

## PHILIPPS, OWEN COSBY, Baron Kylsant (1863-1937), ship-owner

**Name:** Owen Cosby Philipps  
**Date of birth:** 1863  
**Date of death:** 1937  
**Spouse:** Mai Alice Magdalene Philipps (née Morris)  
**Parent:** Mary Margaret Philipps (née Best)  
**Parent:** James Erasmus Philipps  
**Gender:** Male  
**Occupation:** ship-owner  
**Area of activity:** Business and Industry  
**Author:** David Lewis Jones

Born on 25 March 1863 at Warminster Vicarage, Wiltshire, the third son of the Reverend Sir James Erasmus Philipps and his wife, Mary Margaret Best. A more detailed account of the family will be found in the entry on his eldest brother, **John Philipps, 1st Viscount St. Davids**; two other brothers are also noticed separately: **Sir Ivor Philipps** and **Laurence Richard Philipps, 1st Baron Milford**. Sir Erasmus sent his third son to Newton College in Newton Abbot, Devon, which suggests that he thought that Owen, who had a slight speech impediment, was less able than his brothers who attended Felstead College. At the age of seventeen, Owen Philipps was apprenticed to Dent & Co., a shipping firm in Newcastle upon Tyne; on the completion of his apprenticeship in 1886, he joined a Glasgow shipping firm, Allan & Gow.

With the assistance of his brother, **John Philipps**, who had married a wealthy heiress, Owen Philipps established his own firm, Philipps & Co., in 1888. On discovering that the owners of the *King Alfred* wished to sell their interest in the vessel, under construction at the Blyth shipyard in 1889, the brothers formed the King Alfred Steamship Co. Ltd. to purchase the ship. The articles of the company were soon altered to allow the acquisition of other vessels, including the *King Bleddyn*, launched on 22 January 1894 by their sister-in-law, Mrs Ivor Philipps. In 1893, the company's name was changed to the King Line Ltd. and, a year later, Owen Philipps moved his business to London where further expansion took place when the two brothers established the Scottish Steamship Co. in 1896, founded London Maritime Investment Co. in 1897 and purchased the London & Thames Haven Petroleum Wharf in 1898.

At the beginning of 1901, the Royal Mail Steam Packet Company was in a weak financial position and the brothers began to purchase shares in the company. Within two years, Owen Philipps was chairman of the Royal Mail Steam Packet Company, which suited **John Philipps** because the company traded with South America where he controlled considerable railway interests. Owen Philipps was now in control of a considerable fleet of merchant ships, which led W. J. Pirrie of Harland & Wolff, the Belfast shipyard, to propose that he would supply Philipps with ships built at cost, provided his shipyard obtained all the repair work and future contracts. From this time, there was a warm friendship, on a business and on a personal level, between Philipps and Pirrie, which lasted until the latter's death. Pirrie also owned ships and he joined with Philipps in purchasing the Elder Dempster Group, a firm that traded mainly in Africa, which was sold, at a reasonable price, by the executor of its founder, **Sir Alfred Lewis Jones**, the Carmarthen boy who became a major shipping magnate. By 1908, Philipps was an important figure in the shipping world and he had made the Royal Mail Steam Packet Company profitable. His achievements were rewarded with a knighthood in 1909.

While in Scotland, Philipps had been active in politics as secretary of the Glasgow Central Liberal Association. He was anxious to enter the House of Commons and stood unsuccessfully for the Montgomery District of Boroughs in 1895 and for Darlington in a by-election on 17 September 1898. He also failed, by a small number of votes, to be nominated for the Carmarthen boroughs in January 1899. He achieved his ambition in 1906 when he was elected the Liberal Member for the Pembroke and Haverfordwest District of Burghs and obtained some publicity as one of three brothers elected to Parliament. Re-elected at the January 1910 election, Philipps did not stand at the December 1910 election. He left the Liberal Party and stood in 1916, unopposed, as the Conservative candidate in the Chester constituency, which he held at a contested election in 1918. Philipps strengthened his links with Wales when he married Mai Alice Magdalene Morris of Coomb, Llangynog, Carmarthenshire on 16 September 1902; Mai Morris inherited 5000 acres and around £125,000 from her father, Thomas Morris, a member of the wealthy banking family in Carmarthen. Philipps purchased Amroth Castle, Pembrokeshire, in 1904 and the Plas Llanstephan estate, formerly owned by the Morris family, in 1920.

