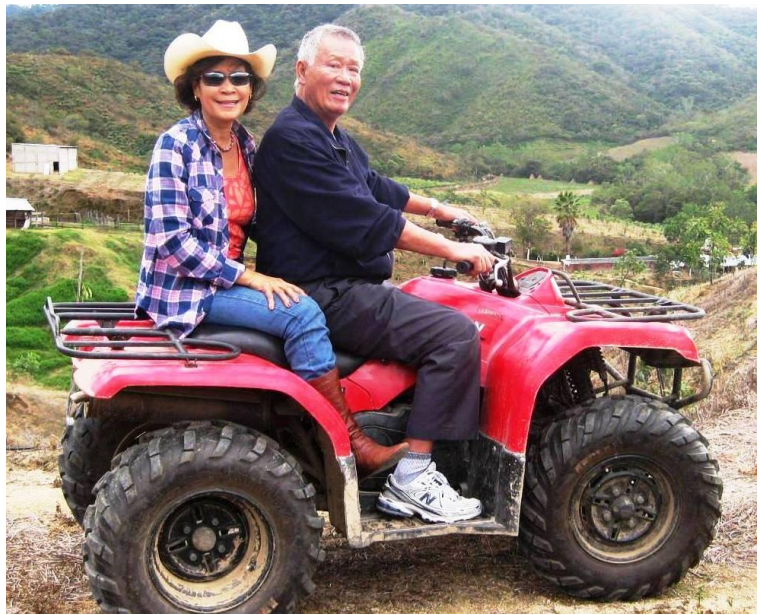
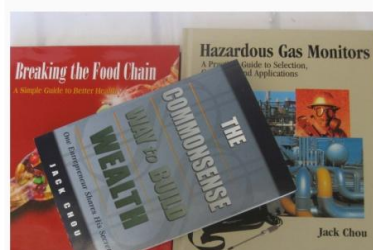


Autobiography

I have lived the American Dream, emigrating from Taiwan in 1962, earning a master's degree in mechanical engineering from Southern Methodist University, and building my own company, International Sensor Technology, into a multimillion-dollar global leader. I also specialize in Southern California commercial real estate and I am engaged in a multitude of business ventures. My unique cultural background and rich life experiences enable me to observe American lifestyles from several perspectives. As an entrepreneur, it is my wish that my story will offer inspiration and guidance to others.



Jack Chou
Orange County, California



Jack Chou
周俊彦
jackchou@cox.net
Irvine, California, U.S.A.
(714)-401-5646
美國, 加洲

Prelude

On Labor Day in 1962, I arrived at Los Angeles International Airport, \$100 in my pocket. My father in Taiwan was financially broke, and Taiwan was ruled by the Nationalist totalitarian fighting a civil war with Communist China. At home I was a 26-year-old Army reservist eligible to fight in the absurd Chinese civil war. The economy was in such desperate condition that life was hard and the future hopeless. I considered myself lucky, able to obtain a one-way ticket, escape from this miserable island and leave headaches behind. With no scholarship, no friends in America, I set out to get an engineering degree, become a successful entrepreneur and settle down in the USA. Making it in America was a very serious life-and-death matter.

It took me six years of hard work to earn an MSME (Master of Science, Mechanical Engineering, 1968. I worked as an engineer/scientist for the Douglas Aircraft(Boeing) DC-10 program in Long Beach, California. In 1971, as the DC-10 started commercial service, I was laid off. I decided then to start my own business. In 1973, after living ten years in America, my company, International Sensor Technology, was incorporated, a sure sign that I had achieved the American dream of successful business ownership.

In 1980 I stood in front of these two high-rise buildings: a 13-story office building and a ten-story medical building on a glamorous business section of Wilshire Blvd, Los Angeles.



These two buildings were my first venture in California commercial real estate. The U.S. economy was in stagflation and many people were unemployed; this was Jimmy Carter's hyper-inflation curse. An ambitious risk taker, I bought both buildings for \$5.4 million and sold them for \$16 million 18 months later. This investment paved the way for my commercial real estate career. I found it profitable to think outside of the box. Unafraid to explore greener pastures, I was one of the forerunners in California's high-tech revolution and real-estate boom. This life was a long way from my origins: a humble village boy born in southern Taiwan.

Part I: Taiwan

Where I Came From

About 1640 my ancestors came from Fuzhen, Southern China, 300 miles across the ocean from Taiwan, around the end of Ming Dynasty. The struggle between the Han race and the Manchu conquerors motivated people to escape persecution and seek a more peaceful and profitable way of life. Most settlers were primitive poor farmers, and many were opium addicts. They managed to survive on this uncultivated semi-tropical island. The settlers fought with the aborigines and chased them deep into the mountains, almost the same as European settlers did to native people in America. In 1889 China gave



Taiwan to Japan under a treaty to compensate Japan for their victory in a naval battle. Taiwan was ruled by Japan as a colony of the Japanese empire.



used to them. The village was simple and primitive, with houses built of mud mixed with chopped straw and topped by roofs of rice straw.



One could get sick drinking un-boiled water. There were plenty of infectious diseases. Life expectancy was short. On this fertile semi-tropical island, life on a farm was hard. Only a few young people who were academically gifted were able to move away.



A big, strong water buffalo was a must to keep a family farm going. A most valuable asset, our buffalo proved himself the ideal worker for our family's muddy wet rice paddy. He loved to play in mud or soak in water. Before bedtime someone took him outside for bathroom stuff; the first thing in the morning we repeated the same. Housing him inside, protected from weather and theft, our buffalo benefitted from



important family-member status.



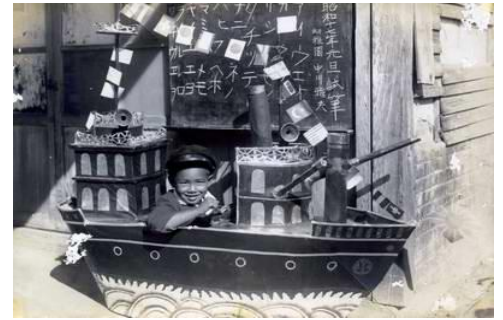
Grandfather was a farmer who lived to age 62.



Japanese Era-WW II bombed by American bomber.

Father passed the test as a police, he was overwhelmed by his good fortune; being a Japanese policeman brought good pay and move to city away. To please his Japanese boss he changed our last name to Nakagawa. My name was Nakagawa Yoshio. All my siblings' names were in Japanese. Father posted a sign in front of the house proclaiming "Japanese speaking family." As a kid, everybody wanted me to speak Japanese, but my mother (never attend school) only spoke Taiwanese. Since we could only speak Taiwanese at home, it wasn't easy for me to learn Japanese. Today in the U.S., I empathize with the Mexicans and others whose mothers don't speak English. Father liked to schedule annual family photos; every New Year's Day we posed for a photographer.

During this historical period, Japan was conditioning the population to fight. The Imperial Army was invading China and many Asian countries. In spite of wartime shortages and rationing, our life was comfortable. In addition to my father's earnings, he brought home from work his share of confiscated goods, food and supplies. The cardboard battleship in the photo to the right was from the police station. Father was well into Imperial Japanese life.



In the photo at the left I was a first grader displaying my calligraphy; it read "Soldier".

At kindergarten graduation, I was the tallest at the back row.

In spite of the heat of military conflict, life under Japanese rule was good. We were fortunate to enjoy a comfortable life thanks to fathers' police job.



By the time I was eight years old, Japanese rule was coming to an end. The photo to the left shows our family, nine of us 1944. Note how the window was taped with paper to protect it from shattering

when bombs exploded. The photo at the right shows my cousin, drafted for military service. Luckily it was at the end of the war, and he came home a few months later.



I went to first grade 1942 during the heat of WWII. My teacher appointed me class president. Skinny and tall, I stood out in the class. As class president I direct and guided my classmates to clean up the classroom and schoolyard. I held a bamboo stick and walked around making sure everyone was doing as they were told. I was supposed to hit those kids who were lazy, tardy or talked too much. Following the example of a teacher who resembled a drill sergeant, I started my life bossy.

Japan was losing every battle in the Pacific, U.S. planes were bombing cities in Taiwan daily. One time our family were in underground shelter and bomber dive at us with machine gun firing all over. After a few minutes, it was over. Our house was a mess with bullet holes everywhere. Spilling from storage closets in the kitchen were rice, soy sauce, broken sake bottles, glassware and everything all in pieces. At the time of the attack, Mother was cooking a meal on a hibachi stove outside. She dive under a tall tree. If she had been inside the house, she probably would not have survived. A 500 lb bomb drop close to house and it didn't exploded. Air raids took place daily.

