



03

Hexagram 8 : Bi / 比
(Intimate & Interdependent
Relationship)

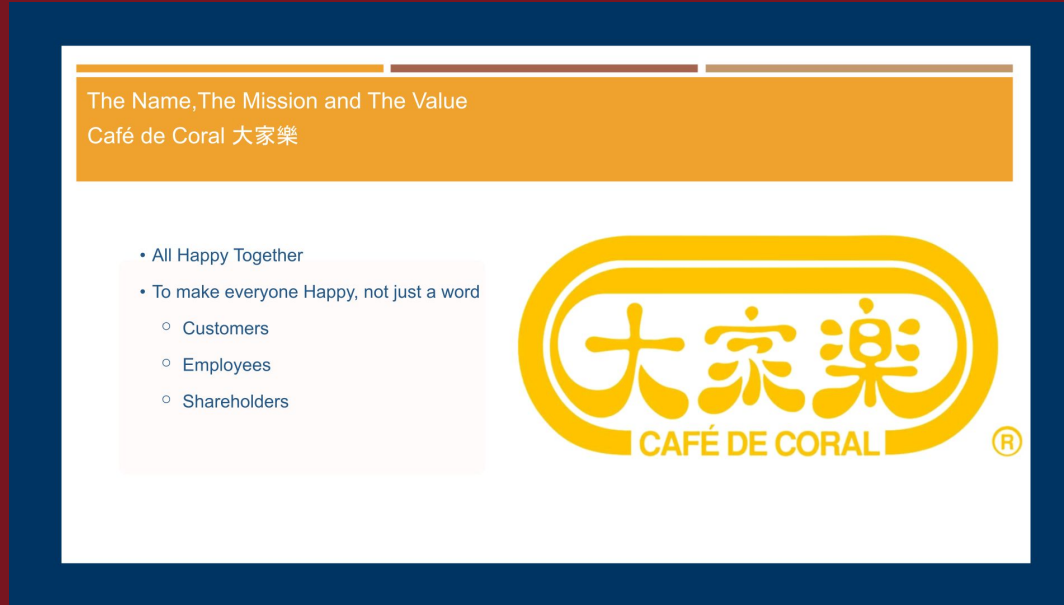


Hexagram 8: Bi/比 (Intimate & Interdependent Relationship)

- The **Lower Kun** (Submissiveness ,Earth)+ The **Upper Kan**(Abyss,Water)
- Bi-signifies an intimate & interdependent relationship for mutual assistance (in a prudent & opportune way),as the 2 chinese characters 比 sitting together with the same desire.
- Earth is moistened by water & becomes suitable for sprouting,water flows freely forming streams that merge & eventually form rivers.It refers to the political **relationship between dukes,monarch &subject** (political coalitions),common interests & commercial interests(**commercial cooperation**)
- Bi is the **reverse** hexagram of **Shi/師**(7) ䷆ & will bring happiness instead of the worry of Shi that relates to war.Bi is diplomatic measures,while Shi is Military action.The **inner hexagram** is **Bo/剝** (23) ䷖ -decay & disintegration .Its **changing hexagram** is **Da You**(14)/大有- ䷍ abundant (joint)possessions, **As Bi is changing to Da You, abundant possessions,shared by everyone will encourage them to build intimate & interdependent relationships.**
- (1) Earthenware pot brimming with sincerity & trust (2)Bi originates from the heart/one's own violation.Change to masculine,from submissive & moderate-Double Kan(29)/坎- Repeat Peril ䷜ (3) Building Bi with the wrong person.If the line changes to masculine-39:Jian/蹇-difficulty in proceeding,troublesome/dangerous plight ䷦(4)Outward Bi with Ally ,if this line changes to masculine-45:Cui/萃-emergence of 2 competing forces,turbulence ䷬(5)Surrounding game on 3 sides,,when this line is activated,it becomes Kun:2 /坤 ䷁(6)The duke who arrived late,to be hanged on 20:Guan/觀 - ䷓



Hexagram 8 : Bi/比 (Intimate & Interdependent Relationship)



Cafe de Coral is 大家樂 = Everyone (is) Happy in Chinese. As chairman Sunny Lo explains in Video 1-24.36, when the founders sat down to visualize their business, this was not just a business name & logo they came up with, but they had a way to execute & manifest it. This is the **earthenware pot brimming with sincerity & trust in Line 1 of Hexagram 8: Bi/ 比** ䷇, where the leader seeks by his sincerity to win the attachment of followers. To **persist (元永貞) intermittently & everlastingly is auspicious**. And this has allowed them to survive & grow for 55 years. If the **line changes to masculine**, the Hexagram :3 -Zhun/屯, **Difficult to initiate** ䷂ appears.

