

VOL. 23-8

20<sup>th</sup> Birthday Issue  
ONE DOLLAR

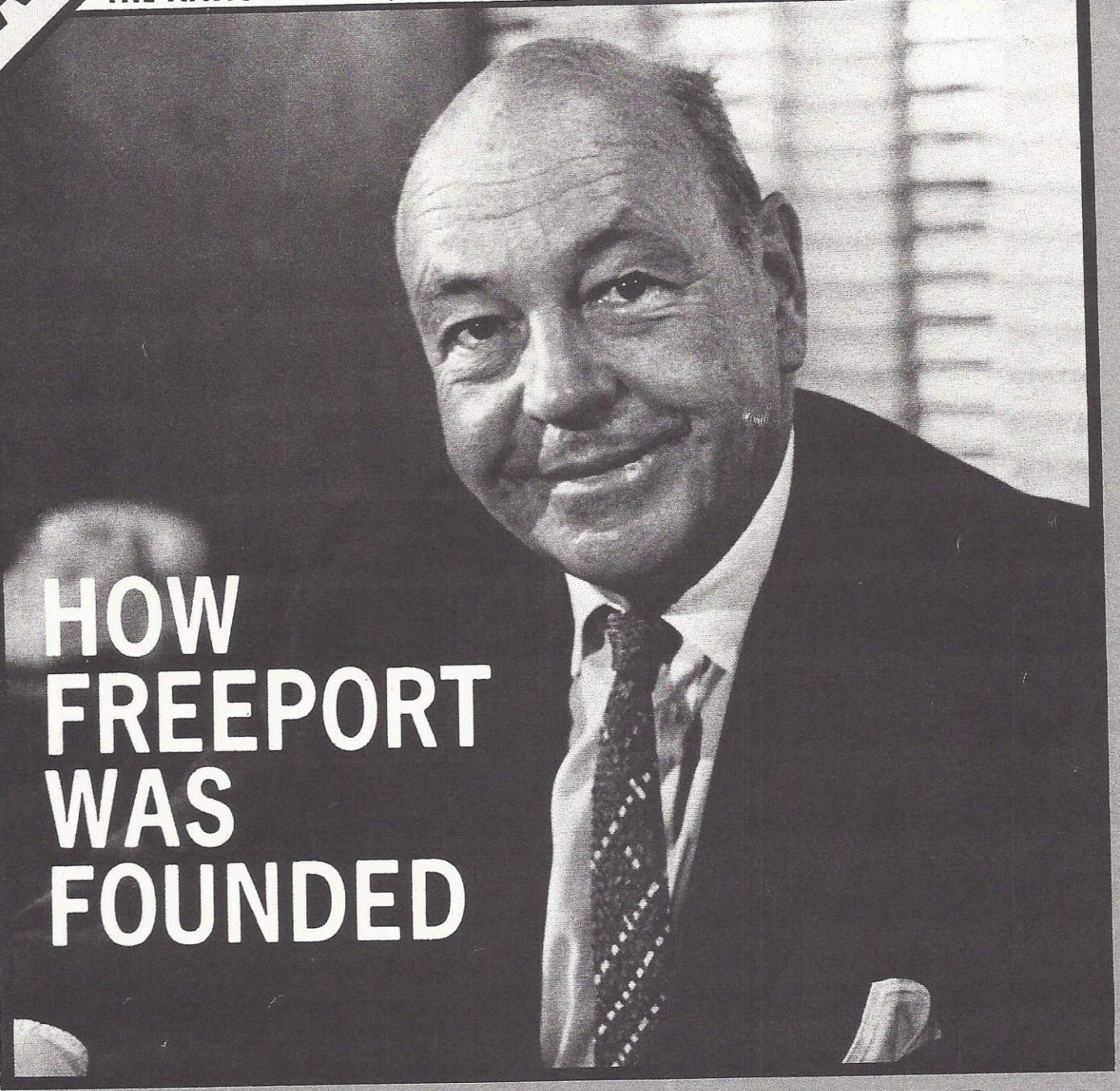
WALLACE GROVES

THE

# BAHAMIAN REVIEW

AND  
**FREEPORT  
MAGAZINE**

THE NATIONAL MONTHLY NEWS-MAGAZINE OF THE BAHAMAS



**HOW  
FREEPORT  
WAS  
FOUNDED**

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**FREEPORT'S 20<sup>TH</sup> BIRTHDAY ISSUE**



# HOW FREEPORT WAS FOUNDED

*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.