In August, 1945 Americans had dropped atomic bombs on Hiroshima and Nagasaki. Shortly thereafter Japan surrendered, and the war was over. Almost overnight we woke up to a totally strange chaotic life with no authority to maintain law and order. I was nine years old, able to speak only a little Japanese. We started to learn Chinese.

The Japanese era ended in Taiwan with sweet-sour nostalgia. At first we were celebrating, welcoming the Chinese from the homeland, where our ancestors came from. Soon we found out this was an incorrect conclusion. The uncivilized Chinese treated Taiwanese badly. The Taiwanese missed the Japanese rulers and began experiencing problems with the Chinese regime.

Even though I lived under Japanese rule for only nine years during the heat of WWII, my young mind was deeply imprinted by their indoctrination. I was conditioned to accept strict discipline, I became an individual who lives with a personal uncompromising code. These early formative years shaped my character and influenced my entire life. Even today, it is my habit to make a 100% effort. Working without "if" and "but," I get the job done with a successful result.

The Chinese Era-chaos period

Father's career evaporated into dust; his job as a policeman was gone. Lacking skills, he found it difficult to make a living. With savings, he tried many businesses, but failed at every attempt. Family finances went from bad to worse.

The Nationalist Chiang Kai-Shek, defeated by Communists. As a defeated government, Nationalists brought with them uncivilized culture. For a long time we didn't have food; starvation was common all over the island. On February 28, 1947, riots started. Nationalist Chinese executed massive numbers of Taiwanese, mostly students or young men who had just returned from serving in the Japanese Army. Chinese executed victims with firing squad in front of train station in public. Chiang declared martial law, placing Taiwan under strict totalitarian control Taiwanese were second-class citizens again; under Chinese.



My formative teen era, from age nine to age 18, was a time of continual chaos and confusion. We lived rent-free in my uncle's spare house with enough land for growing vegetables and raising animals. Day to day survival pressure made us creative. This is the time I know "poverty sucks" and master the art of dealing with poverty; living off the dirt.

Character-building Era

As a youngster the circumstances made me self-confident and independent, self-reliant. This was later evidenced by coming to America alone and working on many business ventures without a partner. I believed that life's hardships could build character.

As soon as I can read, I turned into a compulsive reader. Extremely curious and desire to learn by the end of junior high I had read most of the basic classical literature.

In high school, I showed my leadership and was elected as class president all three years.

Using an old racket my cousin had left in the closet, I started to play tennis, and I have loved it ever since.



In school, this old Japanese truck was all we had to learn how to become mechanics. We spent hours band-aiding it to keep it running. I learned enough to run a motorcycle business and became good at fixing cars.



As shown in the photo to the left I was the tallest on the tennis team.



I graduated 1954.(Photo: I'm on the right in the first row.)

All young men were required to serve in the military for one-and-a-half years. To avoid becoming one of those ugly dirty Chinese soldiers, I was determined to attend college. I started a crash program to pass the college entrance examination.

That resolution was my first important decision, made on my own, and it changed my entire life. I was the only one in my class of 28 to go college.

My major was Textile engineering, a new department. Our teachers were Chinese political appointees with no qualifications. From the few old books in the library we'd copy books word by word on wax paper to print them; of course, the quality of the printing was bad. Due to low-volume demand, printing textbooks was not cost-effective for the school.

I was desperately poor; there was no way to find work in that unstable society. I needed to be creative to reach two goals: get an education and make money.

Taipei was full of Chinese refugees just escaped from the mainland. One day I was riding a bicycle around, and in a small alley in an old residential area I spotted a PRINTER sign. I stopped to inquire and found out about the printer, whose family had just arrived from Shanghai. He had left a printing business in Shanghai and carried a few pieces of basic equipment to Taiwan. Because he was just settling down and eager to have a customer, we worked out a deal to print 100 copies of the needed textbook. That worked out to a 28.8 yuan cost per book; the price from the publisher would have been ten times higher. There were 60 students, so I divided the cost by 60, assuming every student would buy one and set the price at 48 yuan. My total profit would be from the sale of the remaining 40 books. I had to convince a friend to loan me the needed cash, and I made sure all details were taken care of with no loose ends. I was taking a risk. Failure could have been devastating. As always, my mind said, Go for it, I must.

Of course I realized making a profit from classmates might not be acceptable to the school. I told the administrator that my uncle was a printer willing to print the book for 48 yuan and if everybody committed to buy one, selling 60 books would cover the cost. In a few days, we got the books. All my classmates were happy, pleased with the quality of the book. I sold the rest of the 100 books in just a few days and made a 1,920 yuan profit. I executed the project perfectly; it turned out exactly as anticipated.

This was my first taste of business honey. I bought myself a Timex watch. What a feeling, being a freshman who in just few days had made what teachers earned after four months. It was said that "the good opportunities were all around and very close, but one had to identify them." Looking back, I am proud of my resourcefulness, succeeding in a business enterprise when I was only 19 years old.

The first book was very well-accepted, and I liked the sweet taste of this venture. My customers were requesting more books, but there weren't any available. No technical library existed. The only place for technical books was at the United States Information Service. I checked out the most current textbook from America. My printer could disassemble the book to make a printing plate and then very carefully re-bind the book. It was a

commonly acceptable practice to pirate books. Taiwan wasn't a member of the International Copyright Organization. An American book cost \$30 to \$50; my price was \$3. I comfortably paid my way through school and enjoyed living like a small capitalist..

While I was a student, making more money than a teacher, I still knew poverty "sucked." I put as much as I could into a savings account to face my next challenge. I learned to be frugal and practical, spending wisely. My successful book-selling venture gave me confidence, proved to me that I was proficient at identifying opportunity and executing a profitable plan. In retrospect, these sweet tastes of entrepreneurship inspired the high level of confidence that would lead to business success in America.

As for academics, though, I considered this three-year technical college a waste of time. Instructors were mainlanders who had political connections under-qualified. My major in textile engineering had no credibility, no recognized subject curriculum, and the school lacked accreditation: all reasons why I had to enroll as a freshman in America.



I was a popular class leader. One day I was told to report to the office. There were a few other students in the room. Everyone was calm and serious. I had no idea what was going on. We were searched: belts removed and clothing carefully inspected. We were transported in a military truck to the president's office to meet Chiang Kei-Shek. Afterwards, all my friends and family began enthusiastically congratulating me. In a few days I received a photo with Chiang; I burned it, without saying a word to anyone about it until I came to America. By 1958 my student life was over, we required to go into military service. As college graduates we would undergo six months of training camp to earn commissions as second lieutenants.

I knew there was no future opportunity in Taiwan for me. My only promising option was to go abroad as a student after fulfilling my military obligation. Most students able to study abroad had political connections, scholarships or rich family ties. The only way to go abroad in my case was to pass a required test and qualify as self-supported with no source of outside funding. In fact, there were two obstacles: I was neither good at English nor financially capable. I had no alternative but to keep trying. I wouldn't give up without try it.



During six months of Chinese army camp and schooling I focused my attention on English study. A small English/Chinese dictionary was in my pocket 24/7. I paid absolutely the minimum attention in class. After six months of camp, in 1959 I was commissioned as a second lieutenant.. I was determined not to go to the war zone. I arranged to bribe an official in the central command who assigned me to a safe position. I always say, "Money is the best Buddha; it always works for you when needed." In the photo, I'm the tallest in the back row, fourth from the left.



I was one of the hundred out of two thousands participants to passed the test to study abroad.

It was about March of 1960 when I was discharged from the military. The danger of military service was behind me unless wa I applied for a passport, which was hard to come by. Only people who met the prescribed conditions could have a

passport. Mine qualified me as a student to study abroad. My dream of go to America were a possibility.

After the passport, a big hurdle was to pass the SAT (Scholastic Aptitude Test), at the American Embassy. There were about 50 students who took the test three passed. I failed the test. I decided to forget USA.

It is time to settle down keep moving. I found a job with Taiwan Textile Testing Center, which was founded by the American Aid Program. I got the job because I can read English and Japanese, there was no technical data in Chinese; it was all in English and Japanese. While in school I translated a few English and Japanese technical articles. I didn't have any credentials, but these publications qualified me. I liked this job, especially working in a climate-controlled laboratory. I was in charge of the technical details with many assistances.



My job was to test samples of all textiles manufactured in Taiwan to meet the export standards. It was a powerful first position for a 24-year-old. The merchandise could not pass through Taiwan Customs without proper lab reports (my report). In this corrupted society, a simple mistake at work could have put me in jail and ruined my life.

