, HONOLULU (58C-HN-7910) (P)
 SUBJECT: DANIEL K. INOUE,
 UNITED STATES SENATOR,
 STATE OF HAWAII;
 ALLEGATION OF BRIBERY BY MATSON
 NAVIGATION COMPANY;
 BRIBERY-LEGISLATIVE BRANCH
 (OO: HONOLULU)

Re Honolulu airtel to the Bureau dated 11/13/89.

Enclosed is a copy of an article which appeared in the
 PACIFIC BUSINESS NEWS on Monday, 10/30/89, related to competition
 in the Hawaii shipping market.

Delay in reporting is due to stenographic
 delinquency in the Honolulu Division, of
 which the Bureau is aware

3 - Bureau (Enc. 1)
 ② - Honolulu
 JRA:lmb
 (5) *lmb*

-1*

#5 *7*

JRA

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58C-HN-7910-22

Approved: _____

Transmitted _____

(Number)

(Time)

Per _____

Searched.....

Indexed.....

Serialized.....

Filed.....

Memorandum



To : SAC, HONOLULU (58C-HN-7910) (P)

Date 12/14/89

From : IA

b6
b7C

Subject : DANIEL INOUE
U.S. SENATOR; BRIBE

(X)
JMA

On 12/5/89, writer obtained a copy of the latest annual report (12/31/88) on file for AMFAC.

1*

Honolulu
GDM:jds
(2)

#5 7

58C-HN-7910-23

SEARCHED-FOIMS	MAN
Indexed	Serialized
DEC 15 1989	
FBI - HONOLULU	
JMA	

b6
b7C

Request for Agency Check
FD-356 (Rev. 7-24-74)

INSTRUCTIONS

1. Submit form in duplicate (unless used only to request check of State automated motor vehicle records).
2. This form may be submitted in legible HAND PRINTING.
3. Use separate form for each person on whom record is requested.
4. Date & place of birth imperative for passport check.
5. Indicate office for reply in lower left corner. Also list in same corner all offices which should receive copies of reply. Include carbon for each office receiving copies.
6. With regard to military records this form does not apply to deserters.
7. Reverse side of form may be used for recording results, if needed.

TO: SAC, <input type="checkbox"/> Alexandria <input type="checkbox"/> San Antonio RE: <input type="checkbox"/> CIA <input type="checkbox"/> Other		Date	
<input type="checkbox"/> Baltimore <input type="checkbox"/> St. Louis <input type="checkbox"/> INS		11/17/89 (X) JRA	
<input type="checkbox"/> Denver <input type="checkbox"/> WFO <input type="checkbox"/> MILITARY			
<input type="checkbox"/> Indianapolis <input checked="" type="checkbox"/> NEW YORK <input type="checkbox"/> PASSPORT			
ATTN: Liaison Section			
Name AMERICAN FACTORS		Aliases: AMFAC	
Alien Reg. Number	Social Security Number	Date of Birth	Place of Birth
Passport Number	Service Number	Race	Sex
Address 700. Bishop St., Honolulu, Hi		Complexion	
		Height	Weight
		Hair	Eyes
Other pertinent information:		FOR REPLY ONLY	
		<input type="checkbox"/> On basis of information furnished, unable to identify:	
		<input type="checkbox"/> Military <input type="checkbox"/> Passport <input type="checkbox"/> INS <input type="checkbox"/> CIA	
		<input type="checkbox"/> No pertinent identifiable information	
		<input type="checkbox"/> Available information attached	
		<input type="checkbox"/> Photo: <input type="checkbox"/> Attached <input type="checkbox"/> Unavailable	
		<input type="checkbox"/> Handwriting specimen attached	
Specific information desired: Identify the Executive officers & Board of Directors through a check of DUN AND BRADSTREET RECORDS		Inquiry made by [redacted]	
		Date: 12/4/89	
Also furnish: <input type="checkbox"/> Photo <input type="checkbox"/> Handwriting specimens		Block Stamp and Notations	
Return reply to: SAC HONOLULU (58C-HN-7910)		58C-HN-7910-24	
Attention SA [redacted]		SEARCHED-FCIMS MAH Indexed Serialized Filed	
Send copies to:		DEC 11 1989	
		[redacted] LULU JRA	

AMERICAN FACTORS

ENTER CITY: HONOLULU

ENTER STATE: HI

NO MATCH ON AMERICAN FACTORS IN HONOLULU

THE SEARCH WAS EXTENDED TO THE ENTIRE STATE OF HI

1 American Fmly Lf Assur Co	2828 Paa St Suit	HONOLULU	157764663 B
2 AMERICAN FEDERATION OF TELEVI	1200 COLLEGE WAL	HONOLULU	097694970 I
3 American Fence Co Ltd	2983 Aukele St	LIHUE	007196793 B
4 American Fence Co Ltd	240 Hookahi Stre	WAILUKU	087194163 B
5 American Fence Co Ltd	399 Kalaniana'ole	HIL	077676377 B
6 American Fence Co Ltd	73-4818 Kanalani	KAILUA-KONA	152360186 B
7 American Fence Co Ltd	94-086 Leokane S	WAIPAHU	605304799 B
8 American Fence Co Ltd	96-1373 Waihona	PEARL CITY	046004891 B
9 American Financial Svcs of Haw	841 Bishop St 12	HONOLULU	113229876
10 American Fire Extinguisher Haw	2831 Awaawaloa	HONOLULU	084548858
11 AMERICAN FLYING COMPANY INC	3031 ADLELE ST	HONOLULU	077699163 I
12 American Furniture Co Inc	1622 Kanakanui S	HONOLULU	157765330
13 American Gen Lf Insur Company	1718 Wilikina Dr	WAIHAWA	156852105 B

Request for Agency Check
FD-356 (Rev. 7-24-74)

INSTRUCTIONS

1. Submit form in duplicate (unless used only to request check of State automated motor vehicle records).
2. This form may be submitted in legible HAND PRINTING.
3. Use separate form for each person on whom record is requested.
4. Date & place of birth imperative for passport check.
5. Indicate office for reply in lower left corner. Also list in same corner all offices which should receive copies of reply. Include carbon for each office receiving copies.
6. With regard to military records this form does not apply to deserters.
7. Reverse side of form may be used for recording results, if needed.

TO: SAC, ☐ Alexandria ☐ San Antonio RE: ☐ CIA ☐ Other Date
☐ Baltimore ☐ St. Louis ☐ INS 11/17/89
☐ Denver ☐ WFO ☐ MILITARY
☐ Indianapolis ☒ NEW YORK ☐ PASSPORT (X) MA

Name

CASTLE & COOK INC

ATTN: Liaison Section

Aliases:

Alien Reg. Number

Social Security Number

Date of Birth

Place of Birth

Passport Number

Service Number

Address

650 Iwilei Rd, Honolulu, Hi

Race

Sex

Complexion

Height

Weight

Hair

Eyes

Other pertinent information:

FOR REPLY ONLY

☐ On basis of information furnished, unable to identify:

☐ Military ☐ Passport ☐ INS ☐ CIA

☐ No pertinent identifiable information

☒ Available information attached

☐ Photo: ☐ Attached ☐ Unavailable

☐ Handwriting specimen attached

Inquiry made by

Date: 12/4/89

Specific information desired:

Identify the Executive officers
& Board of Directors through a
check of DUN AND BRADSTREET RECORDS

Also furnish: ☐ Photo

☐ Handwriting specimens

Return reply to:

SAC HONOLULU

(58C-HN-7910)

Attention SA

Send copies to:

Block Stamp and Notations

58C-HN-7910-25

SEARCHED-FCIMS INDEXED-FCIMS
Serialized Filed

DEC 11 1989

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ATTN: (HONOLULU)

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◆IN DATE◆

Statement Date: DEC 31 1988
RATING CHANGE

DUNS: 00-896-5428
CASTLE & COOKE, INC

10900 WILSHIRE BLVD, STE 1500
AND BRANCH(ES) OR DIVISION(S)
LOS ANGELES CA 90024
TEL: 213 824-1500

DATE PRINTED
DEC 04 1989

GROWER OF FRUITS &
VEGETABLES;
PROCESSOR OF
CANNED FRUITS &
VEGETABLES; MFG
SUGAR

SIC NOS.

01 79 01 74 01 75
01 61 51 48 20 33

SUMMARY
RATING 5A2
FORMERLY 5A3
STARTED 1851
PAYMENTS SEE BELOW
SALES F \$2,469,208,000
WORTH F \$732,509,000
EMPLOYS 42,000(90 HERE)
HISTORY CLEAR
CONDITION GOOD
TREND DOWN

CHIEF EXECUTIVE: DAVID H MURDOCK, CHB

SPECIAL EVENTS

11/08/89 According to a published report, the Company intends to split into two separate companies, Bole Food Co and Castle & Cooke Inc (renamed from Oceanic Properties Inc). The split is expected to take place in early 1989.

PAYMENTS (Amounts may be rounded to nearest figure in prescribed ranges)						
REPORTED	PAYING RECORD	HIGH CREDIT	NOW DUES	PAST DUE	SELLING TERMS	LAST SALE WITHIN
11/89	Ppt	1000	250	-0-	N30	1 Mo
	Ppt	100	100	-0-		1 Mo
10/89	Disc	15000	15000	-0-		1 Mo
	Disc	1000	1000	-0-		1 Mo
	Disc	100	-0-	-0-		6-12 Mos
	Ppt	100000	250	250		2-3 Mos
	Ppt	100000	100000	35000		1 Mo
	Ppt	60000	60000	-0-	1/2 10 N30	1 Mo
	Ppt	35000	7500	-0-		1 Mo
	Ppt	30000	5000	-0-	N30	1 Mo
	Ppt	20000	2500	-0-	N30	1 Mo
	Ppt	20000	15000	-0-	N30	1 Mo
	Ppt	10000	1000	-0-		1 Mo
	Ppt	7500	500	-0-	N30	1 Mo
	Ppt	7500	-0-	-0-		1 Mo
	Ppt	5000	-0-	-0-	N30	1 Mo
	Ppt	5000	50	50		1 Mo
	Ppt	5000	2500	500	N30	1 Mo

Ppt	2500				4-5 Mos
Ppt	2500	1000	-0-	N30	1 Mo
Ppt	2500	2500	-0-		1 Mo
Ppt	2500	2500	-0-	Regular terms	1 Mo
Ppt	2500	1000	-0-	N30	1 Mo
Ppt	2500	50	50		1 Mo
Ppt	2500	1000	-0-	N30	
Ppt	1000	750	-0-		1 Mo
Ppt	1000	-0-	-0-		1 Mo
Ppt	1000	-0-	-0-		2-3 Mos
Ppt	1000	250	-0-		1 Mo
Ppt	1000	1000	-0-		1 Mo
Ppt	750	750	250		1 Mo
Ppt	750	-0-	-0-		2-3 Mos
Ppt	750	750	-0-		1 Mo
Ppt	750	750	-0-		1 Mo
Ppt	750	-0-	-0-		6-12 Mos
Ppt	500	500	-0-	N30	1 Mo
Ppt	500	500	500		2-3 Mos
Ppt	500	500	-0-	N30	1 Mo
Ppt	500	500	-0-		1 Mo
Ppt	500	250	-0-	N30	1 Mo
Ppt	250	250	-0-		1 Mo
Ppt	250	250	-0-		1 Mo
Ppt	100	-0-	-0-		2-3 Mos
Ppt	100	50	-0-		1 Mo
Ppt	100	100	-0-	N30	1 Mo
Ppt	100	100	-0-	N30	1 Mo
Ppt	50	50	-0-		1 Mo
Ppt	50	-0-	-0-	N30	6-12 Mos
Ppt		-0-	-0-		6-12 Mos
Ppt-Slow 15	35000	35000	-0-		1 Mo
Ppt-Slow 15	7500	2500	1000	N30	1 Mo
Ppt-Slow 15	2500	1000	1000	N30	1 Mo
Ppt-Slow 15	1000	500	250	N30	1 Mo
Ppt-Slow 30	250000	250000	250000	Regular terms	1 Mo
Ppt-Slow 30	55000	15000	500	N30	1 Mo
Ppt-Slow 30	15000	5000	2500		1 Mo
Ppt-Slow 30	100	50	-0-	N30	1 Mo
Slow 5	2500	750	-0-		1 Mo
Slow 5	500	250	-0-		1 Mo
Slow 10	100	-0-	-0-		6-12 Mos
Slow 15	400000	90000	70000		1 Mo
Slow 15	5000	1000	100		1 Mo
Slow 20	7500	-0-	-0-		1 Mo
Slow 60	1000	1000	1000	N30	
Ppt	10000	-0-	-0-		4-5 Mos
Ppt	7500	7500	-0-	N30	1 Mo
Ppt	1000	1000	100	N30	1 Mo
Ppt	500	500			1 Mo

Ppt	250			N30	
Ppt	100	50	-0-	N30	1 Mo
Ppt-Slow 10	2500	750	500		
Ppt-Slow 30	400000	30000	-0-		1 Mo
Ppt-Slow 30	7500	1000	-0-		1 Mo
Ppt-Slow 30	250	100	-0-	N30	1 Mo
Ppt-Slow 90	1000	1000	500	N7	1 Mo
Slow 15	2500	2500	2500	N30	
Slow 30-90	100	50	-0-	N7	1 Mo
Slow 90	50	50	50	N30	
10/8/89 Slow 25	1000				
Slow 60	100	50	50		1 Mo

→ Payment experiences reflect how bills are met in relation to the terms granted. In some instances payment beyond terms can be the result of disputes over merchandise, skipped invoices etc.

→ Each experience shown represents a separate account reported by a supplier. Updated trade experiences replace those previously reported.

FINANCE

A CONSULTING SERVICE IS AVAILABLE TO ASSIST YOU IN REVIEWING THIS ACCOUNT FURTHER. PLEASE CALL (800) 223 - 0141 TO SPEAK WITH A DUNS ACCOUNT CONSULTANT.

11/08/89

	Fiscal Consolidated Dec 31 1986	Fiscal Consolidated Dec 31 1987	Fiscal Consolidated Dec 31 1988
Curr Assets	602,393,000	746,460,000	865,891,000
Curr Liabs	299,146,000	453,589,000	545,522,000
Current Ratio	2.01	1.65	1.59
Working Capital	303,247,000	292,871,000	320,369,000
Other Assets	589,632,000	934,176,000	1,056,339,000
Deferred Liabs	305,927,000	695,158,000	634,199,000
Worth	586,952,000	521,889,000	732,509,000
Sales	1,776,795,000	1,855,134,000	2,469,208,000
Net Income	43,925,000	97,430,000	112,282,000
Deprec & Amort	30,005,000	29,410,000	44,494,000
Capital			
Expenditures	34,054,000	86,674,000	154,530,000
Interest Expense	26,271,000	15,406,000	33,641,000
Cash Prov By Opns	109,859,000	144,767,000	71,738,000
Fiscal Consolidated statement dated DEC 31 1988:			
Cash	\$ 102,748,000	Accts Pay	\$ 102,788,000
Accts Rec	288,753,000	Notes Pay	98,115,000
Inventory	429,839,000	Accruals	331,525,000
Prepaid	44,551,000	Taxes	11,233,000
		L.T. Liab-(1yr)	1,861,000
Curr Assets	865,891,000	Curr Liabs	545,522,000
Fixt & Equip	755,009,000	Long-Term Debt	331,166,000
Real Estate		Minority	
Developments	150,447,000	Interests	33,688,000
Investments-Other	43,382,000	L.T. Liab-Other	269,345,000
Long-Term		COMMON STOCK	319,885,000

Receivables	71,839,000	ADDIT. PD.—IN CAP	159,791,000
Goodwill	10,000,000	RETAINED EARNINGS	262,815,000
Other Assets	25,662,000	TRANSLATION ADJUSTMENT	18,000

Total Assets	1,922,230,000	Total	1,922,230,000
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From JAN 01 1988 to DEC 31 1988 sales \$2,469,208,000; cost of goods sold \$1,919,073,000. Gross profit \$550,135,000; operating expenses \$354,836,000. Operating income \$195,299,000; other income \$17,896,000; other expenses \$37,713,000; net income before taxes \$175,482,000; Federal income tax \$63,200,000. Net income \$112,282,000. Net worth at start \$521,889,000. Conversn-Pref Stk \$106,879,000. Net income \$112,282,000; dividends \$8,010,000; other deductions \$531,000; net worth at end \$732,509,000.

Prepared from statement(s) by Accountant: Arthur Andersen & Co.

ACCOUNTANTS' OPINION: "A review of the accountant's opinion indicates the financial statements meet generally accepted accounting principles and that the audit contains no qualifications".

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Item worth shown in summary section was computed after deduction of intangibles, goodwill, totaling \$10,000,000. Accounts receivable shown net less \$19,587,000 allowance. Fixed assets shown net less \$101,025,000 depreciation.

————BALANCE SHEET EXPLANATIONS (000's omitted)————.

INVENTORY: Valued principally at the lower of cost (FIFO) or market.

LONG-TERM RECEIVABLES: Include long-term contracts receivable.

INVESTMENTS-OTHER: Includes investments in 20-50% owned affiliates.

NOTES PAYABLE: Consist principally of borrowings under unsecured lines of credit.

LONG-TERM DEBT:

10.06% sr notes (1995)	\$172,000.
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12% subord notes (1997)	88,505.
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8 1/2% sink fund debens (1997)	22,430.
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Other notes (1989-93)	28,748.
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Mtgs & contracts (1989-2004)	28,324.
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Unamortized debt discount & costs	(6,980).
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Current	1,861.
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Certain agreements contain restrictive covenants.

Aggregate annual maturities 1990-93: \$5,169; \$93,674; \$10,123; and \$32,671.

LEASES: Total minimum operating lease obligations 1989-93 and after, \$338,129 (less subleases, \$20,958).

CONTINGENT LIABILITIES: Consist of litigation which, in the opinion of management, will not have a material adverse effect on the financial position of the Company.

————INCOME STATEMENT EXPLANATIONS (000's omitted)————.

OTHER INCOME: Consists of gain on sale of investment.

