

maintenance contracts. To keep growing, we've moved on to create other products: awnings, semipermanent tent structures and outdoor chair cushions to match the umbrellas.

Our innovation pushes the limit. *Example:* Gary successfully custom-designed a tent used by a luxury Hawaiian resort as a permanent cottage; other manufacturers' designs flapped noisily in the wind or appeared unsound. He also redesigned the typical frame of an outdoor umbrella, and he created gutters to provide continuous rain protection within a multiple-umbrella complex. Currently, we're investigating technology to weld fabric panels together to make a seamless umbrella.

But this creativity and innovation is taking us only so far. We need to grow.

We need to get the momentum to become huge to afford the volume discounts on material and make it worth our efforts. We're currently facing three obstacles:

1. **We're on an island.** Our raw materials need to be shipped in. It's expensive.
2. **Exposure.** People don't know we do more than outdoor umbrellas. We've exported to the mainland, but we're still relatively small and have trouble selling ourselves there.
3. **We have to go after every sale.** We have business advisers who say, "Don't bite off more than you can chew," but we don't have that luxury. You have to make the demand and then fill the demand. Yet we want to keep a control on quality.

Related Information: Link to these articles, books and Web sites at www.lowe.org/elr: Buyer's Guide: Freight Shipping, BuyerZone.com; Choosing a Distribution System or a Distribution Agent (Edward Lowe Foundation Quick-Read Solution); and What Accounting Package Software Should We Buy?, Alliance for Nonprofit Management.

Critical path for growth

To grow, you need a new business model. *Tip:* Don't dilute your commitment to quality and innovation. This makes you stand out. Build on your superior product line with this three-step approach:

1. Examine the market options below, assessing and prioritizing based on probabilities for success:

- **Geographic sectors.** The mainland appears to have good potential. How about major cities in China or other countries in the Far East or Europe? Don't discard any of them. Simply prioritize.

- **Potential buyers.** You have succeeded selling your products to individual buyers as well as luxury resorts and hotels. Are there others? How about cruise lines? Brainstorm and prioritize.

- **Manufacturing sites.** To achieve competitive cost and speed, replicate your craft elsewhere. Where is the ideal location to manufacture your products? Near the source of raw materials?

Near your largest potential buyer base?

- **Distribution.** Examine the most-effective methods of distribution. *Remember:* A method that works in one market may not work in another.

2. Enlist assistance from manufacturing and distribution professionals to confirm your choices and create a critical path for success.

3. Build your *growth team* with people and organizations that embrace similar expectations, priorities and values to yours.

- Establish your own manufacturing facility or subcontract for value-added services close to your targeted audiences.

- Engage a marketing and distribution organization with a proven track record of *developing* and *penetrating* your target markets. Link your contract to specific sales-performance targets.

- Implement a hands-on training program on Oahu for your *growth team*. Members must understand your manufacturing process and share your commitment to quality.

Changing your business model will require that you rely on others more than you have in the past. It may seem uncomfortable at first, but it's the only way to multiply and grow!

Rody Salas founded RSR International (www.PrioritizeTilithurts.com), Chagrin Falls, Ohio, to help clients establish market leadership through organizational focus.

THE BUCK STOPS HERE

Jeri and Gary Barnes respond: Prioritizing hurts — in a good way

Overall rating of consultants' advice: 10

The need to prioritize as proposed by Philip Krone and Rody Salas is right on. Without a doubt, we have made a name for finding solutions to customers' unique requirements. However, in doing so, we have often wandered from our core product, umbrellas, to a host of other shade and outdoor products. Many of these wanderings have proven lucrative and expanded our product list. But by failing to prioritize and focus, we sometimes find ourselves heading down R&D sinkholes, helping customers with needs too far outside our primary core product list.

The advice from all three consultants reaffirms our own conclusions that within the niche we've created, we must remain focused on quality and developing the marketing, manufacturing and distribution of our core products. Prioritizing does hurt, but we need to do it.

We find Carolyn Pizzuto's concept of franchising worth exploring. Some other comments in response to the consultants' recommendations:

- As for manufacturing closer to suppliers to shave shipping costs, we would then be shipping the entire product.

- Tropical J's has also marketed "service" as a high-profile product, which requires a facility to offer repair work.

- Currently, we coordinate with several outdoor furniture manufacturers to sell our complementary goods. Previous efforts to align Tropical J's with a single furniture source have not fared well for us nor our customer.

- We continue to explore other avenues with a variety of vendors.

- As for the catalog sales, we have found that most of our products meet unique needs that require a great deal of customer interface. However, even within this diversity of "solutions," we are developing commonality among elements of our various solutions that may lead to a Web-based, trouble-shooter guide that our customers could use to find the right product.

- There is no doubt that putting Rody Salas' growth team to work will be a near-term, No. 1 priority for Tropical J's. ■



Yesterday's Charm, Today's Convenience

One of the major challenges in renovation, especially in Hawaii where our unique culture is so important to the very heart and soul of everything from island architecture to the lure of tourism, is preserving what has gone before, while incorporating the appeal of updated comfort and convenience.

The "design spirit" of the Aston Waikiki Beach Hotel renovation is described as "bringing together old and new Hawaii in an energetic, urban setting." It is readily apparent that the goal has been accomplished. Specific components of the renovation which reflect this blend of the old and new include:

- A signature volcano canopy, giant tiki torches, and fire flame exterior wall panels accent the third floor pool deck; paying homage to Hawaii's volcanic origin.
- A new staircase, which replaced the view-obstructing elevator, provides immediate and visual access from the beach and sidewalk to the pool deck and Tiki's Grill & Bar.
- The colorful surfboard motif of the porte-cochere is a fitting tribute to the recognition of Waikiki as the true home of surfing, and to the beach boys' legacy of shared aloha.
- An impressive and unique taro mural on the ground floor near the escalators, symbolizes the significance of taro to both the history and lifestyle of the islands.
- The exotic bamboo-lined elevator lobbies and escalators create the ambiance of entering a tropical bamboo forest.
- The front desk area's tattoo motif is reminiscent of the powerful form of self-expression used by the Polynesian people from the beginning of time, and highly visible today as part of the Hawaiian culture.



Construction of the signature volcano canopy



The Aston Waikiki Beach Hotel's recent renovation incorporated the feel and visual appeal of "old and new Hawaii."

Tropical J's, Inc.

congratulates
Pankow Special
Projects, L.P.
for the
successful
renovation of
the Aston
Waikiki Beach
Hotel!

For this project we manufactured and installed a unique "Volcano" awning using Archifab, a Class A non-combustible fabric.

Custom Designed

Awnings,
Umbrellas
& Outdoor
Furniture.


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