I was constantly invited to big dinner parties with plenty of drinks and geisha girls. One summer evening after dinner, the president of a textile company showed up at my front door. His company had a batch of samples which had failed to meet the specs. He cheerfully told me he had just returned from Japan. We talked a little, and he gave me a box of Japanese biscuits. I thanked him and accepted the package. After he left, I opened the box, and it didn't contain biscuits. It was full of cash. I called him the next day and requested that he pick up the cash. If I had accepted that gift, he would have been in control of me, or I would possibly do time in jail.

My pay check was about \$40/month. Convinced that poverty sucks, my obsession was making money. Determined to make the best out of that uncomfortable life, I got married and soon had a baby. I abandoned my plan to go America, but looked at my framed passport from time to time.

Then life took a mysterious turn. One day I went to visit a fortune teller, who told me that my life was in danger and advised me to leave my job. He told me there was a place I could go, and if I went, life would be hard for a few years, but I would be successful after age 34. If I didn't make a major change, there was a chance I'd be arrested. I told him I had a passport but couldn't pass the embassy test and didn't have any money to go to America. He told me to go ahead and take the test. "You will make it; just try it" were his final words.

I was settling down with a newborn baby. I gave up studying English. The thought of getting arrested horrified me and wife. You would rather be in hell than in a Chinese prison. I was bewildered by this fortune teller. How

did he know about my job? That I had a passport? He spoke with confidence. An instructor in the police academy, teaching fingerprint ID, he seemed intelligent and educated. I didn't like the idea of not listening to him. What if he was right? A fortune teller predicted my first child would be a boy correctly . It was hard to ignore him.

I paid my good friend Paul Kuo a visit and told him what the fortune teller said. Paul, a young artist, popular and well-known among Americans in Taiwan, published a weekly series of sketches depicting Taiwanese culture, in the only English newspaper in Taipei. He was teaching watercolor to the American consul's wife and daughter. Paul called the consul and told him about me, I was instructed to apply for my visa and take the SAT test. I hadn't studied English for a long time. The day I took the test there were 30 participants. I was one of two who passed. I had a passport and a student visa to go to America.



I collected about \$100 cash from relatives and friends. I was on my way to America and arrived in 1962 on Labor Day. The moment I boarded that DC-8, my Chinese era was over. I was very determined. No matter what hardships I had to face, I vowed never to return unless I succeeded in achieving my American dream.

Part Two: America

Hello U.S.A.

On Labor Day, 1962, my first sight of America was the bright night lights of Los Angeles viewed from the small window of the airplane. I didn't know a single person in America and had no idea what to expect. As it turned out, Cal Poly was an agricultural and mechanical college that welcomed foreign students with free tuition. Coming to Cal Poly wasn't my original choice, but it was financially within my reach



I went to the placement office to find work, and they gave me a job pushing a wheelbarrow to repair the baseball field. My fellow co-worker was a big farm boy, and it was an easy job for him. I would do almost anything to make a buck, but heavy repetitive labor was not for me. The job paid \$1.25 per hour. I tried to find a job in local Chinese restaurants, but I didn't speak Cantonese. I soon realized that this sleepy town was too small, and I'd have to relocate to a metropolitan city. (Photo: Picnic lunch with other foreign students hosted by Cal Poly volunteer).

Dallas, Texas

When I was working at Taiwan Textile Testing Center I had a few U.S. cotton merchants as clients; I decided to contact them. My American roommate helped me write a letter stating that I had taken a leave of absence from my position in Taiwan and was looking for opportunities to learn the cotton trade in America. Volkart Brothers was a commodity trader from Switzerland with offices in Dallas, and Mr. Own was the executive in charge. He

offered me a position as a trainee in their cotton division located at the Cotton Exchange Building in downtown Dallas. The company was hoping that by training me, I could improve their business dealings in Taiwan.



This was the break that I needed. I took a Greyhound bus to Dallas, arriving there on an icy sub-zero afternoon in the middle of January, 1963. I was cold and hungry. I spent the last of the money in my pocket on a bowl of chop suey. I was penniless. The company advanced me some money to settle down. I was paid \$300 per month as a trainee getting qualified as a cotton grader. Each bale of highly compressed cotton was sampled and graded according to the United States Department of Agriculture standards that set the market price. It was a boring job, but it served me well as my first step into American. My paycheck was enough for me to live on and get settled, about

ten times more than I made in Taiwan. (The photo shows the master cotton grader next to me, and Japanese and German fellow trainees.)

As soon as I had saved a few dollars, I bought a car for \$300. The seller just took the cash and handed me the keys. I had no driver's license and knew nothing about insurance. I drove home and started my life in Dallas.



My first friends in Dallas, Hans and Irma Huber from Switzerland, were devout Baptists. Their First Baptist Church was right across the street from my workplace, the Cotton Exchange Building. Every Sunday they invited me to services. I was a lonely soul in this strange land. They introduced me to other church members, who also tried to help me get acclimated in Dallas. I loved my new friends and enjoyed their hospitality, but I disappointed them by refusing to be baptized.

One day at work around 11:00 in the morning I was told to go out to greet JFK's (John F. Kennedy) presidential motorcade as it passed behind the Cotton Exchange Building. I waved at the president and his glamorous First Lady Jackie. Everybody was happy, waving and clapping their hands. Only a few minutes later, as I was returning to work, people were screaming and crying because JFK had been shot. As the motorcade made a right turn at the Texas Book Depository, a sniper had fired at the president.

On TV over the next few days, I observed the historic dramatic events that took place in Dallas. I watched the capture of alleged assassin Lee Harvey Oswald. On national TV a few days later, night club owner Jack Ruby shot him in the stomach at the police station while cameras were rolling. This was November of 1963. Former Vice President Lyndon Johnson became president.

During this Cold War period, an arms race between America as the free world and the Soviet Union as the Communist world, the two sides focused on weapons of mass destruction. It was a contest of science and technology. NASA was established to make sure of America's superiority over the Soviet Union. Engineers and scientists were needed. With an engineering degree it would be easy to find gainful employment. Work in this field offered permanent resident status in America, and it was the best way to ensure my future in America. The best and only way is to go university.

My mind was constantly working to make income that would pay for my schooling and allow my wife Doris to join me. To get a passport in that corrupt Chinese regime wasn't easy. I had to carefully bribe to get her a

passport, again my friend Paul Quo helped her get a visa. Doris arrived in the U.S November, 1963. Both of us were in total agreement about our next step: get a Master of Science degree.

Southern Methodist University (SMU) was the only engineering school in Dallas. Although it served the local elites who could afford expensive tuition, the school did offer tuition scholarships to foreign students. It was 1964, and I was a 28-year-old freshman majoring in mechanical engineering.



English was my handicap, but I was proficient at science and mathematics.

I had two part-time jobs paying \$2 per hour. As in Taiwan, I found ways to earn adequate income.

Texas Woman's University (TWU), 40 miles north of Dallas in Denton, had just started a graduate program, aggressively recruiting students. TWU accepted Doris as a graduate student, meaning she could have a Master of Science degree in two years.



Within two years Doris graduated but finding a job was not easy for her. A degree from TWU wasn't well respected. She was offered a position as a research assistant for \$500 per month in the Parkland Hospital (JFK had died there). In the OB/GYN department her boss was a professor/doctor from the University of Texas. For the first time, we had a fixed income.



In 1967, after four years in America, I graduated with my bachelor's degree. SMU was expanding its graduate program and offered me a small financial aid package and a one-bedroom apartment on campus as a graduate student. It took one year to get my master's degree. There were two children to support: David was five years old when he came to join us and Daniel was an infant. When I earned my master's degree. To get a decent job in the conservative South, my Chinese name was not helpful.

It's noteworthy that in the Southwest Football Conference there had not been a single black football player. SMU was the first to have a black player. Except for some Asian foreign students, that university student body was white with only a few blacks. As Asians we were politely greeted and treated. It would be naïve to believe that it would be the same in the job market. There was no point for me to complain; I was just a foreigner, after all.

Living the American Dream

During this period, America was experiencing difficulties with many social issues. Only a few months apart, Dr. Martin Luther King was assassinated in Memphis and Robert Kennedy in Los Angeles. The Cold War with the Communists was at its peak, and the United States was making a big mistake making war in Vietnam.

