

## THE ROYAL OAK HOTEL AFTER SAM GILMER

Sam's Will was dated 8 June 1921 and his estate was valued at 163,518 Pounds 19 Shillings and 5 Pence. He appointed his daughter Edith, her husband Peter Stanley Lawrie, Charles Skerrett King's Counsel (later Sir Charles Skerrett and Chief Justice) and Charles Chilman, a Wellington Banker, as his Executors and Trustees.

The Will contained a section devoted to the giving powers to the trustees relating to the Royal Oak Hotel which was his major asset. The clauses are paraphrased as follows:

- To carry on the business of the hotel for whatever period they think fit with the capital employed at his death or with whatever capital the trustees unanimously agree to add.
- To employ managers and servants on terms and conditions they think fit.
- To form a company under the Companies Act or lease or sell the business and to enter into all necessary agreements and generally act as though the trustees are beneficially entitled to the business.
- To sell the business to any company for cash or shares in that company
- In connection with the formation of a company or sale or lease of the business to another company, to give time for payment of the purchase price without giving security.
- To apply for and accept renewals of the lease of the Royal Oak Hotel or any other hotel.
- To hold shares in any company and at any time sell or dispose of them.
- To make contributions to the cost of contesting Licensing elections, polls and votes while holding any interest in hotel properties.
- Should the license of the hotel be lost, the trustees were authorized to use the estate to alter the existing Royal Oak building or to enlarge and convert it into other than hotel premises and spend money on the improvement of the property as they think fit for the purpose of an advantageous sale or lease of the property and as though they were the beneficial owners.
- To enlarge and improve the accommodation of the Royal Oak Hotel using the estate if they deem it advisable.

These powers were wide and probably could have been captured in one broad statement. However, it appears that, in fact, Sam is leading them to think more broadly and not to be constrained in the scope of their actions in managing his estate.

Following Sam's death, the Licensing Committee<sup>1</sup> approved Alf Lulham as Manager of the Royal Oak Hotel on 2 March 1925. Alf was an ideal person for the role. He had been a manager at the hotel working for Sam and he had a very good knowledge of the hotel and its customers. Alf was also later granted the Royal Oak Hotel license at the committee's June meeting.<sup>2</sup>

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<sup>1</sup> Evening Post 2 March 1925

<sup>2</sup> Evening Post 1 June 1925

On 18 June 1925, after Alf had obtained the license, there was also a newspaper report of the establishment of a new company called "*Gilmer's Royal Oak Hotel Ltd*". The purpose of the company was to obtain a lease of the Royal Oak Hotel and carry on the business.

Gilmer's Royal Oak Hotel, Ltd. Registered as a private company 11th June, 1925. Office, hotel premises, Cuba street, Wellington. Capital, £30,000, into 30,000 shares of £1 each. Subscribers: Wellington—Ellis and Manton, Ltd., 7000 f.p., 13,000 contributing, Thomson, Lewis, and Co., Ltd., 4000 f.p., 1000 contributing, A. Lulham 2000 f.p., 3000 contributing. Objects: To take a lease of the lands and premises known as the "Royal Oak Hotel," Wellington, to carry on the business of licensed victuallers, hotelkeepers, wine and spirit merchants, and general incidental.

#### Evening Post 18 June 1925

This new company was clearly not a commercial vehicle for Sam's Trustees. They had no need for such an entity because they already had the legal capability of operating the business through Sam's Will. The fact that none of the Trustees were named as shareholders supports the conclusion, that despite the name, it was not an entity they were involved with.

The three shareholders named all had some connection with the hotel industry and ownership of the Royal Oak Hotel would assist in furthering their existing business interests. **Ellis and Manton Ltd** was an importer of retail products such as soaps and talcum powder and also herrings from the North Sea. More relevant, however, is that in 1925 they also had a wholesale liquor license and ownership of the hotel would assist them in selling beer and spirits to the company and to others in the industry. Ellis and Manton had the major interest with about 54% of the paid up capital and two thirds of the shares on issue.

**Thomson Lewis** were suppliers of beverages such as orange drinks and ginger ale to hotels and clubs.

**Alf Lulham** would have been the manager of the hotel if the new company obtained the lease or perhaps even if this did not happen he still may have been in the role. However, as a part owner of this new company he would obtain a share of the profits as well as a salary. Alf had little over 15 % of the paid up capital and a 16.7% share of the issued capital.

At the June 1925 Licensing Committee Meeting Alf Lulham renewed his license with the name of the hotel being the Royal Oak. However, the next year on 7 June 1926 the license of Alfred Lulham of "*Gilmer's Royal Oak Hotel Ltd*" was renewed.<sup>3</sup> It appears that the new company was successful in obtaining the lease from the Trustees. In addition, there was Wholesale License issued to Gilmer's Royal Oak Hotel Ltd as well as one for Ellis and Manton Ltd.

