

GUNG HO!

A publication for the associates and friends of The Generation Companies

Fall, 2004

gung ho (gung' ho')
adj. Slang motto of certain U.S. marine forces in Asia during World War II, from Chinese (Mandarin) *gonghe*, to work together (short for *gongyehesuoshe*, *gong*, work + *he*, together). Dedicated and enthusiastic.

We're Growing!



Candlewood/Suburban, Sterling, VA

Generation celebrates a first this fall: the opening of a joint development, the Suburban Extended Stay Hotel and Candlewood Suites in Sterling, Virginia, near Washington, DC. The two properties are a matching brick, interior corridor design on a spacious, tree-dotted garden courtyard. The Suburban, with 132 rooms, and Candlewood, with 121 suites, will employ twenty people in the Sterling area. "This 'dual concept' development will allow us to serve guests' needs in the area with a broad range of product offerings in one great location," said H. Mark Daley, III, Generation president.

And Generation added two properties to the team this fall, the HomeStay Inn in Wilmington, NC and Suburban-Jacksonville/Bay Meadows in Florida. The HomeStay Inn, a 107-room extended stay hotel, may be converted to a Suburban after the first of the year. The company is happy to have HomeStay Inn general manager Frank Jones and his staff, as well as Suburban-Jacksonville GM Nelson Aliaga (former AMSO with Suburban-Orlando/Central Park), as part of the Generation family.

Success Story: Going the Extra Mile at the Suburban-Jeffersontown/Louisville

Going the extra mile is vital in the hotel business. But the extra mile isn't just the monumental life-defining events. Oftentimes, it's the little things, the small services, that add up to big success. According to Valerie Swope, Guest Service Representative, the team at Suburban-Jeffersontown/Louisville are specialists at exceeding guest expectations. "The managers try to lead by example; if you see something out of place, just fix it," she explains. "Jimmy Davis, our manager, is rarely seen without a paint brush, tool belt, or broom. He is constantly busying himself with all the skipped-over tasks. Jonathan Darden, the AMSO, can usually be seen trimming trees and bushes wearing dress slacks and an Oxford shirt. Between the daily toilet-plunging, touch-up painting, and light bulb-changing, our maintenance man, Adam Rowe, finds the time to help long-term guests pack up and move out, and assist little old ladies with their groceries. One morning he changed a tire for an elderly man and accompanied him to Firestone to purchase a new one. Housekeeper Valerie Jones has gone to the store for a customer too

sick to leave the room. Guest Service Representative Tom Miller combines his keen sense of direction with his knowledge of the city to give detailed routes to destinations, printing out maps and calling cabs for our guests. And I've used my own email address to send a customer's files to her boss just before her deadline."

The team at Suburban-Jeffersontown/Louisville are proof that going the extra mile, making the property a winner and guests feel great, is meaningful and enjoyable. Now, that team spirit can only grow stronger: GM Jimmy Davis recently became a Generation Operating Partner. According to Davis, the key to success is sales. But it's more than just dollars and cents. "Sales means many things—it means doing a good job, keeping the property clean, being friendly, talking with guests, making sure guests and the rest of the team get what they need. That's what makes a property successful."

Can I Quote You On That?

To persevere is to succeed. Nothing illustrates this more than how our Florida teams have overcome recent challenges. -Rick Stroud



Congratulations!

H. Mark Daley III, Generation President, was re-elected to a three-year term as a Director of Suburban Franchise Holding Company, LLC, the owner of the Suburban Extended Stay Hotel brand.

For the second year in a row, Generation has received the prestigious *Curry-Henderson Award*, the top honor given by Atlanta-based Suburban Extended Stay Hotels. The accolade, in memory of two outstanding franchisees who died from terminal illnesses and awarded at the Suburban national conference in Atlanta, is given to an organization that combines exceptional operational and quality performance with the true leadership and spirit of Suburban Extended Stay Hotels.

For the second consecutive year, *Generation* won the coveted *Triangle Business Journal's* Best Places to Work award for 2004. This honor is especially significant because the stringent nomination form included a confidential employee satisfaction survey. *Generation* won because of the high praise—and good work—of our satisfied team. Thank you, everyone!

