

LETTER FROM WALLACE GROVES

THE FOUNDER OF FREEPORT LUCAYA

It seems hard for me to believe that the City about which I dreamed, Freeport, is now twenty-five years old. I had high hopes for Freeport even before that day in 1965 when the enabling Act which was to be Freeport's birth was signed but I look back and wonder if I even imagined the success that we would have.

I am indeed proud of this the "Second City" of the Bahamas and here my mind fills with the names of all those who came and shared that dream with me and who were also responsible for the success. I hesitate to name them as I fear I will omit a name and there were literally hundreds of people who contributed their investment and perhaps even more importantly their time, talents and personal efforts to building a community. Many of those people are gone but they are remembered and we now look to the people who now live in Freeport and we should look not backwards (although on this rather special occasion, perhaps we are all allowed a look back and a sense of accomplishment at the past twenty-five years) but we should look forward to Freeport's future and the fine Bahamian city we have here, which provides us who live and work – and play here with an excellent standard of living, with Churches and Schools and other facilities to provide our families with a fine place to live.

It does indeed give me a great deal of pride to be called Freeport's "Founder." I feel it is something one can be proud of and I'm proud to still be a part of this thriving community. Mrs. Groves and I have lived so long on Grand Bahama, we raised



our family here, it is hard to think of anyplace else as "home."

I was asked what my message would be to the people of Freeport on this Anniversary, and I suppose that message would be firstly a sincere "Thank You" to all of the people who are responsible for what we know today as Freeport and as we stand with twenty-five years behind us to say to the community, of which Mrs. Groves and I still feel such a part, that I hope the next twenty-five years will be happy and prosperous ones and that they will give us something to be equally proud of.

THE FOUNDING OF FREEPORT

By Wallace Groves

Looking back over the past twenty years many things come to mind.

When the Hawksbill Creek Act was agreed to twenty years ago there was very little on Grand Bahama Island. The area described in the Agreement and now known as Freeport/Lucaya had every small population.

My first connection with Grand Bahama Island was in 1946 when I purchased all of the shares of the Abaco Lumber Company and the lumber community at Pine Ridge. The population of Grand Bahama Island at that time was only about 3,000. The venture was in danger of going into bankruptcy and the price was only 50,000.

The mill was rebuilt, virtually all of the equipment replaced, an excellent school and medical clinic was established. Fortunately the business was financially successful. One of the problems of the business was it had to be a temporary one as the lumber was cut, and in 1955 I decided to sell the timber concession covering Grand Bahama Island and Abaco but keeping the company itself. The sale was to Owens Illinois Glass Company for \$4,000,000.

My work with the Abaco Lumber Company led to the idea which resulted finally in the present development. I wanted to establish a strong, permanent venture. I reasoned that a large body of land of approximately 150,000 acres, located so near the Florida mainland just off the Gulf Stream, could be made into a large, worthwhile venture. Fortunately this has come true.

In the beginning because I considered the venture one of great risk, I preferred to take in no partners and handle the development alone. It was not until later, when I was more certain of success, that I did sell a share interest of less than 50% to the two top-grade investors (Allen & Company of New York and the Hayward interests of London). This share ownership continued until 1969 when the venture became a public company through Benguet Consolidated, listed on the New York Stock Exchange. I remained and am the largest shareholder of the surviving company which has the Bahamian assets, Intercontinental Diversified Corp.

In the beginning, a deep-water Port had to be built as a condition precedent to the Hawksbill Creek Act becoming effective. Great care and thought, I felt, should be given to basic long-term

planning for the so-called 'Port Area' and it was not really until 1959-60 that the basic plan and utilities were completed to allow for sufficient necessary amenities for the development to really get off its feet.

From 1960 to 1969 some 4,000 hotel rooms, many apartments and homes were built, and schools, churches and civic facilities — together with utilities — were added. In addition, a number of basic industries became established. The basic foundation was based on:- (1) Industry (2) Tourism and (3) attracting outside residents. From 1969 to the present there has been a gradual growth.

I believe the results speak for themselves - and today Freeport does speak for itself. I take pride in what has been accomplished in many areas, especially our fine schools and churches, excellent roads and utilities as well as the basic planning. Looking back over the years, I do feel the basic concept was good. In the beginning, great thought was given, for example, to providing a water system that could be expanded to serve a city of 250,000 or more persons. I am also pleased that the original formula of having carefully spaced shallow depth wells (versus a trenching system), set with time clocks so that no more than 1,000 gallons of water per acre a day could be pumped, has proven a sound one. We now produce up to 4,500,000 gallons of truly excellent water a day and with no practical deterioration of our water reserve. Our basic planning as to producing electric energy has also proved sound and to such an extent that BORCO depends on us exclusively for power requirements for its \$300,000,000 installation as well as for its water requirements.