OTHER EXPENSES: Consist of interest, \$33,641; and other expenses, \$4,072.

————WORKING CAPITAL RECONCILIATION (000's omitted)————.

Balance Jan 1 1988, \$292,871; increase in fixed assets,

(\$95,928); increase in other noncurrent assets, (\$26,235); decrease in long-term debt, (\$10,374); decrease in other long-term liabilities, (\$50,585); increase in tangible net worth, \$210,620. Balance Dec 31 1988, \$320,369; net increase in working capital, \$27,498.

-----INTERIM UPDATE (000's omitted)-----

Management submitted the following interim figures dated

JUN 17 1989:

Cash	\$	42,000	Accts Pay	\$	483,600
Accts Rec		325,400	Notes Pay		182,800
Mdse		465,400	Current Portion-		
Prepaid Expenses		51,200	LT Debt		2,900

Sales for the 9 months ended Oct 7 1989 were \$2,017,722.

Profits for the period were \$71,111.

Sales ended Jun 17 1989 were up 7.3% compared to the same period last year. Profit for the period was down 23.5%.

Management attributed the Company's decline in earnings to lower fruit product selling prices in its European market due to competition; lower vegetable product selling prices in 1989 compared to higher prices in 1988 as a result of the impact of drought conditions in that year; and additional expenses associated with the introduction of new product lines.

-----OPERATING TRENDS-----

	1987	1988.
Sales % increase	4.4	33.1.
Gross Margin % sales	21.5	22.3.
Operating Expense % sales	13.3.	14.4.
Net Income % increase	121.8	15.2.

Consolidated sales increased significantly in 1988 as a result of the contributions of businesses acquired in 1987 along with higher sales prices and volumes, and the expansion of Dole's breakfast juice product line. In 1987, sales increased principally due to the introduction of new breakfast juices and increased prices for fresh vegetables.

Operating income has continued to increase in correlation with sales growth. 1987 net income included earnings from discontinued operations of \$8.495 million. In 1986, net income was impacted on by losses incurred from discontinued operations of \$28.563 million.

-----SELECTED FINANCIAL RATIOS-----

	1987	1988.
Quick	0.73	0.72..
Collection Period (days)	52.9	42.1.
Inventory Turnover (times)	3.9	4.5..
Curr Liabs/Tang Net Worth (%)	85.3	73.5.

-----ANALYST'S COMMENTS-----

Overall, a good financial condition is indicated. The Company continues a record of increasing sales, profitable operations, and equity growth. Working capital was increased during 1988 and at year end; cash, cash equivalents and receivables represented 72% of current liabilities. Cash flow from operations has continued to increase; and the collection of trade receivables and inventory turnover have been improved through increases in the Company's domestic businesses and more rapidly turning product lines (nuts & raisins). Equity has been improved in proportion to both current and total liabilities.

BANKING

09/89 Account(s) averages low 5 figures. Account open over 3 years.
09/89 (Same bank) Account(s) averages low 5 figures. Account open over 3 years.

NOV 1989: According to its annual report of Dec 31 1988, the Company has \$545 million in uncommitted unsecured lines of credit available with several banks. \$37 million was outstanding under these lines at Dec 31 1988. At Jun 17 1989, short-term notes of \$182.8 million were outstanding.

HISTORY

11/08/89

DAVID H MURDOCK, CHB-CEO+
ALAN B SELLERS, V PRES-SEC-GEN
COUNSEL

RAYMOND F HENZE III, EXEC V PRES+
HARRY STEPHENS III, V PRES

GEORGE R HORNE, V PRES

DAVID B COOPER JR, V PRES-TREAS

DIRECTOR(S): The officers identified by (+) and Milton R Abrahams, James F Gary, Mike Curb, and Lewis B Harder.

Incorporated Hawaii Dec 29 1894. Authorized capital consists of 80,000,000 shares common stock, no par value.

Also authorized are 30,000,000 shares preferred at no par value.

ISSUED CAPITAL STOCK: At Dec 31 1988 there were 59,243,520 shares of common of common outstanding for a total consideration of \$479,676,000. No preferred shares were outstanding.

BACKGROUND/OWNERSHIP

Business started 1851.

This is a publicly held corporation with its common stock listed on the New York and Pacific Stock Exchanges under the symbol, "CKE". At Dec 31 1988, there were approximately 21,000 shareholders of record.

Holders of 5% or more of the Company's outstanding common stock at Mar 31 1989: David H Murdock, 22.9%; Equitable Life Assurance Society of the United States, 8.4%; Lazard & Freres & Co, 6.4%; and the officers and directors as a group, 23.9%.

ACQUISITIONS:

In 1988, the Company purchased Bonner Packing Company, a raisin packing and distributing operation for \$19 million.

In Dec 1987, acquired certain subsidiaries of Tenneco West, Inc for approximately \$197 million.

In 4th quarter 1987, purchased the California agricultural operations of Apache Incorporated for approximately \$68 million.

DISPOSITIONS:

On Mar 31 1987, the Company sold its Flexi-Van container leasing business to ITEL Corporation for approximately \$215,000,000.

In Oct 1987, sold substantially all of the remaining assets (primarily the chassis leasing business) and liabilities of Flexi-Van to a new publicly traded company for \$164 million.

MANAGEMENT BACKGROUND

MURDOCK born [REDACTED] 1946 to present, David H Murdock Development Company, Chief Executive Officer and sole proprietor. Also Chief Executive Officer and sole proprietor of Pacific Holding Company and a number of other companies with diversified holdings, including substantial investments in a number of corporations; also

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sole shareholder of numerous corporations engaged in industrial warehousing and real estate activities and in the manufacture of textiles and industrial and building products. 1982-86 Cannon Mills Co, Chairman. 1982 Chairman and Chief Executive Officer, Flexi-Van Corporation. 1985 Chairman and Chief Executive Officer of the subject.

HENZE born [] married. 1974 Williams College. 1975 to 1979 Citicorp International Group. 1979 to present Pacific Holding Company; 1981 senior vice president. 1983 to 1985 Flexi-Van Corporation, executive vice president and secretary; 1984 president and Chief Operating Officer. 1985 joined subject, executive vice president and director.

SELLERS born [] Graduated Yale University BA; and Columbia University JD. Admitted to the Bar 1977. 1979 to 1984 O'Melveny & Myers. 1984-1985 Ultrasystems, vice president and general counsel. 1985 joined subject, vice president, secretary and general counsel.

STEPHENS born [] Virginia Polytechnic Institute BS. 1974 Massachusetts Institute of Technology MS. 1982 Harvard University MBA. 1969-73 Central Intelligence Agency, cooperative education-foreign missile systems analyst. 1974-79 Pratt & Whitney Aircraft. 1979-80 Massachusetts Institute of Technology, industrial liason program, consultant and operations management. 1982 to 1986 Booz-Allen & Hamilton, Inc. 1986 joined subject, vice president-planning and business development.

HORNE born [] University of Idaho BS 1969. University of Hawaii, MBA 1981 University of Michigan. 1958 to 1963, United States Marine Corps. 1963 to 1966, Hawaii employers council. 1966 joined subject, vice president-human resources.

COOPER born [] Yale University BA; and 1982 MBA. 1978-81 Continental Grain Company, financial analyst. 1982-84 Chemical Bank, assistant manager. 1984-86 Flexi-Van Corporation, director of finance. 1986 joined subject, assistant treasurer and later in 1987, vice president and treasurer.

ADDITIONAL VICE PRESIDENTS: WILLIAM J HAIN JR, finance; LEO F KORMAN, controller; THOMAS C LEPPERT; ANTONY T F LUNDY, mergers and acquisitions.

OUTSIDE DIRECTORS: ABRAHAMS, partner, Abrahams Kaslow & Cassman, attorneys. GARY, Chairman, Pacific Resources, Inc. CURB, Chairman, Curb Communications, Inc. HARDER, Chairman, International Mining Corporation.

RELATED INTERESTS: Through the interests of David H. Murdock the Company is affiliated with the following businesses.

David H. Murdock is the sole proprietor of the David H. Murdock Development Company, Los Angeles, CA, started 1946, which is engaged in the ownership and operation of commercial buildings and hotels, general contracting, property management and leasing. He is also Chairman and Chief Executive Officer of Murdock Investment Corp., started 1978, which operates as a holding company owning all of the outstanding capital stock of Pacific Holding Company.

Pacific Holding Company, Los Angeles, CA, started 1968, owns all of the outstanding capital stock of numerous subsidiaries which are engaged in the manufacturing of household textile products, clay pipe, bricks, ceramic wall and floor tile and public warehousing operations.

There are intercompany merchandise transactions on regular terms

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and subject guarantees the performance by certain affiliates for their contractual obligations. No other intercompany relations have been reported.

OPERATION

11/08/89

The Company is operates principally in one business segment, food products, which accounts for more than 92% (1988) of total sales and operating name. The Company is principally engaged in worldwide production, processing, distributing and marketing of branded food products including "DOLE" fresh and processed pineapple, pineapple juice, bananas, citrus and deciduous fruits, "BUD OF CALIFORNIA" lettuce, celery, cauliflower, broccoli; table grapes grown in Chili and other fresh fruit and vegetable products, almonds, pistachios, dates, raisins, prunes and other dried fruit; packs and distributes citrus fruits grown in the United States; and produces sugar cane. The Company is reportedly the World's largest producer of fresh fruits and vegetables; the World's largest producer of pineapple; and the second largest producer of bananas. The Company is also engaged in residential real estate development (8%-1988).

The Company's six primary functions in descending order of sales generation are: the raising and distribution of pineapples and bananas, citrus and deciduous fruits, lettuce, celery, cauliflower and broccoli; and the production of fresh and packaged fruit juices. Terms: Chiefly net 10 days and 2% 10 days net 30. Has 10,000 accounts. Products are distributed through a wide range of businesses, including food wholesalers, chain stores and government agencies. Territory : Worldwide.

Season peaks summer months.

EMPLOYEES: 42,000. 90 employed here. There is no significant seasonal variation in employee levels.

FACILITIES: Leases premises in a multi story steel building in good condition. Occupies three floors housing corporate headquarters offices. Substantial acreage is owned on which certain of the products packed are grown. Plant facilities at numerous locations are owned. The Company and its subsidiaries own 150,000 acres of land in Hawaii. About 129,400 acres are owned on the islands of Oahu and Lanai. Bananas are grown on owned and leased plantations in Costa Rica (30,000 acres) and Honduras (31,000 acres) and purchased from other growers.

LOCATION: Central business section on main street.

SUBSIDIARIES: Castle & Cooke, Inc has numerous subsidiaries, most of which are wholly owned with others controlled through ownership of a majority of the outstanding voting shares. There have been intercompany merchandise transactions on 30 day terms. No other intercompany relations including guarantees or endorsements have been reported.

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ANALYST:

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ALL CORRESPONDENCE IN CONJUNCTION WITH
DUN AND BRADSTREET REQUESTS SHOULD BE
WITHHELD BY APPLICABLE FOI/PA EXEMPTIONS,
AS RELEASE COULD IDENTIFY DUN AND BRADSTREET
AS A CONFIDENTIAL SOURCE.

Request for Agency Check
FD-356 (Rev. 7-24-74)

INSTRUCTIONS

1. Submit form in duplicate (unless used only to request check of State automated motor vehicle records).
2. This form may be submitted in legible HAND PRINTING.
3. Use separate form for each person on whom record is requested.
4. Date & place of birth imperative for passport check.
5. Indicate office for reply in lower left corner. Also list in same corner all offices which should receive copies of reply. Include carbon for each office receiving copies.
6. With regard to military records this form does not apply to deserters.
7. Reverse side of form may be used for recording results, if needed.

TO: SAC, ☐ Alexandria ☐ San Antonio RE: ☐ CIA ☐ Other Date
☐ Baltimore ☐ St. Louis ☐ INS 11/17/89
☐ Denver ☐ WFO ☐ MILITARY
☐ Indianapolis ☒ ADIC ☐ PASSPORT
☒ NEW YORK

Name

THEO H. DAVIES & CO. LTD.

Alien Reg. Number

Social Security Number

Passport Number

Service Number

Address

841 Bishop St., Honolulu, Hi

Aliases:

Date of Birth

Place of Birth

Race

Sex

Complexion

Height

Weight

Hair

Eyes

Other pertinent information:

FOR REPLY ONLY

☐ On basis of information furnished, unable to identify:

- ☐ Military ☐ Passport ☐ INS ☐ CIA
☐ No pertinent identifiable information
☐ Available information attached
☐ Photo: ☐ Attached ☐ Unavailable
☐ Handwriting specimen attached

Inquiry made by:

Date:

12/4/89

Specific information desired:

Identify the Executive officers
& Board of Directors through a
check of DUN AND BRADSTREET
RECORDS

Also furnish: ☐ Photo

☐ Handwriting specimens

Return reply to:

SAC HONOLULU (58C-HN-7910)

File No

Attention SA

Send copies to:

Block Stamp and Notations

58-HN-7910-216
SEARCHED INDEXED
Serialized FILED
DEC 11 1989
HONOLULU
JNA

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PLEASE ENTER YOUR INQUIRY
(PHONE #, DUNS #, NAME, OR MNU): THEO H. DAVIES & CO LTD.

ENTER CITY: HONOLULU

ENTER STATE: HI

1. THEO'S INC	HOTEL & BISHOP STS.	059476002	
2. Theodavies Employees Cr Un	841 Bishop St	183966282	D
3. THEODAVIES TIRE COMPANY	N/A	127170082	D

BUSINESS REPORT TOO OLD TO PRINT.

Request for Agency Check
FD-356 (Rev. 7-24-74)

INSTRUCTIONS

1. Submit form in duplicate (unless used only to request check of State automated motor vehicle records).
2. This form may be submitted in legible HAND PRINTING.
3. Use separate form for each person on whom record is requested.
4. Date & place of birth imperative for passport check.
5. Indicate office for reply in lower left corner. Also list in same corner all offices which should receive copies of reply. Include carbon for each office receiving copies.
6. With regard to military records this form does not apply to deserters.
7. Reverse side of form may be used for recording results, if needed.

TO: SAC, <input type="checkbox"/> Alexandria <input type="checkbox"/> San Antonio RE: <input type="checkbox"/> CIA <input type="checkbox"/> Other		Date	
<input type="checkbox"/> Baltimore <input type="checkbox"/> St. Louis <input type="checkbox"/> INS		11/17/89	
<input type="checkbox"/> Denver <input type="checkbox"/> WFO <input type="checkbox"/> MILITARY			
<input type="checkbox"/> Indianapolis <input checked="" type="checkbox"/> ADIC <input type="checkbox"/> PASSPORT			
<input checked="" type="checkbox"/> NEW YORK			
Name		ATTN: Liaison Section	
C. BREWER & CO. LTD.			
Alien Reg. Number	Social Security Number	Date of Birth	Place of Birth
Passport Number	Service Number	Race	Sex
Address		Complexion	
827 Fort St., Honolulu, Hi		Height	Weight
		Hair	Eyes
Other pertinent information:		FOR REPLY ONLY	
		<input type="checkbox"/> On basis of information furnished, unable to identify:	
		<input type="checkbox"/> Military <input type="checkbox"/> Passport <input type="checkbox"/> INS <input type="checkbox"/> CIA	
		<input type="checkbox"/> No pertinent identifiable information	
		<input checked="" type="checkbox"/> Available information attached	
		<input type="checkbox"/> Photo: <input type="checkbox"/> Attached <input type="checkbox"/> Unavailable	
		<input type="checkbox"/> Handwriting specimen attached	
Specific information desired:		Inquiry made by	
Identify the Executive officers & Board of Directors through a check of DUN AND BRADSTREET RECORDS		Date: 12/4/89	
Also furnish: <input type="checkbox"/> Photo <input type="checkbox"/> Handwriting specimens		Block Stamp and Notations	
Return reply to:		58C-HN-7910-27	
SAC HONOLULU (58C-HN-7910)		SEARCHED-FCIMS (MAI)	
File No.		Indexed Serialized Filed	
Attention SA		DEC 11 1989	
Send copies to:		FBI HONOLULU	
		JNA	

ATTN: (HONOLULU)

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◆IN DATE◆

Statement Date: DEC 31 1988

DUNS: 05-947-9733
BREWER, C PROPERTIES, INC
(SUBSIDIARY OF BREWER, C &
COMPANY LIMITED (INC),
HONOLULU, HI)
C BREWER REALTY

DATE PRINTED
DEC 04 1989

REAL ESTATE
DEVELOPMENT
SIC NO.
65 52

SUMMARY
RATING —

STARTED 1970
PAYMENTS SEE BELOW
SALES F \$23,775,000
WORTH F \$35,296,000
EMPLOYS 35(23 HERE)
HISTORY CLEAR

BOX 1826
HONOLULU HI 96805
827 FORT ST
AND BRANCH(ES) OR DIVISION(S)
HONOLULU HI 96813
TEL: 808 536-4461

CHIEF EXECUTIVE: M J TILKER, CHB-PRES

PAYMENTS (Amounts may be rounded to nearest figure in prescribed ranges)						
REPORTED	PAYING	HIGH	NOW	PAST	SELLING	LAST SALE
RECORD		CREDIT	DUES	DUE	TERMS	WITHIN
10/89	Ppt-Slow 90	250	100	-0-	N30	1 Mo
09/89	Ppt	100	100	-0-	N30	1 Mo
	(003)	65000	60000	-0-		1 Mo
08/89	Ppt	500				
	(005)			-0-		
07/89	Ppt-Slow 15	100	50	-0-		4-5 Mos
06/89	Disc	100	-0-	-0-	1 10 N30	6-12 Mos
	Ppt				N30	
05/89	Slow 90	250	-0-	-0-		6-12 Mos
04/89	(010)	500	-0-	-0-		6-12 Mos
	Cash account					
01/89	Slow 60-120	50	-0-	-0-	N30	1 Mo

◆ Payment experiences reflect how bills are met in relation to the terms granted. In some instances payment beyond terms can be the result of disputes over merchandise, skipped invoices etc.

