This week, about 150 key members of our management, sales and revenue teams from around the world met in Honolulu for several days of planning at the Hawai‘i Convention Center. I was asked to kick off the discussions with a few remarks about the history of our company and the challenges we face as our operations and offices spread, in essence, around the globe. Here is an edited version of what I said.

Good morning and ALOHA! What a great day this is! Looking out, I see a room full of friends and colleagues, most of whom I have known for years.

I want to particularly recognize my sister Jean who is with us today. She has been an important part of Outrigger for a lifetime!

We both wish that our parents, Roy and Estelle Kelley, could be here with us too. We know they are here in spirit and must be so pleased and amazed to see all of you come together for this conference.

Roy is looking forward to his 109th birthday this summer and Estelle will be 108 years old in October. They were wonderful people in so many ways. Strong, hard-working, independent, sensible individuals who deeply cared about everyone who chose to work beside them.

Their goal was to bring true Pacific hospitality to travelers who, 67 years ago, arrived in Honolulu mainly by steamship after a five-day voyage.

Roy would look around the building we are in and say, “I am so glad you guys finally got a convention center built, but how come it cost so much? And, what are those little tablets everybody is putting up to their ears? I bet they cost an arm and a leg, too!”

Estelle might respond with, “Roy, those gadgets are a combination of a telephone and a typewriter. They don’t make my Smith Corona portable typewriter any more.”

Yes, it’s a different world out there in so many ways, and Outrigger Enterprises is adapting to change, but always building on the firm foundation that Roy and Estelle established over a half a century ago.

The work before us won’t be easy, but it can be done. And, that is why we are gathering together this week to examine and possibly redefine:

- Our customer
- Our locations
- Our competition
- Our brand

Out of that will come a definition of the size and structure Outrigger must have to be able to compete successfully in a world that is as complex and dangerous as I have ever seen it in my 80 years of life.

Last week, I was in Hainan, China, to visit Outrigger’s beachfront development site near the resort area of Sanya. I also attended the World Travel & Tourism Council’s (WTTC) Global Tourism Summit, which was held in Hainan.

WTTC is a worldwide organization and its membership includes companies representing every part of the Travel & Tourism industry. At various times during the Summit, the major hoteliers present described their company’s activities in China.
Chris Nassetta, CEO of Hilton Worldwide, said, “Hilton has 43 hotels in five brands open in China and 140 in the development pipeline.”

Arne Sorenson, CEO of Marriott International, said, “Marriott has 67 hotels open and 111 properties under construction or planned in China.”

Richard Solomons, CEO of Intercontinental Hotels Group said, “IHG has about 200 properties open and 118 under development in China.”

I proudly said, “I am Richard Kelley representing Outrigger Enterprises Group. Worldwide, we have 45 properties open or under development, including ONE in the development pipeline right here in Hainan!”

Let me do the math and review those numbers again:

Hilton 183 open or under development in China
Marriott 178
IHG 318
Outrigger 1

That speaks volumes about the kind of well-financed, experienced competition we at Outrigger face as we look for opportunities to grow and survive, not only in Asia, but everywhere in the world.

In the next few days, we will have a chance to propose, examine and discuss the strategies that will take us forward in this challenging environment. We will also get to know each other better as individuals, which will make it easier to work more effectively together in the months ahead even though thousands of miles and multiple time zones may separate our offices.

And finally, if Roy and Estelle were here with us today, listening to discussions about our operations, not only in Hawai’i, but in Guam, Fiji, Bali, Australia, Phuket, Hainan and Mauritius, I am sure they would be pleased and proud of what you are doing for the company they founded.

I can even imagine Roy nudging Estelle and whispering in her ear, “You know, we’ve come a long way, baby!”

Thank you and ALOHA!