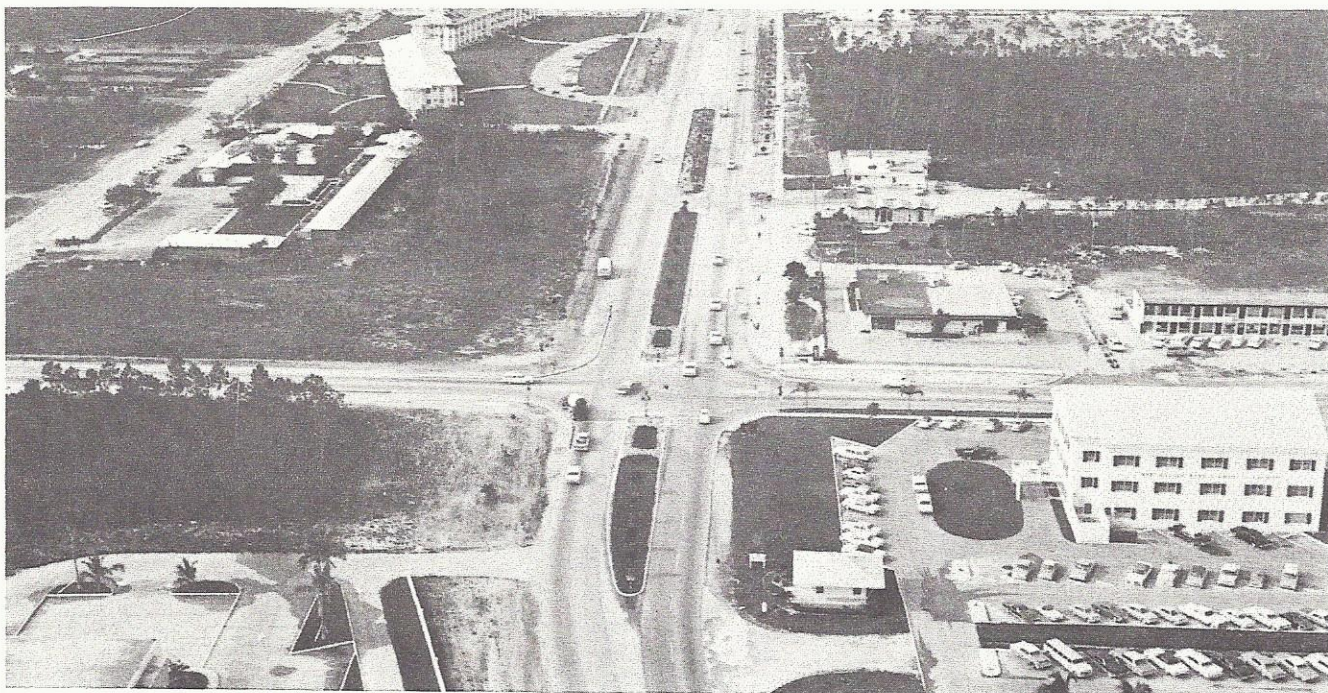
# ***FREEPOR!***

When Juan Ponce de Leon marched up the beach on Grand Bahama Island in 1513, according to his historians, and planted a long-staffed burgee in the name of Spain, he struck a pose not unlike one you may see repeated a hundred times any day by bleached duffers on a manicured Freeport/Lucaya golf course.

the total bewilderment of his gentle hosts) and gestured frequently toward the north shore repeating the word "bajamar, bajamar!"

The visit was a real high point for the 16th century Indians. Every incantation took measured significance. In short order, the appellation attributed to the north shore was used to

He'd find 16 resort hotels with more than 3,700 rooms; five championship golf courses; a \$3 million dollar international shopping bazaar; about 23 banks and financial institutions; an international airport; deep water harbor; oil refining complex; pharmaceutical plant; 16,000 permanent residents and almost 400,000 tourists annually



**Amenities for the rapidly growing population in Freeport/Lucaya had increased by leaps and bounds by June, 1967. The original lending library in the Savoy Building had been replaced by the modern John Harvard Library (lower left). The Regency Theater was showing the latest films, Jansel Court on the Mall (upper center) had a long waiting list and the International Bazaar (upper right) was almost completed.**

In that year there were only a handful of Lucayan Indians to greet him, none of whom had ever seen a tourist before. It is reported they extended their courtesies very graciously under the circumstances, and, although there weren't any hotels on the island, they did offer what they could to make his stay as pleasant as possible. (Some things don't change in the Bahamas.)

The explorer allegedly ranted on about a fountain of youth in the neighborhood (to

refer to all the island. In fact, soon afterward, all the islands in the archipelago were so identified. The word "bajamar" translates to "shallow sea" and its correct pronunciation in Castilian dialect is still ba-ha-mar. You don't have to say it fast to corrupt it to Bahama. Grand!

If he could return today . . . Ponce de Leon would find Freeport/Lucaya third in the world in telephones per capita. Only Washington, D.C. and Stockholm, Sweden have more than 94 phones per 100 persons.

enjoying a multitude of amenities from a gleaming fleet of sports fishing boats to a plush gaming casino.

The growth of Freeport/Lucaya, principal center of commerce on Grand Bahama Island, did not come in steady stages from the time of the explorer's visit more than four hundred years ago. Freeport/Lucaya's development occurred with volcanic speed in very recent years, and it is still growing.