◆ Each experience shown represents a separate account reported by a supplier. Updated trade experiences replace those previously reported.

FINANCE

A CONSULTING SERVICE IS AVAILABLE TO ASSIST YOU IN REVIEWING THIS ACCOUNT
FURTHER. PLEASE CALL (800) 223 - 0141 TO SPEAK WITH A DUNS ACCOUNT
CONSULTANT.

	Fiscal	Fiscal	Fiscal
	Dec 28 1986	Consolidated Dec 27 1987	Consolidated Dec 31 1988
09/15/89			
Curr Assets	15,529,000	27,875,000	40,690,000
Curr Liabs	1,169,000	1,740,000	19,122,000

Current Ratio	13.3	16.0	2.13
Working Capital	14,360,000	26,135,000	21,568,000
Other Assets	27,175,000	19,770,000	32,953,000
Worth	36,635,000	41,745,000	35,296,000
Sales	11,266,000	16,368,000	23,775,000
Net Income	(1,138,000)	(644,000)	378,000

Fiscal Consolidated statement dated DEC 31 1988:

Cash	\$ 20,000	Accts Pay	\$ 456,000
Accts Rec	5,531,000	Bank D/D	26,000
Inventory	1,000,000	Accruals	2,770,000
Interco Rec	34,022,000	Taxes	(375,000)
Prepaid	117,000	L.T. Liab-(1yr)	41,000
		Interco Payables	16,187,000
		Unearned Rev	17,000

Curr Assets	40,690,000	Curr Liabs	19,122,000
Fixt & Equip	26,619,000	Long Term	3,704,000
Investments-Other	6,334,000	Ex Equity-Acquis	2,129,000
		Def. Credits/Income	13,392,000
		CAPITAL STOCK	2,000
		ADDIT. PD.-IN CAP	202,000
		RETAINED EARNINGS	35,092,000

Total Assets: 73,643,000 Total 73,643,000

From JAN 01 1988 to DEC 31 1988 sales \$23,775,000; cost of goods sold \$19,107,000. Gross profit \$4,668,000; operating expenses \$23,100,893. Net income before taxes \$539,000. Net income \$378,000.

Prepared from statement(s) by Accountant: Internal. Extent of audit, if any, not indicated.

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Accounts receivable shown net less \$47,000 allowance. Fixed assets shown net less \$25,784,000 depreciation. Investments-other in subsidiaries, joint ventures, and land held for resale. Long term debt includes various bank loans payable secured by fixtures and equipment, inventory, and accounts receivable. Def Credits/Income includes deferred taxes payable and unearned revenue.

On SEP 14 1989 Bruce Rosen, controller, submitted the above figures.

PUBLIC FILINGS

09/26/89

On Apr 20 1987 financing statement Partial Release #89-64305 was filed with the HI Sec of St listing Brewer, C Properties, Inc, Honolulu, HI as debtor; and Manufacturers Hanover Trust Company, Honolulu, HI, as secured party.

On Dec 16 1986 financial statement Partial Release #89-71702 was filed with the HI Sec of St listing Brewer, C Properties, Inc, Honolulu, HI, debtor and Manufacturers Hanover Trust Company, Honolulu, HI, as secured party.

On Dec 16 1986 financig statement Partial Release #89-71703 was filed with the HI Sec of St listing Brewer, C Properties, Inc,

Honolulu, HI, debtor and Manufacturer Hanover Trust Company, Honolulu, HI, as secured party.

11/08/89

On 07/26/89 financing statement Partial Release #89110255 was filed with the HI Sec of St listing BREWER, C PROPERTIES, INC, HONOLULU, HI, as debtor and MANUFACTURERS HANOVER TRUST CO, HONOLULU, HI, as secured party. Released collateral is the following; "specified", land.

On 07/26/89 financing statement BREWER C, PROPERTIES, INC, HONOLULU, HI, as debtor and BISHOP TRUST COMPANY, HONOLULU, HI, as secured party. Released collateral is the following; "specified", land.

11/09/89

On 08/08/89 financing statement Partial Release #89119097 was filed with the HI Sec of St listing BREWER, C PROPERTIES, INC, HONOLULU, HI, as debtor and MANUFACTURERS HANOVER TRUST COMPANY, HONOLULU, HI, as secured party. Released collateral is the following real property.

On 08/08/89 financing statement Partial Release #89119099 was filed with the HI Sec of St listing BREWER, C PROPERTIES, INC, HONOLULU, HI, as debtor and BISHOP TRUST COMPANY, HONOLULU, HI, as secured party. Released collateral is the following real property.

HISTORY

09/15/89

M J TILKER, CHB-PRES+

JAMES G HIGGINS, SEC+

DONALD E JAMES, TREAS

DIRECTOR(S): The officers identified by (+) and James S Andrasick and J Alan Kugle.

Incorporated Hawaii Oct 13 1970. Authorized capital consists of 100 shares common stock, \$10 par value.

Business started 1970 by parent company. 100% of capital stock is owned by parent company.

Original corporate name was Hawaiiana Investment Co Inc. Effective Jul 1 1985 name changed to Brewer, C Properties, Inc.

TILKER born [] Graduated from Brooklyn College, 1958, BA. Columbia University, 1959, MS. 1959-74 Mobil Chemical Co, treasurer and assistant controller, resigned. Record clear. 1974-76 Codesco Inc, vice president, resigned. Record clear. 1976-78 IU Distribution Services Inc, vice president, resigned. Record clear. 1978-present Brewer, C & Company Limited (Inc), executive vice president.

HIGGINS born [] 1949 University of California, Berkeley, CA, BS. 1951-68, US Internal Revenue Service. 1968-present Brewer, C & Company Limited (Inc).

JAMES born [] Attended Hasting Law School and graduated from Claremont Men's College 1963, AB. June 1963 to September 1966 Peat, Marwick, Mitchell & Co, CPA's, Los Angeles, CA. 1966-1970 Hastings Law School, San Francisco, CA. January 1970 to April 1976 Peat, Marwick, Mitchell & Co, CPA, Honolulu, CA. April 1976 to present Brewer, C & Company Limited (Inc).

ANDRASICK born [] Graduated from U S Coast Guard Academy, BS, 1965; MIT 1971, MS. 1965-69 U S Coast Guard. 1970 Jamesbury Corp. 1971-74 Ford Motor Co. 1974-78 IU International Corp, Philadelphia,

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PA. 1978-present Brewer, C & Company Limited (Inc), executive vice president.

KUGLE born [] 1959 Franklin and Marshall College, BA. 1962 New York University School of Law, LLB. 1962-69 Drinker, Biddle & Reath, attorneys, Philadelphia. 1969-76 Gino's Inc, employed as executive vice president and general counsel. 1976 to present C Brewer & Company Ltd; 1980 executive vice president.

OPERATION
09/15/89

Subsidiary of Brewer, C & Company Limited (Inc), Honolulu, HI started 1986 which operates as a sugar cane grower, manufactures raw sugar and molasses, wholesales chemical and fertilizer, macadamia nuts. Parent company owns 100% of capital stock. Parent company has 20 other subsidiaries. Intercompany relations: Loans and advances when required.

As noted this company is a subsidiary of Brewer C & Company Ltd, Honolulu, HI, Duns number 00-692-6786, and reference is made to that report for background information on the parent company and its management.

Real estate development firm (90%), through subsidiary operates a water systems (5%) and sewage system (5%) firm.

Terms: Cash paid on close of escrow. Sells to real estate developers and own account. Territory: State of Hawaii.

Nonseasonal.

EMPLOYEES: 35 including officers. 23 employed here.

FACILITIES: Rents 2,000 sq. ft. on 2nd floor of 2 story concrete block building in good condition.

LOCATION: Central business section on well traveled street.

BRANCHES: Has branch project office in Wailuku, HI.

SUBSIDIARIES: (1) Punalulu Water & Sanitation Corp, Honolulu, HI, 100% owned. Started 1975. Provides water and sanitary systems for developments of parent firm.

(2) C B Kilauea Inc, Honolulu, HI, started 1972, operates as real estate development company. 100%-owned.

(3) Kilauea Plantations, Honolulu, HI, started 1970, operates as real estate holding company. 100%-owned.

Occasional loans and advances. No formal endorsements or guarantees.

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FULL DISPLAY COMPLETE

ALL CORRESPONDENCE IN CONJUNCTION WITH
DUN AND BRADSTREET REQUESTS SHOULD BE
WITHHELD BY APPLICABLE FOI/PA EXEMPTIONS,
AS RELEASE COULD IDENTIFY DUN AND BRADSTREET
AS A CONFIDENTIAL SOURCE.

Request for Agency Check
FD-356 (Rev. 7-24-74)

INSTRUCTIONS

1. Submit form in duplicate (unless used only to request check of State automated motor vehicle records).
2. This form may be submitted in legible HAND PRINTING.
3. Use separate form for each person on whom record is requested.
4. Date & place of birth imperative for passport check.
5. Indicate office for reply in lower left corner. Also list in same corner all offices which should receive copies of reply. Include carbon for each office receiving copies.
6. With regard to military records this form does not apply to deserters.
7. Reverse side of form may be used for recording results, if needed.

TO: SAC, <input type="checkbox"/> Alexandria <input type="checkbox"/> San Antonio RE: <input type="checkbox"/> CIA <input type="checkbox"/> Other		Date
<input type="checkbox"/> Baltimore <input type="checkbox"/> St. Louis <input type="checkbox"/> INS		11/17/89 (X) MA
<input type="checkbox"/> Denver <input type="checkbox"/> WFO <input type="checkbox"/> MILITARY		
<input type="checkbox"/> Indianapolis <input checked="" type="checkbox"/> NEW YORK <input type="checkbox"/> PASSPORT		
ATTN: Liaison Section		
Name ALEXANDER & BALDWIN INC		Aliases:
Alien Reg. Number	Social Security Number	Date of Birth
Passport Number	Service Number	Place of Birth
Address 822 Bishop St., Honolulu, HI		Race
		Sex
		Complexion
		Height
		Weight
		Hair
		Eyes
Other pertinent information:		FOR REPLY ONLY
		<input type="checkbox"/> On basis of information furnished, unable to identify:
		<input type="checkbox"/> Military <input type="checkbox"/> Passport <input type="checkbox"/> INS <input type="checkbox"/> CIA
		<input type="checkbox"/> No pertinent identifiable information
		<input checked="" type="checkbox"/> Available information attached
		<input type="checkbox"/> Photo: <input type="checkbox"/> Attached <input type="checkbox"/> Unavailable
		<input type="checkbox"/> Handwriting specimen attached
Specific information desired: Identify the Executive officers & Board of Directors through a check of DUN AND BRADSTREET RECORDS		Inquiry made by: _____
		Date: 12/4/89
Also furnish: <input type="checkbox"/> Photo <input type="checkbox"/> Handwriting specimens		Block Stamp and Notations
Return reply to: SAC HONOLULU (58C-HN-7910)		58C-HN-7910-28
Attention SA _____		SEARCHED INDEXED SERIALIZED FILED
Send copies to:		FBI NEW YORK
		DEC 14 1989
		MA

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ATTN: (HONOLULU)

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◆IN DATE◆

Statement Date: DEC 31 1988

DUNS: 00-913-1228
ALEXANDER & BALDWIN INC

DATE PRINTED
DEC 04 1989

SUMMARY
RATING 5A1

BOX 3440
HONOLULU HI 96801
822 BISHOP ST
AND BRANCH(ES) OR DIVISION(S)
HONOLULU HI 96813
TEL: 808 525-6611

DEEP SEA DOMESTIC
TRANSPORTATION

SIC NOS.
44 24 44 91 44 92
65 52 65 31 01 33

STARTED 1870
PAYMENTS SEE BELOW
SALES F \$701,908,000
WORTH F \$599,335,000
EMPLOYS 3,080(100 HERE)
HISTORY CLEAR
CONDITION STRONG
TREND UP

CHIEF EXECUTIVE: ROBERT J PFEIFFER CHB

SPECIAL EVENTS

10/05/89 According to published reports, Walter A Dods Jr was appointed to the board to fill the vacancy left by the Sept 17 death of John D Bellinger. It was further reported that Dods will serve on the boards of subject's new principal subsidiaries, Matson Navigation Company (Inc) and A & B Hawaii Inc. It is reported that Mr Dods is currently chairman and ceo of First Hawaiian Inc and its principal subsidiary, First Hawaiian Bank.

PAYMENTS REPORTED	(Amounts may be rounded to nearest figure in prescribed ranges)	PAYING RECORD	HIGH CREDIT	NOW OWES	PAST DUE	SELLING TERMS	LAST SALE WITHIN
10/89	Ppt	500000	500000	-0-			1 Mo
	Ppt	10000	5000	-0-		N30	1 Mo
	Ppt	5000	-0-	-0-			1 Mo
	Ppt	1000	1000	-0-			1 Mo
	Ppt	1000	500	-0-		N15	1 Mo
	Ppt	100	50	-0-		N30	1 Mo
	Ppt-Slow 30	300000	300000	100000		N30	1 Mo
	Slow 15	500	250	250		N30	1 Mo
	(009)	20000	1000				1 Mo
	(010)	10000	5000				
09/89	Ppt	20000	7500	-0-		N30	1 Mo
	Ppt	5000	5000	50			1 Mo
	Ppt	2500	2500	-0-			1 Mo
	Ppt	1000	-0-	-0-			4-5 Mos
	Ppt	500	250	-0-		N30	1 Mo
	Ppt	250	250	-0-			1 Mo
	Ppt	100	-0-				1 Mo
	Ppt-Slow 30	500	250	50		N30	1 Mo
	Slow 30	15000	7500	1000		N30	1 Mo

	(020)	85000	60000	20000		1 Mo
	(021)	2500	-0-	-0-		2-3 Mos
	(022)	2500	1000	-0-	N30	1 Mo
08/89	Ppt	250				
	Ppt	100				
	Ppt	50	50	-0-		1 Mo
	Ppt-Slow 30	10000	5000		1 10 N30	1 Mo
	Ppt-Slow 30	2500	2500	1000		1 Mo
	Slow 5	250				
	Slow 15	2500				
	Slow 15	500	-0-	-0-		2-3 Mos
	Slow 30	2500	2500	-0-		1 Mo
	Slow 50	1000	1000		N30	2-3 Mos
07/89	Slow 30-60	250	-0-	-0-	N30	6-12 Mos
	Ppt	15000	7500	-0-	1/2 10 N30	1 Mo
	Ppt	5000	-0-	-0-	1/2 10 N30	6-12 Mos
	Ppt	1000	1000	-0-		1 Mo
	Ppt	750	750	-0-	N30	1 Mo
	Ppt	250	-0-	-0-		6-12 Mos
	Ppt	50	50	-0-		1 Mo
	Ppt	50	-0-	-0-		6-12 Mos
	Ppt	50	50	-0-	N30	1 Mo
	Ppt	50	50	-0-	N30	1 Mo
	Ppt-Slow 30	1000	500	-0-	N30	1 Mo
	Slow 30	100	100	100	N30	
	(045)	15000	250	50	N30	1 Mo
	(046)	2500	-0-	-0-		6-12 Mos
06/89	(047)	250	-0-	-0-		4-5 Mos
	Ppt	45000	45000	-0-		1 Mo
	Ppt	1000	-0-	-0-		6-12 Mos
	Ppt	500	500	-0-	N30	1 Mo
	Ppt-Slow 15	2500	-0-	-0-		6-12 Mos
	Slow 15	250	-0-	-0-	N30	4-5 Mos
	(053)	2500				
05/89	(054)	100	-0-	-0-		
	Ppt	7500	-0-	-0-		2-3 Mos
	Ppt	2500				
	Ppt	2500	-0-	-0-	N30	2-3 Mos
	Ppt	2500	-0-	-0-	N30	6-12 Mos
	Ppt	1000	-0-	-0-		6-12 Mos
04/89	Ppt-Slow 90	100	-0-	-0-		6-12 Mos
	Ppt	90000	-0-	-0-		2-3 Mos
	Ppt	500	-0-	-0-		6-12 Mos
	Ppt	100	-0-	-0-		6-12 Mos
	Ppt-Slow 50	2500			Regular terms	4-5 Mos
	Ppt-Slow 120	50	-0-	-0-	N30	6-12 Mos
	(066)			750		
	Placed for collection.					
03/89	Slow 10	15000	-0-	-0-		2-3 Mos
	Slow 25	500	-0-	-0-		4-5 Mos
02/89	Slow 30	500	-0-	-0-	N30	
01/89	Ppt-Slow 30	55000	50000	2500		1 Mo
	(071)	250	-0-	-0-		2-3 Mos
12/88	Ppt	250	250	-0-	N30	1 Mo

♦ Accounts are sometimes placed for collection even though the existence or amount of the debt is disputed.

♦ Payment experiences reflect how bills are met in relation to the terms granted. In some instances payment beyond terms can be the result of disputes over merchandise, skipped invoices etc.

♦ Each experience shown represents a separate account reported by a supplier. Updated trade experiences replace those previously reported.

FINANCE

A CONSULTING SERVICE IS AVAILABLE TO ASSIST YOU IN REVIEWING THIS ACCOUNT FURTHER. PLEASE CALL (800) 223 - 0141 TO SPEAK WITH A DUNS ACCOUNT CONSULTANT.