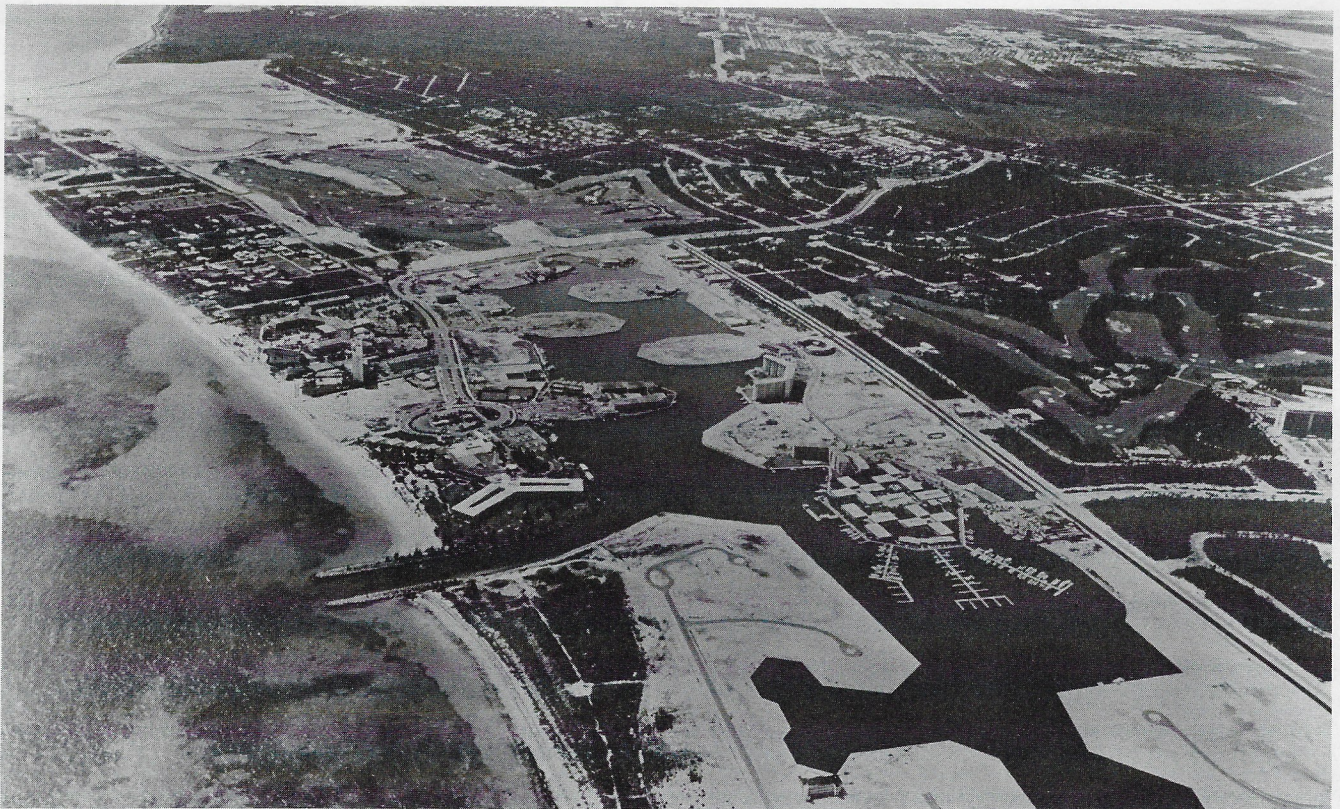
I am especially proud of the Garden of the Groves (which, incidentally is the only time I have permitted my name to be used). I feel that it is a most beautiful place, perhaps even the most beautiful spot in the Bahamas and that it shows what can be done with our somewhat difficult terrain.

No one knows the future of Freeport but it should have an excellent one. To assert my belief in Freeport/Lucaya just recently purchased the investment of my original partner, Allen & Company.

Freeport/Lucaya will endure and does have a long-term excellent outlook.



HISTORIC MOMENT – August 4th, 1955 – Mr. Wallace Groves, Founder, Freeport, holds copy of Hawksbill Creek Act, after signing ceremonies at Government House. Seated at desk is the Acting Governor, the Hon. A. G. H. Gardner-Brown, who signed on behalf of the Government.



THIS AERIAL PANORAMA of Freeport/Lucaya in 1970 illustrates the success and compatibility of a "marriage" between tourism and land development. Freeport/Lucaya attracted just under a half-million tourists in 1970. This island resort boasts an array of facilities which include five 18-hole championship golf courses, 25 miles of white sand beaches, scuba and skin diving facilities, glass bottom boats, deep sea fishing, tennis, miniature golf, two casinos and a selection of restaurants to fit both the palate and pocket-book. From the time the first luxury hotel, Lucayan Beach, opened in January 1964, Freeport/Lucaya's hotel accommodations have grown to over 3,500 rooms with the opening of the new International Hotel in December of 1970. Is it any wonder that the romance, between tourism and land development, has become the great love story of the present economic age? (Photo by Martin Clemens)