During the period of the



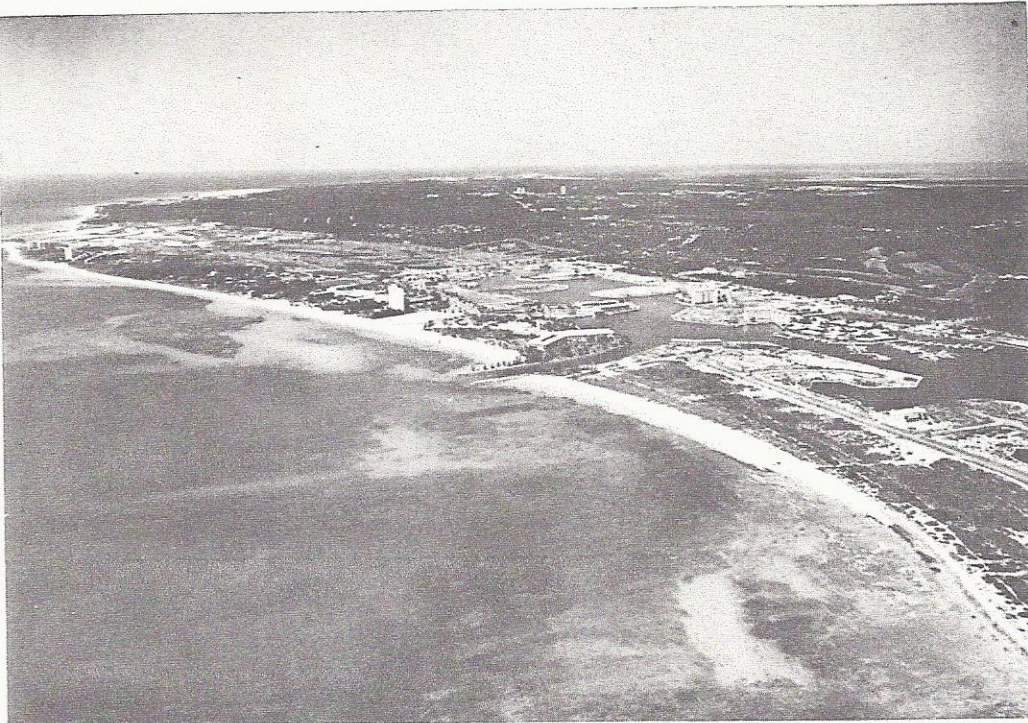
# ·LUCA YA

American Revolution, the Bahamas saw a brief influx of new residents. The immigrants were loyalists who did not adhere to the common cause of the United States. In true belief that their service to England was paramount to any other consideration, loyalists settled on several of the islands in the Bahamas. Some came to Grand Bahama. There are ruins of their plantations visitors may see while touring in the Freeport/Lucaya area. Most of the signs of their migration have gone. A few of the settlements endured and now prosper on Abaco and North Eleuthera.

The outrageous age of piracy brought another stock of short-time visitors to Grand Bahama. A notable lack of suitable harbors kept the number of these scalawags at a minimum.

For all purposes, it seemed, Grand Bahama would be the island in the Bahamas overlooked by each century. Nassau, the capital city, on New Providence prospered handsomely. Only small settlements comprised mainly of freed slaves dotted the pristine coastline of Grand Bahama. Fishing was good and the people lived well from their sea harvest. Building materials were plentiful. Crude homes could be made sturdy. "Family farming" provided vegetable crops. Native tubers such as cassava root grew abundantly. It could be made into a tough bread. Dried leaves of the shepherd's needle plant is still a passable tobacco product. Yellow pine was pliable and made a fine lumber for fishing boats. A hardwood called horseflesh was used for the keel. It had strength and weight for ballast.

Times were simple and uncomplicated before the turn of



**Lucayan Beach and the Bell Channel area as it looks today.**

the 20th century.

As soon as the United States embarked upon its experiment with prohibition a round of prosperity came to the Bahamas. Grand Bahama became a haven for bootleggers. In 1919 more than four-hundred whiskey laden speed boats left Grand Bahama for the Florida coast. By 1924 thousands of Bahamians were employed on Grand Bahama by wealthy rum runners. Storage and transportation of liquor, outlawed in the U.S., was big business. The boom brought a new lifestyle — and a measure of affluence — to the islanders. However, the great, liquid bonanza was destined to end like a New Year's party and the hangover would linger for many more years.

American revenue agents in patrol boats faster than those operated by the runners established an effective blockade of entry ports in the U.S. The

supply of illegal whiskey was cut off. By 1929 the river of whiskey from Grand Bahama to the United States began to flow more slowly. In 1932 it was a trickle. 1933 saw the passing of a colorful era.

Poverty returned to Grand Bahama and remained with it through World War II. Population figures dwindled to less than 2,000 permanent settlers, who once again dug in against time with the old traditions of hand-to-mouth farming and fishing.

In 1946 Wallace Groves purchased the Abaco Lumber Company, a failing operation on Grand Bahama, and eight years later sold the firm at a profit. He had a knack of doing things like that. The lumbering operation was one of a handful of businesses various entrepreneurs with vision had tried to establish without much success. Grand Bahama appeared to have potential for development, but



# FREEPORT-LUCAYA:

serious drawbacks were encountered along the line at just about every stop.

The ocean waters were as clean and clear as any in the world. Miles of pollution-free beaches existed. Grand Bahama, it would seem, would make an excellent resort area.

Fresh water supplies were abundant. Fresh water was hard to find on most of the islands in the archipelago. Dense forests of yellow pine were available for controlled harvest.

There was no deep water port. That factor quickly translated into "no place to berth the cruise ships and heavy freighters." Then — and now — ships brought most of the raw materials to Freeport/Lucaya.

Groves, anticipating a growth in tourism and recognizing the desirable proximity of Grand Bahama to international shipping lanes, approached the Earl of Ranfurly, at that time Governor of the Bahamas. He proposed a massive development program that would allow for the creation of a total, planned community based on industrial facilities, tourism and real estate development.

In 1955 Groves co-signed the historic Hawksbill Creek Agreement with then Acting Governor A. G. H. Gardner-Brown. The legislature of the Bahamas approved the measure and it became law the same year.

The agreement granted Groves 50,000 acres of Crown land on a conditional basis. He would be permitted to license and operate businesses and develop the property under the strict terms of the agreement. The cost was over-whelming by any standards. Groves, through the Grand Bahama Port Authority, Limited, as the firm would be named, would be required to bear the burden of cost for all government operations at Freeport/Lucaya. Roads, schools, medical facilities, government buildings and

churches must be constructed. A harbor had to be built.

On the plus side of the ledger, the government in Nassau agreed to establish a tax-haven for investors in the project. There would be no income, real property, capital gains or profits taxes until 1990. There would be no tax on inventories. Manufacturers and exporters were protected from excise and import tariffs through 2054.

In 1956, by outward, raw appearances, the grand plan seemed headed down the tubes. Industrialists had not swarmed to pour cash into Freeport/Lucaya. Road beds were carved into the countryside and led to dead ends. Heavy machinery groaned and workmen pushed the island topography willy-nilly creating unused building sites.

