

# Julie McDonald Commentary: Hemphill-O'Neill Lumber Company Celebrates 75 Years Against the Odds



*Bob O'Neill Sr. with Joe Hatfield, who worked for Hemphill-O'Neill Company in 1956*

By Julie McDonald /  
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On Jan. 6, 1947, two longtime lumbermen — 72-year-old Allen Candee Hemphill and 56-year-old Robert Harold O'Neill — each invested \$30,000 to create the Hemphill-O'Neill Company, a lumber brokerage that morphed over the decades into one of the largest independent lumber manufacturers in the state of Washington.

Seventy-five years later, the company employs the fourth generation of O'Neills — Harold's great-grandchildren — with the fifth generation of youngsters already learning to respect and love the woods.

I dropped by the company's 75th Anniversary open house Saturday at Fort Borst Park and reconnected with family members I interviewed in 2005 while compiling a history of the company, which was published in 2006 as "Legacy of Two Lumbermen: The Hemphill-O'Neill Company History."

Harold's son, Robert "Bob" O'Neill Sr., now 94, hired me to write the company's history. Sadly, many of the people who shared stories about working for the company have passed away since then — Irv Thomas (2006), Irene Harter (2012), Norm Montgomery (2014), Bill Blum and Stanley Ozbolt (2015), and Don Thayer, Arden Kohse, and Al Lyon (2017). I'm glad some of their stories are recorded in the pages of the book.

Hemphill-O'Neill Co., which employed 270 people in 1978, making it Lewis County's fifth-largest employer, has defied the odds of surviving as a family business. According to Cornell's S.C. Johnson College of Business, only 3 percent of family-owned businesses survive to a fourth generation or beyond. Family-owned businesses on average last 24 years. Forty percent survive to a second generation and 13 percent to the third. Even that is remarkable given often contentious family dynamics carried into a workplace.

Allen Hemphill's son, John, and grandson, Bill, worked at the company, as did Harold O'Neill's son, Robert, and his children, Robert Jr. and Debra. Bob Jr., and his wife, Loretta, have seen all five of their children working at the family-owned company.

Like other timber companies in Washington, Hemphill-O'Neill's survival was tested during the economic recession in the early 1980s and curtailment of timber harvest in old-growth forests to protect the spotted owl. Oregon and Washington lost 25,000 timber jobs between 1979 and 1988, according to an April 2, 1993, Washington Post article. During that same period, while log exports doubled, 195 sawmills and plywood mills closed.

Hemphill-O'Neill, which owned mills in Chehalis and Napavine, changed with the times. It divested itself of the mills and bought out the Hemphill family in June 1985 for about \$4.2 million. John Hemphill was 65 and ready to retire.

As a lumber brokerage, the company had started buying timberland in the 1960s and continued to do so into the early 1990s, said Bob O'Neill Jr., who assumed leadership of the company after his father retired in early 2006. The company gradually changed from milling lumber to managing forestland, which it does today.

The family business also survived when Bob O'Neill Sr.'s two children — Bob Jr. and Debra O'Neill Pine — divided the company in two. Bob Jr. kept Hemphill-O'Neill with about 6,300 acres of forestland in Lewis, Grays Harbor, and Pacific counties, while the O'Neill-Pine Co. retained 3,000 acres of land and the office buildings on National Avenue.

As a timber manager, the company grows, sells and replants Douglas fir, red alder and western red cedar in its forests, according to its website. They replant within a year of harvesting and manage hundreds of streams and soils to protect wildlife habitat and encourage timber growth.

Among those stopping by the open house Saturday was Joe Hatfield, 90, who worked for the company for a short time in 1956. I missed seeing Bob Sr.'s wife, Doris, who died three years ago. But four generations of the O'Neill family were on hand, including a great-grandson who rushed to provide the elder Bob O'Neill with a painting he had created.

The O'Neills and their company have given back to the community through the decades. The company established a scholarship at Centralia College in 1959. Bob O'Neill Sr. served as the first president of the Centralia College Foundation in the early 1980s, and the family established an endowment with the foundation in the name of company cofounder Harold O'Neill. The O'Neills have supported construction of campus buildings and donated 20 acres off Riverside Drive in Centralia to the foundation for maintenance as a natural area, where botany students and others can learn to identify plants growing along trails and streams in an old-growth forest. They also provided money to maintain the natural forest.

For the event, the company provided wood to Lewis County Work Opportunities, which created beautiful wooden trees and commemorative coasters marking the occasion. Green trees adorned cupcakes on the food table.

When they joined together, I doubt that Allen Hemphill, who died in 1971 at the age of 96, and Harold O'Neill, who died in 1981 at 90, could have imagined their company would survive for three-quarters of a century.

But it has survived — and thrived — even if it hasn't always been easy.



*Allen Hemphill, left, and Harold O'Neill are pictured at Hemphill's retirement party.*



*Bob O'Neill, Sr.*

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*Bob O'Neill Jr. and his wife, Loretta, hold a tree carving created by Lewis County Work Opportunities.*



*Jeremy, left, and Jesse O'Neill, fourth generation working at company*