

## Dr. Brendan O'Regan Disk 9

**JH:** You mentioned some of the very first concerns that were set up at the time and I'm thinking of SPS and I'm thinking of De Beers and of some of the others in the early late fifties and early sixties and even those very tentative steps even the mink farms or chinchillas or whatever

**BO'R:** Well of course what existed in the beginning was an offer of the land and there were two offers made which related to Lemass's words (in) which he said "If you can do what you are talking about you can have the land for a shilling an acre." The airport management then had to decide where we were going to put the industrial estate and they decided that it would have to be in the camp area, that is where the golf links is now. Fortunately, they decided that, if we were going to succeed, we better have a better position and we got the position that we have now. We then decided that we had to have an idealised industrial estate that could be loaded directly from an aircraft so that new position suited well in that there was a tarmac position between the industrial zone and we had a look at factories in Sweden and in Britain and decided on the style of factory that we wanted. We visualised that it could grow to about 10,000 jobs - that was the aim. This would have to be backed up by the development of a town. We took part of the team that we had here with us to look at the English New Towns and what they had done and so on and how they had done them. We also had a look at the Swedish New Town which was a different situation. They were high-rise and the first. While this planning was going on, we were hoping to get a project of course and we got a project which was ....I think he was an American who had an idea for a gaming machine

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which was a pinball gaming machine. This was what he wanted and so on, so at the same time had another operation who was a chinchilla breeder who was going to breed chinchillas because they were going to be used I think in the battle that was going on with the smart set in regard to how you could continue to use fur. I felt if we didn't start with something we would never start. So, we took a risk and the group that we had, as a small group decided all right we would build two timber buildings. We can say you have two got. The two buildings were put up; they are relics now they are nearly falling to pieces now, I don't think they are being used for anything. We had two industries and the rest and then one man came who already knew what he wanted, he had already read onboard an aircraft a leaflet that we had saying this is what we are going to do this is what is going to be. This had an artist's impression of an industrial zone for 5,000 workers and an adjoining town. He said to me, and who is going to do that? I remember, I think Jack Lynch was with me at the time and certainly Paul hadn't been appointed at that time but in any case he looked at it and said: "who is going to run that and who is going to do it, tell people what to do and so on?" I said "the team, that, have already produced the very good restaurant, which you have talked highly about and they are going to do it". "And what are they going to do?" "They are going to make sure whoever comes in succeeds, at least doesn't fail from anything lacking from the Irish". Then silence and he said "I'm in then." He made no economic checkup or anything on it. They were producing nuts and bolts for the moon shots. In other words the best things in the world that could be used for shooting into the moon.

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**JH:** So, this was the head man of SPS at the time?

**BO'R:** That was the head man of SPS, Tom Hallowell, and almost immediately after that the Shannon Diamond people came. So, in other words, once we had got one we were able to get others. I don't know at what rate they came then but it was a very tenuous situation and with Lemass I would have said to him "we absolutely need the town. The town is necessary and we need to begin it with two lots of apartments. They should begin now so that the management for these operations can say they live on the spot". He said: "all right you can do the two". The need was so great to have something to counteract what was being said at the time: "Shannon is finished". Shannon finished would have meant we would have lost out in the air race. The fact that he was the Prime Minister of the day and that John Leydon was the secretary we were very lucky because it would have been very difficult. We were very lucky that the Sales and Catering had succeeded before that with mail order and shopping and so on. In other words, that we were talking from a successful operation and that ... the first fifty thousand we were spending it out of the profits of Sales and Catering.

**JH:** It was in those early days the prime objective wasn't so much industrial employment as the development of airfreight. Wasn't that a factor?

**BO'R:** The civil service of the day felt that air freight was the way forward, to be very frank they were ahead of me in that, because I was thinking in terms of a thousand people being redundant and

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finding a way of stopping a thousand people from being redundant so I wanted to employ them and then we will find a way. So the emphasis at my level ...until we got the Shannon Diamond operation was really employment. When we got the Shannon Diamond operation it became that here was something that could only go by air, it would only make sense and I think we then within a very short period the figures which were mainly the diamond exports were showing that ... 25% of our exports, Irish exports, were coming out of the Shannon operation. Now again apparently there is a very interesting figure in regard to airfreight

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lurched on the North Atlantic more and more is going by air and there are situations where passenger aircraft are being built up with expensive airfreight. So, the airfreight situation is coming up again. One of the men that helped my thinking was a man who brought me to have a look at what was happening between North and South America. There was a build-up of airfreight between North America and South America at the linkage area. What do you call the linkage area?

**JH:** Panama

**BO'R:** At Panama, I went out to see that. I was disappointed in it but nevertheless it proved the point to me and we are welcoming over that particular man, sometime next month I think it is, he is about my age now, to give him credit for what advice he gave us at that time.

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That's being supported by the main transport operators, anyway some of who are working in Shannon now.

**JH:** Within a short time then there were problems arising about the supply of labour in Shannon when, say, EI began to recruit labour. They recruited large amounts of female workers, large numbers of female workers and they began to move further and further afield into Co. Tipperary and Co. Limerick and Clare for workers. Do you have a recollection of those issues at the time where you were becoming almost a victim of your own success, that there was such a demand for labour that it was becoming a problem?

**BO'R:** Yes, there was a problem arising but, it was being taken up by the town, became the town continued to expand and there were short-term problems, but there were obvious justifications for the town. Within a short time, I think, that problem that you mentioned began to fade out, we don't have that now there is enough and the town continues to expand and of course Sixmilebridge and Newmarket-on-Fergus and all the other towns around still supply an awful lot of workers to the Shannon Industrial zone and the Shannon Industrial zone is tied up with airport itself and of course the airport has begun to develop internationally in regard to control of airlines on the North Atlantic. The major controlling position for a vast area of the skies takes place here.