The lookers came to see. There weren't any existing hotel facilities to accommodate visiting families during the period of development. There weren't any rolling golf courses. No restaurants offered respite from the day's work. "We'll come back and take another look," they said, "when you've got something more to show us."

An American oil tanker tycoon, Daniel K. Ludwig was called into the project. His expertise and capital investment would result in the creation of Freeport/Lucaya's sorely-needed harbor.

Soon a massive dredge was anchored at Hawksbill Creek. Newspaper accounts of the event contended it supported the largest drilling bit in the world. Even to the biggest and the best, there can be hard to beat obstacles, and the flint hard bottom of Hawksbill Creek proved to be one of those. The dredge's massive teeth chewed through the limerock swiftly. For about ten feet all went well. Then came the solid crunch. Bits of drill-head were mulched-up with cascading limestone. The rock bottom stalled the project for months. Completion date

estimates were tossed out like last year's train schedule.

Many businessmen might have packed in the shovel at that point and headed home with a sad story about how it all might have been "if." Groves, instead, went directly back to the government in Nassau and proposed to enlarge the project. More acreage was granted to the Grand Bahama Port Authority for real estate development and tourism.

Two hotels had opened in the interim. Neither was much to write home about. The Caravel had eight rooms and the Hawksbill 10.

In 1958 the harbor was finally completed. It has been enlarged five times since that date.

And, in 1964 the first major resort opened. The Lucayan Beach Hotel offered 200 luxury rooms. A gaming casino was opened for the convenience of visitors. It never matched the massive halls of Las Vegas and revenue from its operation was plowed back into the master development program.

1964 was the turn-around year for Freeport/Lucaya. Investors returned en masse. Tourists came. New hotels grew among the wild flowers with nearly the same degree of proliferation.

The Bahamas Cement Company's executives examined "those useless hills" of limestone left over from the dredging of the harbor and decided it was good material for construction. A \$75 million plant now feeds off the limestone of Grand Bahama.

Standard Oil of California and the New England Petroleum Company jointly invested \$300 million to create BORCO, the Bahamas Oil and Refining Company. BORCO now processes nearly all the low-sulphur-content fuel oils consumed by United States users on the eastern seaboard.

A deep-water oil

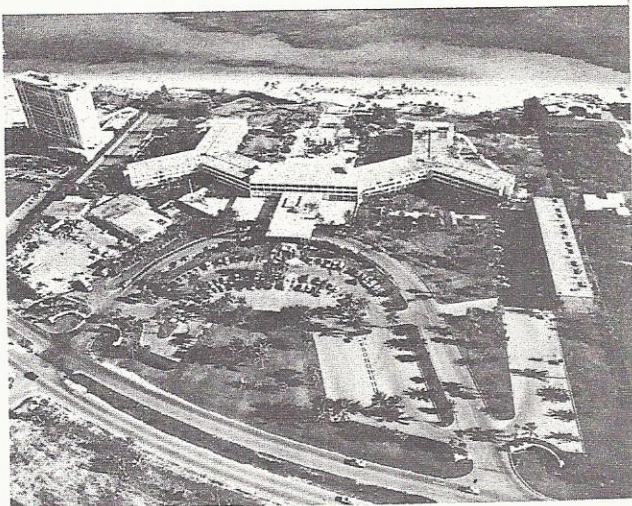




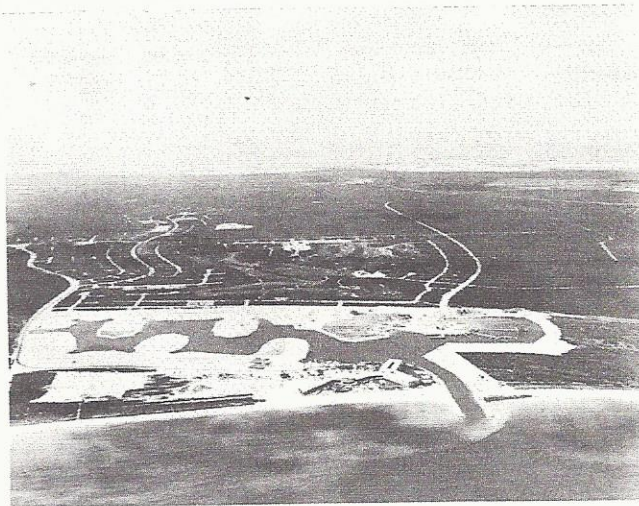
**Holiday Inn under construction on Lucaya Beach in 1964.**



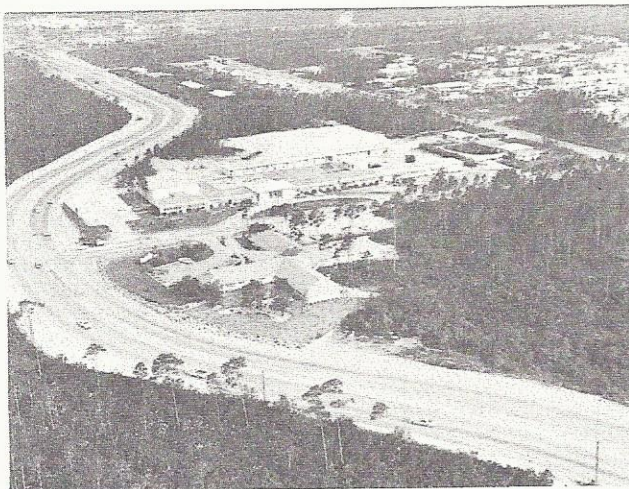
**Holiday Inn and the Oceanus Beach Hotel, both on Lucaya Beach, as seen from the air.**



**Holiday Inn as it looks today, with its neighbor (on the left), the Oceanus Beach. This sprawling complex is a far cry from the lone expanse of beach in 1964 when the Lucayan Beach Hotel opened its doors.**