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<sup>3</sup> Evening Post 7 June 1925

Applications were granted as follow in respect of old houses:—Thomas Coltman, Grand Hotel; Mary Hendry, Royal Hotel; Alfred Lulham, Royal Oak; Bartholomew J. Kelleher, Albert; Frederick H. Rennie, Carlton; Margaret Diamond, Central; Richard H. Richards, Masonic; Leslie Sleightholme, Cambridge; Thomas Weatherburn, Dominion; Frederick R. Patterson, National; Robert Berryman, Post Office; Timothy D. Kelliher, Victoria.

rett's Hotel; Alfred Lulham, Gilmer's Royal Oak Hotel, Ltd.; William Hanuafin, Brunswick Hotel; Margaret Diamond, Central Hotel; Michael Martin O'Reilly, Wellington Hotel; Patrick Ryan, Metropolitan Hotel; James Dealy, Railway Hotel.

#### Evening Post 1 June 1925

We have no information on the size of the lease payment the trustees received but one would expect it to approximate the paid up capital of 13,000 Pounds. We are also not aware of the term or whether further payments had to be made later. The size of the Company's capital of 30,000 pounds may represent what had to be paid over a number of years.

Edith, Peter and their daughter Mary went on an extended overseas trip to England after Sam died. They left Auckland for Vancouver on 6 July 1925 on the RMMS Aorangi. Their departure tends to indicate that the lease of the hotel to the new company was settled relatively quickly and they had no further commitments in Wellington. They did not return to Wellington until 4 January 1927<sup>4</sup> leaving any decisions on the Royal Oak to their fellow Trustees.

There is evidence that the new company was in control because plans for alterations were approved by the Licensing Committee and an advertisement was placed calling for tenders for the work.

#### TO BUILDERS.

**TENDERS** are invited up to Noon of THURSDAY, 18th March, for Extensive Alterations, Renovations, etc., to the Royal Oak Hotel for Gilmer's Royal Oak Hotel, Ltd.

Plans and specifications at our Offices.

**SWAN, LAWRENCE, & SWAN,**  
Registered Architects.

81, The Terrace,  
Wellington.

Evening Post 6 March 1926

Alf Lulham renewed the license for Gilmer's Royal Oak Hotel Ltd in each year from 1927 until 1932. It is possible that this could have been the period of the lease held by Lulham's company. Also from 1927 to 1929 Gilmer's Royal Oak Hotel Ltd held a wholesale license (in addition to the wholesale license held by Ellis and Manton Ltd). In 1929 the Licensing Committee made strong statements against parties holding more than wholesale license because in its view this led to monopolies in the industry. After that year the Gilmer's Royal Oak Hotel did not renew its wholesale license.

<sup>4</sup> Evening Post 4 January 1927

## Death of Trustees

In 1929 two of Sam Gilmer's trustees died. Firstly, Sir Charles Skerrett died on 13 February on a ship on his way to England. The ship continued its voyage taking his body to London. Arrangements were then made for it to be shipped back to New Zealand for burial. Edith appointed a replacement, Leonard Owen Tripp, a Wellington Barrister, on 26 April 1929.<sup>5</sup>

Also on 15 March 1929<sup>6</sup> Peter Lawrie died at Nice, France, where they were obviously on another holiday. Edith was not so prompt in appointing a replacement but appointed David William Madden a Wellington Company Director appointed on 31 July 1933. Madden was a Director of NZ Breweries and was elected Chairman of that company on 15 November 1933.

Edith and Charles Chilman were to die six years later with Edith dying in Columbo, Ceylon, on 20 August 1935 and Charles Chilman died on 18 February 1935. We are not aware of any replacements for them.

With Edith's death her daughter Mary was the sole beneficiary of her estate and also Sam Gilmer's. Mary's three Executors included Leonard Tripp and David William Madden who were Trustees of Sam Gilmer's Will. Her third Executor was also an Executor of Edith's Will. This interlocking ensured a good understanding of the overall situation.



**Royal Oak Corner Cuba & Manners Streets**

<sup>5</sup> Probate File NZ Archives

<sup>6</sup> Evening Post 18 March 1929

During his time at the Royal Oak, Alf Lulham appeared in court a number of times for making after hours sales. Despite being fined, usually 10 Pounds, he persisted with the practice. In 1931 he was fined twice in two weeks.

In March 1933, Alf transferred the hotel license to James Alfred Duncan. This seems to be the most likely time for Gilmer's Royal Oak Hotel Ltd company of Alf Lulham, Ellis and Manton Ltd and Thomson Lewis to have relinquished the lease. In the following June, Alf took over the license of the Post Office Hotel in Wellington.

Duncan renewed the license in 1934. However, he held it for only a short period and on 24 March 1935 he shot his wife with a revolver and then shot himself. They were in their bedroom at the hotel. The license was taken over by Sydney McDonald in 1935 and he held it until he transferred it to Herbert Power in 1940<sup>7</sup>. In each year the hotel was referred to as Gilmer's Royal Oak Hotel.