As his shipping interests grew, Owen Philipps was much less reliant on his brother's assistance. He obtained control of the Pacific Steam Navigation Co. in 1910; the remaining 50% of the Shire Line, the Glen Line, and Lamport & Holt Ltd., all in 1911; and, the Union Castle Line in 1913. All of these companies had large fleet of ships. Experts within the financial world and in the shipping industry expressed considerable doubts about the wisdom of financing these acquisitions through the use of debenture stock, which involved the payment of annual fixed interest.

Much of the shipping owned by the Royal Mail Group was requisitioned during the First World War and over one hundred ships lost as a result of enemy action. Philipps was appointed Grand Cross of the Order of Michael and George in appreciation of his wartime services. In his haste to rebuild his fleet, he ordered replacements to be delivered in 1919-20, at a time when costs in the shipyard were high, as a result of wartime shortages, and ships were still built to pre-war designs. One year later, these ships could have been purchased with a more up to date design and at a quarter of the cost. In early 1919, he agreed to purchase, with Lord Inchcape of the P & O Group, 137 merchant ships under construction for the government. Philipps calculated that these would be easy to sell but a downturn in trade led to a fall in freight rates and he was obliged to add over seventy of these ships to his own fleet, at a cost of around fifteen million pounds. The money required to meet these new commitments was raised through loans from the companies within the Royal Mail Group and by issuing new debenture stock. Both Philipps and Pirrie took advantage of bank loans supported by guarantees offered by the British and Northern Irish governments.

During the war, Philipps continued to purchase shipping companies: the R.M.S.P. (Meat Transport) Ltd. in 1914; Moss S.S. Co. and Robert MacAndrew & Co. Ltd. in 1916; Coast Lines Ltd., McGregor, Gow & Holland Ltd., Argentine Navigation Company Ltd., and John Hall Jr & Co. in 1917. Four more companies were acquired in 1919: J. and P. Hutchinson; Bullard King & Co.; David MacIver & Co. Ltd.; and Scottish Steamship Co. Ltd. The Royal Mail Group's ships sailed on all the oceans of the world. Difficult

conditions continued in the shipping industry throughout the early 1920s, which inhibited Philipps from acquiring more shipping companies. He was busy in devising new initiatives to increase trade, particularly in the passenger fleet. On 14 February 1923, he achieved a personal ambition when he was granted a peerage; he took the title of Baron Kyslant, of Carmarthen, co. Carmarthen, and of Amroth, co. Pembroke. Kyslant, now Cilsant, was a mediaeval lordship held by the **Philipps family**. In the following year, Pirrie died and Kyslant assumed an added burden as chairman of Harland & Wolff, the great Belfast shipyard, and of the large Scottish steelmaking company, David Colville & Son, purchased in 1920.

Despite his heavy commitments, Kyslant was determined to expand the Royal Mail Group. He began to acquire shipping companies again in 1925 with the purchase of the British Motorship Co., which was followed, a year later, by the purchase of the Irish companies: Dundalk & Newry S. P. Co. and Michael Murphy Ltd. These acquisitions were insignificant compared to the purchase of the Oceanic Steam Navigation Co. from the International Mercantile Marine Co., an American firm, for seven million pounds in 1926-27. This was a very popular move because Kyslant was purchasing a British shipping line back from American control and he had little trouble in raising the money required. His new shipping line was renamed the White Star Line.

In business, Kyslant was autocratic and apt to take decisions as chairman of the Royal Mail Group without consulting his fellow directors. He was also an optimist who believed that the conditions of world trade would improve soon. The structure of the Royal Mail Group was complex with a considerable amount of cross shareholding where a company owned shares in other companies within the Group. This practice enabled Kyslant to maintain control of the entire Group and allowed him, in an effort to preserve public confidence in the Group, to move reserves from one company to another in order to conceal trading losses.

After 1926, Kyslant was facing increasing difficulties in repaying government loans on the due dates. An improvement in world trade had not taken place and increased competition from foreign companies, especially German and Japanese, was making trading difficult for the Royal Mail Group. Despite this, Kyslant acquired two more companies in 1928: the Scottish firm, David McBrayne Ltd., and the Australian Commonwealth Line. In retrospect, Kyslant should have rationalised the Group at this time but he still held to an optimistic view of the future.