Jimmy Davis, General Manager of *Suburban-Jeffersontown/Louisville*, is our newest Operating Partner, the first from a Suburban property. Jimmy's been with the company 18 years, working his way up from dishwasher to maintenance engineer to GM, and now, to Operating Partner!

Martha Smith of *Candlewood-Richmond* was recently honored by IHG (Intercontinental Hotels Group) as 2004 "Best of the Best" Director of Sales for the entire *Candlewood* brand.

Both *Candlewood-Richmond* and *Candlewood-RTP* earned 2004 Quality Excellence awards from Intercontinental Hotels Group.

CSC's *Nick Dhruna* has passed his US citizenship exam.

At Work in Our Community

Candlewood-Crabtree hosted the UNC/Rex Corporate Challenge Golf Outing, providing rooms for more than 20 gold pros from the Carolinas.

Suburban-Memphis has been donating dishes and other items to the local Goodwill, as part of their refurbishment.

The staff of *Candlewood-Richmond West* has been busy being a part of their community, either fund-raising or participating in special events: The Alzheimer's Association, American Heart Association, and American Cancer Association. The team runs or walks in various fund-raisers while passing out *Candlewood* balloons and hotel information.



Candlewood-Richmond West supports their community by participating in fund-raiser runs and walks.

Days Inn & Suites-Rocky Mount donates free rooms to My Sister's House, a shelter for battered women and their children, when the non-profit is full. They also donated linens and other items to get the home up and running. GM *Faye Beddingfield* is a member of the Rocky Mount Rotary Club, which recently raised money to buy bike helmets for the Safe Kids Coalition. Rotary will give away 700 helmets at the Down East Festival in October. *Days Inn* is a Toys for Tots drop-off location, working with area Marines to supply toys to local children at Christmas.

Days Inn-Goldsboro Operations Manager and Rotary Club member, *Tara White*, spent two Saturdays helping the Club landscape a memorial garden at Wayne Community College. And GM *Scott Turner* assisted a family in need by giving them a stove. The hotel also donated rooms to the Girl Scouts of America while they were hard at work recruiting and training new leaders. After the first round of room renovations, the hotel donated mattresses to the Lighthouse of Wayne County battered women's shelter.

Property Enhancements

Candlewood-Crabtree has added a computer to their guest board room, a gift from a long-term guest (400+ days).

Suburban-Memphis has repainted 59 rooms and re-tiled 52 rooms.

Suburban-Garner and *Suburban-Greensboro* recently completed their renovations. *Days Inn-Goldsboro* has completed a large renovation of nearly half of their rooms, including new carpet, bedding (from mattresses to spreads), new tile floors, new vanities, and new appliances (TVs, alarm clock/radios, and telephones). They also installed new furniture, new lighting, new pictures and new curtains. The overall room appearance is much improved and guests are saying they love the new look.

Welcome Aboard!

Candlewood-Crabtree welcomes back *Amanda Ashley*, who returns after a two-year absence.

Vinh Tran, new AGM for *Candlewood-Lake Mary*.

Shingi Rukuni, new AMSO for *Suburban-Orlando*.

Cyndi Robinson, new GM for *Suburban-Destin*.

Greg Burnes, new area GM for *Suburban- and Candlewood-Sterling*.

Mark McCullough, new DOS for *Candlewood-Newport News* and *Suburban-Hampton*.

Gary Hopkins, replacing *Kevin Spruill* as new *Suburban Brand Coordinator* and IT jack-of-all-trades.

John Clark, new AGM (but returning employee) at *Candlewood-Fairfax*.

Jamar Hicks, new sales manager for *Candlewood-Sterling*.

Michael Fortner, Regional Sales Manager for the *Suburban Brand*.

Alan Reichard, new GM for *Candlewood-Hopewell*.

Newly Promoted

Jessica Demchik, new operations manager at *Candlewood-Sterling*.

Carla Linsangan, new AMSO at *Suburban-Sterling*.

Erica Bowman, GM at *Suburban-Greensboro*.

Leslie Dean, AMSO at *Suburban-Garner*.