Hexagram 8 : Bi/比 (Intimate & Interdependent Relationship)

As Chairman Lo explains in Video 1-28:00, “Treat your employee right & your employee will treat your customer right & doing both right will treat the shareholders right.” - This is the perfect summation of the image of Hexagram 8 -Rain falling to the earth,moistening the earth,making it suitable for plants to sprout,while the the water is able to freely flow on the ground and form streams that ultimately join together,eventually becoming a river.

Manpower: Driven by Motivation and Incentives

- Learning culture of a learning organization : equal ground - process of trial and error, encourage young staff to be creative and try new ideas
- Sharing and sense of ownership: shares are issued internally to encourage employee sense of ownership and participation
- Decentralizing: giving store managers complete control over everything within their store
- Striking a balance between control and incentives



More than half a century ago,when ESOPs was not the buzzword it is today Cafe de Coral instituted an **ESP-Employees Stock Plan**,sharing profits & treating as partners,all employees who reached a certain level of seniority. This made Cafe de Coral (大家樂) a self-sustaining organization with staff interests & motivation,aligned with that of the founders ,inbuilt,Additionally, employees were encouraged to act intreprenurially by **decentralizing** how each store was managed & encouraging managers to treat their stores as their own business & adjust product & service to satisfy the customer, with the understanding that **trying may not guarantee success but not trying will definitely**

not lead to success.Thus growing the learning culture in a learning organization & creating a sense of participation in employees. Thus creating the movement towards union and attachment ,proceeding from inside.(比之自內) of Line 2 of Hexagram 8:Bi/比

Hexagram 8: Bi/比 (Intimate & Interdependent Relationship)

Establishing the Brand and Incentivizing Human Resources

- Attract and recruit highly educated and skilled professionals with strong management capabilities
- Learning culture
 - Trial – Error – Review – Competition drives Innovation
 - Benefit for Who? Financial assistance was provided to the staff, the families who rely on them and their children getting admitted to universities
- Nurture the sense of happiness
- Brand Building – Embrace new medias
 - Heavy expenditure on television advertising
 - Higher media coverage & public awareness



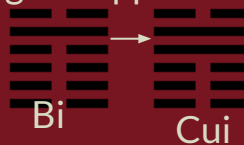
"Trying may not guarantee success, but not trying will definitely not lead to success "

Listed on Hong Kong Stock Exchange in 1986

- The first publicly-listed catering company in Hong Kong
 - Initial share price of HK\$1.18
 - Raised more than HK\$43 million
 - Stimulus upgrade service and build the brand
- Managing Pressure from Public Scrutiny



When the leadership of Cafe de Coral(大家樂) were the first to use a **movie star** to do branding & advertising on TV (Video1-28:11) & spend heavily on greater media coverage to create **public awareness** & in 1986, the first HK business to **IPO** on the HK stock exchange with the help of a **merchant bank**(Video 1-29.10) they were **seeking union with the one outside/beyond (外比之)**, with a **good relationship with those above at Line 5, per Line 4 of Hexagram 8:Bi/ 比** (ie following the one above & develop upward)and in this way aligning the interests of the company principals, their outside allies and the larger public (consumers & retail investors) ie **uniting external forces**, and avoiding the appearance of **Hexagram 45:Cui /萃** & the dangers of **confrontation**, if this line changes to masculine.