09/25/89

	Fiscal Consolidated Dec 31 1986	Fiscal Consolidated Dec 31 1987	Fiscal Consolidated Dec 31 1988
Curr Assets	143,608,000	130,898,000	130,588,000
Curr Liabs	76,075,000	88,636,000	94,614,000
Current Ratio	1.89	1.48	1.38
Working Capital	67,533,000	42,262,000	35,974,000
Other Assets	790,424,000	850,839,000	939,895,000
Deferred			
Liabilities	298,298,000	400,438,000	376,534,000
Worth	559,659,000	492,663,000	599,335,000
Sales	536,668,000	655,276,000	701,908,000
Net Profit	92,380,000	120,353,000	153,418,000
Depreciation &			
Amort	41,996,000	41,100,000	48,531,000
Interest Expense	18,539,000	24,046,000	27,834,000
Capital			
Expenditures	62,055,000	59,455,000	91,510,000
Cash Prov by Oper	141,477,000	188,700,000	191,306,000
Fiscal Consolidated statement dated DEC 31 1988:			
Cash	\$ 4,328,000	Accts Pay	\$ 43,262,000
Accts Rec	64,465,000	Cap Leases (Curr)	5,655,000
Inventory	20,255,000	Accruals	10,727,000
Mktble Securities	18,466,000	Taxes	20,536,000
Undistributed		L.T. Liab-(1yr)	2,423,000
Returns	17,745,000	Uninsured Claims	12,011,000
Ppd Expenses	6,191,000		
Accr Deposit Cap			
Const Fund	(862,000)		
<hr/>			
Curr Assets	130,588,000	Curr Liabs	94,614,000
Fixt & Equip	548,066,000	L-T Debt	
Investments-Other	113,626,000	(Noncurr)	178,019,000
Cap Const Fund	276,625,000	Cap Lease:	
Other Assets	1,578,000	(Noncurr)	100,306,000
		L.T. Liab-Other	37,138,000
		Def. Credits/Income	61,071,000
		CAPITAL STOCK	40,948,000
		ADDIT. PD.-IN CAP	18,535,000
		RETAINED EARNINGS	558,432,000
		TREASURY STOCK	(18,580,000)

Total Assets 1,070,483,000 Total 1,070,483,000
 From JAN 01 88 to DEC 31 1988 sales \$72,908,000; cost of goods sold \$119,158,000. Cost of services \$310,656,000. Gross profit \$272,094,000; operating expenses \$65,420,000. Operating income \$206,674,000; other expenses \$27,406,000; net income before taxes \$179,268,000; Federal income tax \$44,119,000. Net income \$153,418,000. Cumulative effect of accounting chg \$18,269,000. Retained earnings at start \$459,237,000. Net income \$153,418,000; dividends \$38,535,000; other deductions \$15,688,000; retained earnings at end \$558,432,000.

Prepared from statement(s) by Accountants: Deloitte Haskins & Sells.

ACCOUNTANTS OPINION: "A review of the accountant's opinion indicates that financial statements meet generally accepted accounting principles and that the audit contains no qualifications".

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Fixed assets shown net less \$409,535,000 depreciation.

BALANCE SHEET ITEM EXPLANATIONS

INVENTORY: Inventories are stated at the lower of cost or market, using various cost bases. Inventories at Dec 31 1988 consisted of real estate and merchandise principally identified cost \$4,406,000 and materials and supplies principally average cost \$15,849,000.

MARKETABLE SECURITIES: Consist of various government and corporate short-term security issues stated at cost which approximates market value. These securities are readily convertible into cash, mature within three months, have no significant risk of change in value and accordingly are treated as cash equivalents.

UNDISTRIBUTED RETURNS: Is from sugar marketing cooperative.

INVESTMENTS-OTHER: Consist of common stock, at equity (35% owned) of Pacific Resources, Inc \$83,704,000, preferred stock (19% owned) of Pacific Resources, Inc \$8,545,000 (these securities were sold in fiscal 1989), other marketable equity securities, at cost \$3,983,000, sugar marketing cooperative, at cost \$3,402,000; other corporate securities, at cost \$48,000, joint venture, at equity \$735,000, notes receivable, non-current-principally purchase-money mortgages \$13,209,000, total \$113,626,000.

LONG-TERM DEBT: Consists of United States government guaranteed ship financing bonds \$68,025,000, bank revolving credit loan, payable after 1989 \$62,000,000, mortgage loans, collateralized by land and buildings \$1,113,000, bank equipment loan payable through 1999 \$46,000,000, special facility revenue bonds \$3,304,000, total \$180,442,000, less current portion \$2,423,000, long-term debt \$178,019,000.

At Dec 31 1988, maturities of all long-term debt during the next five years totaled \$5,898,000 for 1989, \$10,483,000 for 1990, \$21,996,000 for 1991, \$21,708,000 for 1992 and \$21,530,000 for 1993.

DEFERRED CREDITS-INCOME: Consists of deferred income taxes \$61,071,000.

INCOME STATEMENT ITEM EXPLANATIONS

OTHER EXPENSE: Consists of net interest expense.

COMMITMENTS & CONTINGENCIES: At Dec 31 1988, planned capital

expenditures for 1989 approximated \$80,000,000, a portion of which is covered by firm commitments. In addition, the company anticipates reinvesting approximately \$100,000,000 of proceeds from the sale of Wailea assets in other income-producing properties. Also, the directors of a subsidiary have authorized about \$144,000,000 for the construction of a new vessel.

Solicitation of bids has been issued, and management intends to finalize the construction contracts during 1989.

The company and certain subsidiaries are parties to various legal actions and are contingently liable in connection with claims and contacts arising in the normal course of business, the outcome of which, in the opinion of management after consultation with legal counsel, will not have a material adverse effect on the company's financial position.

RECONCILIATION OF TANGIBLE NET WORTH: Tangible net worth improved in fiscal 1988 primarily because of earnings retained in excess of dividends paid.

RECONCILIATION OF NET WORKING CAPITAL: Net working capital declined in fiscal 1988 primarily because capital expenditures, dividends, an increase in other noncurrent assets and the repurchase of capital stock exceeded funds provided by operations.

On SEP 26 1989 Management, referred to the above figures.

Management submitted the following interim figures dated JUN 30 1989:

Cash	\$	16,703,000	Accts Pay	\$	50,862,000
Accts Rec		55,899,000			
Mdse		28,787,000			
Prop, Plant & Equip		656,837,000			

Sales for six months ended Jun 30 1989 were \$489,213,000. Profits for six months ended Jun 30 1989 were \$156,839,000.

Management stated that revenues for the 6 months ended Jun 30 1989 were up \$127,344,000 compared to the same period last year. Profit for the period was up \$55,440,000.

Both revenues and net profits were up for the 1989 period primarily because of a gain on sale of the assets of Wailea Development Company Inc, a subsidiary, of \$158,567,000 and because of a gain on sale of the company's 35% interest in Pacific Resources, Inc of \$30,060,000.

The interim balance sheet dated Jun 30 1989 is summarized as follows: current assets \$135,875,000, total assets \$1,086,615,000, current liabilities \$129,439,000, long term liabilities \$306,843,000, deferred income taxes \$80,873,000, and shareholders' equity \$569,460,000.

SELECTED OPERATING INFORMATION:	1987	1988.
Sales - % increase (decrease)	22.1	7.1.
Gross Profit Margin - % of sales	37.2	38.9.
Operating Expenses - % of sales	9.1	9.3.
Interest Expense - % increase (decrease)	29.7	15.8.
Net Income - % of sales	18.4	21.9.

RECENT TRENDS: Both revenues and net profits increased in fiscal 1988 because of increases in two of the company's three business segments. Ocean transportation revenues increased \$18,342,000 or 4.2% primarily due to a 4% increase in westbound container volume.

Automobile shipments declined slightly, but outside container handlings and volume of most other freight categories were higher. Property revenues increased \$40,531,000 or 47.6% because of increased sales of resort and commercial/industrial land. Homesite sales were about the same as the prior year.

Sugar revenue declined \$19,622,000 or 14.9% in 1988 due to lower returns from California and Hawaiian Sugar Company, a 22.2% owned affiliate, a result of decreased sales and higher costs than in 1987. Also, average plantation costs per ton increased due to lower production caused by, and additional expense incurred to combat, a new insect pest. Damaging effects of the pest now are being minimized. In 1987, revenue and profit from agriculture increased from the combination of higher sugar sales volume and prices with lower production and refining costs, partly offset by declines in sales volume and prices of molasses and electricity.

SELECTED FINANCIAL RATIOS:	1987	1988.
Quick Ratio (times)	1.04	.92.
Collection Period (days)	36.	33.
Total Liabilities/Tangible Net Worth (%)	99.27	78.61.

-----ANALYST'S COMMENTS-----

Overall condition continues strong as reflected by the Dec 31 1988 financial statement and the interim balance sheet dated Jun 30 1989 which is summarized above. As of Dec 31 1988 cash, marketable securities and receivables approached current liabilities; the collection period for receivables was prompt and total liabilities were light in relation to tangible net worth. In addition, the company has significant cash flow which has been adequate to allow the company to pay its bills in a generally prompt manner..

BANKING

(Sep 1989) According to its Dec 31 1988 annual report to shareholders, the company has a revolving credit and term loan agreement with six banks whereby it may borrow up to \$200,000,000 under revolving loans to Dec 1 1989 at varying rates of interest. Any revolving loan outstanding on Dec 1 1990 may be converted into a term loan which would be payable in 20 equal quarterly installments. The agreement contains certain restrictive covenants, the most significant of which require maintenance of consolidated net worth and working capital at certain levels and establish limits on the incurrence of other indebtedness and payment of dividends.

As of Dec 31 1988, \$77,525,000 of consolidated retained earnings were not restricted as to payment of dividends. Under restrictive provisions of various vessel financing agreements, about \$158,000,000 of a subsidiary's retained earnings included in consolidated retained earnings at Dec 31 1988 was not available for payment of dividends to the company.

In Nov 1988, the company entered an uncommitted \$20,000,000 short-term revolving credit agreement with a bank. The agreement extends to Nov 30 1989 but may be cancelled by the bank at any time.. In Dec 1988 the company borrowed \$19,000,000 under this agreement at an average interest rate of 9.12% and repaid the entire amount by Dec 31 1988.

HISTORY
10/05/89

ROBERT J. PFEIFFER, CHB-CEO+

FREDERICK L. FLEISCHMANN, V. PRES

G STEPHEN HOLADAY, V PRES, CFO & MICHAEL J MARKS, V PRES, GEN
TREAS COUNSEL & SEC
EDWIN S N WONG, V PRES JOHN B KELLEY, V PRES
NORMAN R WILLIAMS, CONTROLLER

DIRECTOR(S): The officers identified by (+) and John C Couch, Leo Denlea, Charles G King, Carson Mc Kissick, Robert Reed III, Marganna Shaw, and Charles Stockholm.

Incorporated Hawaii Jun 30 1900. Authorized capital consists of 150,000,000 shares common stock, no par value.

OUTSTANDING CAPITAL STOCK: As of Dec 31 1988 there were 55,598,000 common shares less 4,499,000 common shares held in the treasury.

Charter amended Jan 2 1962 changing name from Alexander & Baldwin Ltd.

BACKGROUND/OWNERSHIP:

Business started 1870 by S T Alexander and H P Baldwin.

This is a publicly held company. Shares are traded in the over-the-counter market under the symbol ALEX. As of Dec 31 1988 there were 7,201 shareholders of record. As of Feb 17 1989 First Hawaiian Bank, Honolulu, HI owned 7%, Harry Weinberg, Honolulu, HI owned 6.7% and Alexander C. Waterhouse, Honolulu, HI owned 5.7%. All officers and directors as a group owned 10%.

RECENT EVENTS: On Jan 26 1989, the company purchased and retired 4,421,112 shares of its capital stock for \$168,690,000, from a private foundation controlled by a major shareholder.

On Feb 10 1989 the company completed the sale of all assets of Wailea Development Company, Inc, a subsidiary, for \$197,500,000.

On Mar 17 1989, the company completed the sale of all of its holdings of common and preferred stock of Pacific Resources, Inc, for \$122,890,000 in cash, resulting in an after-tax gain of \$19,392,000.

PFEIFFER born [] Chief executive officer. 1940-64 USNR, Commander, 1937-50 Inter-Island Steam Navigation Co Ltd, Honolulu, officer. 1950-55 Overseas Terminals Ltd, Honolulu, vice president-general manager. 1955-58 Matcinal Corporation, Honolulu, vice president-general manager. 1958-60 Pacific Far East Line Inc, Honolulu, manager. 1960-present Matson Navigation Co Inc, San Francisco, CA. 1973-present, officer here.

FLEISCHMANN born [] Washington State University, BS 1956. 1956-59 U S Air Force. 1960-68 Carnation Co. 1968-82 Hawaiian Dredging Co, Honolulu, HI. 1982-present Alexander & Baldwin Inc.

HOLADAY born [] Graduated Iowa State, BS and MBA 1971. 1968 Owens Illinois, Streator, IL. 1968-70 U S Army. 1970-71 graduate school. 1971-75 Peat Marwick, Mitchell & Co, CPA's, Honolulu, HI. January 1975-January 1983 Aloha Airlines Inc, Honolulu, HI. January 1983-present, Alexander & Baldwin Inc.

MARKS born [] Graduated Cornell University, AB 1960. Graduated University of Chicago Law School, JD 1963. 1964-70 Stroock & Stroock & Lathan, Chicago, attorney. 1970-72 Chun Kerr & Dodd, Honolulu, attorney. 1972-75 Kelso, Spencer, Snyder & Sterling, Honolulu, attorneys. 1975-present Alexander & Baldwin Inc.

WONG born [] University of Hawaii, BA 1951 and Syracuse University, MS 1956. 1951-55 U S Air Force, Major. 1956-61 Castle & Cooke Terminals Ltd, Honolulu, management. 1961-63 Hawaii Employers Council, labor relations. 1963-70 Matson Navigation Co Inc, Honolulu,

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HI, industrial relations manager. 1970-present Alexander & Baldwin Inc.

KELLEY born [] Graduated from the University of Michigan 1965 BS and 1970 MS and from Stanford University 1976 MBA. 1970-74 US Department of Commerce Maritime Administration. 1974-76 Attended graduated school at Stanford University. 1976-79 Dodge & Cox, Inc, San Francisco, research analyst. 1976 joined Matson Navigation Company, a subsidiary. 1985 elected a vice president of subject.

WILLIAMS born [] Graduated from the University of Portland 1951 BBA. Is a CPA. 1951-59 Givens & Shafer, Portland, accountant. 1959-75 C Brewer & Company LTD, Honolulu, assistant controller. 1975 joined subject. 1989 elected controller.

COUCH. Is president and Chief Executive Officer of A&B-Hawaii, Inc, a subsidiary.

DENLER. Is Chairman of the Board, president and Chief Executive Officer of Farmers Group, Inc.

KING. Is vice president, Kuhio Motors, Inc.

MC KISSICK. Is managing director, Citibank.

REED III. Is Chairman of the Board, president and Chief Executive Officer, Pacific Resources, Inc.

SHAW. Is a private investor.

STOCKHOLM. Is a managing director, Trust Company of the West.

RELATED COMPANIES: The company owns 22% of California and Hawaiian Sugar Co, San Francisco, CA. Started 1897. Marketing cooperative owned by Hawaii based sugar plantations.

Intercompany relations: No inter-company loans, advances, guarantees or endorsements.

OPERATION

10/05/89

On a consolidated basis the company is active in ocean transportation (66%), in property activities (18%), and in agriculture (16%).

Ocean transportation includes the carrying of freight by ship between various United States Pacific Coast and Hawaii ports; providing terminal, stevedoring, container equipment maintenance, tugboat, freight agency representation and vessel husbanding services in certain of those ports; and arranging the United States mainland portion of intermodal transportation.

Property activities include planning and developing of real estate property in Hawaii; selling residential properties; managing and selling resort properties; and managing, leasing, selling and purchasing commercial and industrial properties.

Agricultural activities include growing sugar cane, producing raw sugar and molasses and developing other crops in Hawaii; generating and selling electricity; producing and marketing agricultural by-products; and providing sugar and molasses hauling and storage, general freight and petroleum hauling and self-storage services in Hawaii.

Terms: Net 30 days (90%). Various other terms (10%). Has 10,000 accounts. Sells to diversified business accounts. Territory: Hawaii, Pacific Basin, United States West Coast. Nonseasonal.

EMPLOYEES: 3,080 including officers. 100 employed here.

FACILITIES: Owns 32,637 sq. ft. in 4 story concrete building in

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good condition. Premises neat. Total lot measures 44,000 square feet.

LOCATION: Downtown financial section on main street.

SUBSIDIARIES: The company has two major direct and several indirect subsidiaries the more important of which are listed below. Intercompany relations have been confined to occasional advances from parent to subsidiaries as found necessary.

(1) Matson Navigation Company (Inc), San Francisco, CA, (100% owned). A Hawaii corporation chartered Nov 18 1980. Active in water transportation to non-contiguous territories.

(a) Matson Terminals, Inc, San Francisco, CA, (100% owned). Formed 1925. Operates a stevedoring and terminal service.

(b) Matson Services Company Inc, Honolulu, HI, (100% owned). Formed 1969. Owns two tugboats operating in Hawaii.

(c) Matson Freight Agencies Inc, San Francisco, CA, (100% owned). Formed 1982. Operates a steamship agency, vessel husbandry and intermodal transportation service.

(2) A&B Hawaii, Inc, Honolulu, HI, (100% owned). Formed Apr 1989 as an intermediate holding company for the company's Hawaii operations.

(a) A & B Properties, Inc, Kahului, HI, (100% owned). Formed 1949 and active as a land developer.

(b) Mc Bryde Sugar Company, Limited, Eleele, HI, (100% owned). Started 1900 and active as a grower of sugar cane and a manufacturer of sugar and molasses.

(c) Kahului Trucking and Storage Inc, Kahului, HI, (100% owned). Active in local hauling and storage.

12-04(051 /010)

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ALL CORRESPONDENCE IN CONJUNCTION WITH
DUN AND BRADSTREET REQUESTS SHOULD BE
WITHHELD BY APPLICABLE FOIA EXEMPTIONS,
AS RELEASE COULD IDENTIFY DUN AND BRADSTREET
AS A CONFIDENTIAL SOURCE.

FBI

TRANSMIT VIA:

☒ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

☐ Immediate
☒ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☒ UNCLAS

Date 12/20/89

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FM FBI HONOLULU (58C-HN-7910) (P)

TO DIRECTOR FBI/PRIORITY/

BT

UNCLAS

CITE: //3280//

PASS: PUBLIC CORRUPTION UNIT, WHITE COLLAR CRIME SECTION.