Defense industries were busy in the Dallas area. All my classmates found positions at Texas Instruments, LTV, Collins Radio and General Dynamics etc. I tried hard to find a job, but all I got was a polite interview with a

few companies. Douglas Aircraft in Long Beach, California, sent me a telegraph and offered me a position in their new wide-body DC-10 structure group, with pay of \$1,100 a month. Even though starting pay for all my classmates was \$1,600 to \$2,000, I was happy to accept the California job. Douglas hired me without an interview; the company needed engineers. In a few days, we packed all our belongings, books and two boys and drove on Route 66 from Dallas to Long Beach. I left Dallas filled with high hopes and excitement.



In Long Beach we worked on the new generation of wide-body jumbo passenger DC-10 planes. I was an engineer/scientist assigned to the nose section of the structure group.

The DC-10 program was at its peak, and employees worked overtime daily and weekends. I loved the overtime pay. I never turned down an overtime request, and within six months we'd saved enough for a down payment on a brand new 2,200 sq. ft. house in Fountain Valley. It cost \$31,450 with \$4,500 down, and required a monthly payment of \$192. To save money, I

installed the carpet and did the landscaping myself. We were very proud of the house. Doris found a job with a small company as a lab assistant. With two paychecks, a family, a house, and three boys (our third, Tom, was born in 1970), we were dedicated to saving money, and looking forward to the future. Our American dream life looked secure.

But, in reality, the easy year passed quickly, and the DC-10 completed its test flights and was ready to be certified for service. The job I was hired to do was to end. Many of my American coworkers with security clearances were transferred to the military division. The chance for me to be assigned to another department didn't look good as I was an alien.

Finding a new job and facing the possibility of relocation wasn't an attractive choice. Actually, my long-term ambition was to get independently wealthy, not tied to bringing home a paycheck from a 8 to 5 job. It was in my blood to work 24/7 imagining and analyzing the future. Out of habit, just as in Taiwan and during school in Dallas, I continued experimenting with ways to earn extra income.

A lost job could be a blessing as long as I had the courage to face reality and accept the challenge. At 35 years of age with a little savings in the bank, the options were numerous.

The easiest way to start a small business is food: a restaurant or prepared, ready-to-eat dishes to eat at home. The popular idea among my friends was to start a Chinese restaurant, but it didn't suit me because it takes a big risky capital investment, and it requires long hours and hard work to serve customers. I noticed that average Americans loved Chinese food. On occasions when we entertained, our home-made wontons were very popular. We simply chopped veggies mixed with ground beef and spices and wrapped the ingredients in a thin flour skin. Wontons are bite-size finger foods popular at bars, something delicious to snack on. Wontons had potential if produced in quantity at a low cost. To make them, I needed to design a tool and do it with limited capital.

Because my job involved sheet metal design, I could make a tool to make wonton. At Douglas my job was to design parts and components for the DC-10. My work station was perfectly equipped. As work started to slow down, I actually was busy, designing a tool to make wontons. My pink slip came sooner than I expected. It was a humiliating experience, but it was inevitable. Getting laid off in America was a faceless official-business experience. I had a few minutes to collect personal items before quickly being escorted off the company premises. The transition from salary man to unemployed worker was instant.

Making wontons was laborious business that did not take advantage of my training as an engineer/scientist. My ambition was to have a business based on technology that would make me proud, invent a new product was the first come to me.

New Cornerstone

I set up a research laboratory in the garage with secondhand surplus-equipments. The workshop was readied at little cost to do basic scientific experiments and enough tools to start a wonton business as a Steppingstone to make end meet.

Wontons business: A Steppingstone

My business was “Big Chow Shrimp Wontons”, Jack Chou DBA (doing business as) Yoshio Products Company. During the week, I spent three days making wontons and two days selling them. Any spare time I had, day or night, I worked on my research projects of "invention".

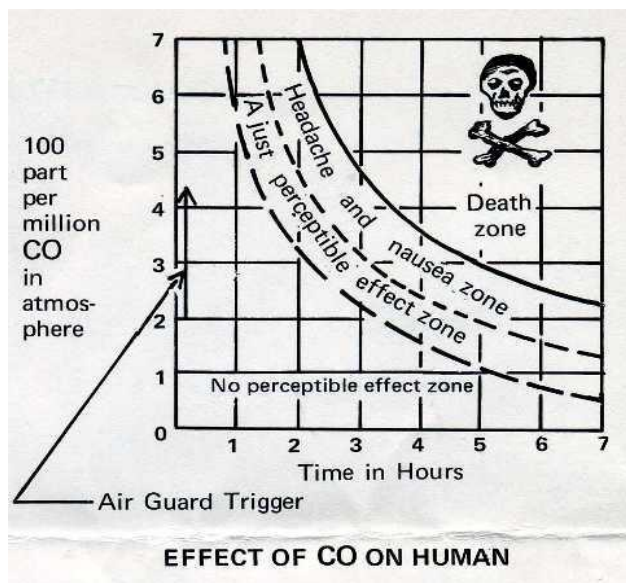
During this time Congress established OSHA (Occupational Safety and Health Administration), an enforcement agency to police worker health and safety. Hazardous gas monitoring for toxic and combustible gas attracted my attention. It was technically challenging, but it would be a sure winner.

My experiments included making a sensor and exposing it to a known toxic gas concentration. It was a dangerous challenge to mix toxic gas concentrations. Hydrogen sulfide is a very potent toxic gas, a major cause of fatal accidents in the petro-chemical industry as well as municipal sewage treatment plants, and also a cause of disasters in many other industries. The gas attacks the central nervous system, and a very small concentration can render a victim unconscious and result in death within a few minutes. One such accident occurred in Oklahoma during a family gathering near an abandoned water well. A boy heard a hissing sound from a dried up well, and out of curiosity he went in the well to investigate. On his way down, he fell and was overcome by gas. His father went down to help but was also overcome. When the boy's grandfather came to the rescue, he suffered the same fate. Due to leaking hydrogen sulfide gas, three generations of the family were killed in just a few minutes.

Among the many types of sensors needed, a hydrogen-sulfide sensor had the best market potential. Research meant many trials and tests, and there were hundreds of gases that needed to be tested. Opening up a bottle of pressurized toxic gas in the garage to conduct a test wasn't safe. I conducted experiments in parking lots, open fields and under the hood of the wonton kitchen. It turned out the hood was the best and safest solution. We still use the same hood design for food to test conduct experiment.

Hydrogen sulfide's highly toxic properties made detection easier. In less than a year, I had a working sensor for hydrogen sulfide. From there, I branched out to different gases: carbon monoxide, ammonia, combustible gases. After I designed a primitive circuit to make the sensor operational, I was ready to test the market. I named the new company International Sensor Technology, or IST Jack Chou DBA International Sensor Technology (IST). Yoshio Products Company did business out of the same address. I budgeted my time as needed to make wontons, assemble detectors and do research 24/7 on my own. I consumed so much coffee that it caused a stomach ulcer. Today, I am proud of my self-promotion skill.

I began making gas detectors for the RV market because boats and motor-home explosions were common. Research about carbon monoxide poisoning by auto exhaust attracted considerable attention.



My first customer was an RV dealer who bought five units at \$20 each. A year later the list price was \$500 for commercial application.

The market's readiness for a leak-detection sensor offered a perfect opportunity for selling the new devices which I was able to produce economically. It didn't take long to be featured in publications, such as the September, 1972, issue of Popular Science. I had just cashed my last. This was 1972, ten years after my arrival in the U.S.



Photos; commercial for GAS SENSOR/INSTRUMENTS.

Fighting the Battle of My Life

A good invention attracts "wolf". This legal epic shows my strategy to win a law suit.

While I was employed at Douglas Aircraft, I worked as a technical consultant for General Monitor Inc. (GMI). My assignment was to study and research gas sensors. At that time there were a few companies making sensors to monitor natural gas and prevent explosions. But, there were no sensors available to detect toxic gas as required by OSHA. After I was terminated as a consultant, I started my own solid-state-sensor project to produce gas sensor. In just a few months while I was testing the market. I received a letter from GMI who offered to buy me out. Unless I accepted their offer they threatened legal action against me. I would have to take the money or undergo a legal battle. I rejected their buy-out offer and prepared to fight in court. The truth was they did not want to see me as their rival. I realized I have a good product for my future. No way I would sell it for quick cash.

GMI hired an internationally famous Beverly Hills law firm. They obtained a temporary injunction that shut down my business for a time. They claimed that my gas sensor was making use of their proprietary technology, and that I had copied their formula while working as a consultant. Quickly I learned that to find a capable and reliable lawyer was challenging. It would be foolish to fight my opponent like a contact sport. I needed to find unusual tactics to surprise them. I had 30 days to file my answer in court.