**JH:** Part of the solution to the labour issue was the returned immigrants, quite large numbers of them started to come back in the early sixties. That was a very welcome development because even

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symbolically it was so welcome because Shannon who had said goodbye to so many thousands of people over the years were asking people inviting and asking people and succeeding in getting work for people.

**BO'R:** We have been a country without industrialisation, industrialisation really of the kind that works. Shannon played a great part in that I wouldn't say that it was the number one position where the tiger economy became apparent but it certainly was tiger economy at a very early stage.

**JH:** Just before we finish, just on the issue of development there was some leading industrialists at the time, some names have been mentioned to me. There was Ralph Gibbs I don't know would that name, if you have any recollection of that name?

**BO'R:** Yes

**JH:** The first CEO of SPS in Shannon?

**BO'R:** SPS was of course seeing ahead what was required for transport and he was a very astute manager and it's still a very important operation, company operation SPS.

**JH:** With regards to De Beers coming in and Shannon Diamond I mean that was the heyday for apartheid do you have recollection at the time of opposition to DeBeers coming in, being a South African company?

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**BO'R:** No, the only opposition we ran into in the early days was in regards to the Japanese. That was a great pity that we didn't resist that much stronger. Sony, I went to see Sony in Japan and I met the founder and I was immensely impressed by what I saw there and I realised that we had a company that was going to be worldwide but when it came to the issue of their selling their goods the British and European manufacturers of radios and wirelesses and so on undercut everything they produced. They didn't want them at all, they were right because the Japanese as we know from their car production and so on and radio and television are way ahead in many ways and eventually they had just one bay and they were surrounded on other bays by American bays who were looking for space and I made a mistake because I said to them "look if you are not going to continue to produce" - because they had stopped producing because their markets were being blocked - "we need that bay". I recognize that as a definite mistake and they pulled out then. It's a pity now because Sony is one of the world's great operators.

**JH:** Some of its European competitors at the time, the big names, are gone. Do you think that was resented afterwards by the Japanese, that they remembered that?

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**BO'R:** I don't think so. I think they realise, I had a very good relationship with them, and I think they realised that I needed the space. I would have brought them in again. I'm sorry I didn't bring them in again or find a way of bringing them in again. They were very

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good in human relations also. I mean the staff whom they had working for them were working for them with a devotion which was very similar to Sales and Catering. The organization was theirs.

**JH:** Ireland lurched into the twentieth century in terms of industrial development in about 1957 or '58. Despite the prevailing philosophy within certainly, within the government party, Fianna Fáil, at the time was still almost isolationist in terms of industrial development. The famous remark of de Valera to Whittaker: "Tá rudaí eile níos tábhachtaí"

**BO'R:** Yes (laughs) there are other things more important. Oh Lord!

**JH:** This was very much a new departure and the industrialisation spoken of at the time was to be associated with Urban areas Dublin and Cork and whatever, but you argued at the time for the exception, that Shannon was an exception to this. That very much set in a rural area but that industrialisation was possible given the various ideas you had. You seem to have had great influence with Lemass through Leydon at that time. Would this be true to say? Obviously at the time you have built up an exceptional track record

**BO'R:** Through the catering and through the beginning of the duty-free shop and both of those were things that hadn't been foreseen. My written agreement with the government at the time provided for me to get 25% of the profitability of the organisation they were giving me to set up. I never took it, if I did I would be a multi-



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millionaire. But they didn't expect that what they were getting me to do was going to be a profitable operation. It was very important that

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we had decided to do an industrial estate because we had failed as a nation to industrialise and if you look at the world all the nations that are not poverty stricken have industrialised and have found a way of using industrialisation as a way to enrich a country. So, we were the first industrial estate in Ireland. The second one came in Waterford and took a lot of learning out of what had been done in Shannon and of course on the outskirts of Dublin. The city manager as he reminded me was beginning to do very big developments for the future of industry but we hadn't got it. We had failed to industrialise because we didn't seem to accept that industrialisation needs a big market. We were trying to industrialise on our own market, so we finished up with a small market, creameries and that kind of situation. It wasn't until, I can remember going out to Tangier and realising that in Taiwan the Chinese who had broken loose from the communist system were beginning to start the very task that was given there to explain to them what was happening in Shannon. They were beginning to plan for industrialisation on a big scale. They were hoping to take over from Hong Kong, which they expected the Mainland Chinese would push the British out of anyway and that they would become the Hong Kong and they did actually based to a good deal on the report which I did for them set up in Kaohsiung and Liuto, big industrial estates. Of course, the Shannon operation began to be looked at and written about and copies of it exist now in a dozen places worldwide. Copies of the duty-free shop are in hundreds of airports around the world. So, there is a chance now I believe for

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Ireland, using the Shannon experience, to become promoters of similar developments worldwide to a much higher level than we have actually done. That's particularly going to be just as there was a threat that the jets would leave us with a thousand redundancies, there is a similar kind of threat now that the open skies policy (which) will leave us with a declining Shannon, needs an international idea to stop that happening.

### NOTES:

1. Speakers on disk:

BO'R: Brendan O'Regan

JH: John Heuston

CO'C: Cian O'Carroll

2. \*\*\*\*\* indicates breaks between tracks on the disk

3. This manuscript may contain errors in transcribing from the disk and in the interpretation of the spoken word. For external quotation the text above should be checked against the original recording.