

# The History of Seibu in Photos (Part 1)

## II Initial Period of Seibu Group Real Estate Development (1893–1969)

### Part 4

### An Aggressive Approach, Even in the Midst of Post War Chaos. The Prince Hotel Name Goes Down in History

After World War II, even as a path to recovery had yet to be found, Yasujiro Tsutsumi's business focused on putting railways in place and investing capital in high-turn-over ventures. His acquisition of the Sengataki, Karuizawa summer home of the Asaka-no-miya family, members of the imperial family, was an event of historical proportions. Rather than reapportioning and selling the property, he renovated parts of it and opened it as the Prince Hotel. This was the first appearance of the Prince Hotel name.

The real estate business at the time cannot be explained without describing the emerging history of this new age. In 1946, a new asset tax system was introduced, and members of the former peerage and the imperial family were forced to bear an enormous tax burden based on the size of their landholdings. With the promulgation of a new Constitution in 1947, the peerage was abolished, 11 families left the Imperial family, and many other distinguished families were forced to sell of their assets. In 1944, Hakone Tochi changed its name to Kokudo Keikaku Kogyo, becoming one of the industry's largest real estate firms. And, with its record of having acquired the Asaka-no-miya summer house, as mentioned earlier, and its opening of the Prince Hotel, it was also approached by families who had withdrawn from the imperial family about land transactions in Akasaka, Takanawa, Yokohama and elsewhere.

#### Acquisition of land in central Tokyo, Shonan, and the Miura Peninsula anticipates the future

With the signing of the San Francisco Peace Treaty in 1951,

Kokudo began investing in the hotel business targeting foreign tourists to Japan. In 1953 it opened the Takanawa Prince Hotel (currently the Grand Prince Hotel Takanawa), followed by the Yokohama Prince Hotel in 1954 and the Akasaka Prince Hotel in 1955. With the opening of the Tokyo Prince Hotel in 1964, the year of the Tokyo Olympics, the Prince Hotel name was firmly established. While the Prince Hotel in Sengataki's summer home resort district was renamed the Karuizawa Prince Hotel (and later the Sengataki Prince Hotel), the hotel, in effect, became a facility used exclusively by the imperial household.

While Kokudo Keikaku Kogyo moved forward with aggressive residential development along Seibu Railway lines, its purchases of land, including homes of the former nobility in central Tokyo, and property in the coastal regions of Shonan and the Miura Peninsula, including Nishi-Kamakura, Shichirigahama and Kanazawa Bunko, were not necessarily as systematic as they had been prior to World War II. These acquisitions were part of an exploration of potential residential and resort development opportunities, but from a long-range perspective, and the company later brought its plans to reality with the development of the Prince Hotels, resort hotels and homes for sale. Aggressive land acquisition following the war thus provided an opening for the Group's subsequent growth.

#### Tsutsumi brings a precise sense of balance to ending the very public "Hakoneyama Wars"

As post war recovery advanced in Hakone and Karuizawa,



The Tokyo Prince Hotel under construction adjacent to Zojoji Temple in Shiba. It opened in 1964, just in time for the Tokyo Olympics.

centers of development for the company prior to the war, they also attracted great attention with the excitement over Japan becoming a major tourist nation in the 1950s and onward. In Hakone, the company developed the Yunohana Hotel (currently the Hakone Yunohana Prince Hotel), the Yunohana Golf Course (currently the Hakone Yunohana Golf Course), the Komagatake cable car with its mountain-top indoor skating rink, and 200,000 *tsubo* (approximately 661 million m<sup>2</sup>) along the banks of Lake Ashinoko. It also operated the Sengokuhara Golf Club (currently the Daihokone Country Club) in the Sengokuhara region, and welcomed many tourists.

Around that time, an incident known as the “Hakoneyama Wars” dominated the headlines. It was set off when Sunzu Railway applied for a bus line between Odawara and Kowakudani, in Hakone. Other companies then began operating sightseeing boats on Lake Ashinoko, previously Sunzu Railway’s exclusive concession, and competition intensified. Companies later fought over the full range of businesses, including bus service and excursion boats. Writer Shishi Bunroku describes these events in his novel, “Mount Hakone.”

The conflict centered on the question of whether or not other companies could legally be refused use of their buses on privately-owned expressways. Tsutsumi’s position was this: “The Sounzan Line is a dedicated roadway, and legally and economically we cannot permit other companies’ buses to use it. If this is forced through, either the national or prefectural government should buy up the roadway and make it a public road.” Of particular note here is that rather than adamant opposition, Tsutsumi was flexible enough in his thinking to accept the idea of conversion to a public road. With the purchase of the Sounzan Line by the prefecture in 1961, the decade-long conflict came to an end. Even while asserting his position when necessary, Tsutsumi’s first priority was always the advancement of development in Hakone and the convenience of users.

### Approaching land development not as a single point, but as the enhancement of the value of an entire aspect

Tsutsumi began developing summer homes in Karuizawa prior to World War II, and after the war, expanded to other areas. He was particularly enthusiastic about the Manza region. In 1954, he opened a dedicated roadway between Ishizu and Manza Onsen, and in September of that year began bus service between Manzaguchi and Manza Onsen, followed by service between Naganohara, Mihara and Manza in 1956. The Manza Onsen Ski Area also opened that year. What was truly groundbreaking were the plans laid out



In 1906, Sunzu Electric Railway, forerunner of Izu-Hakone Railway, opened a tram line connecting Numazu and Mishima. The photo was taken in 1963, near the Mishima-Hirokoji Station.



The Olympic torch relay passed in front of the Tokyo Prince Hotel along Hibiya Road.



Expressway built by Sunzu Railway

under the banner of attracting the Winter Olympics, including an expansion of facilities to create a true international ski area and the construction of international tourist hotels. While no specific progress was made in attracting the Winter Olympics, along with the opening of the Naeba International Ski Area (currently the Naeba Ski Area) in 1961, Kokudo Keikaku Kogyo’s tourist and leisure businesses had a significant impact on the subsequent growth of leisure facilities in Japan.

Also in 1961, a company that had been founded prior to the war, and which post war utilized its coal and steel plant in Agano to take on reconstruction efforts and produce building materials, was renamed Seibu Construction. In addition to construction and public works projects, it was involved in many projects for affiliates, including hotels, amusement parks, railroads, tourist facilities, residential development and construction of ready-built homes, giving a significant boost to the Group’s growth.

The business Tsutsumi developed starting with Hakone Tochi was characterized by residential, summer home and tourist destination development that regarded these projects not just as a series of points on the map, but as part of a wider regional development that connected those points with railways, roads and other infrastructure. In short, by developing an area as an aspect rather than a point, he believed the value of areas surrounding those developments could also be increased, and this belief continues to be passed down today.