Exciting Times for Our Changing Company

This week, I ordered a new set of business cards, and the changes in the card’s format caused me to stop a moment and reflect on the many new and exciting things happening in our company.

The face of the card remains the same, with the familiar logo of Outrigger Enterprises, Inc., the parent company.

It’s the back of the card that tells a story of significant change.

The new logo of the Waikiki Beach Walk has been placed alongside the familiar logos of Outrigger and OHANA Hotels & Resorts, indicating the importance of the redevelopment project we are about to undertake in the heart of Waikiki.

Groundbreaking for the start of Waikiki Beach Walk will take place on April 1, just over two weeks from now. The project will include areas for entertainment, restaurants, and shopping along Lewers Street. The OHANA Waikiki Tower and OHANA Waikiki Village will be converted into an all-suite property with expanded lobby facilities.

A line at the top of my card says we provide “Lodging, Hospitality Services and Retail in HAWAII, AUSTRALIA, NEW ZEALAND, FIJI, TAHITI, GUAM and BALI.”

A line at the bottom of the card gives the addresses of our Web sites, outrigger.com and ohanahotels.com.

It makes me reflect on a time, not too many years ago, when all our properties were named Outrigger, and they were all located in Waikiki. The Internet was a research tool used mainly by scientists at large university and government centers. Our company was doing quite well, but fortunately, we saw the need to make significant changes in the way we did business and where we would plant the Outrigger and OHANA flags.

Rob Solomon, our Senior Vice President of Sales and Marketing, recently called my attention to a fascinating article titled, Leading Change When Business is Good. It is the story of International Business Machines (IBM) published in the December 2004 issue of Harvard Business Review. Founded in 1911, IBM did very well for eight decades, manufacturing and distributing mainframe computers and, before that, other business machines. In fact, it did so well, that it was slow to change when small desktop and laptop computers began dramatically altering the market. IBM suddenly floundered and was nearly broken up into smaller units for sale before a new CEO, Lou Gerstner, dramatically restructured the company and brought it into new markets. Sam Palmisano, who took over as CEO in 2002, continued the successful transformation of the company, which is now doing very well again.

It takes a great deal of courage to make significant changes when a company is doing well. Outrigger Enterprises, Inc., could have continued to focus just on our properties in Waikiki, but we are rightly responding to dramatic changes in the market. Hotels that were built for another time and other markets are being sold or significantly reconfigured. Extending our reach out of Waikiki, first to Hawaii’s neighbor islands and then across the Pacific Ocean, has given us a chance to grow, diversify, and offer exciting job opportunities.

However, we still honor our roots and traditions. Hawaii remains home, and our headquarters have not moved from Waikiki. Our mission, reprinted here, continues to focus on hospitality, although we are expanding the concept to reflect the changes in the marketplace.
We will watch the development of the Outrigger Bali with great anticipation and will look forward to its opening next year. In the meantime, my thanks to all who have worked and are continuing to work so hard in all parts of our company to make sure we continue to respond quickly and positively to the challenges we find in this rapidly changing world.