SUBJECT: DANIEL K. INOUE, UNITED STATES SENATOR, STATE OF
HAWAII; ALLEGATION OF BRIBERY BY MATSON NAVIGATION COMPANY (MNC);
BRIBERY - LEGISLATIVE BRANCH; OO: HONOLULU.

RE SSA [REDACTED], FBIHQ, TELCAL TO SSA [REDACTED]
HONOLULU, ON 12/20/89; HONOLULU AIRTEL TO FBIHQ DATED 11/13/89;
HONOLULU TELETYPE TO FBIHQ DATED 10/21/89; AND FBIHQ TELETYPE TO
HONOLULU DATED 9/20/89.

PER REFERENCED TELCAL, [REDACTED]
[REDACTED]LCU:tkg
(1) [Signature]

Approved: [Signature]

Transmitted

(Number)

(Time)

Per [Signature]

TKS001W.354

58C-HN-7910-29

Searched _____

Indexed _____

Serialized _____

Filed _____

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6
FBI

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TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date _____

^PAGE TWO DE HN (58C-HN-7910) UNCLAS

REFERENCED FBIHQ TELETYPE AUTHORIZED [REDACTED]

AND SPECIFIED CERTAIN LEADS TO BE COVERED. THE FIRST AUTHORIZED
LEAD WAS TO ATTEMPT TO IDENTIFY THE ANONYMOUS COMPLAINANT.
REVIEW OF HONOLULU INDICES AND CHECKS WITH ^uDAN AND BRADSTREET,
NEW YORK, HAVE FAILED TO DEVELOP SUFFICIENT INFORMANT ^{icw} TO IDENTIFY
THE ANONYMOUS COMPLAINANT.

HONOLULU BELIEVES THAT FURTHER EFFORTS TO ATTEMPT TO
IDENTIFY THE ANONYMOUS COMPLAINANT SHOULD BE DISCONTINUED.

HONOLULU PROPOSED BY 10/21/89 TELETYPE THAT [REDACTED]

[REDACTED] HAWAII PACIFIC MARITIME, AND [REDACTED] TRANS MARINE
NAVIGATION, BE INTERVIEWED REGARDING THEIR KNOWLEDGE OF PURPORTED
CASH PAYOFFS BY MATSON NAVIGATION COMPANY TO UNNAMED PUBLIC
OFFICIALS (WITHOUT IDENTIFYING U.S. SENATOR INOUE BY NAME OR
OFFICE) TO PREVENT COMPETITION IN HAWAII. HONOLULU CONTINUES TO
BELIEVE THIS PROPOSED COURSE OF INQUIRY IS LOGICAL AND
APPROPRIATE GIVEN THE FACTS AND CIRCUMSTANCES OF THIS MATTER.

FBIHQ IS AGAIN REQUESTED TO AUTHORIZE THIS LINE OF INQUIRY.

PER REFERENCED TELCAL, HONOLULU WILL SUBMIT UPDATED LHM TO
FBIHQ ON 1/12/90.

UACB, [REDACTED]

Approved: _____ Transmitted _____ Per _____
(Number) (Time)

b7E

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b7C

b7E

FBI

TRANSMIT VIA:

- ☐ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

- ☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

- ☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date _____

^PAGE THREE DE HN (58C-HN-7910) UNCLAS

BT

b7E

Approved: _____ Transmitted _____ (Number) _____ (Time) Per _____

Memorandum



To : SAC, HONOLULU (58C-HN-7910) (P) Date 1/11/90

From : SSA [REDACTED]

b6
b7C

Subject : DANIEL K. INOUE,
UNITED STATES SENATOR,
STATE OF HAWAII;
ALLEGATION OF BRIBERY BY
MATSON NAVIGATION COMPANY;
BRIBERY - LEGISLATIVE BRANCH
(OO: HN)

[REDACTED] Re telcal from SSA [REDACTED] FBIHQ, to SSA [REDACTED]
[REDACTED] 1/11/90, and Honolulu teletype to Bureau, 12/21/89.

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By referenced telcal, SSA [REDACTED] advised that FBIHQ has authorized Honolulu's suggested investigative plan as set forth on page two of referenced teletype.

That is, further attempts to identify anonymous complainant in this matter should be discontinued. Additionally, Honolulu should interview [REDACTED], HAWAII PACIFIC MARITIME, and [REDACTED] TRANS MARINE NAVIGATION, regarding their knowledge of purported cash payoffs by MATSON NAVIGATION COMPANY to unnamed public officials (without identifying U. S. Senator INOUE by name or office) to prevent competition in Hawaii.

In view of case agent's required travel to the Philippine Islands and to Guam to participate in trial in another matter, further investigation in this matter will be handled by SA [REDACTED]

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b7C

In view of the above, this investigation is being reassigned to SA [REDACTED] SA [REDACTED] should complete investigation as expeditiously as possible and Squad Supervisor will make additional resources available as necessary.

LCU/ctm

(2) *ctm*

1*

#52
1/11/90
Reassigned to

58C-HN-7910-31

SEARCHED-FOIMS	MAN
Indexed	Serialized
JAN 11 1990	
FBI - HONOLULU	
[REDACTED]	
[REDACTED]	

JRA

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b7C

0015 MRI 02327

PP FBIHN

DE RUEHFB #0191 0131640

ZNR UUUUU

P 122235Z JAN 90

FM DIRECTOR FBI

TO FBI HONOLULU (58C-HN-7910)/PRIORITY/

BT

UNCLAS

CITE: //0622//

SUBJECT: DANIEL K. INOUE, U.S. SENATOR, STATE OF HAWAII;
ALLEGATIONS OF BRIBERY BY MATSON NAVIGATION COMPANY; BRIBERY -
LEGISLATIVE BRANCH; OO: HONOLULU.

REHNTTEL DATED DECEMBER 21, 1989; AND JANUARY 11, 1990,
TELCALL OF BUREAU SSA [REDACTED] TO SSA [REDACTED]

THIS IS TO CONFIRM REFERENCED TELCALL, WHEREIN HONOLULU
WAS ADVISED THAT APPROVAL WAS GRANTED TO CONDUCT INTERVIEWS OF

[REDACTED] AND [REDACTED] AS OUTLINED IN REFERENCED
TELETYPE. HONOLULU IS TO ENSURE THAT U.S. SENATOR INOUE'S
NAME OR OFFICE IS NOT IDENTIFIED DURING THE INTERVIEW BY THE

b6
b7C

58A-HN-7910-32

SEARCHED-FOIMS	MAN
Indexed	Serialized
JAN 13 1990	
FBI - HONOLULU	
[REDACTED]	[REDACTED]

WV/Dej

b6
b7C

PAGE TWO DE RUEHFB 0191 UNCLAS

INTERVIEWING AGENTS.

HONOLULU WILL PROMPTLY ADVISE THE BUREAU UPON COMPLETION
OF THE INTERVIEWS.

BT

#0191

NNNN



U.S. Department of Justice

Federal Bureau of Investigation

In Reply, Please Refer to
File No.

Honolulu, Hawaii

January 25, 1990

DANIEL K. INOUE,
UNITED STATES SENATOR,
STATE OF HAWAII;
ALLEGATIONS OF BRIBERY BY MATSON
NAVIGATION COMPANY (MNC);
BRIBERY-LEGISLATIVE BRANCH

On August 29, 1989, an anonymous caller telephonically contacted Supervisory Special Agent (SSA) [redacted] and advised he recently read a newspaper article in the HONOLULU ADVERTISER concerning FEDERAL BUREAU OF INVESTIGATION's (FBI's) public corruption effort. The caller stated he cannot identify himself for fear of retribution, however, gave a description of his bonafides.

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b7C

The caller indicated that he had heard for years discussions among officials in the MARITIME INDUSTRY in Honolulu that MNC had paid off, and continues to make cash payoffs to United States Senator, DANIEL K. INOUE, to prevent competition in Honolulu. The caller provided the names of two individuals. [redacted] HAWAII PACIFIC MARITIME, and [redacted] TRANSMARINE NAVIGATION, who may have information concerning the alleged bribery. In particular, the caller said that [redacted] allegedly witnessed an MNC representative deliver a suitcase full of cash to Senator INOUE a few years ago to ensure that MNC would receive favorable consideration in Washington on MARITIME issues. This was allegedly to prevent AMERICAN PRESIDENTIAL LINES (APL) from being allowed to operate in Honolulu.

(X)
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A review of Honolulu general, confidential and elsur indices revealed no pertinent information relating to the captioned matter for United States Senator, DANIEL K. INOUE; MNC; [redacted] OF HAWAII PACIFIC MARITIME,

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This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

- 4 - Bureau
- 1 - USA, Honolulu
- ② - Honolulu
(58C-HN-7910)

MMS/lma

(7) lma

clsa

HN-7910-33
Searched _____
Indexed _____
Serialized SR
Filed SR

DANIEL K. INOUE

INCORPORATED; and [] doing business as Transmarine Navigation. Additional indices and records checks were done to identify the officers of the big five corporations mentioned by the anonymous caller. These efforts failed to identify the anonymous caller who made the allegations against SENATOR INOUE and MNC.

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On October 13, 1989, a confidential source, who has furnished reliable information in the past, advised that Senator INOUE attended a 1987 meeting at the PACIFIC CLUB in Honolulu, Hawaii, and was overheard stating, "APL will come in over my dead body," referring to APL's attempt to compete with MNC.

On September 18, 1989, Assistant United States Attorney (AUSA) [], District of Hawaii, was advised of the bribery allegations. AUSA [] advised that he would prosecute MNC officials and Senator INOUE if the allegations could be substantiated beyond a reasonable doubt.

The attempts to identify the anonymous phone caller were unsuccessful. It was agreed that interviews would be conducted of [] of HAWAII PACIFIC MARITIME, and [] of TRANSMARINE NAVIGATION. On January 17, 1990, both [] and [] were interviewed by the FBI. Both HANSEN and GRAY denied any knowledge of payoffs being made to any public official in Hawaii by MNC or any other shipping company in Hawaii. Both [] and [] brought up the name of Senator INOUE stating that talk in the local MARITIME community was that INOUE had a close relationship with MNC. However, neither individual ever witnessed any payoffs, particularly to INOUE, nor do they have any knowledge of the identities of any individuals who might have witnessed the alleged payoff or payoffs.

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On January 22, 1990, the above information was discussed with AUSA []. After being advised of the facts as known, AUSA [] stated that he would decline prosecution in this matter, citing the fact that no evidence of a violation of Federal law had been established.

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FBI

TRANSMIT VIA:

- ☐ Teletype
☐ Facsimile
☒ AIRTEL

PRECEDENCE:

- ☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

- ☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 1/25/90

To : Director, FBI (Attention: Criminal Investigative Division)
 From : SAC, HONOLULU (58C-HN-7910) (P)
 Subject : Public Corruption Data Transmittal Form

1. Title: (use additional page if necessary)

DANIEL K. INOUE, UNITED STATES SENATOR,
 STATE OF HAWAII, ALLEGATIONS OF BRIBERY BY MATSON NAVIGATION COMPANY,
 BRIBERY-LEGISLATIVE BRANCH; OO: HONOLULU

Honolulu airtel to Bureau, 11/13/89. (see additional administrative data)

2. ☒ Enclosed are the original and three copies of a LHM for dissemination purposes.
 (check if appropriate)

3. Office of Origin File No. 58C-HN-7910 (include alpha)

4. ☐ Initial submission ☒ Supplemental submission (check one)

5. Date opened upon SAC authority 9/11/89

6. Level of subject official (See codes on reverse. Use additional pages, as necessary, for additional subjects.)

Level K04 Number of Subject(s) 1
 Level _____ Number of Subject(s) _____
 Level _____ Number of Subject(s) _____

7. Indicate which of the following investigative techniques have been utilized to date.
 (check all appropriate boxes)

Code Number / Description

- Z1 ☐ Acct. Tech. Assist.
 Z2 ☐ Aircraft Assist.
 Z3 ☐ Computer Assist.
 Z4 ☐ Consensual Monitoring
 Z5 ☐ Elsur - FISC
 Z6 ☐ Elsur - Title III
 Z7 ☐ Eng. Sect. Field Support
 Z8 ☐ Eng. Sect. Tape Exams
 Z9 ☐ Hypnosis Assist.
 Z10 ☐ Ident Div. Assist.
 Z11 (A) ☒ Symbolized Informant
 Z11 (B) ☐ Cooperating Witness
 Z11 (C) ☐ Cooperating Subject
 Z12 ☐ Lab. Div. Exams
 Z13 ☐ Lab. Div. Field Support

Code Number / Description

- Z14 ☐ Pen Registers
 Z15 ☐ Photo Coverage
 Z16 ☐ Polygraph Assist.
 Z17 ☐ Search Warrants Use
 Z18 ☐ Show Money Use
 Z19 ☐ Surveillance Squad Use
 Z20 ☐ Swat Team
 Z21 ☐ Tech. Agent
 Z22 ☐ Telephone Toll Records
 Z23 ☐ Group I UCO
 Z24 ☐ Group II UCO
 Z25 ☐ Undercover - Other
 Z26 ☐ NCAV/GVI - CAP
 Z27 ☐ VIA

② Field Office

3 - FBIHQ (Enc. 4)

(1 - White-Collar Crimes Section, Public Corruption Unit)

MMS/lma

(5)

Approved: _____

Transmitted _____

(Number)

(Time)

58C-HN-7910-34

Searched _____

Indexed _____

Serialized SRJ

Filed 1/25

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 JLA

C/SR

Codes for Levels of Officials

Federal		Local (Continued)	
K01	President	M13	Law Enforcement Officer - command position Field Office or SSRA city
K02	Vice-President	M14	Law Enforcement Officer - command position Non-Field Office or SSRA city
K03	Cabinet Level	M15	Law Enforcement Officer - ranking officer Field Office or SSRA city
K04	U.S. Senator	M16	Law Enforcement Officer - ranking officer Non-Field Office or SSRA city
K05	U.S. Representative	M17	Other Elected Officials - Field Office or SSRA city
K06	Judge	M18	Other Elected Officials - Non-Field Office or SSRA city
K07	Prosecutor	M19	Public Employee (appointed) - Field Office or SSRA city, managerial level or above
K08	Law Enforcement Official	M20	Public Employee (appointed) - Non-Field Office or SSRA city, managerial level or above
K09	Federal Employee, GS-13 and above	M21	Public Employee (appointed) - Field Office or SSRA city, less than managerial
K10	Federal Employee, GS-12 and below	M22	Public Employee (appointed) - Non-Field Office or SSRA city, less than managerial
K11	Military Personnel, commissioned		
K12	Military Personnel, non-commissioned		
State		Territorial	
L01	Governor	N01	Governor
L02	Lt. Governor	N02	Lt. Governor
L03	Cabinet Level	N03	Cabinet Level
L04	Senator	N04	Senator
L05	Representative	N05	Representative
L06	Judge	N06	Judge
L07	Prosecutor	N07	Prosecutor
L08	Law Enforcement Officer	N08	Law Enforcement Officer
L09	State Employee, managerial or above	N09	Territorial Employee, managerial or above
L10	State Employee, less than managerial	N10	Territorial Employee, less than managerial
Local			
M01	Mayor - Field Office or SSRA city		
M02	Mayor - Non-Field Office or SSRA city		
M03	Legislator (Commissioner, Council- man, etc.) Field Office or SSRA city		
M04	Legislator (Commissioner, Council- man, etc.) Non-Field Office or SSRA city		
M05	Judge - Field Office or SSRA city		
M06	Judge - Non-Field Office or SSRA city		
M07	Prosecutor - Field Office or SSRA city		
M08	Prosecutor - Non-Field Office or SSRA city		
M09	Chief of Police - Field Office or SSRA city		
M10	Chief of Police - Non-Field Office or SSRA city		
M11	Sheriff - Field Office or SSRA city		
M12	Sheriff - Non-Field Office or SSRA city		

8. Type of Corruption Investigated (check all appropriate boxes)

Code Number/Description

- (A) Judicial Corruption
A1 ☐ Federal
A2 ☐ State
A3 ☐ Local
A4 ☐ Territorial

(C) Contract Corruption

- C1 ☐ Federal
C2 ☐ State
C3 ☐ Local
C4 ☐ Territorial

(E) Law Enforcement Corruption

- E1 ☐ Federal
E2 ☐ State
E3 ☐ Local
E4 ☐ Territorial

Code Number/Description

- (B) Legislative Corruption
B1 ☒ Federal
B2 ☐ State
B3 ☐ Local
B4 ☐ Territorial

(D) Regulatory Corruption

- D1 ☐ Federal
D2 ☐ State
D3 ☐ Local
D4 ☐ Territorial

9. Does corruption involve drug related activity? (check one) ☐ Yes ☒ No

10. Statistical Accomplishments (number since last submission)

- | | | | |
|-------------------------|-------|-----------------------|-------|
| A. Complaints | _____ | F. Acquittal | _____ |
| B. Informants | _____ | G. Recoveries | _____ |
| C. Indictments | _____ | H. Restitutions | _____ |
| D. Convictions | _____ | I. Potential Economic | _____ |
| E. Pre-trial Diversions | _____ | Loss Prevented | _____ |

11. Forfeiture Provisions Utilized (check one) ☐ Yes ☐ No

12. Status of Case (check one)

☒ Closed

13. Basis for Closing (check one)

- ☒ U.S. Attorney Declination
☐ Dismissal
☐ Acquittal
☐ Conviction
☐ Administrative by SAC (no other basis involved)

Additional Administrative Data (if needed):

Honolulu teletype to Bureau 12/29/89 and Bureau teletype to Honolulu 1/12/90.