Kelly Anderson, new GM at *Suburban-Garner*.



Lead Generation at Work

"I recognize the GSRs as our hotel's front line sales people; they are my right hand. I train each new person individually and work with them daily. I also try to keep the staff pumped up by making it a point to stop off every day to see how they are doing and letting them know I appreciate them. Popping for a pizza once in a while also doesn't hurt!" —Martha Smith, Candlewood-Richmond and IHG 2004 "Best of the Best" Director of Sales for Candlewoods

What's New?

Stay tuned...we're rolling out our new reservations sales training, which includes a visit to all hotels soon.

Good Job!

Generation President, H. Mark Daley III, was one of 25 executives from across IHG's 3300+ hotels selected by IHG and IAHI, the franchise owners' organization, to a leadership class at the prestigious GE Leadership Institute in Crotonville, NY. The focus of this training was on leading winning teams and organizations.

Congratulations Good-to-Great Winners!

- **June:** Most Improved Mystery Guest Score by Brand - Suburban Extended Stay-Fayetteville and Candlewood-Richmond
- **July:** Most Improved Telephone Etiquette - Suburban Extended Stay-Orlando
- **August:** Highest New Company Account Room Night Total By Brand - Suburban Extended Stay-Orlando and Candlewood-Fairfax



July's maintenance engineers' meeting brought together 22 people—and a host of great ideas on preventative maintenance. A first of its kind, the meeting was a roll-out of a new preventative maintenance program and manual, already in place at Candlewood, for the Suburban and Days Inn properties. A good opportunity to learn and network, the team exchanged solutions for more cost-effective maintenance.

CSC held its No Business Lunch on August 26. Thirteen people attended the lunch which had only one agenda item: relax and don't talk business!

Guests Speak Out

Our business begins and ends with guests, their experiences at our properties, how they're treated, whether or not they come back. This column features guest comments and letters about our hotels. Enjoy

Dear Days Inn-Rocky Mount, Keep employees like you have now because every one I met was very friendly and very helpful. And they helped me with a big smile. They even took the time to talk to me. And it helped me a lot because when I first came here I had it in my heart to do suicide and just stop all the pain. But after your staff was so nice to me and just took time to talk to me, it really made me feel better inside. And I will be back when I'm down and hurting inside just to have someone to talk to. Everything in my life is so bad till it ain't funny, but the lady at the desk and the ladies that clean the rooms were really good to me. They made me laugh. I wish I could get this same room and the ladies that helped me every time. I don't know their names but I do know that God sent me here for a reason and I think it was because of the ladies here because He knew I needed help. I want to thank you and the ladies that work here with all my heart for a great stay. —LC

Employee Profile:

Kevin Famiglietta

The key to success for any organization is constant improvement. But how does a successful company move from good to great? At Generation, part of the answer is to make it someone's job to make it happen. That someone at Generation is Kevin Famiglietta, GM of Candlewood-RTP, North Carolina. In the hotel business for more than six years and with Generation over two years, Famiglietta is the new Good to Great Coach, the person who facilitates the process of making Generation even better. "This is a phenomenal journey," Famiglietta, enthuses. "A good company moves to greatness by being willing to share how to improve the everyday operations—from housekeeping to guest service to billing. That's what Good to Great is all about: opening that dialogue so we can all benefit from each other's best practices, learn from each

other how we accomplish goals, and share tips that have worked with our properties."

Good to Great brings GMs together for a monthly conference call with Generation president Mark Daley and Vice President Ron Jacobsen, and led by Famiglietta. Each month, the group talks about what's new with the company and brainstorms about the extended stay business and how to do things better. Then, most important of all, they listen to each other. Famiglietta facilitates the information exchange, leading the calls, and emailing and sharing the insights with the team. "I love this company and I love where we're headed," Famiglietta concludes. "I love the interaction with the GMs and Mark Daley, picking his brain as to where he wants to see the company go, the areas he feels we need to work on. Good to Great isn't a 'book of the month' thing—this will be around for awhile. It's a change in culture. We're committed to being the best extended stay operators in the industry. Mark is 100% committed to seeing this through and I'm glad to be a part of it."



