An Exciting New Era Begins for Outrigger

The year 2005 has been amazing by every measure. I congratulate all the members of our 'ohana on the outstanding success you have worked so hard to achieve. We all know your successes didn’t just happen overnight. They are the result of careful planning, a little luck, and years of perseverance.

For example, we all know that for more than a decade, Mel Kaneshige and his team have spent countless hours getting the Waikiki Beach Walk project to what is now the verge of fruition. Similarly, Outrigger’s leadership in information technology and revenue management is the result of 30 years of very hard work in these areas. The same is true for hotel management. We have been perfecting our management expertise for three generations.

My son Chuck Kelley recently reminded me of how we got here. Back when Chuck was just a teenager, I showed him a paper with several handwritten statements—the drafts of a company mission statement I was working on. The company was young and still didn’t have a formal mission statement. I was looking for a phrase that captured my thoughts and would set the stage for Outrigger to succeed in the future.

Chuck still teases me about one statement that really stood out. It simply said, “We will keep our nose to the grindstone and succeed.”

Well, that statement didn’t make the final cut, but I believe it summed up what has made our company great. All of us have kept our noses to the “grindstone” for many years. As a result, Outrigger is today one of the largest, fastest-growing—and, we believe, best—hospitality companies in the Pacific. That’s a lot of “grindstones”… not to mention noses!

Of course, success does not mean things will always stay the same. As we move forward, there will be many changes and transitions. That is part of life. And it seems that as we grow larger and as our society evolves, these changes happen faster than ever. That’s not bad. In fact, I would argue that we are successful in part because we are very good at handling change. We change quickly and efficiently. We change in a way that is consistent with the values in our hearts and with our long-term goals.

Many years ago, my parents Roy and Estelle Kelley purchased land in Waikiki, built hotels, and created a business that has now lasted for nearly six decades. My generation took what was then a “mom and pop,” “entrepreneurial-style” company and slowly, carefully, reshaped it into a highly technical, professionally managed company that now competes head-to-head with the very best hospitality companies in the world.

Now it is time for the next generation to take the lead and plant the seeds that will bear fruit in future generations. The economy is good, and there has never been a better time to grow our business. We are financially sound, and potential business partners from all over the world are approaching us with exciting opportunities.

As outlined by David Carey (see article page 12), we are, indeed, recreating our business with new properties, new buildings, new investments, and new business models. We will continue moving forward with the values we carry in our hearts, our nose to the “grindstone,” and an eye to the future. If we do, we will succeed for the next six decades… and more.

In closing, I’d like to add my personal tribute and fond aloha to Perry Sorensen, a true role model for all of us. Consciously or not, Perry has put into practice the teachings of the late management guru Peter Drucker. Drucker, who Business Week called the “man who invented [modern] management,” firmly believed the success of a business leader depends
on putting the interests of the organization, its employees, and its customers ahead of his or her own.

Perry did this in many ways. Everyone who has met and worked with Perry knows what I mean, and many have wonderful stories and anecdotes about how Perry inspired all of us to do better.

Thank you, Perry. My best wishes to you as you enter the next chapter of your life. Please know you will always be part of our Outrigger ‘ohana. Aloha and mahalo.