GMI's high-priced lawyer was well-prepared technically. My chance was poor in a direct conventional trial. I concluded that legal professional are reluctant or uncomfortable dealing with science or technology in court. My best defense was to cause doubt about their basic assertion by changing the terminology used to describe my product. At this point my accuser's strategy focused on I had stolen their formula. Lawyer just name the sensor Solid-State Semiconductor Gas sensor; like "Orange Pie". If I just name my sensor "Solid-State Electrolytic Cell Gas Sensor; like "Apple Pie". This will change the focus of the suit to I steal an "orange" but I have an "apple" in my pocket instead. Most experts were university professors reluctant to appear in court to present arguments on an unfamiliar subject. I picked this name from an obscure article I found at the library. This changed the focus of the case completely. The company had taken six months for a mindset test data and expert testimony as evidence. Now their preparation became useless. My strategy created chaos and confusion for everyone, including the judge.

We presented a simple three-page response claiming that my accuser was making a wrong accusation. I didn't have an SS semiconductor sensor (orange pie); instead I had an SS electrolytic cell sensor (apple pie).

On the first day in court the judge stated that "the defendant has an apple, but the plaintiff is accusing the defendant of stealing an orange." Very quietly in the courtroom we all looked at each other. Their attorney had nothing to say and asked to continue and recess. That same day they called me and offered \$100,000 to settle the case. That settlement provided enough capital to start my business. My simple brilliant idea defeated this famous law firm, and my victory warranted a big story in newspapers all over the country. This lawsuit was a very important milestone for me. It was December of 1972, my tenth year in America, and I was 36 years old. I had just claimed my last unemployment check.

International Sensor Technology (IST)

Cash from the legal settlement provided the capital to incorporate International Sensor Technology (IST). I was the president in a one-man office.

It was in 1973, a few months after the lawsuit, that I made a few prototype models of instruments for petroleum markets. I decided to focus my attention on the local petroleum industries.

Long Beach oil industries were plagued by many well-known toxic-gas incidents in the area. Local safety engineers were having monthly lunch meetings at the Long Beach Petroleum Club. Safety personnel met to discuss and exchange safety information. The danger was highly toxic hydrogen sulfide: the rotten eggs smell we noticed as we drove by on the freeway. After a few phone calls, I was invited to their meeting.

I was told they had just spent over \$100,000 to purchase a hydrogen-sulfide detector that was the size of a refrigerator, and they needed a forklift to install it. My new hydrogen-sulfide detector was the size of a lunch box, and my demonstration impressed everyone. It worked perfectly. I received a purchase order right on the spot.

Word spread quickly. In just a few days, I received a phone call from the president of the Bullard Company, asking to meet me as soon as possible. The Bullard Company was an established safety-products supplier with a good distribution network throughout North America. Their primary products were hard hats, first-aid kits and simple non-technical safety products. Gas detectors would be their first technical product the company was growing rapidly with plenty of cash in reserve, they needed new markets to expand.

An Angel for IST

At the meeting were consultants familiar with the new OSHA (Occupational Safety Health Administration) regulations. I did my show-and-tell about the sensor and how it could meet OSHA's requirements. After a sumptuous lunch they told me they wanted the exclusive marketing rights in North America for my products. They were straightforward about what they wanted. After just a few hours they gave me a good-faith check, and we promised to proceed. I was impressed with this California-style business process; simple and easy with trust.

The next meeting was with two consultants: one was a business-school professor and the other was an ex-vice president of General Electric. I sat politely, like I was in a classroom. After all, they were all respected successful professionals, and I was making the biggest business deal of my life. During the lawsuit proceedings, I had learned to keep my mouth shut and listen to what my opponents had to say first, in order to digest the information and think carefully before saying anything.

They came prepared with a draft that addressed me as president of International Sensor Technology- I was impressed. They proposed that the Bullard Company would exclusively represent IST in North America (USA and Canada) for five years. In return, they would guarantee to place monthly orders starting at \$25,000 a month and increasing every six months to \$80,000 a month in five years. My last aerospace job pay was \$1,100 a month. This was a simple straightforward proposal, and I was happy with it. We agreed on the unit price of the instruments at \$500; my cost was about \$50.

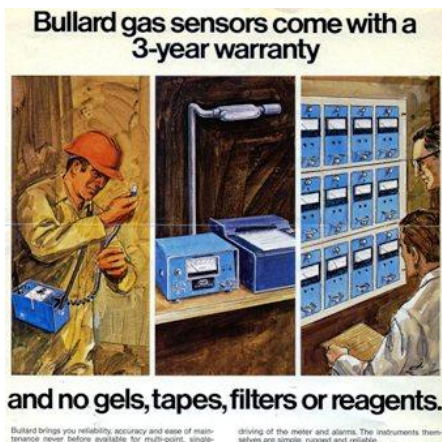
While I was attentive in the meeting, I was vividly looking into the future. I expressed my concern: my gas detectors were a new product, and the contract required a shipment of \$25,000 worth of instruments per month. I said that I'd be happy to do it, but it takes time for Bullard to set up a marketing program. Also the product was new and untested, it needs to improve and make change. It wasn't good practice to keep excessive inventory because it would be costly to rework and bring old inventory up to date. Everyone agreed that I had made good points, but what to do about it?

They all looked at me for a solution. As will be shown later, my abilities to analyze and reach an instant logical solution were valuable assets. I realized that my natural business skills were superior to those of these three professional executives. I proposed a solution right away that became the key to an important lifetime business contract.

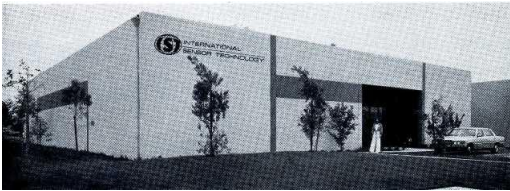
Perfect Contract to Get Me Started

I proposed that instead of billing for a fixed monthly shipment, they would pay 60% of the contracted amount in advance each month. This cash would be deposited into my account as their credit. No products would be shipped until sold to customers. I would keep enough inventory ready to ship as needed on a moment's notice. I would invoice the remaining 40% after shipping. For example, on a \$25,000/month, they would send me a \$15,000 advance on the first day of the month, which represented 60% of the agreed-upon monthly purchase. The cost per unit was \$500 (60%=\$300), so they would pay \$200 per unit (the remaining 40%) after the products were shipped. This kept inventory to a minimum and lowered their cash requirements by 40%. Everyone agreed it was a brilliant idea.

The rationale in my proposal was that the 60% monthly payment would be a customer deposit in my receivables ledger. In accounting, this was not taxable; it was just a deposit. A sale was completed after shipment. I would ship and collect the 40% balance, plus shipping cost, before paying tax. This was a very significant amount, as the top federal income tax rate at the time was 70%. In this high-inflation era the bank paid 10% or more interest. In just a short time in business, while most people were cash starved, I was rich with cash that helped kick start my commercial real estate ventures.



In just a few days, to introduce the new IST product to the world, Bullard issued press release to newspapers and magazines, resulting in invaluable exposure. Bullard had a well-established distribution system in the U.S. and Canada. I was invited to meet distributors and potential customers; I learned to be an business executive. Very quickly, International Sensor Technology became a well-known company. Bullard placed ad (photo) all over major magazines. IST had visitors from all over the world wanting to market its products in their countries.



International Sensor Technology
is pleased to announce
the new location of its facilities
3201 SOUTH HALLADAY
SANTA ANA, CALIFORNIA 92705
You are cordially invited to attend
OPEN HOUSE
Wednesday, July 3, 1974
from Four to Seven o'clock

Bullard placed on a silver platter not only the startup capital for IST but also a North American market-distribution system with international market potential. Their ambition was to use this unique technology to change their image from an industrial hard-hat and band-aid vendor into a high-tech product supplier. By promoting IST's

unique technology, they hoped to dominate this new market and reshape their company image.

With cash in hand, I bought an 8,000 sq. ft. building (photo). I was 36 years old. Launching IST came two years after being laid off. I drove my brand-new 450SEL Mercedes to Long Beach to show off to my ex-boss and former colleagues.

It took about three years for Bullard to find out training hard-hat salesmen to sell high-tech gas monitor wasn't easy. Their company was doing well on hard hats and other safety products but didn't have much success selling gas monitoring instruments (hi-tech products). Nonetheless they faithfully made the monthly deposits per our contract. My bank account reached to \$1 million. As mentioned before, the deposit was only part of the buy-sell process, not income for IST and not a taxable yet. I was accumulating excessive cash while Bullard became cash poor. We mutually agreed that it was best to terminate our relationship.