**Bell Channel and Bay area had been dredged by August, 1964 and the 200-room Lucayan Beach Hotel with its luxurious Monte Carlo Casino was in full operation. The Lucayan Harbor Inn and Marina and the Lucaya Golf and Country Club were almost completed.**



**In 1967, East Sunrise Boulevard, a 4-lane divided carriageway was completed and ready for landscaping. The Drs. Antoni had built their clinic (foreground) and Mary Star of the Sea church and school had a capacity enrollment.**



**The Merport Building, Freeport's second office building, was completed in 1964. It is located on Pioneer's Way in downtown Freeport.**



# **FREEPORT-LUCAYA**

transshipment terminal accommodates super tankers with crude oil cargos. Smaller tankers swell with refined fuels at the facility west of Lucaya and depart for their respective destinations in flotilla-like numbers.

In 1967 the Syntex Pharmaceutical Company opened a \$7.5 million plant to manufacture a steroid chemical compound used in many birth control pills. The plant has been twice expanded to an investment that now totals \$11 million.

Freeport became a popular storage base for shippers. The availability of clean, open space and proximity to trade lanes for Central and South America and ports in the Caribbean made it an ideal choice for this sort of business enterprise.

1967 brought another, significant business to Freeport; retail merchandising. The International Bazaar opened that year. The Bazaar was planned by a Hollywood special effects set designer. He was charged with the responsibility of creating a 10-acre shopping mall representative of most of the world's cultures and customs. An initial \$3 million investment, now totaling more than \$4 million, brought to fruition a "United Nations" of shops and restaurants. Visitors to the International Bazaar delight in passing under the Japanese-style Torii gate at the mall's main entrance into a street of Oriental shops that appear as perfect reproductions of what a tourist might find on the Ginza. The merchandise is the real item! A block away the scene abruptly becomes Parisian, complete with sidewalk cafe and people who speak French. Another turn takes the visitor to Scandinavia. Or India. Or Israel. Or Africa. Merchandise is as diverse as the themes in the Bazaar.

Intercontinental Diversified Corp. (ICD), listed on the New York Stock Exchange, is the holding company which today

directs the thrust of Freeport/Lucaya. Three principal subsidiaries of ICD carry out day-to-day development: The Grand Bahama Development Company Limited is responsible for the development of tourism and real estate operations as well as consumer-oriented promotion and related development. The Grand Bahama Port Authority, Limited, with the assent of the Bahamas Government, issues licenses for business operations in Freeport/Lucaya and administers the Hawksbill Creek Agreement. Another ICD

subsidiary, Freeport Commercial and Industrial Limited, administers and promotes the industrial phase of the city.

It is regretful Juan Ponce de Leon could not have waited around for a few hundred years. He may have discovered his fountain of youth alone, or he may have had some help from the latter-day founders of Freeport/Lucaya. Without question, a fountain of economic youth was discovered. It just took Wallace Groves and his followers to tap it.

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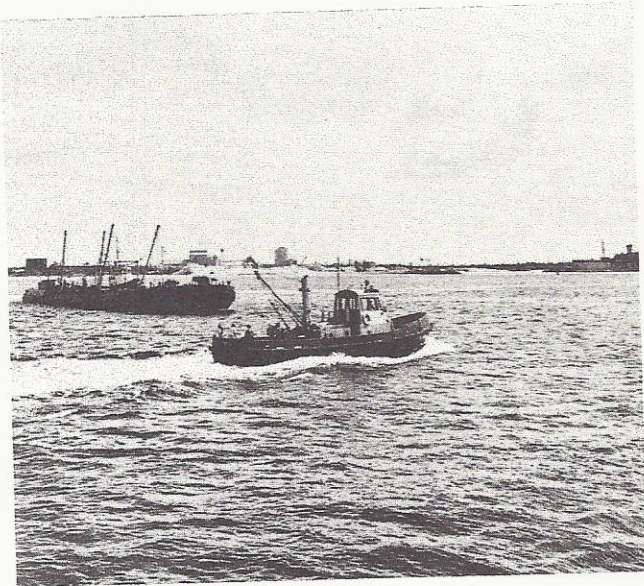
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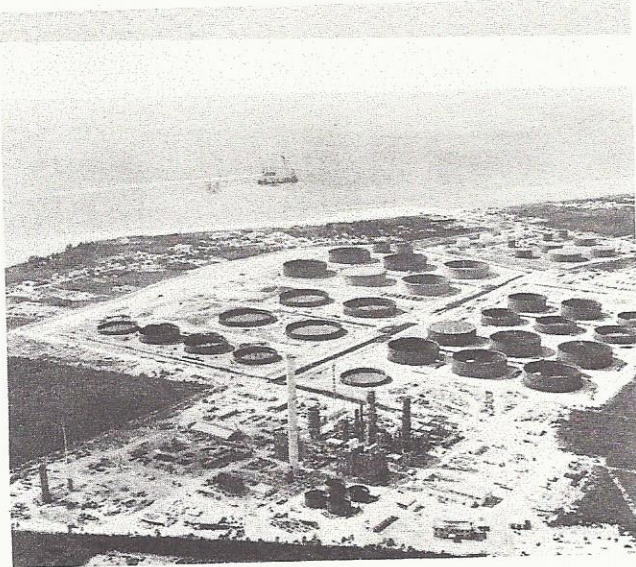




