About Management Services

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- Q. Never heard of a company specializes in "Management Services". What do you do?
- A. Our target is to maximize clients' corporate value as a client member.
- Q. What's the difference with hotel management companies (such as, Westin or JAL Hotels)?
- A. In general. hotel management companies are responsible for Gross Operating Profit before depreciation, tax and interest.

However, modern hotel management seems to become multi-dimensional task which includes, (i) operational factors such as pricing strategy, cost control, marketing and service, (ii) personnel factors such as compensation structures, evaluation criteria, benefits and recruiting (iii) financial factors such as additional investments, variety of financing, M&A, partnership and equity sales. Management with such multiple factors and expertise is like playing Rubik's cube. By altering one side affects all the balancing of the whole enterprise. We believe modern hotel owners benefit greatly by having management functions which covers and takes responsibilities in many specialized dimensions.

One other large difference between Trinity and many other hotel management companies currently operates in Okinawa is that Trinity is based in and specialized in Okinawa. This seems to be an advantage especially doing businesses in Okinawa regions (for more details, please see <u>"Trinity's Management of Love"</u> section).

Trinity's management services do not contradict with hotel management contracts with hotel management companies. And even those hotels operated by hotel management companies can be benefited by Trinity's management services.

Q. What's the difference with consultants?

TRINITY INC.

- A. It may not be very easy generalizing what "consultants" do since there are so many with different qualities and concepts. However, Trinity (i) would very much willing to manage the contracted hotels for good if so client chooses, (ii) sends a manager to be served as a employee or a board member of the client hotels and work as a hotel member, and (iii) would receive no fees (other than expenses) unless there would be good results.
- Q. How does Trinity manage companies? Please show your management concepts and image of introductory process.
- A. Whatever we do, basics of business management have to be solidly covered with utmost priority. Example of such basics include:
 - (i) Understanding the company's present situation by reviewing all the documents, contracts, files, financial statements, market analysis and by communicating with

broad range of on-site employees;

- (ii) Cost control;
- (iii) Financial strategy and securing working capital;
- (iv) Creating reliable operational budget which will be both realistic and strategic;
- (v) Brushing up personnel evaluation criteria and disclosure of information;
- (vi) Fair personnel evaluation through good communication, without pay cuts, rank downs and layoffs;
- (vii) Specifying and promoting appropriate leaders;
- (viii) Constructing business strategy and growth image, and;
- (ix) Building up publication and sales strategy.

Our experience has been that introducing "Trinity Management" over such solid foundation of basic management tasks, would yield significant operational results. At <u>"Trinity's Management of Love"</u> section, we illustrated in detail, from our clients view point, how the management will be conducted and what will happen to the operation and overall company after the contract with Trinity. Also, please refer to <u>"Case study at Sunmarina Hotel"</u> which may be very helpful for this purpose.

Q. Do you mean Trinity manages better than the current management team?

A. We do not think it is a matter of which is better than which. Rather, if a client come to believe that Trinity can be at least a compliment to the current management team, there can be a viable management option.

Q. How long does it take to show actual changes in operation?

A. We are comfortable expecting that after full-introduction of Trinity management, employees and clients realizes clear differences in operation in 30 to 90 days the latest. Also, in 3 to 6 months the latest, we expect to see the operational results to show upward trend different from before the introduction.

Q. How do you conduct effective management with limited staffing of Trinity?

A. We see and talked to total of approximately 1,000 people a year in Okinawa (which makes approximately over 2,000 people in Okinawa so far) in person, sometimes for several hours. Among such entrepreneurs, leaders in broad areas, professionals, etc. there are several who understand our management philosophy well and some are willing to join our management project in future. Such "recruiting system" is more effective than any other network that we know of. We consider those "partners" our valuable off-balance assets of Trinity (please refer to <u>"Trinity Theory in Management"</u> section of our Website.).

Also, it's very likely that after introducing Trinity's Management, current employees be motivated and many leadership in the organization be realized within.

Q. Current management may be negatively motivated when contracted with Trinity.

A. Trinity's Management Services compliment management functions currently available to the client company. We do not necessarily manage with intent to take positions or to exercise rights or powers. We have no intention to conduct anything against clients wills. Also, it should not be either-one-or-another kind of choices.