Kevin Famiglietta, GM of Candlewood-RTP, is our new Good to Great Coach.

What's your favorite way to spend a Sunday afternoon?

Soccer. I'm a referee and my 16-year-old daughter plays, so we enjoy traveling together.

Where do you like to volunteer?

At church; I teach Sunday school classes.

Favorite dessert?

Tiramisu

Who inspires you?

The apostle Paul inspires me because of what he went through and endured to spread the gospel in his time. He endured and accomplished his goals.



Core Value: Balance

When we talk about balance as a core value for our company we are primarily referring to how one allocates one's own time and energy. Show us what you spend your time and energy on and we can tell what you value. Valuing balance means that we understand our personal limits and then allocate our valuable time and energy in ways that are consistent with what we value most. A personal example is that I can say I highly value my children, but if I allocate little of my time or energy to their welfare I am not acting in accordance with my professed value. A company example would be if I value business growth, but spend little time and energy on targeted sales and marketing activities then I am not acting in accordance with this value. Balance then can be defined as allocating our time and energy, indeed our very selves, in such a way as to be consistent with the values we hold. Sound easy? It's not. Let's take this one step further.

If we are all committed to the same values and committed to allocating our time and energy according to these values, where's the rub? For me the rub has to do with the limited nature of my personal time and energy COMBINED with my passion to live well in all areas of my life! This includes the spiritual, relational, financial, emotional, physical, professional, intellectual areas of my life, my family's life, and the "life" of the company! After all our tagline for balance is "Seek to Prosper in All Areas of Life"...easy to say! One definition of balance in the dictionary is "a harmonious or satisfying



arrangement or proportion of parts or elements..." - this is what we are after! Are you successful in your career? Great, but is your family prospering relationally and emotionally? You have fun being part of your softball team, maybe you are even the star player, but do your coworkers respect the quality of your work on the job? You do a great job at work and have a nice family, but do you exercise and eat in such a way that your body is prospering?

At the root of the core value of balance is a desire for all of the Generation family to live well-rounded, healthy lives and an understanding that to be successful long-term this company must be made up of people who understand, and have become competent in applying, the value of balance to their lives. An organization made up of balanced people will be an organization that is stable, healthy and resilient. To me a commitment to balance also means that we are committed to helping each other achieve this balance by maybe moving a meeting so as not to conflict with a child's graduation, or cheering for someone who is making

efforts to get in better physical condition. In order to do this well we will all need to pull together and apply some of our other core values such as creativity, respect, service, even faith! So let's all encourage one another to live balanced lives, lives that are harmonious and satisfying across the spectrum of who we are...and enjoy the benefits!

-Mark

Advice from the Pros: Working in a Positive Environment

Everyone likes to work in a positive environment. Here are some creative morale-boosters that have helped the Generation team enjoy working hard to exceed our goals.

- At our team meeting, there is no manager. We use this time to see and hear everyone's point of view. This shows our team that they matter. Also, we don't keep people in the dark; everyone is informed about what's happening at the hotel.

-Shane Wiegand, GM, Suburban-Memphis

- Of course everyone wants to work in a positive environment but somehow life manages to get in the way. For awhile we all agreed to make at least two people smile every day. It was rather challenging at first but then it became sort of a game—who could make the grumpiest customer smile? Sharing the stories with our coworkers definitely boosted team morale. Our office has also recently learned the value of laughter. Sometimes we get some crazy guests that do crazy things and, instead of getting frustrated, we just have to laugh. It's this kind of laughter that makes us feel like a team.

-Valerie Swope, Suburban-Jeffersontown/Louisville

- Celebrate employees. We had an Easter Egg Hunt for the employees this year, with numbered plastic eggs that were traded for money and prizes. A monthly Birthday Party and Team Meeting honors employees, with a drawing for a gift at each meeting. We also have a Christmas Party with, yes(!), more gifts—whatever we get donated—and the Inn provides a grand prize.

-Faye Beddingfield, GM, Days Inn & Suites-Rocky Mount

Generation has more than 2872 rooms and \$130 million in real estate assets under management, and employs over 354 associates at 23 properties.