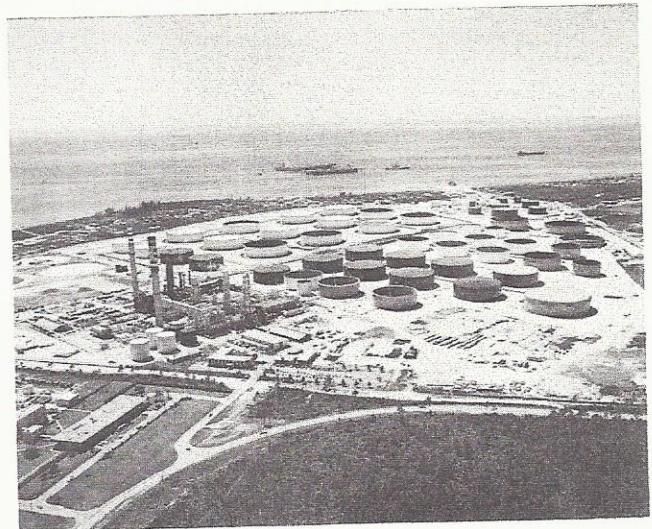
Tugs worked from dawn to dusk during the early days of the building of Freeport.



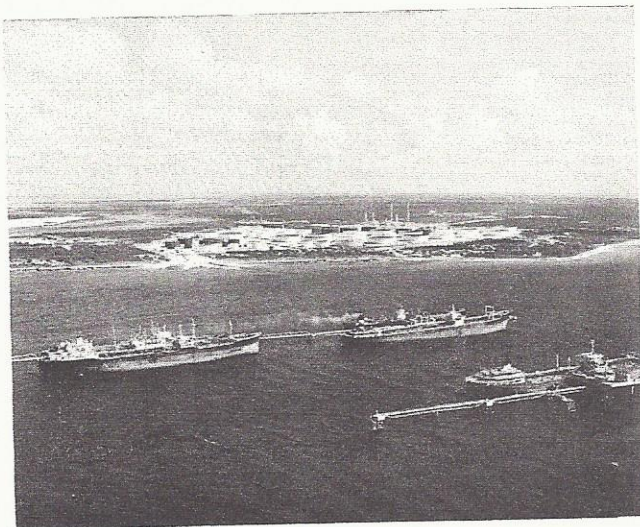
Freeport Bunkering Company, the first big industrial enterprise, started refueling ships in the early summer of 1959.



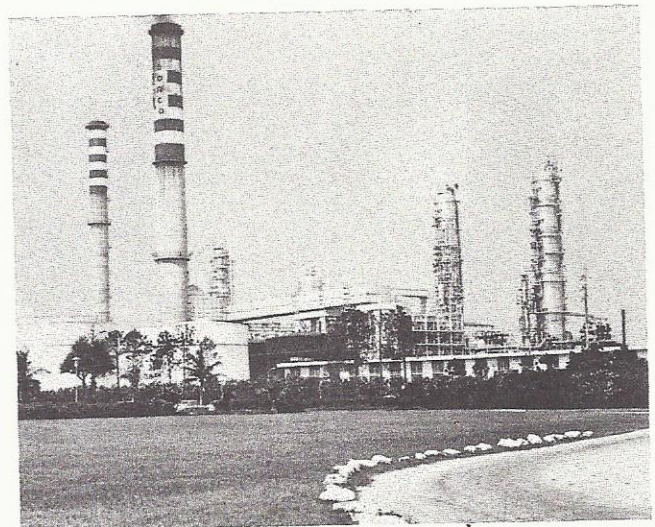
Bahamas Oil Refining Company (BORCO), 1970.



BORCO, 1973.



Ships refueling at the Bahamas Oil Refining Company, 1974.



The Bahamas Oil Refining Company in 1975.



# WALLACE GROVES



"Freeport/Lucaya is a place that is blessed with sun, sea and a magnificent climate: where all people can live together without prejudice, without petty indifferences, and can truly find happiness in their lives before it is too late. This is the dream that Georgette and Wallace (Groves) dreamt. This is the future of Freeport/Lucaya."

The foregoing words were spoken by George W. Kates, President of The Grand Bahama Development Company Limited on the occasion of the dedication of the Garden of the Groves.

Wallace Groves, with the confidence and encouragement of his wife, Georgette, founded Freeport/Lucaya and sustained the burden of its developing

years when investors were scarce as snowflakes in the Bahamas. He created the cosmopolitan resort and industrial community. In 1970, convinced his effort had gathered sufficient momentum to permit an extended vacation from the active business world, Wallace Groves took his bride on an extended second honeymoon. He called it "retirement," a word



that, in the Grove's lexicon, means "I'm planning something new."

Whatever grand scheme, if any, Groves may be considering now, those who have known his determination in the development of Freeport/Lucaya will be the first to assure you it will succeed. Some people have a skillful manner of bringing to fruition plans others see as far to outrageous or just plain folly. Groves is one of these.

From the beginning of his career Groves earned the respect of his peers by accurately assessing the need for goods and services, then carrying his concept through to completion in matter-of-fact, step-by-step, logical fashion.

For example, in the 1920s, automobiles were more than curiosities. They hogged the roads, scared the few horses left on the highways half to death and also took up a lot of space in the front yard. And, when it rained the cars got wet. And dirty. And, they were almost impossible to start on very cold mornings.

"What the country needs now is a . . . . . garage!" Groves must have thought to himself that day when he dreamed up the stupendously simple idea of building shelters for automobiles.

Groves was a student at Georgetown University in Washington, D.C. He established a company that built and sold garages to automobile owners. The business prospered. Groves' self-imposed initiation into the fraternity of builders and developers proved to be a fortunate one for him. He learned the rudiments of cash management.

Groves expanded his construction business to include the building and selling of homes. During this time, he was still studying. Income from the businesses paid, in part, for the cost of his education.