The original contract agreement specifically stated that the deposited money be credited to Bullard, who would complete the transaction by paying the 40% balance. Bullard defaulted and technically money belong to me. But it would be insensitive for me to fight my benefactor. Against my lawyer's advice I agreed to refund the cash. In the end, IST returned Bullard's deposit money, and we parted as friends. The relationship with Bullard helped IST get started with plenty of capital and, at parting, Bullard provided IST with a solid marketing system.

The agreement was for Bullard's exclusive marketing in North America, leaving me to market in the rest of the world. This was three decades after WWII, and the economies in Europe and Japan were recovering from the destruction of the war and growing rapidly. U.S. dollars ruled the worldwide economy. While a strong dollar made our products more expensive, "Made in California, USA" gave our products a prestigious image. This was during the high-tech revolution, and Silicon Valley was recognized around the world. IST's location in Irvine, California, allowed it to share in the high status accorded new U.S. products.

Today in 2019, after 45 years in business, IST is doing well. It dominates the "Gas Sensor or Detectors" listing on Google.

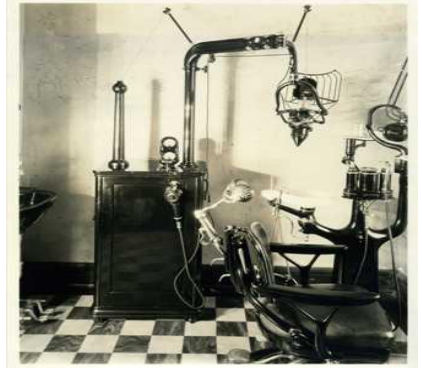
Wilshire East Properties

Around 1978, I was introduced to Mr. Marvin Goldberg, who claimed to be a financial consultant representing celebrities in Hollywood. He had a real estate deal involving two high-rise buildings on Wilshire Blvd that belonged to his friends, a famous wealthy Canadian Jewish family, who would only deal with him. Goldberg had made an offer to purchase for \$5.4 million, and fronted the \$300K non-refundable deposit on the purchase contract. He was having financing problems and was looking for a partner with cash to finalize the deal.



The buildings' addresses were 1930 and 2010 Wilshire Blvd., near MacArthur Park, close to downtown Los Angeles. Built around 1940, one was a medical building, the other was an office building with a huge parking lot and attached garage. I didn't have the slightest idea about what constituted "commercial" real estate. I was overwhelmed by the enormity of the properties and the complexities of the operation with high vacancy rate. I analyzed

the income and expenses of the previous three years, and even though the vacancy rate was high at 55%, there was sufficient income to cover operational expenses and debt service. All the income was from long-term leases with medical, legal or other prestigious professionals with excellent credit ratings. Wilshire Blvd was a desirable business address. I assumed high vacancy would allow me to lower the rent which would improve the monthly income. The possibility of increasing the income also meant increasing the value of the property. Overall, the price was \$5.4 million, and the income after expenses and before debt service was about \$1 million per year. I made sure that all those numbers were realistic and accurate.



(Old photo of dental office and parking lot.)

Bank of Tokyo had just opened a small branch in Santa Ana near my office. I was visited by the new manager, Takeo. Takeo was impressed with IST's high-tech business. My account balance had been growing and drew the attention of the bank's chairman in San Francisco.

I called Takeo and told him of my convictions. I believed in this investment opportunity. Takeo was a Japanese American from Hawaii who had the trust of his superiors in San Francisco, including the chairman of the bank. It took only a few days to approve my application. The only concern the bank expressed was ability to manage my Jewish partners, all high-end sophisticated professionals with connections in the entertainment field.

My banker's main concern was my ability to manage and handle these flamboyant Jewish businessmen and their lawyer. Obviously, these were not going to be easy partners to work with. Takeo gave me an uncomfortable smile and asked me, "Are you sure?" I assured him and I would have total control of the project.

I called a breakfast meeting in the beautiful garden at the Beverly Hills Hotel to meet with my partners. My conditions: I would be the majority owner and the sole manager with absolute authority, and each partner would sign a personal guarantee for the performance of the loan. They would own a small percentage of the property. Their options were limited because in eight days they would be in default of the contract and the \$300,000 deposit would be forfeited, so there was no time to waste. They agreed to all of my conditions. We named our business "Wilshire East Properties." This took place in 1978, when the economy was in hyper-inflation. With the bank prime rate over 15%, it was an ideal time for a cash investor to take advantage of the depressed real-estate prices.

Fortunately, my strategy of lowering the rent to attract tenants worked well, and the overall income improved rapidly. But, the constant headache of dealing with the partners was stressful, although it was anticipated. After about a year I decided it would be best to sell the Wilshire properties while I was ahead. I was afraid of earth quake and insurance was too expensive.

I located a prospective buyer from Singapore. Hong Kong was a colony of England and during 1979 the British government was negotiating to give it back to China. These were years when the Communist Chinese had closed its door to the outside world and the country was undergoing the Cultural Revolution. The regime publicly denounced landlords, and wealthy citizens were persecuted as enemies of the people. The country went

mad, countless innocent people were executed. People in Hong Kong were nervous that the Chinese were coming.

I was invited to a Singapore Club dinner in Los Angeles where Hong Kong was a subject of conversation. I met Mr. Kuang, whose family owned a few buildings in Hong Kong and had just sold a high rise building, so with cash in the bank he was looking for opportunities. Real estate prices in Hong Kong had plummeted, and property owners were pessimistic about their future under Communist rule. It was generally agreed that America was the safe haven. I told them about Wilshire East Properties for sale and they expressed interest. As we shared the same common basic culture, it was easy for us to communicate and trust each other. In just a few days we agreed on a price of \$16 million, with Kuang ready to close the deal. The cash transaction was quick and smooth, and I celebrated this successful venture with bankers at the Bank of Tokyo, now called Union Bank of California. It was 1981, a few months after Ronald Reagan had become president. My love affair with commercial real estate had just begun.

The Kuang family did well at Wilshire East: shortly after the purchase, the property was sold for \$25 million few years later.

Legacy of IST



IST established itself as a leader in the toxic and combustible gas monitoring markets with distributors in many countries. Air quality and safety instruments developed by IST for various industries were well known. I enjoyed conducting business in Europe.

Travel to Europe was special for me. We had many pleasant experiences tasting local cuisines and making side trips. One time near Stuttgart Germany, we visited a customer in a small scenic village during hunting season. In an authentic small family restaurant where rich, smooth beer was brewed, we ate "rack of deer," one of their best traditional regional dishes. IST had outstanding representatives in Europe who introduced me to fine dining at village restaurants in Italy.

I did my share of business travel, selling gas monitors to various industries from oil fields in Alaska to chicken farms in Mississippi. Seeing the world, making friends in other countries created memorable and rewarding experiences in my successful business life.



warm to hot, but a stream of cold air blew directly at us. Outside, the plane's skin temperature was over 100 degrees centigrade. Seats were small but comfortable and all passengers looked like successful business people or celebrities. A fashion model in front of me had her face covered with a layer of cream, making sure that this harsh flight condition would do no harm to her skin. The stewardess approached and told me, "Mr. Chou, Captain Jacob would like to invite you to visit the cockpit."

We were cruising at Mach 2 while I was with Captain Jacob in the cockpit, a small space like a military aircraft. From Paris it took about three hours for the Statue of Liberty to be sighted.

Behind the Iron Curtain

IST's instruments promised "area air quality and safety." Healthful clean air was a political catch phrase gaining public awareness and attracting increased media coverage at this time. We were selected by Dept. of Commerce to represent USA in many countries; photos show visiting politicians.



Tennis Venture



1984 I bought **Sunny Hill Racquet Club** in Fullerton. It boasted 19 tennis courts, two indoor racquetball courts, an Olympic-size swimming pool, and an impressive clubhouse with a restaurant and bar balcony overlooking the tennis court. While I was overseeing my successful IST business, I had plenty of spare time to indulge in the pleasure of playing tennis.

I built a grass court at home. My grass court was beautiful and one of a kind. Roger Federer and Lance Davenport the number one world champion were among many visitors.



Grass Tennis Court



Roger Federer with my grand daughters

I made many tennis friend, among them are Mark McCormack, who started International Management Group-IMG. His management company represented tennis and golf athletes as well as musicians and entertainers. Mark's associates owned and managed the most-prestigious worldwide tennis events: Wimbledon, the French Open, the U.S. Open and the Australian Open.