We have not identified when ownership of the hotel passed from Sam or Edith's estate although John Hewstone has the view that ownership as well as management passed to the Power family. He also indicates that the "Gilmer" name was dropped from the hotel name on 1 December 1944.<sup>8</sup>

The only indication of a possible sale we have is from Edith's daughter's (Mary) Will, not for what it says but for what it does not say. The Will was dated 28 March 1940 and the value of Mary's estate was some 162,000 Pounds. This contained no reference to the Royal Oak Hotel, Sam's Will or her Trustees having any role in the management of the hotel, as was the case for Edith's Will. This indicates that it had been sold by the time she made her Will. We can understand why Edith and Peter had no wish to be involved in the management of the hotel. Mary would have been even less interested.

Another indication that the hotel had been sold can be seen in the respective valuations of the estates of Edith and Mary. Edith's estate in 1935 was valued at 32,563 Pounds. As mentioned above Mary's estate ten years later was 162,000 Pounds. Mary never worked and she lived an extravagant lifestyle travelling first class on ocean liners around the world. Still, she left an estate more than five times the value of her mothers. This could only have come from the sale of the Royal Oak Hotel.

The Royal Oak Hotel continued on for many years. From Sam Gilmer's time, the New Zealand brewing industry had been through a period of significant consolidation. In 1923, NZ Breweries was established from nine other breweries and raised capital in the form of debenture stock from the investing public.

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<sup>7</sup> Evening Post 6 June 1940

<sup>8</sup> The Hotel That Sam Built Compiled by John Hewstone Ian Cameron and Peter Sydor

It is announced that an agreement has been signed and that the prospectus inviting the public to subscribe for first mortgage debenture stock in the New Zealand Breweries, Limited, will be issued early next week. The company merges the well-known brewery businesses of James Speight and Co., Ltd., W. Strachan and Co., Ltd., and M'Gavin and Co., Ltd., of Dunedin; the Crown Brewery Company, Ltd., Ward and Co., Ltd., and S. Manning and Co., Ltd., of Christchurch; J. Staples and Co., Ltd., of Wellington; D. J. Barry, Ltd., of Gisborne; and The Lion Brewery, Ltd., and Hancock and Co. (N.Z.), Ltd., of Auckland. The debenture stock will be offered on such terms that even the smallest investor can participate.

#### **Evening Post 12 June 1923**

Similarly, in 1930 Dominion Breweries was formed to takeover the Waitemata Brewery Company.

Dominion Breweries, Ltd., is being formed for acquiring the business of Waitemata Brewery, Ltd., Otahuhu, and Levers and Co., Ltd., wine and spirit merchants, Auckland. Authorised capital, £75,000 in 75,000 shares of £1 each, of which 40,000 are to be offered to the public. Total consideration for purchase of the two concerns is £39,200, subject to adjustments. Separate sale prices are: Waitemata Brewery, Ltd., £10,000 and £10,000 in fully-paid £1 shares; Levers and Co., Ltd., £5000 in cash and £10,000 in fully-paid £1 shares, also £4200 in cash to be paid out in the way of meeting outstanding accounts. The brewery has a capacity of 6000 gallons a week.

#### **Evening Post 22 June 1930**

These breweries were interested in purchasing outlets or tying hotels to secure the sales of their production. This was by no means a new concept but the scale was being changed on a national level. Progressively they obtained the major share of the market through their tied houses. However, the Royal Oak Hotel retained its independence and was untied for an extensive period. This was despite the very difficult trading conditions of the Great Depression throughout the 1930's.

In 1961 the Royal Oak was taken over by Leopard Brewery. Leopard was a relatively minor player in the brewing industry and had only a small number of tied houses. However, in 1966 50% of Leopard was sold to NZ Breweries and later, in 1982, the remaining 50% was bought by Lion Breweries, which was the formerly known as NZ Breweries.



**Royal Oak Hotel 1964**

The Royal Oak Hotel closed very quickly and suddenly at the end of 1980. It was eighty years old and while it was substantially built consideration was being given to replacing it with a modern building. However, the original weakness of the hotel's location on the Wellington City Council's Market Reserve again came into play.

The Royal Oak lease was to be rolled over for another twenty one year period and the Council proposed that the rent for the site would increase to \$100,000 per annum with rates to be \$48,000. When one considers these sums in 1980 dollar values the terms were prohibitive and brought an immediate decision to close.

Only a few key staff were told of the closure and when it was to occur. The rest of the staff were only told on the day of the closure when they went to work. Redundancy arrangements for staff were negotiated and were generous.

An auctioneer was employed to auction all of the furniture contents and other items such as 15 feet diameter stained glass and leadlight Dome. The auction yielded \$110,000 which could have been higher if it had not been carried out in such haste. Demolition proceeded with the site cleared ready for another building which was to cost about \$4 million.<sup>9</sup>

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<sup>9</sup> The Hotel That Sam Built Compiled by John Hewstone Ian Cameron and Peter Sydor





**Dome of Royal Oak Hotel**



**Demolition of the Royal Oak January 1981**