Wallace Groves might have

discontinued his studies and expanded his full energies toward the enterprises he had established with absolute success. Instead, he pressed on at both the business and the business of learning.

the few, tough enough and bright enough to avoid the pot-holes, an easy street to quick, economic self sufficiency. Wallace Groves prospered on Wall Street.

Groves had visited the



**El Casino today with the adjacent International Hotel, renamed Bahamas Tower.**

During his five years at Georgetown, Groves earned the degrees of Bachelor of Arts, Bachelor of Science, Master of Arts, Bachelor of Law and Master of Law. It is believed that his record number of degrees conferred in such a short period of study has never been broken. He was later awarded the honorary degree of Doctor of Laws by Ursinus College in Pennsylvania.

For several years following the completion of his college education, Groves represented financiers, traveling throughout the eastern and midwestern United States examining the ills of ailing corporations, recognizing them and setting them on a true course to financial stability. His expertise took him to Wall Street, New York, a proverbial boulevard of broken dreams, or, in the case of

Bahamas once, early in the 1930s. His cruise ship nestled to the quay and the wealthy visitors clamored down the gang-way past the aromatic fish market and off to their private suites and oceanfront vacation homes.

Groves, then in his late twenties, confided to an associate years later, "I suppose I was almost scared to death the first time I visited Nassau. It seemed all the visitors were very rich and aloof. If it hadn't been for the friendly, warm Bahamians, I don't think I would have ever returned to the Bahamas."

The Nassau experience was far more than a holiday to Groves. The Bahamas' reputation for being an idyllic place to reflect on the past and ponder the future was no secret. Groves wanted some time to think about the future and decide what tack



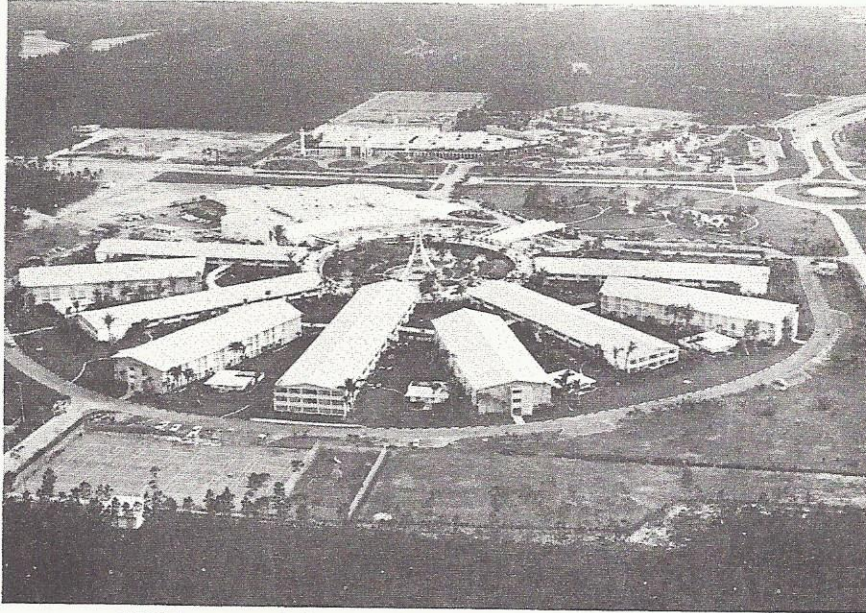
# WALLACE GROVES

he would take.

Early in the 1940s, Wallace Groves returned to Nassau. At that time, he was financially successful. He had taken a wife, Georgette, a Canadian by birth, and they were living in New

to an American company, at a profit, and set his sights on new business ventures. Old maps of Grand Bahama Island identify the lumber company property today only as Pine Ridge.

While harvesting the pine



**1967, an aerial view of King's Inn and Golf Club with El Casino and the International Bazaar.**

York. But he liked the Bahamas. Most people did who had visited the islands. In fact, Groves liked the Bahamas so much he decided to buy an island. He purchased Little Whale Cay, a subtropical paradise in the Berry Island group about 100 miles southeast of Freeport. Little Whale Cay was to become the magnet that brought Groves back to the Bahamas, as often as time allowed, and the force that would thrust the financier dead center into uneraseable pages of Grand Bahama history.

In 1946, Wallace and Georgette Groves purchased the Abaco Lumber Company. The firm was ailing. It had assets and a mill on Grand Bahama Island and more timber stands on Abaco.

With his deft touch, Groves reorganized the company into a self-sustaining, profitable operation. At one point he employed 2,000 men. Eight years later, Groves sold the firm

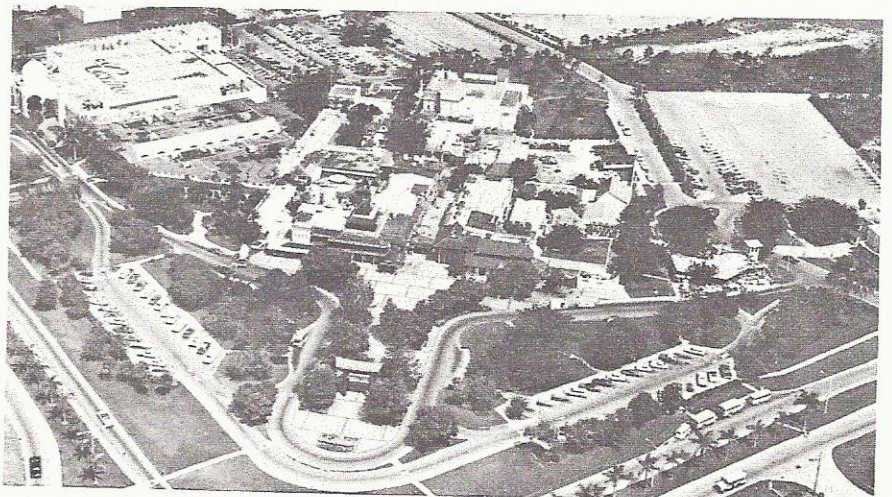
forests for construction projects in the Bahamas and Caribbean, Groves envisioned the growth of Grand Bahama Island. There was no industry on the island, no resort facilities like Nassau, and the inhabitants of Grand Bahama Island were without medical attention or means of income.