Confidential Source is

b7D

b7E

FEDERAL BUREAU OF INVESTIGATION

1Date of transcription 1/25/90

[redacted]
Honolulu, Hawaii, telephone number [redacted] was advised of the identity of the interviewing Agent as well as the nature of the interview. He provided the following information:

He is [redacted] with the TRANSMARINE NAVIGATION (TMN) located in Honolulu. TMN has been in business in Honolulu since May, 1988. He previously worked for a subsidiary of the [redacted]

[redacted]. While employed by [redacted] he heard rumors that MATSON NAVIGATION (MN) had a "friend" in Washington. [redacted] identified this individual as being Senator INOUE. He has never heard of INOUE or any other public official in Hawaii receiving money from MN or any other shipping company in Hawaii. He has never witnessed any payoffs, nor participated in any payoffs of any public officials. He is not aware of the identity of any other individuals that may have knowledge of payoffs, or that witnessed payoffs. He has heard comments that Senator INOUE did not want AMERICAN PRESIDENTIAL LINES (APL) in Hawaii. He also had heard comments that INOUE did not want repeal of the JONES ACT. However, he was not aware of the actions that INOUE was taking in regards to the statements.

[redacted] required as to how his name had come up in this investigation. He was advised that an anonymous phone caller had provided his name. [redacted] speculated as to the identity of the anonymous phone caller, however, refused to provide a name for the individual whom he thought might have placed the call.

SEARCHED-FOIAS	MAN
Indexed	Serialized <u>SR</u> Filed <u>✓</u>
JAN 31 1990	
[redacted]	
CU	1 [redacted]

Investigation on 1/17/90 at Honolulu, Hawaii File # 58C-HN-7910 -36
by SA [redacted] lma Date dictated 1/17/90

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b7Cb6
b7Cb6
b7C

C/521

FEDERAL BUREAU OF INVESTIGATION

1Date of transcription 1/25/90

[redacted]
[redacted] telephone number [redacted] was advised of the identity of the interviewing Agent as well as the nature of the interview. He provided the following information:

[redacted] is [redacted] of HAWAII PACIFIC MARITIME (HPM). He has been in the shipping business in the State of Hawaii for the past [redacted] years. During that time, he has never been made aware of any payoffs to any public officials, either local, state or Federal concerning shipping in Hawaii. Specifically, he has not witnessed any payoffs made by MATSON NAVIGATION (MN) officials to any senior public official. He is aware that MN has approximately eighty-percent of the Hawaiian business. Over the years, he has heard shop talk that MN has a "friend" in Washington. However, he has never heard of MN making payoffs to any public officials. He has no idea of any other people that may have witnessed payoffs by MN, or any other shipping company in Hawaii. He is not aware of the identity of any other individual that may have heard about the alleged payoffs.

During the course of the interview, [redacted] brought up the name of Senator DANIEL INOUE, stating that INOUE appears to be a friend of MN. However, he said that he was not aware of any illegalities on the part of MN to influence Senator INOUE.

58C-HN-7910-36

SEARCHED-FOIMS	MAN
Indexed	Serialized
JAN 31 1990	
[redacted]	

Investigation on 1/17/90 at Honolulu, Hawaii File # 58C-HN-7910-36

by SA [redacted] /lma Date dictated 1/22/90

(Mount Clipping in Space Below)

(Indicate page, name of newspaper, city and state.)

Honolulu Star-Bulletin
Honolulu, Hawaii pg. 1,8

Date: 1/24/90

Edition:

Rival vies for rich Hawaii route

Matson is fighting to bar American President Lines from the area

One-way trip for American President A-8

Second in a series

By Russ Lynch

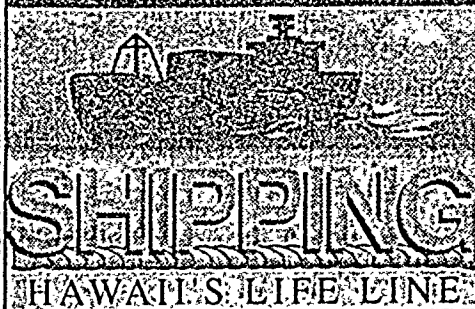
Star-Bulletin

OAKLAND, Calif. — So long that its tail end is almost invisible in the haze of an early dockside morning, the train stands stacked with containers after a journey from the East Coast, having picked up loads along the way.

Sophisticated equipment moves in to pluck the trailers off the flatbeds to prepare them for loading on a giant container ship heading out into the Pacific.

The train, the hundreds of containers and the ship are all parts of the system that

SPECIAL REPORT



American President Lines wants to bring into the mainland Hawaii shipping trade.

But Matson Navigation Co. is fighting to keep APL out, and so is the smaller competitor in the Hawaii containership trade, Sea Land Service Inc.

They argue that because APL is a beneficiary of federal subsidies in both the building and operating of ships — part of the national effort to keep the United States

See SHIPPING, Page A-6

AMERICAN PRESIDENT LINES

APL's parent company is large, but compared to Matson, profits are minimal. Here's a look at the figures:

- ☑ Parent: American President Companies Ltd., Oakland, Calif. Shipping, rail, trucking
- ☑ Parent revenues: \$2.1 billion
- ☑ Parent profit: \$81 million
- ☑ Transportation revenues: \$2.1 billion (Includes land hauling, Pacific sea freight is \$1.4 billion)
- ☑ Transportation operating profit: \$129 million, or 0.06 percent of revenues (Includes land transportation)
- ☑ Hawaii fleet: Five vessels (total international fleet of 36 ships)

By Kevin Hand, Star-Bulletin

58C-HN-8910-37b6

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MAR 31 1990

MAR 31 1990

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index plo FBI/DOJ

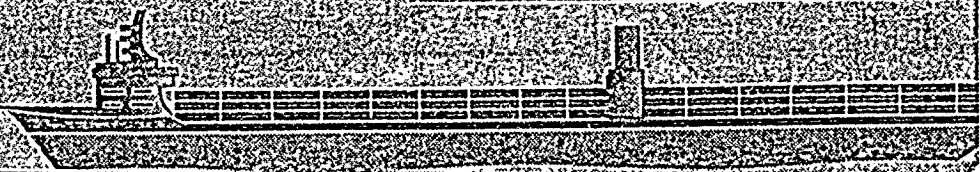
P E C I A L

AMERICAN PRESIDENT LINES

American President Lines proposed fleet to service Hawaii

President Lincoln
Containership
Capacity 2,900 containers

President Monroe
Containership
Capacity 2,900 containers



R E P O R T

President Washington
Containership
Capacity 2,900 containers

Plus two smaller containerships, to be diverted into service, as needed, each 2,000-container capacity

S H I P P I N G : H A W A I I

L I F E L I N E

SHIPPING: The Hawaii route is a battle zone

Continued from Page A-1

alive in international trades — it should not be allowed in any domestic market.

But Timothy J. Rhein, president of APL, calls some of Matson's anti-APL argument a "red herring" and says Matson uses a "phony" public posture some of the time in its battle to keep APL out. What's more, he says, APL has no intention of starting a rate war by undercutting existing shipping lines.

Matson is "arguably the most profitable shipping line in the world" and is willing to go to great lengths to hold on to those profits by keeping competition to a minimum, Rhein said in an interview at the APL offices in the Oakland financial district, not far from the terminal area where the competition is practically side by side.

First, he says, APL has made it clear that it will forfeit any subsidy that would apply to any part of its Hawaii service. Second, APL hopes to get a fair share of the business but is severely limited in the amount of cargo it can haul to Hawaii under the decisions so far in its case for federal permission to enter the trade.



Timothy Rhein

APL will not, therefore, bring excess capacity to the market and, anyway, opponents are wrong when they say that there is enough capacity in West Coast-Hawaii shipping and introducing more can only lead to higher rates.

"We go down to the docks and see the cargo that has been turned down by both Sea-Land and Matson," Rhein said.

Besides, he said, "if Matson were to lose some container business to Sea-Land or APL, it would take the pressure off them to go out and spend lots of money on new ships for a trade that is always imbalanced," with business from the mainland far outweighing business to the mainland.

Meanwhile, the mere threat of added competition has already benefited Hawaii shippers, he said, even if it's only in the equipment and service improvements that

Matson is making

Rhein interprets the initial recommendation of a Department of Transportation administrative law judge to mean that APL would get up to 52 or 53 sailings a year and be allowed each year to carry up to a total of 28,200 FEUs, or 40-foot equivalent unit containers. He sees that as "not a huge amount," a maximum of 548 containers a week.

That would be about one-fifth of the weekly capacity into Hawaii by Matson, which says its West Coast-Hawaii capacity now runs to 2,800 containers.

As to the hotly argued subsidy question, Rhein said that APL is a

subsidized carrier because the federal government asked it to be, so as to protect American shipping and create trained American crews in the face of cutthroat competition from low-wage foreign firms.

APL has offered to forfeit any subsidy for any part of its planned mainland-Hawaii service, even all the way out to Guam, and claims that it is not out to use any unfair advantage.

"It's just time for a little competition," Rhein said.

Matson says it is not afraid of fair competition, but that APL does benefit overall from the operating subsidy and that there is no way it can separate that out just for the Hawaii trade.

"Subsidized carriers should stay out of the domestic trade period," said Matson's executive vice president and chief operating officer, C. Bradley Mulholland. "They're a subsidized carrier by choice. They know the rules, and they're seeking to change them," he said.

While those arguments go on, however, APL is clearly preparing to enter the Hawaii market, and the word in the shipping trade is that it believes it can get through the regulatory hurdles in a matter of months.

Over lunch at an Oakland waterfront restaurant popular among

shipping types. Gregory Grebe, the APL vice president who has been assigned to organize its Hawaii service, talks cheerfully about the way he has already lined up this crane for that piece of handling equipment to move it to Hawaii.

He says the container yard people don't like to see him come around because they're afraid they'll lose some equipment.

APL already has tentative state approval to use waterfront space at Fort Armstrong, where Matson had its Honolulu facilities before it moved to Sand Island.

Tomorrow, Sea-Land Service is succeeding in competition with Matson.

Limited runs planned by American

Its service to Hawaii will be only one-way and weekly

By Russ Lynch
Star-Bulletin

AMERICAN President Lines is one of the giants of Pacific shipping, but would put only a small part of its capacity to work in the Hawaii trade. The ships would not run both ways between Hawaii and the West Coast, but only call at Hawaii outbound from the mainland, on the way to pick up imports from Asia.

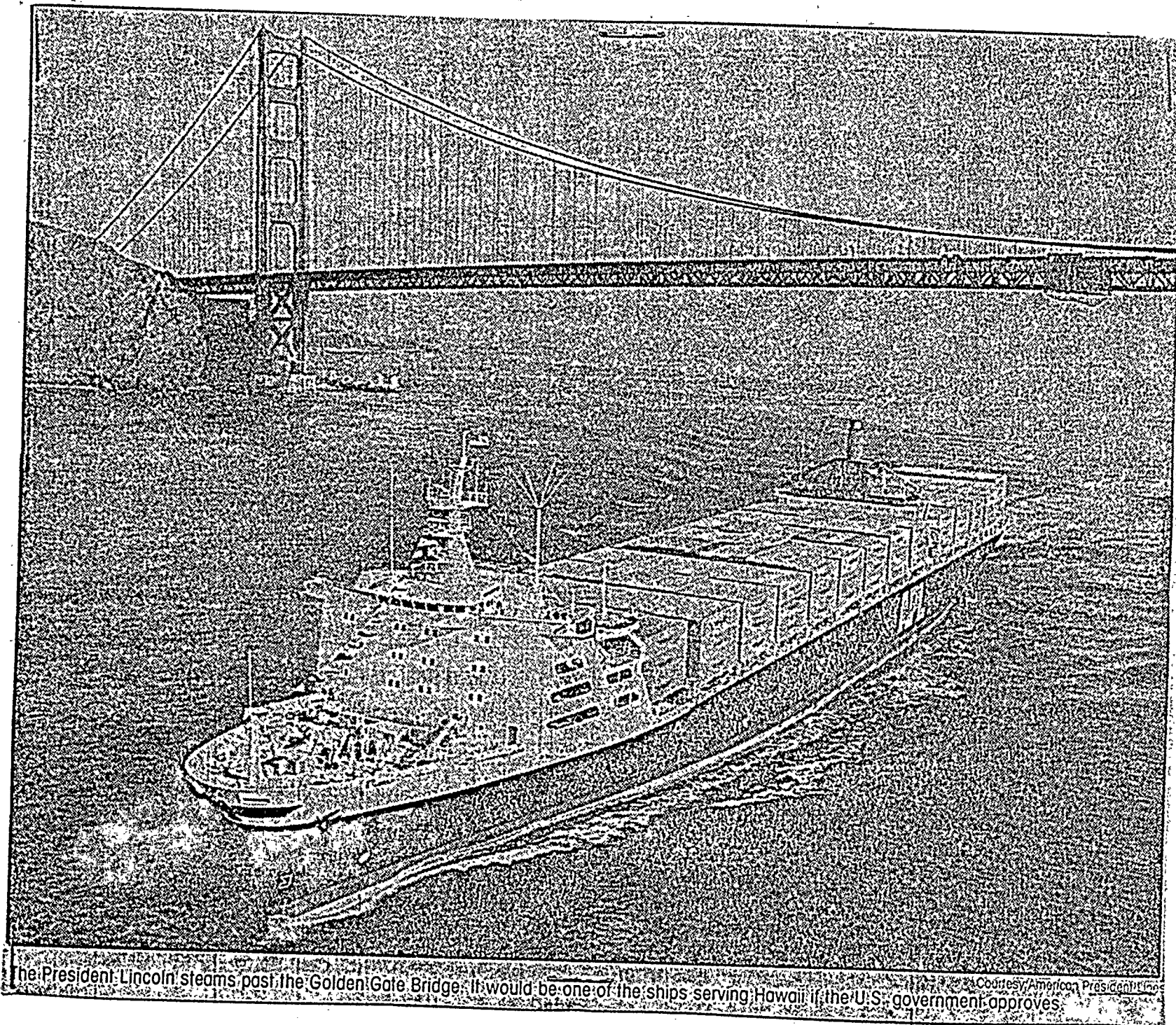
Its plan is for a weekly service, starting in Long Beach, the big outbound gateway of Los Angeles, moving north to pick up more cargo at Oakland, and then calling at Honolulu, Guam, Taiwan and Japan, before an express run back to Long Beach.

Making the Honolulu calls would be three C-9 vessels, the largest container ships built in the United States, each with the capacity to handle the equivalent of 2,800 20-foot containers. They would be supplemented by two C-8 vessels, each able to handle 2,000 20-foot units.

"We certainly won't be as frequent as Matson," which plans 178 calls in Hawaii this year, APL's president Timothy Rheln said. APL will be able to offer "intermodalization" because it has the largest network of double-stack container trains in the nation, including a daily train from New York to Los Angeles that can handle 280 containers.

This is the type of operation that brought the "land bridge" concept to life, APL says. APL can deliver cargo from Yokohama to New York in 15 days by shipping it across the Pacific and hauling it across the continent by rail. The fastest that cargo can get from Yokohama to New York by using only sea transportation is 23 days.

In the Far East, APL operates 13 feeder vessels that haul cargo from smaller ports to its major terminals, for transfer to the big container ships. Overall, APL has 23 vessels, all operating in the Pacific-Asia trade.



The President Lincoln steams past the Golden Gate Bridge. It would be one of the ships serving Hawaii if the U.S. government approves. Courtesy, American President Line

(Mount Clipping in Space Below)

(Indicate page, name of newspaper, city and state.)

Honolulu Star-Bulletin
Honolulu, Hawaii pg. 1

Date: 1/25/90

Edition:

Title:

Character:

or

Classification:

Submitting Office: Honolulu

Indexing:

Newcomer Sea-Land doing well

It's aiming to increase its capacity to the islands

Hawaiian Marine cuts Isle service C-1

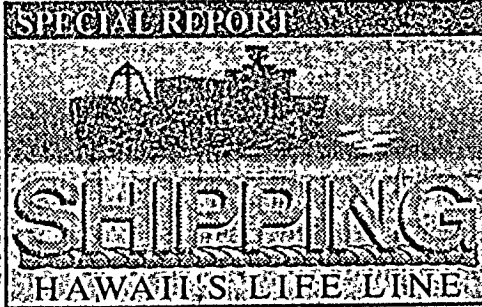
Last in a series

By Russ Lynch

Star-Bulletin

FOR a new hotel on Lanai, Sea-Land Service Inc. brought in marble from Italy. It was loaded into a Sea-Land container at the production plant in Italy, trucked to a port, shipped across the Atlantic, hauled across the country by truck and train, transported by containership to Sea-Land's Honolulu terminal at Sand Island, and barged to Lanai.

To handle occasional shortages in macada-



nia production, Sea-Land has shipped nuts from the Caribbean, through its Atlantic services, transported them to the West Coast, and shipped them to Hawaii.

Those are some of the examples of what is possible in today's highly sophisticated intermodal freight businesses, and Sea-Land's Hawaii link is part of one of the world's biggest transportation-related companies.

See SEA-LAND, Page A-8

SeaLand

Sea-Land's parent company CSX Corp. made \$147 million profit last year. Here are the facts:

- Parent: CSX Corp., Richmond, Va.
- Shipping, trucking, warehousing, real estate
- Shipping revenues: \$7.6 billion
- Parent profit: \$147 million
- Shipping revenues: \$2.1 billion
- Shipping operating profit: \$81 million or 0.04 percent of revenues
- Hawaii fleet: Five vessels (total international fleet of 60-plus ships)

By Kevin Hand, Star-Bulletin

Handwritten initials and marks, including a circled 'X' and the word 'mmg'.

58C-7910-38

INDEXED SERIALIZED FILED

JAN 31 1990

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b7C

S P E C I A L

SeaLand

R E P O R T

Sea-Land Service Inc. Pacific
Ocean fleet

Sea-Land Hawaii
Containership
Capacity 1,408 containers

Sea-Land Trader
Containership
Capacity 2,100 containers



SEA-LAND SERVICE INC. PACIFIC OCEAN FLEET

SEA-LAND SERVICE INC. PACIFIC OCEAN FLEET

S H I P P I N G : H A W A I I S

Sea-Land Pacific
Containership
Capacity 2,100
containers

Sea-Land Navigator
Containership
Capacity 2,100
containers

Sea-Land Enterprise
Containership
Capacity 2,100
containers

L I F E L I N E

SEA-LAND: It plans increases in island service

Continued from Page A-1
the CSX Corp.

Based in Richmond, Va., CSX owns New Jersey-based Sea-Land, which has a fleet of more than 60 ships in worldwide trade, plus a vast network of trucking and rail operations.