Hexagram 8 : Bi/比 (Intimate & Interdependent Relationship)



When the leadership of Cafe de Coral (大家樂) rushed to **expand into China** in the wake of Mr Deng's Southern Tour in 1992, they were making sure they were not seen as (比之匪人) Allying with the Bandit as warned against by Line 3 of Hexagram 8:Bi/比 and bringing difficulties upon themselves as this line changes to masculine and **Hexagram 39:Jian.蹇** appears. ☵☶

Or suffer the fate of **Fang Feng** who arrived late in response to the summons of King Yu & suffered the death penalty alluded to in Line 6 of Hexagram 8:Bi/比 (比之无首) & become the example serving as warning & deterrence to others others. as this line changes to masculine & **Hexagram 20 : Guan/觀** -watchtowers on either side of the palace gates , ☶☵ appears.

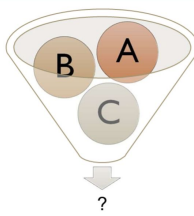
One might survive & learn from an incorrect internal partnership ,but one will fail entirely if the right time to establish a correct intimate & interdependent relationship externally is missed.

Hexagram 8: Bi/比 (Intimate & Interdependent Relationship)

Difficult Decisions for Leadership


- Experiment with Operation Methods in Mainland China
 - Method A: Management team from Hong Kong
 - Method B: Local management team
 - Method C: Gifted one of the stores to a returning veteran employee on the condition that the employee must provide operational data of the store for the company's reference

Which method will be proven to be the best one?



Expand into GBA with Solid Market Knowledge

- Solid understanding of the consumer need in Southern China
 - Human resources
 - Services
 - Food Taste
- Good relationship with the communities



The changing hexagram of Bi/比 ䷇ is Da You(14)/大有 ䷍ - abundant (joint) possessions & vice-versa; meaning: After an intimate & interdependent relationship is established, the union will become strong and abundant. Conversely, abundant possessions, jointly created, shared & maintained by everyone will encourage them to build intimate & interdependent relationships.

Sincerity & trust are essential to establish intimate & interdependent relationship especially at the beginning /for a newcomer. Once established, such relationships **ensure future co-operation & secure freedom from calamity** as happened when old veterans based on the Bi developed in Line 1 & 2, agreed to lead Study Group B&C when Cafe de Coral was studying the way to recover from the disaster of over-expansion in China Mainland.

After Cafe de Coral established the management model that worked best in Mainland China & stated focusing on **building a good relationship with the local communities & adopting localization** of human resources, services & food tastes, they once again started building **External Bi with Allies** per Line 4.

Hexagram 8 : Bi/比 (Intimate & Interdependent Relationship)

Management Succession

A. Cost:

- Improve operational efficiency,
- Embrace digital age and accelerate transformation.

B. Middle management:

- Through internal promotion & some external hiring
- Top management team , mostly outside recruitment to adapt to new skills sets requirements, by stages. Charting the new non-family operate model through an engaging board and professional management.


C: Pilot Run

- Turning the 3 years pandemic challenges to the best management team ability testing ground.



Cafe de Coral (大家樂) started out as a small enterprise founded by a small group of relatives and grew by attracting & retaining with the right Bi, highly educated & skilled Baby Boomer professionals with strong management capabilities, readily available at that time in a HK bustling with people eager to grab every opportunity & improve their living standards.

Along the way, through ESP (& later IPO), the founders acquired many equity partners, even as the business remained family headed.

However, during the slowdown in the HK economy brought about by covid, lockdowns & political unrest, when the Cafe de Coral leadership did an Optimum Dun, they focused on recruiting top management from outside, with the right skill sets to help Cafe de Coral in the Digital Age & engaging a board + professional management to chart the new **Non-Family Operate Model of succession**, so that the company would be led in future by those with the heart & ability to win, irrespective of whether they were family or not (Video 2-6:03). In doing so they are practicing **Surrounding Game on 3 Sides** (王用三驅, 失前禽) of Line 5 ie accepting only those willing to come for intimate interdependence & freeing those who are not. That way people are not afraid to be intimate & interdependent and that's auspicious as the line turns to feminine and **Hexagram 2: Kun - The Earth**, , appears, that accommodates all creatures with a breadth of virtue. Great receptivity attracts great gifts & great blessings by attracting success through support and perseverance.