The difficulties within the Group, particularly Harland and Wolff, came to the government's attention when Kyslant requested a five year extension to the government's guarantee of a large loan from the Midland Bank. This request was refused and only a third of the next payment was made on the proper date and after considerable negotiation the remainder was promised within five months. The Group had been created, to a large extent, on the basis of debenture stock, which involved the payment of annual fixed interest. The trustee of the 5% stock was **Lord St. Davids** and relations between the two brothers had been very bad for some time. As a loyal Liberal, **Lord St. Davids** was annoyed that his brother had joined the Conservative Party and that he had been elected, unopposed, the member for Chester in 1916. The disagreement between the two brothers may also have been fuelled by Kyslant's amiable relations with the family owning Picton Castle. When the Royal Mail Steam Packet Co.'s accounts for 1928 were published, the auditor had added the same qualifications as in previous years: **Lord St. Davids** asked to interview the auditor but was refused, and he, in turn, refused to discuss the situation with Kyslant. The quarrel between the two brothers became public in 1929, when **St Davids** reported, in a note to stockholders, that he had been refused permission to speak to the auditor and that he had not been consulted over the two million pounds raised through issuing further 5% debenture stock in 1928. The value of the Group's shares fell sharply and the stability of the Group began to be questioned.

The Treasury and the Bank of England were concerned over the situation at the Royal Mail Group. This was the largest shipping group in the world and its collapse would aggravate a grave economic situation. Kyslant had not helped the situation when he obtained permission from his fellow directors in 1928 for a new issue of 5% debenture stock to a limit of one and a half million. **Lord St. Davids** was enraged at this development and informed the directors that he intended to resign as trustee of the 5% stock. By now the government was alarmed both at the situation and by its failure to obtain a clear picture of the Group's liabilities because of Kyslant's cavalier way of treating the Group as a whole in discussion of profit, loss and liability. Sir William McIntock, a leading accountant, was appointed by the government on 19 December 1929 to carry out an investigation into the finances of the Group. Within two months, the enquiry revealed that the Group's liabilities amounted to around thirty million pounds. Kyslant remained chairman of the Group until 19 November 1930 when he took leave of absence. His powers had been curtailed when financial control had been transferred, with some difficulty, during June and July 1930 to Voting Trustees appointed by the banks. Public confidence in the group had received a severe blow when **Lord St. Davids** finally resigned as trustee of the 5% debenture stock on 14 April 1930.

Lord and Lady Kyslant left on 27 February 1931 for a two months holiday in South Africa. The situation at the Royal Mail Group had become a matter of public controversy when McIntock had admitted, at a meeting of debenture holders in the Royal Mail Steam Packet Company, that the company had not traded profitably for many years although dividends had been paid to the stockholders. Financial journalists were present and they reported this statement, with some caution, but exchanges in the House of Commons were more forthright and included the word 'fraudulent'. Soon after Kyslant returned from South Africa, he was charged, under section 28 of the Larceny Act 1861, that he had published false statements of the Royal Mail Steam Packet Company's accounts for 1926 and 1927. Harold J. Morland, the company's auditor, was charged with same offence. When the two men appeared at the Mansion House Police Court, before the Lord Mayor as Chief Magistrate, an additional charge was laid against Kyslant in that he had issued a prospectus on 29 June 1928 that contained false information. Because the Lord Mayor refused to allow certain questions, counsel for both sides left the court and both defendants were able to reserve their defence. The case was transferred to the Central Criminal Court at the Old Bailey. After nine days, beginning on 20 July 1931, the jury found that Kyslant and Morland were not guilty on the two charges of preparing false accounts but that Kyslant was guilty of issuing a prospectus containing false information. He was sentenced to twelve months in prison. After a night in prison, Kyslant was granted bail, pending an appeal. With Lady Kyslant, he left immediately for Coomb. The appeal against his conviction and against his sentence was heard in the Court of Criminal Appeal on 2 November 1931. The appeal was dismissed and he was taken to Wormwood Scrubs Prison where he was allowed to work in the library and to receive meals from outside the prison. On 18 August 1932, the day of his release, Lady Kyslant arrived at the prison gate in a saloon car at seven o'clock in the morning, collected Kyslant and they left for their London residence, 22 Down Street. A few minutes before nine o'clock, they drove to Wales. As they neared Coomb, forty men pulled the car, at a running pace, to the gates where the Vicar of Llanybri had built an arch of laurel and evergreen, decorated with a bright red sign reading 'Welcome Home'.