Like historic competitor Matson, Sea-Land has no government operating subsidy. Also like Matson, it opposes American President Lines' proposed entry on the grounds that APL does have a subsidy.

Meanwhile, Sea-Land is comfortable with the level of Hawaii freight business it has built up, in competition with Matson and some barge lines, in the just under 2½ years it has been in the trade, says

William J. Kenwell, Sea-Land's Hawaii-Guam vice president and general manager.

The five containerships that Sea-Land uses in its Pacific Express service from the West Coast



William
Kenwell

Guam stops.

In all other respects, however, the ships operate as domestic U.S. vessels. For example, there is no restriction on how many stops they can make in Hawaii on the way out into the Pacific or on how much cargo they can bring here.

to Hawaii, Guam, Taiwan and back to the West Coast, were built for the previous owner, with a U.S. construction subsidy and therefore are required by law to go in to the foreign routes after their Hawaii-

In fact, Sea-Land will soon become totally domestic in this trade. The period under which it is required to go foreign because of the construction subsidies runs out in 1993.

Sea-Land could then turn around and make trips directly back to the mainland from Hawaii, competing head to head with Matson and domestic barge lines in the two-way trade, Kenwell said.

Whether that will happen remains to be seen.

Meanwhile, the domestic leg of its Pacific service has been a success for Sea-Land, which entered the Hawaii trade in late 1987, in the wake of the U.S. Lines bankruptcy.

Successful enough, Kenwell said, for Sea-Land to plan an increase in its capacity into Hawaii. The line will add at least one additional voyage each two weeks, probably as soon as April, to what is now once-a-week service.

Sea-Land, like the others, does not disclose its market share. If the

amount attributed to Matson, 70-75 percent of the trade, is correct, however, and barge lines account for some 5 percent of the business, as waterfront watchers believe, that leaves Sea-Land with possibly 20 percent of the business.

Sea-Land's entry to the Hawaii trade came about because of the failure of another shipping line, U.S. Lines, that had operated the same type of West Coast-Hawaii-Asia service. U.S. Lines went bankrupt in 1987, not because of the Hawaii operation but because of an over-ambitious shipbuilding expansion for the Pacific-Asia routes when it built 12 new jumbo containerships at a cost of hundreds of millions of dollars.

Sea-Land filled the gap for a few months with a couple of its own smaller ships, spent \$80 million to buy five former U.S. Lines ships at auction and launched its all-containership Pacific Express service, backed by a commitment to spend another \$200 million in new

shoreside equipment.

It operates in such a way that once every week a containership sails from Long Beach, Calif., to Oakland, then to Honolulu and Guam, and on to Okinawa and Kaohsiung, Taiwan.

The ships then return directly to Long Beach.

That means cargo gets to Honolulu six days out of Long Beach and four days out of Oakland.

Kenwell said that, while the business is operating satisfactorily, higher rates are justified and Sea-Land, once it has studied the details of Matson's recent 3.6 percent rate increase filing, probably will match it.

Sea-Land has also built up a significant Hawaii-Guam trade, but not at satisfactory rates because of earlier rate wars, Kenwell said.

Rate increases are also needed there, he said.

Like Matson, Sea-Land does not believe that new competition from

APL would lead to lower rates, believing instead that APL would act as a spoiler, diverting business from the others and, in the end, forcing rates higher as unit costs rise.

But the main reason Sea-Land is opposing APL is because APL is subsidized.

That battle will drag on, said Sea-Land's head office attorney, Stuart Breidbart, vice president for regulatory affairs in Edison, N.J.

The case is being considered by the maritime administrator, who must make a recommendation to the secretary of Transportation.

Matson and Sea-Land have filed voluminous arguments and APL's filing alone went to hundreds of pages.

But even if the top transportation officials approve APL's application it won't end there, because Matson and Sea-Land have both vowed to take the matter all the way through the courts.

Memorandum



To : SAC, HONOLULU (58C-HN-7910) (P)

Date 1/23/90

From : IA

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(X)
JRA

Subject: DANIEL INOUE;
BRIBERY
OO: HONOLULU

On 12/1/89, no record could be located for AMERICAN
PRESIDENTIAL LINES at the Department of Commerce and Consumer
Affairs, Business Registration Division.

Delay in reporting is due to stenographic
delinquency in the Honolulu Division, of
which the Bureau is aware.

② Honolulu
GPM:mao
(2)

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45 *[initials]*

58C-HN-7910-46

SEARCHED-FOIMS	MAN
Indexed	Serialized <i>[initials]</i> Filed <i>[initials]</i>
FEB - 7 1990	
FBI - HONOLULU	
	JRA

C/S

58C-HN-7910

GDM:mao

1

The following investigation was conducted by
Investigative Assistant (IA) [REDACTED]

On December 15, 1989, IA [REDACTED] obtained a copy of the latest annual report on file at the Department of Commerce and Consumer Affairs, Business Registration Division for SEA LAND SERVICES.

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Delay in reporting is due to stenographic delinquency in the Honolulu Division, of which the Bureau is aware.

58C-HN-7910-41

Memorandum



To : SAC, HONOLULU (58C-HN-7910) (P)

Date 1/23/90

From : IA

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Subject: DANIEL INOUE;
BRIBERY
OO: HONOLULU

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Referral/Consult

(2) Honolulu
GDM:mao/m40
(2)

Delay in reporting is due to stenographic delinquency in the Honolulu Division, of which the Bureau is aware.

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SEARCHED-FOIMS	MAN
Indexed	Serialized
FEB 9 1990	
FBI - HONOLULU	

#5 11/1/90

58C-HN-7910

Referral/Consult

58C-HN-7910

Referral/Consult

Memorandum



To : SAC, HONOLULU (58C-HN-7910) (P)

Date 1/23/90

From : IA [REDACTED]

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Subject: DANIEL INOUE;
BRIBERY
OO: HONOLULU

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Referral/Consult

② Honolulu
DM:mao
(2) jro

Delay in reporting is due to stenographic delinquency in the Honolulu Division, of which the Bureau is aware.

58C-HN-7910-43

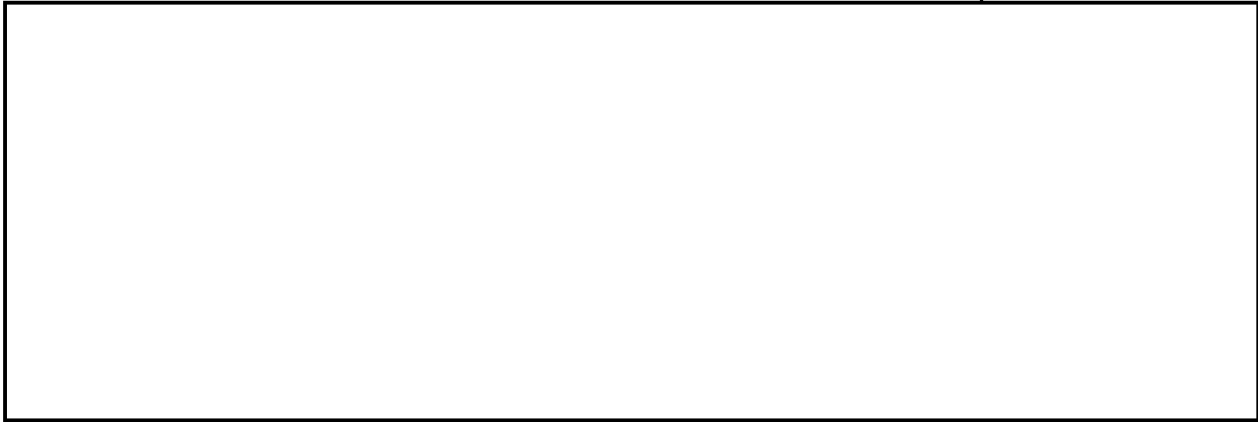
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58C-HN-7910

Referral/Consult



Memorandum



To : SAC, HONOLULU (58C-HN-7910) (P)

Date 1/23/90

From : IA

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Subject: DANIEL INOUE;
BRIBERY
OO: HONOLULU

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Referral/Consult

Delay in reporting is due to stenographic delinquency in the Honolulu Division, of which the Bureau is aware.

② Honolulu
GDM:mao MAO
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58C-HN-7910

Referral/Consult

58C-HN-7910

Referral/Consult

Memorandum



To : SAC, HONOLULU (58C-HN-7910) (P)

Date 1/23/90

From : IA

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Subject: DANIEL INOUE;
BRIBERY
OO: HONOLULU

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Referral/Consult

DM Honolulu
GDM:mao *MAO*
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Delay in reporting is due to stenographic delinquency in the Honolulu Division, of which the Bureau is aware.

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58C-HN-7910

Referral/Consult

58C-HN-7910

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01 61 51 48 20 33

CHIEF EXECUTIVE: DAVID H MURDOCK, CHB

SPECIAL EVENTS

02/08/90

During its second quarter, the Company announced that it was actively considering restructuring by splitting into two separate entities, Dole Food Company and a real estate development company, presently operating under the name, Oceanic Properties, Inc. The process of implementing the split could take nine months or longer.

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58C-HN-7910-46

SEARCHED-FOI'S
Indexed Serialized 1/4 filed 1

FEB 20 1990

FBI - HONOLULU

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SEE REVERSE SIDE FOR GLOSSARY OF TERMS

THIS REPORT, FURNISHED PURSUANT TO CONTRACT FOR THE EXCLUSIVE USE OF THE SUBSCRIBER AS ONE FACTOR TO CONSIDER IN CONNECTION WITH CREDIT, INSURANCE, MARKETING OR OTHER BUSINESS DECISIONS, CONTAINS INFORMATION COMPILED FROM SOURCES WHICH DUN & BRADSTREET, INC. DOES NOT CONTROL AND WHOSE INFORMATION, UNLESS OTHERWISE INDICATED IN THE REPORT, HAS NOT BEEN VERIFIED. IN FURNISHING THIS REPORT, DUN & BRADSTREET, INC. IN NO WAY ASSUMES ANY PART OF THE USER'S BUSINESS RISK, DOES NOT GUARANTEE THE ACCURACY, COMPLETENESS, OR TIMELINESS OF THE INFORMATION PROVIDED, AND SHALL NOT BE LIABLE FOR ANY LOSS OR INJURY WHATSOEVER RESULTING FROM CONTINGENCIES BEYOND ITS CONTROL OR FROM NEGLIGENCE.

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Business Information Report Glossary of Terms

Rating:

One of three designations is displayed:

- 1. Capital and Credit Rating**—an overall appraisal of a firm's financial strength and credit worthiness, as assigned by a D&B Analyst. Financial strength is based on tangible net worth. Credit worthiness is a composite evaluation of several factors, including payment performance, management experience, financial condition and banking record (see Rating Key below).
- 2. Employee Range (ER) designation**—a designation based on number of employees, which is assigned to firms in particular lines of business for which D&B does not provide a Capital and Credit Rating (e.g., banks, insurance companies, hospitals).
- 3. —(Blank Symbol)**—used when the information available to D&B either does not permit the classification of the firm within a condensed rating system or is insufficient to assign a Capital and Credit Rating. The presence of a — does not mean that credit should be denied but, depending on the circumstances including the amount of credit requested, may suggest that further information be requested from this and other D&B reports and/or the credit applicant.

Key to Ratings

Estimated Financial Strength		Composite Credit Appraisal			
		High Good Fair Limited			
5A	\$50,000,000 and over	1	2	3	4
4A	\$10,000,000 to 49,999,999	1	2	3	4
3A	1,000,000 to 9,999,999	1	2	3	4
2A	750,000 to 999,999	1	2	3	4
1A	500,000 to 749,999	1	2	3	4
BA	300,000 to 499,999	1	2	3	4
BB	200,000 to 299,999	1	2	3	4
CB	125,000 to 199,999	1	2	3	4
CC	75,000 to 124,999	1	2	3	4
DC	50,000 to 74,999	1	2	3	4
DD	35,000 to 49,999	1	2	3	4
EE	20,000 to 34,999	1	2	3	4
FF	10,000 to 19,999	1	2	3	4
GG	5,000 to 9,999	1	2	3	4
HH	Up to 4,999	1	2	3	4

General Classification

Estimated Financial Strength		Composite Credit Appraisal		
		Good Fair Limited		
1R	\$125,000 and over	2	3	4
2R	\$50,000 to \$124,999	2	3	4

When the designation "1R" or "2R" appears, followed by a 2, 3 or 4, it is an indication that the Estimated Financial Strength, while not definitely classified, is presumed to be in the range of the (\$) figures in the corresponding bracket, and while the Composite Credit Appraisal cannot be judged precisely, it is believed to fall in the general category indicated.

Key to Employee Range Designations

ER1	1000 or more	Employees
ER2	500-999	Employees
ER3	100-499	Employees
ER4	50-99	Employees
ER5	20-49	Employees
ER6	10-19	Employees
ER7	5-9	Employees
ER8	1-4	Employees
ERN		Not Available

Payments:

Payments Reported—the date the payment status is entered or updated from information provided to D&B by the firm's creditor.

Paying Record—shows how the firm paid a particular creditor during a 12 month period prior to the information being reported to D&B. The following manners of payment may appear in this section:

Antic—means the firm anticipates or makes payments prior to the date of invoice.

Disc—means the firm pays invoices on time to take advantage of discounts for early payment.

Ppt—means the firm pays promptly according to terms.

Slow—means the firm pays beyond terms. Slow xxx days reflects the number of days beyond terms invoices were paid.

Ppt-Slow—means the firm's manner of payment varies. Some invoices are paid on time while others are paid beyond terms.

Placed for Collection—means the account has been turned over to a third party for collection.

(#)—appears when a creditor has provided a trade experience without a manner of payment. The number represents the position of the experience in the Payments Reported section of the report (e.g., (4) means the 4th listed experience).

Amounts—paid accounts are shown with a zero balance. The absence of a dollar amount or a zero indicates the creditor did not provide a High Credit, Now Owes and/or Past Due amount.

High Credit—highest amount of credit provided to the firm by this creditor during the previous 12 months.

Now Owes—total amount currently owed to this creditor.

Past Due—amount under "Now Owes" which is overdue.

Selling Terms—credit terms provided to this firm by the creditor (e.g., N30 or Net 30 means full payment is due within 30 days. 2/10 N30 means a 2% discount may be deducted from an invoice if it is paid within 10 days; otherwise payment in full is due within 30 days).

Last Sale Within—number of months since last sale.

The information shown may not represent the full extent of the firm's trade relationships.

Special Events:

Highlights significant activities or changes in the business. May include bankruptcy details; changes in ownership; officers; partners or business location; fire or other disaster details; interim financial results, and other major events.

Update:

Reflects new or revised information obtained since the last time the report was fully revised.

Finance:

Contains financial data from audited or unaudited accountants' figures, from unaudited figures prepared from the books of management or from management's estimates of assets, liabilities, sales and profits. No audit is conducted by Dun & Bradstreet. Financial figures may also be obtained from public record and other reliable outside sources. Under certain conditions, some financial data may come from a D&B Analyst's estimates of certain assets and sales.

Banking:

May include checking/savings average account balances, previous and current borrowing history and a determination of whether the overall banking relations are satisfactory. This information is normally provided directly by a bank or banks. The information shown may not represent the full extent of the firm's banking relationships.

Public Filings:

May include public record information such as suits, judgments, tax liens and Uniform Commercial Code Filings. May also contain applicable releases and status updates of public record items.

History:

Provides background details on the company, including the year started, incorporation details, changes in control and ownership information. May also profile the business experience of the company's principals or owners. May contain year of birth, marital status, educational background and the names and business description of any affiliated companies. This information is generally provided to D&B by the company's management.

Operations:

Describes what the firm does, its number of employees, a description of its facilities, and its general locations. It may also provide name and location of branch operations, plus identify and describe any subsidiary businesses. This information is generally provided by the company's management.

FEDERAL BUREAU OF INVESTIGATION

- 1 -

Date of transcription 2/7/90

[redacted] telephonically contacted the Federal Bureau of Investigation (FBI) and provided the following information:

He received a phone call this past weekend (January 20-21, 1990), from a [redacted] [redacted] advised that he had suspicions that [redacted] had been the individual who had phoned an anonymous complaint to the FBI concerning payoffs in the Hawaii shipping industry. [redacted] admitted that he had phoned the FBI. [redacted] told him that he [redacted] had provided [redacted] name, as well as [redacted] name to the FBI.

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[redacted] referenced a conversation that had allegedly occurred at their [redacted] [redacted] regarding payoffs. He did not remember this conversation. He said that [redacted] had been [redacted] approximately [redacted] years ago. Because of [redacted]

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Investigation on 1/22/90 at Honolulu, Hawaii File # 58C-HN-7910-47
by SA [redacted] :bad Date dictated 2/5/90

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FEDERAL BUREAU OF INVESTIGATION

- 1 -

Date of transcription 2/7/90

[redacted]
[redacted] telephone [redacted] was advised of the identity of the interviewing agent as well as the nature of the interview. He provided the following information:

He said that he had been contacted by [redacted] this past weekend (January 20-21, 1990). [redacted] told him that he [redacted] had been contacted by the Federal Bureau of Investigation (FBI), the past week. [redacted] said that the FBI told him that they had received an anonymous phone call alleging that payoffs had been made to public officials in return for helping Matson Navigation (MN). [redacted] further told him that his [redacted] name was mentioned.

He told [redacted] that he had called the FBI and provided [redacted] name as well as the name of [redacted] as having knowledge of payoffs to Senator DANIEL INOUE. He said that he reminded [redacted] of a conversation that had occurred at [redacted]

[redacted] concerning the subject of payoffs. The individuals who participated in this conversation were [redacted] and himself. He said that [redacted] mentioned the fact that he had been at a [redacted] with employees of [redacted] told them that one of the [redacted] employees had a suitcase of money that was going to be given to Senator INOUE. [redacted] did not say whether the payoff actually occurred. However, he said that [redacted] told them that he had verified through banking sources that the cash had been prepared by a local bank (name unknown). This conversation with [redacted] and [redacted] occurred approximately [redacted] years ago.