Groves approached the Earl of Ranfurly, then Governor of the Bahamas, and proposed a development program of staggering proportion. It would allow for the industrial development of Grand Bahama and later on the creation of a major tourism center and a carefully planned real estate development.

The Governor was enthusiastic and lent his support to the idea but the conditions of the agreement were strict. Groves would have to put the money up for a deep water harbor, an airport, government buildings, roads, churches, schools, government services and other numerous projects and he would, in return, be granted protection from nearly all forms of taxation.

It was just before 11:00 a.m., 20 years ago August 4, 1955, that a wheezing taxi rolled slowly to a stop in front of Government House in Nassau. The guard on duty, dressed in red-striped trousers, spotless white tunic and a helmet topped with gleaming gold spike, squared his shoulders and stood ramrod straight as a slim, quiet-spoken man with a ready smile and dressed in a conservative dark-blue suit emerged from the cab.

**An aerial view of the famous International Bazaar. El Casino and Bahamas Tower are on the left in the photo. Goombay Park is shown in the upper right of the photo.**

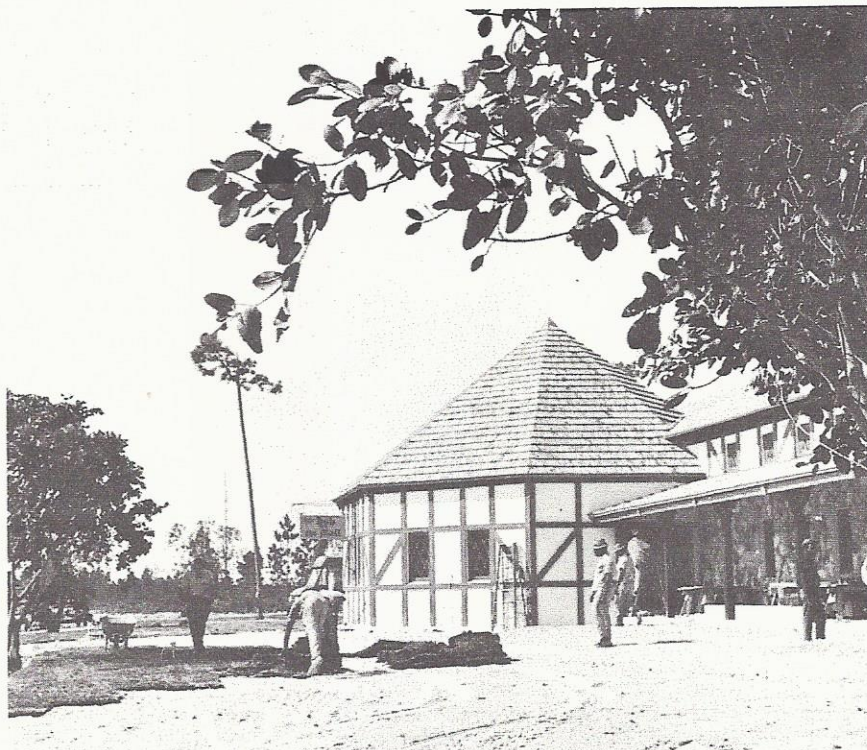




The man was Wallace Groves, and the appointment he was keeping with His Excellency the Acting Governor, A.G.H. Gardner-Brown, was for the formal signing of the Hawksbill Creek Agreement, the legislation which made it possible to begin the creation of Freeport/Lucaya.

The Grand Bahama Port Authority, Limited was created as parent firm of the project.

Groves set to work at his huge undertaking soon after the Hawksbill Creek Agreement became law. Great amounts of Groves' capital were funneled into the project that so many outside observers looked upon with nothing less than pure skepticism. Investor's reluctance to participate in the project was well known. There were some



**Landscaping the Pub-on-the-Mall in May, 1964.**

**Freeport High School under construction in August, 1965.**



difficult obstacles to overcome. Freeport/Lucaya had no natural harbor, a consideration that weighed heavily upon all the parties to the development. Without a harbor, goods and supplies could not be brought into Freeport, nor could the cruise ships unload their precious cargos of tourists and commercial prospects. Off-loading of goods and services was far more difficult than in those areas where port facilities

were part of the natural landscape.

Daniel K. Ludwig, an American financier who had earned keen respect for his lucrative investments in shipyards was encouraged to participate. Ludwig seemed to be the saviour of a project that had not moved very far. If he built a shipyard, there would be employment for thousands and at least one very substantial industry to attest to the

potential of the area for additional development. Ludwig joined the Groves enterprise and invested enough of his own capital to construct the harbor at Freeport which has, since then, been enlarged five times. Shipyard construction never progressed further than the planning boards, however. Ludwig renewed a lease on a shipyard in the Far East and decided to pursue his interests on the other side of the world, rather than wait for Freeport to catch up to him.

Soon after Ludwig came into Freeport, two important groups decided to invest in The Grand Bahama Port Authority. these groups consisted of Charles Allen, a well-known New York investment broker, and family, and Charles W. Hayward, who at the time was chairman of England's giant Firth-Cleveland group.

But by 1960 there was serious concern that Groves had made a premature if not outright poor judgement of the potential of the Bahamas. There was rumor Groves would pack it in and head for Little Whale Cay to