IMG managed Wimbledon and invited me to their hospitality marquee. The British liked using Wimbledon to showcase their traditional dignity and discipline. I attended Grand Slams a few times, and I considered Wimbledon the most memorable.

The highlight of our IMG association was our V.I.P. treatment at Wimbledon. At an IMG hospitality center I met Tony Bennett for lunch and after the meal we were on Center Court to watch a match from the premium seats IMG had reserved for me, right across from the Royal Suite. The next day we played tennis (photo). I invited Tony to join me for dinner that night.



The French Open rated high for comfort.

The Bullish 1980s

IST was doing well and I was mindful of the old Taiwanese teaching, "it is easy to make money, but not easy to manage/ safe money as family asset for next generation". My focus was to manage my assets as long-term assets. There are many types of income properties, but the "neighborhood shopping center" is my favor. There are many reasons; income is generated by renting space to proud, hard-working business owner. Rents are triple-net, meaning "tenants pay the property tax, insurance and maintenance costs" of the shopping center. During bad business cycles, tenants willingly cut back expenses to make sure the rent is paid and their income source secure. Besides reliable income shopping center management is easier and the value of the center increases well.

Over the years I went through many centers. My formula was very simple; buy during depressed economic cycle while price was low. Buy quality property for long-term keep focus on the income potential. For example, 1989 Fairland Center (photo below), at Denver, Colorado valued at \$14 million at "foreclosure sale", bought it \$2.7 million from the bank. It is producing good income all those years.

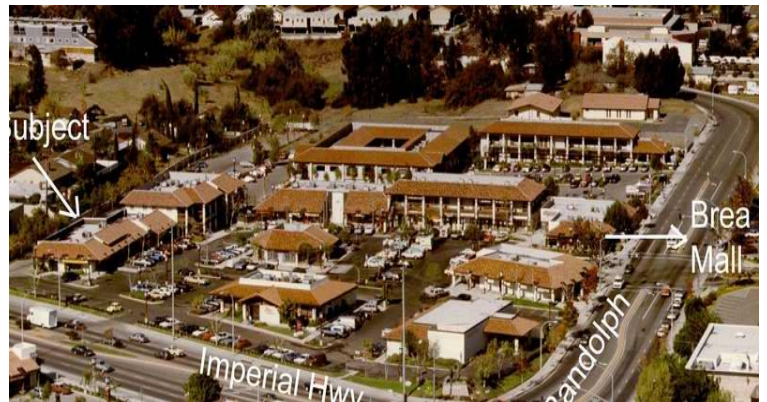
Unless is needed, never sell "real property". It cost 6% to buy and sell. I was good at taking advantages of tax law and identify good properties; shopping center particularly. Spurred by the tax incentive as well as my bullish outlook, I juggled many acquisitions to acquire an impressive list of commercial properties.



Fairland Shopping Center-Denver, Colorado



TriCity Center at Vista, San Diego County



Brea Village at Imperial Highway across from Brea Mall



Harbor Plaza, Santa Ana



Newport Plaza, Tustin



SHRC was a prestigious club with six acres of land. While many tennis club properties were zoned recreational, SHRC has long-range intrinsic value because it zoned commercial, the six-acre commercial land attracted my interest. This was 1984



Around 2002 the club was converted into a luxurious 148-unit senior apartment complex (photo), made possible by the commercial zoning status of the land.

Holiday Inn, Reno, Nevada



Normally I would not buy a hotel (service business), but the price was low and I saw the potential future value of this three-acre commercial property close to the Reno Airport. In bankruptcy court I purchased this 160-room Holiday Inn at a discount from a mismanaged partnership around 1991. In addition to intrinsic value, it offered attractive investment tax credit. I revived the restaurant and installed a casino, which turned this hotel into a profitable enterprise for a few years, until the franchise with Holiday Inn expired. As anticipated, due to a prime-area location, the property value increased. I sold it to a developer 1995.



Home for Business

From the beginning I realized the advantages of own your building for business. In 1974 I purchased this 8,000 sq. ft. building for \$100,000 at 3201 S. Halladay St., Santa Ana.



1978 near the OC Airport at 17771 Fitch St. I bought land from Irvine Company, built and move IST to this prime business location in Irvine. Leasing out the former facility in Santa Ana.

In 1989 I took advantage of the economic bubble burst and relocated IST to its present location in a most promising Spectrum-area development. I bought from bank foreclosure and paid 50% less than its value. It is located at the El Toro Y, where both the 405 and 5 freeways meet. Normally a business like IST would have paid \$20K per month to rent equivalent space. Due to wise investments, IST derives income from all three of these three buildings.

My motto was, "Save and conserve earned income." I always remembered the rule of 72 (7.2×10). It takes 7.2 years to double your money if you earn interest at 10%. A certificate of deposit paying 8% will double your money in nine years ($72/8 = 9$). In commercial real estate, I earned more than 20% in many cases. In an inflationary era capital grew very rapidly. Overall, the influx of buyers from Asia and other parts of the world to the Southland greatly inflated the price of real estate. We had a saying in Taiwan: "It is easy to make money, but it is hard to save and conserve it." I was mindful of this teaching.

Home-Estates

Our first dream house was this house bought 1969 at Fountain Valley, 2,100 sq.ft 4bedroom, 2.5 bath, cost \$31,450. As engineer at Boeing \$1,200/mo. or \$14,000/yr. The house cost 3 years of my pay check.

This is only house I BOUGHT it. Soon I found out huge profit to build homes.



"OWNER/BUILDER"

1822 Park Skyline my first Custom Home-1975

4,365 sq.ft 5 bedroom, 4.5 bath. Cost \$150,000. Exchange to commercial building value at \$550,000.

Fountain Valley was new city and we like it. But as soon as I had cash we decided to move. House at affluent communities were great for school. We decided on the secluded tranquil North Tustin area. By this time I was confident enough from commercial real estate dealings to consider a new unfamiliar project in residential housing. I hired an architect and a contractor, by 1976 a 7,000 sq. ft. two-story house on a half-acre lot. Total cost for the house, including the land, was \$146,000, a significantly lower price than market price in the area. Not long after we moved into our new home, we were offered \$550,000. I realized that there was exceptional profit to be made from building custom homes.

Instead of sell for cash to pay tax, I made a tax-deferred exchange with a failed Mexican restaurant priced at one million on Katella Blvd. Anaheim near Disneyland and Angel Stadium. This was a prime leisure-related business location. I recognized the long-term potential of this property. Because of the exchange, the purchase price was reduced and the profit I made from the sale of the house became income-producing capital.



1981 Valley Quail-second house-1980



Shady Canyon Estates /Parkside Estates

2019

1989 I developed this ten acres of pristine land adjacent to Peters Canyon Regional Park. The area is home to many animals including coyotes, mountain lions, and bobcats. There are also many eucalyptus trees which peacocks used as nests to protect themselves from coyotes.



The presence of the park complicated the project because I had to meet the requirements of many branches of the parks department. "Privacy/Separation" from public areas was required, as was fire and flood protection. For example, to accommodate fire trucks, a heavy duty bridge needed to be built, as well as an extra wide-street with fire hydrants. Plans also needed to be implemented to address a hundred year flood, among other things.



I worked on the project while actively managing IST as well as various shopping center ventures, and completed the project without external financing.

Whenever possible I was on the job site to supervise and direct daily operations.



New 10401 house with Grass Tennis Court 1991

Five houses at Shady Canyon Rd



Parkside Estates, adjacent to Shady Canyon Estates, share Shady Canyon Road

The Best Kept Secret Paradise in Orange County.

Few photos, life at Shady Canyon Estates



Pool at 98F 24/7



King salmon Alaska



Rainbow of hope at Shady Canyon Road-it appear frequently.
1991 to Shady Canyon Estate



Parkside Estates

New home offering

adjacent to **Peters Canyon Regional park**



Each parcel has a private drive way. At 1.4 acre per parcel

Habitat Restoration Area

10591 Bent Tree Road, Santa Ana
theparksideestate.com
714-852-1485

Parkside Estate is phase 2 of the Shady Canyon luxury home.

10531 10501 10461 10431 10401

Trail to Irvine/Tustin Market Places.