He does not know whether [redacted] or [redacted] would acknowledge that this conversation took place. In regards to [redacted] he said that [redacted] and that if he gets involved, [redacted]. He thinks that [redacted] might be reluctant to talk due to the fact that [redacted] has been in the shipping business in Hawaii for [redacted]. Besides these two individuals, he is not aware of the identity of any other individuals that may have knowledge of payoffs to Senator INOUE or other public officials.

Investigation on 1/22/90 at Honolulu, Hawaii File # 58C-HN-7910-48
by SA [redacted] :bad Date dictated 1/22/90

58C-HN-7910-48

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FBI - HONOLULU	
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FEDERAL BUREAU OF INVESTIGATION

- 1 -

Date of transcription 2/7/90

[redacted] telephonically contacted the Federal Bureau of Investigation (FBI) and provided the following information:

[redacted] advised that he spoke with [redacted] the previous weekend (January 20-21, 1990). [redacted] told him that he [redacted] had been contacted by the FBI regarding knowledge of payoffs to public officials involved with the shipping industry. He said that following the call from [redacted] thought about the anonymous caller who provided his name to the FBI. He decided that this caller's name was [redacted] had been an employee of [redacted]

Approximately [redacted] years ago, [redacted] following [redacted] made harassing phone calls to his [redacted] house for approximately one year. He said that [redacted] and believes that [redacted] phone call to the FBI may have been continuing harassment by [redacted]

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Investigation on 1/22/90 at Honolulu, Hawaii File # 58C-HN-7910-49
by SA [redacted]:bad Date dictated 1/22/90

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C/24

(Mount Clipping in Space Below)

Matson stretches overseas

It invests millions of dollars in its foreign operations

By Russ Lynch
Star-Bulletin

HAWAII'S old shipping company, Matson Navigation Co., has gone international with a major capital commitment and the quick buildup of a container-leasing business.

Matson believes its experience as a pioneer of container shipping puts it in a good position to succeed in the highly competitive business, and top management of its Hawaii parent, Alexander & Baldwin Inc., share that confidence.

Last April, Matson's board of directors received and approved the idea, along with the initial funding of \$49.1 million for buying containers and setting up overseas offices, and the company is prepared to invest some \$50 million a year for the next four years to expand it.

Before the proposal went to the board, Fred Gutterson, a 25-year transportation veteran who had spent 18 years in container leasing, was in the wings. The formation of Matson Leasing Co. was approved, he was named president and chief executive officer, and the leasing business went into full gear.

The actual cash came through in the fourth quarter, and Gutterson implemented plans.

Container manufacturers in Korea, Taiwan and China delivered the equivalent of 8,000 20-foot containers (a mixed bag of sizes to suit customers' needs) before the end of 1989. The company plans to build an inventory of at least 100,000 units within the next four years.

Matson Leasing has marketing and sales offices in Tokyo, Hong Kong, Singapore, London, Paris and Zurich, and will soon open one in New York. It has agency agreements in nearly a dozen other cities in Europe and Asia.

"We went from a conceptual idea in the first quarter of 1989 to a full-on operating leasing company in the fourth quarter," said C. Bradley Mulholland, executive vice president and chief operating officer of Matson.

It was achieved despite the potential trauma of a top management reshuffle at Matson. Mike Wasacz had come aboard as president and CEO only at the beginning of April and had thrown his weight behind the concept. Two months later, he was gone, leaving to pursue other interests after a management shift at A&B.

Mulholland was a 24-year Matson veteran and had been executive vice president since August 1987, but was new in the top spot. He, too, was a strong backer of the concept.

(Indicate page, name of newspaper, city and state.)

Honolulu Star-Bulletin
Honolulu, Hawaii pg. A-8

Date: 1/23/90
Edition:

Title:

Character:
or

Classification: 58A-HN-7910
Submitting Office: Honolulu

Indexing:

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(Indicate page, name of
newspaper, city and state.)Honolulu Star-Bulletin
Honolulu, Hawaii pg. A-1,8

Date: 1/23/90

Edition:

Title:

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or

Classification: 58A-HN-7910

Submitting Office: Honolulu

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58C-HN-7910-51

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FBI - HONOLULU	

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SPECIAL REPORT

SHIPPING

HAWAII'S LIFE LINE



- Parent: Alexander & Baldwin Inc., Honolulu. Shipping, property and agriculture
- Parent revenues: \$702 million
- Parent profit: \$153 million
- Shipping revenues: \$454 million
- Shipping operating profit: \$116 million, or 25.5 percent of revenues
- Hawaii fleet: Seven vessels

1988 figures

Matson Navigation fights to stay No. 1

It is battling stiff new competition on its West Coast to Hawaii freight run

Matson goes international A-8

First in a series

By Russ Lynch

Star Bulletin

SAN FRANCISCO — Matson Navigation Co.'s explosive growth has been a reflection of Hawaii's economic success, but as others try to cash in on that success Matson is fighting back with a new game plan.

The 107-year-old subsidiary of Alexander & Baldwin Inc. has always had most of the mainland-Hawaii sea freight business to itself, and its competitors describe it as the most profitable shipping line.

But while the Hawaii market has grown, Matson's share of that business has diminished. The line is battling new competition these days and facing the prospect of an even stiffer fight.

Here, at the traditional Northern California gateway for ship-

ments to Hawaii and beyond, the competition is visible. Trains, trucks, ships and barges pour into the Bay Area headed west to the Far East. The Hawaii trade, to many shippers, looks attractive alongside the highly subsidized, heavily competitive international trade in the Pacific.

One of the giants of world shipping, Sea-Land Service Corp., launched a specialized Pacific trade in late 1987 that is giving Matson a run for its money. Another giant, American President Lines, wants to get into the same market, which has led to a sharp public trading of barbs.

APL says that Matson is using a phony "public utility" and anti-competitive kind of argument when it says that added competition would bring nothing but excessive capacity to the trade, leading to rate wars, loss of business by existing carriers and, in the end, higher rates.

Matson says it has had that experience in the past, citing the 12.5 percent rate increase it had to put into effect when now-defunct Sea-Land entered into direct competition a couple of decades ago.

And Sea-Land agrees with Matson, but is constantly trying to woo Matson's customers.

See MATSON, Page A-8

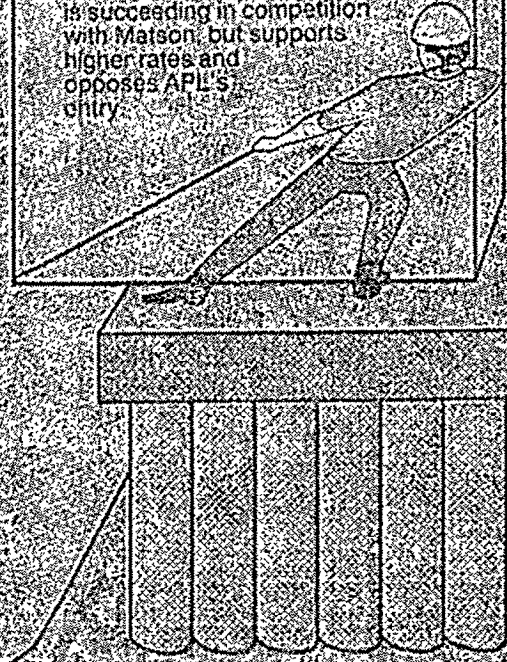
Wednesday
and
Thursday

AMERICAN PRESIDENT LINES

Wednesday: APL wants to bring some much-needed competition to Hawaii freight.

SeaLand

Thursday: Sea-Land Service is succeeding in competition with Matson, but supports higher rates and opposes APL's entry.



S P E C I A L



Matson

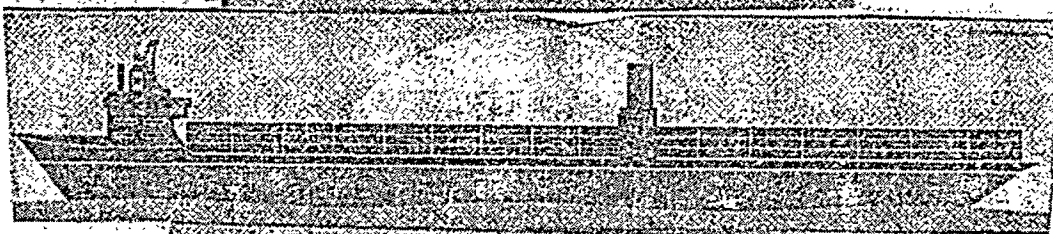
R E P O R T

Matson's Pacific
Ocean fleet:

Kaui
Containership
Capacity 1,716 containers

Kaimoku
Roll-on, roll-off
Capacity 890 containers

Maul
Containership
Capacity 1,716 containers



Manulani
Containership
Capacity 1,496 containers

Lurline
Combination roll-on, roll-off and containers
Capacity 1,751 containers

Manukai
Containership
Capacity 1,496 containers

Matsonia
Combination roll-on, roll-off and containers
Capacity 1,585 containers

S H I P P I N G : H A W A I I ' S

L I F E L I N E

MATSON: Has plans to remain No. 1 shipper

Continued from Page A-1

The competition is driven by businesses that want more frequent shipping, less need to store inventory, more flexibility and a need for instant tracking of their goods.

For its part, Matson has had to devise a strategy that it hopes will help it maintain its lead.

C. Bradley Mulholland, executive vice president and chief operating officer, disclosed in a recent interview in his office overlooking the San Francisco waterfront that Matson has decided to:

- Get out of and probably sell the Matson Freight Agencies business, which represents other shipping lines.

- Reduce or eliminate the amount of stevedoring and other shoreside work its Matson Terminals does for businesses other than its own.

- Increase voyages to Hawaii to almost two a week in 1990.

- Spend millions on a new business, international container leasing, in which it has already invested some \$50 million since last April.

- Look closely at having a new ship built, which could cost well over \$100 million.

- Leave Portland to concentrate all its Pacific Northwest port activities in the fast-growing cargo center of Seattle.

Many of the changes that Mulholland described can be seen at the Oakland container yard and at Matson's newer and bigger terminal operation at Long Beach, the Southern California port that is beginning to challenge New York as the biggest tonnage U.S. gateway.

The company has spent nearly \$30 million in the past year and a half on a space-age electronic communications system.

Computers direct ship loading and unloading. Every container can be tracked in seconds. At the Long Beach center, the computer monitoring incoming calls can recognize who is calling and switch the call automatically to the customer clerk most familiar with that customer's needs.

Mini-computer terminals in container yard vehicles allow on-the-spot monitoring of cargo movements. Even a "stevedore" these days isn't what the term used to mean. Now he or she is likely to be working a computer terminal and talking to truck drivers and crane operators through computers, speeding up the truck turnaround on the docks. Already it is down to less than half an hour for a truck to haul a container on to the yard, take it where it is needed, pick up a replacement, and head back out through the gate.

Meanwhile, the company has spent some \$500 million in the last 10 years to improve its fleet of ships and its shoreside equipment.

Matson's combination of all-container and roll-on, roll-off vessels can literally carry anything that can roll, said Mulholland. Matson has hauled "tank truck loads of

live bait, circus animals, carnival ferris wheels" and "because we're the only turnaround carrier, we bring the stuff back, too," he said.

But to keep those capabilities alive and to continue improving them requires a sure flow of money, he said.

Matson is profitable, as its parent A&B loves to boast, and despite the competition edging in, it clearly dominates mainland-Hawaii shipping. How, then, can it justify its recent filing for a 3.6 percent rate rise, after a 3.2 percent increase last year?

"It's important to generate profit and make enough so that we can continue to attract investment" at the level needed to keep up the "fierce dedication to service" that has made the company successful, Mulholland said.

Matson keeps a close eye on its figures and the increase is justified to make sure that it continues to make the rate of return approved by the Federal Maritime Commission, he said.

Meanwhile, although Matson has said that it has 70-75 percent of the West Coast-Hawaii freight trade, that figure indicates that newcomer Sea-Land may well have as much as 15-20 percent of the outbound trade from the mainland, with barge lines and other occasional haulers handling the rest.

(The shipping lines, just like the airlines, don't like to talk about market share for competitive rea-

sons.)

To keep its place and improve it, Matson has been going through a process to "analyze the businesses we're in" and figure out which of them deserves capital investment and which show less long-term profit potential. The winners will get "the full amount of management attention and the full amount of assets" they need to succeed, Mulholland said.

All of the subsidiaries are "reasonably healthy." They are involved in "intermodal" truck and train handling on the mainland, repairing containers and the harbor tug business, as well as the agency, stevedoring and container leasing businesses.

The agency business was the first that showed a need to cut. "We've had one of the largest accounts in the world, NYK.

They're in trade routes where there is tremendous competition. They're going to meet it (in part) by forming their own agency business," Mulholland said.

Matson was going to lose its biggest agency client and when it looked at its own space and service needs, it was clear that the agency business did not fit the company's overall goals.

The arrangement had "two very successful companies using the same container yard" and NYK grew to where more of its containers were going through than Matson's, Mulholland said. "There was no way both of us could stay in the same yard."

Matson needs the room and the resources for its own business.

The same is true of Matson Terminals. It will be concentrating on handling Matson's own containers and container freight station work, in which loose cargo for various customers in concentrated in containers.

The company has a three-part strategy aimed at "making Matson Navigation Co. more competitive in the Hawaii trade," Mulholland said.

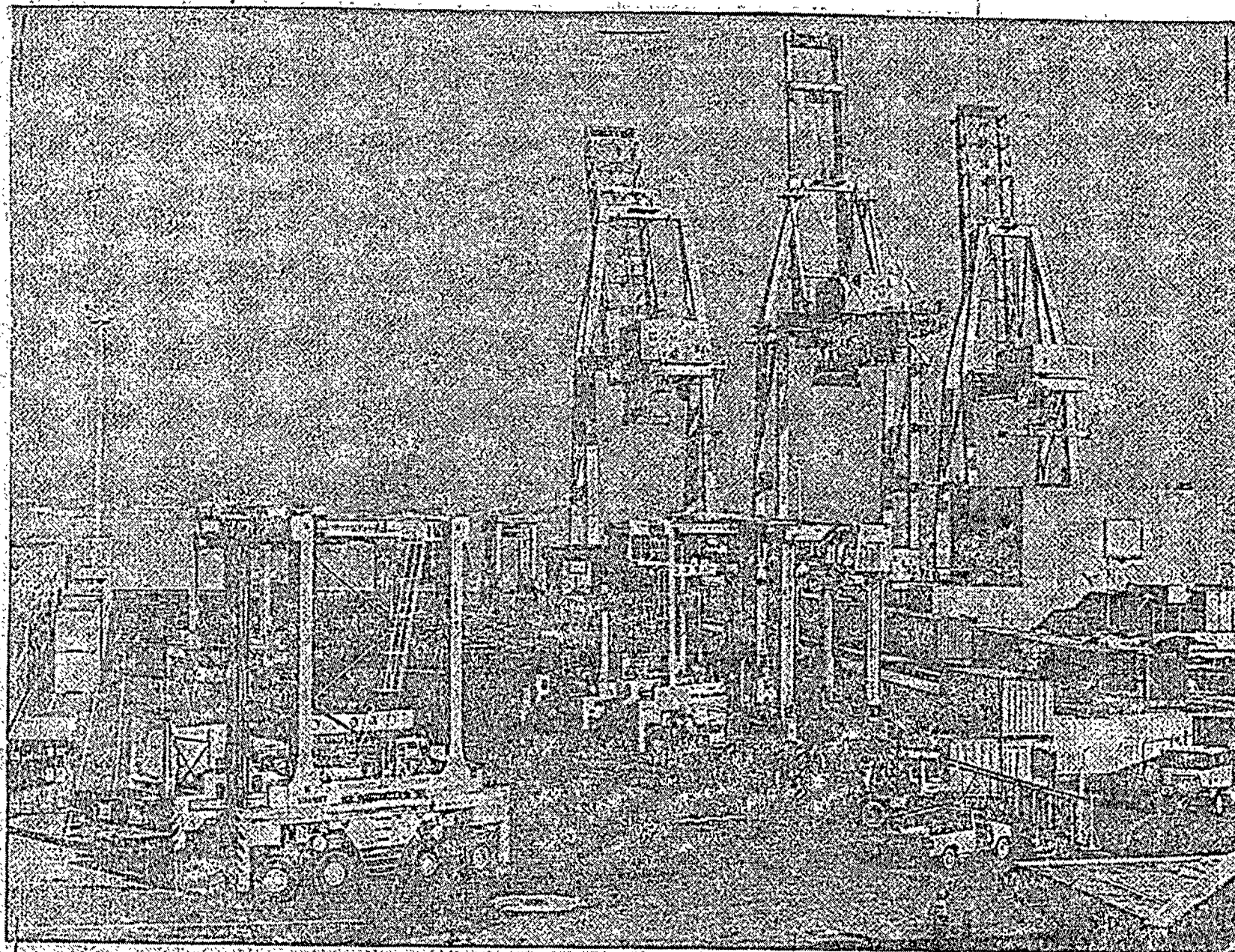
- Continue to invest in the "organic assets" — the ships, the containers, the cranes and so on that move Matson's own cargo.

- Increase service.
- A new push on the information technology/customer service side.



66
It's important
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99
Bradley Mulholland
Matson's executive vice president
and chief operating officer



Handling equipment, used to remove containers from ships, line the docks at Matson's Oakland, Calif., terminal.

By Russ Lynch, Star-Bulletin

File - Serial Charge Out
FD-5 (Rev. 6-17-70)

File 58C-HN-7910 Date _____
Class. _____ Case No. _____ Last Serial _____

☐ Pending ☐ Closed

Serial No. _____ Description of Serial _____ Date Charged _____

~~28~~ FD 356; 12/17/89 to NY 12/25/89

~~29~~ Passed letter to USA Vennick; 12/11/89

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6 TT to HQ fr HN; 10/11/89 1/9/90

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RECHARGE Date _____

To _____ From _____

Initials of Clerk { _____

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Date charged _____

Employee _____

Location _____