Sir Patrick Hastings, the eminent counsel who defended Morland, and the editor of the *Economist* were among several men who felt that Kyslant had been punished harshly for technical errors. After his conviction, accountancy and auditing practices were reviewed and reforms under the Company Act 1948 were introduced to prevent further instances of Kyslant's bad financial practices. Kyslant was fond of titles and honours; as late as 1929, he had lobbied successfully to obtain the meaningless title of Vice-Admiral of North Wales and Carmarthen. When he was sentenced to prison, he had resigned the Lord Lieutenancy of the County of the Town of Haverfordwest, which he had held since 1924. He also resigned his honours as G.C.M.G. and Knight of Justice, Order of St. John of Jerusalem. When Kyslant attempted to resign from his clubs, his offer was firmly refused. Within a year, he entered public life again when he took the oath and sat in the House of Lords on 14 February 1933.

Kyslant was a devout member of the Church of England and held to the Anglo-Catholicism he learned from his father. For many years, he served as churchwarden of St. John's Church, Clerkenwell, a deprived part of London, and found positions in his companies for poor young men from the parish. Despite his heavy business commitments, he served as chairman of the Finance Committee of the Church in Wales. According to the eminent judge, **Lord Atkin**, the Church in Wales owed him a 'deep debt of gratitude' for the success of the investments, made on his advice, following disestablishment. Kyslant was a leading figure in the formation of the Welsh Priory of the Order of St. John of Jerusalem inaugurated at Cardiff on 1 March 1918. As acting Sub-Prior, Kyslant argued for and obtained autonomy for the Priory for Wales within the Order of St. John. After leaving the Liberal Party for the Conservatives, Kyslant created the Wales and Monmouthshire National Conservative and Unionist Council.

Kyslant was the tallest of the five brothers; he was 6 feet 7 inches in height and with a mane of white hair in his old age. During his lifetime, he was accused of arrogance and there is no doubt that in the administration of his companies, he was autocratic and relied too heavily on his own knowledge and expertise. And yet he inspired great loyalty; the obituary in *The Times* was quickly followed by warm personal tributes from three of his friends. Lord and Lady Kyslant had three daughters. He died in his sleep at Coomb on 5 June 1937 and was buried at Llanygog Church on 10 June when the Bishop of St. Davids led the clergy present at the service. **Viscount St. Davids** did not attend his brother's funeral. Kyslant left an estate of £116,137; Lady Kyslant fought to preserve some of his wealth while her husband was in prison.

## Author

**David Lewis Jones**

## Sources

*Who was who?* 1929-40

*Oxford Dictionary of National Biography*

*The Complete Peerage of England, Scotland, Ireland, Great Britain, and the United Kingdom* (1887-1898), vol. 13

*The Times*, 19 August 1932; 7, 9-11 June 1937

P. N. Davies, 'Business success and the role of chance the extraordinary Philipps brothers', *Business History*, Vol. 23, Issue 2, 1981, pp.208-32

P. N. Davies & A. M. Bourn, 'Lord Kyslant and the Royal Mail (1972)', *Business History*, 14 (1972), 103-23

E. Green & M. Moss, *A business of national importance the Royal Mail Shipping Group 1902-1937* (1982)

C. Brooks, *The Royal Mail case Rex v. Lord Kyslant, and Another* (1933)

## Further Reading

NLW Archives: **General Election 1906 Wales and Monmouthshire. A Souvenir containing photographs, biographical sketches etc., of all the Welsh MPs: Owen Philipps**

Wikipedia Article: **Owen Philipps, 1st Baron Kyslant**

## Additional Links

VIAF: [94358384](#)

Wikidata: [Q3359001](#)

**Published date:** 2008-10-24

**Article Copyright:** <http://rightsstatements.org/page/InC/1.0/>

[PDF](#) [Print](#) [Cite](#)

The Dictionary of Welsh Biography is provided by The National Library of Wales and the University of Wales Centre for Advanced Welsh and Celtic Studies. It is free to use and does not receive grant support. A donation would help us maintain and improve the site so that we can continue to acknowledge Welsh men and women who have made notable contributions to life in Wales and beyond.

Find out more on our [sponsorship page](#).



### APA Citation



Jones, D. L., (2008). PHILIPPS, OWEN COSBY, Baron Kysant (1863-1937), ship-owner. *Dictionary of Welsh Biography*. Retrieved 10 Nov 2024, from <https://biography.wales/article/s6-PHIL-COS-1863>

[Copy to Clipboard](#)

[Privacy & Cookies](#)  
[Copyright](#)  
[The Project](#)  
[Help](#)  
[Contact](#)

LGC  
NLW

LLYFRGEL  
THE NATION



Wedi'i gyswrtio gan  
Llywodraeth Cymru  
Sponsored by  
Welsh Government