Portion of Peters Canyon Regional Park

Portion of Peters Canyon Regional Park

Upper Lake

PETERS CANYON

SHADY CANYON (Private Road)

Shady Canyon Rd

Lot 1 Lot 2 Lot 3

Easement

Shady

Jackie C. Chou Trust
Apr 608-701-00

Doris H. Chou Trust
Apr 608-701-07

Cparks
Orange County
California

Peter Canyon Regional Park is a 354 acres park surrounded by the city of Irvine, Tustin and Orange and by affluent communities of Cowan Heights, Lemon Heights and Tustin Ranch. It offers a variety of graded roads and trails providing opportunities for hikers, mountain bikers and equestrians. The East Ridge View Trail provides a panoramic view of Peters Canyon and the surrounding area. The wildlife population includes mule deer, bobcats, coyotes, opossums, raccoons and an occasional mountain lion. Many smaller amphibians, mammals and reptiles abound, attracted by the lure of Peters Canyon Reservoir and Creek.

Parkside Estates is located adjacent to the park; separated by a creek and Shady Canyon road. The location provides total privacy and tranquility, while a walking bridge provides easy access to the park. Each parcel has a private drive-way, and at 1.4 acre per parcel, this property is "ONE OF A KIND" unique property. Nestled amongst the luxurious communities, you will enjoy the spectacular California lifestyle of your dreams. A short ten minute drive will have you at The Market Place, which features over 120 shopping, dining and entertainment options. Southern California's popular shopping destinations; Irvine Spectrum Center, Fashion Island and South Coast Plaza can be reached in 25 minutes. Shady Canyon Estates, located next to Parkside Estates and consisting of five luxury homes completed in 2007, serve as model for Parkside Estates.



Shady Canyon Estates as model



" Private" park entrance

Serene hiking and horse trails surrounded by natural setting. Fashion Island/Newport Beach with pleasant southern breeze.

Affluent Community of Cowan Heights (N. Tustin).



Rancho Palmillas

Tamazula, Jalisco, Mexico

My 2nd. long-term project. 2019

Rancho Palmillas, also known as Shady Canyon Ranch, began in 2012 with the planting of 15,000 patented Hass-Mendez Avocados of various ages. Avocado trees start to produce from 10 to 30 lbs per tree in the first five years. They reach mature production in 6-7 years, producing about 500-1000 lbs/tree/yr. The commercial life expectancy of each tree is approximately 20 years.



The ranch is certified by Mexican authorities and the USDA. It is inspected and tested regularly to ensure the quality of the avocados for the US and world markets.

The ranch is a 3 hour flight from San Diego to Colima, then a one hour drive. The weather is semi-tropical, a hundred miles inland and protected by mountain ranges. Avocado trees do well in volcanic rich soil and the surrounding mountains offer shade and cold temperatures. The low price of land in the area makes the ranch a viable venture. While the ranch is about a thousand acres, only about 10% is suitable for growing avocados, as most of the land is comprised of forest and steep hills where cattle can be kept.

A deep well provides plenty of clean fresh water, which is a must for a ranch to be certified and to ensure a good harvest. A highlight of the ranch is this hi-tech reservoir located on the hilltop capable of irrigating the entire ranch. It was costly to install electrical service to pump water as diesel expensive here.

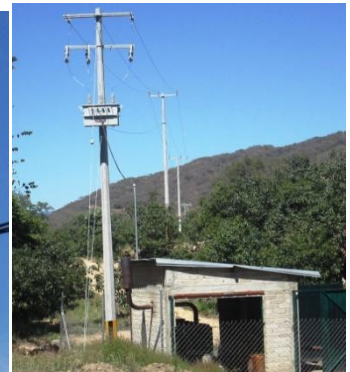
Reservoir



75 KVA power



Pump station



View of distance village, main area 9,000 trees.



Views from reservoir.

Corral 1,000 trees



Partial D-2,500 trees



Bee hives-bee help avocado production; we harvest plenty of avocado honey.



I enjoy my working vacations here with families.

About Avocados Hass-Mendez Avocado Trees



There are many varieties of avocados, the most popular being the Hass avocado. We plant patented Hass-Mendez avocados, which are a distinct variety of avocado tree, sharing many characteristics with Hass avocados. However, our trees bloom 6 to 7 months earlier than the Hass tree and bear fruit that matures earlier in the season. Fruit Peeling: Peeling is easy early in the season of maturity. The peel is removed smoothly with a minimum breaking and flaking, leaving no objectionable residue on the surface of the flesh. The size of avocados is as follows:

Avocados are packed 25 lbs per box. #48 is the market standard for 48 fruit/box or for 24 half pound fruits. There are also #32#84 representing larger or smaller fruits.

Harvest Time: Hass avocados are harvested 2-3 times yearly. May/June is the main crop, Oct/Nov is the off season crop and there are small harvests in between. It's amazing that while picking, many trees are blooming and contain quail egg size fruits.

Hand tool used to clip 1/4 inch stem



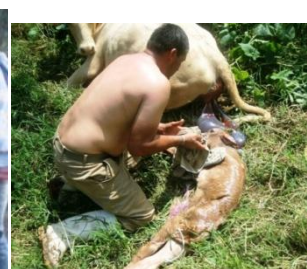
Workers paid 12 pesos (\$ 0.75) per box of 60 lbs. About 40 box/person/day, or \$30/day



Being a large farm with high quality fruit we can command a high price, attracting the attention of buyers looking to export to Asia, Europe, etc. The demand in the US is huge, but many world markets new to avocados pay a better price, as avocados are often considered a luxury super food for the elite.

Cattles

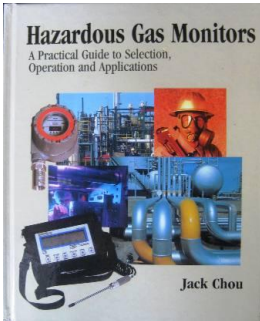
While avocado trees can do very well on hills, we only plant in flat areas accessible to tractors in order to save on labor costs. So we use the hills for cattle, and can keep about 250 there. A calf requires a nine month gestation period, and stays with the heifer (mother) for 2 to 3 months before being released into the mountains for another 7 to 8 months to reach adult weight. Normally bulls are sold at 18 months, while females are kept for about 3-5 years during which time they can have between 3-5 calves. Mid-wife cowboy. Normally no help is needed, and heifers give birth in the wild. The calf feeds on mother's milk for about 3 months.



Normally they deliver their calf in privacy in the forest, but on occasion they need help.

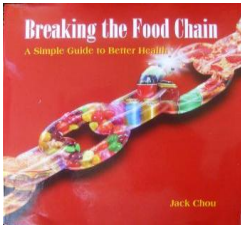
Publications

Toxic and Combustible Gas Monitors



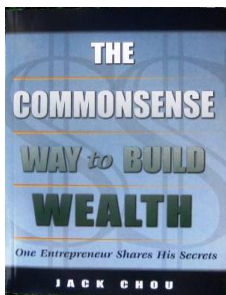
Area air quality and safety is our business niche. IST was a pioneer in the use of solid state technology in gas sensors. In order to dominate the market I researched and developed a complete line of products utilizing available technologies. IST has the most complete line of products in the industry. Its accumulated experience and data have being compiled into a book entitled *Toxic and Combustible Gases Monitors*, published by McGraw-Hill, a major publisher. This well-accepted technical book records my work as a scientist.

Breaking the Food Chain



I am an engineer/scientist by training, with a passion for the study of nutrition, food, exercise and health. My unique experience with Japanese and Chinese cultures enables me to observe American lifestyles from several perspectives. To make use of my problem-solving aptitude and offer guidance for future generations, I wrote *Breaking the Food Chain*.

The Commonsense Way to Build Wealth



Of all my business projects, I did best with retail shopping centers. Over the years I helped hundreds of new entrepreneurs get started. My experiences with small-business tenants were compiled into this book in hopes that my observations will benefit other entrepreneurs.

The Orange County Register

May 27, 2002

By Jan Norman

Entrepreneur Makes Success His Occupation
Taiwanese immigrant has thrived in variety of ventures.

This syndicated article was published in newspapers all over the country

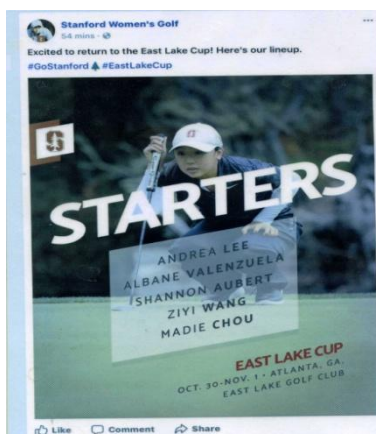


Photo: Madie Chou outstanding student for Standford Woman's Golf-2019.

Good life photos

