

# CREATE YOUR OWN AND STAND FOR THAT!



*Earl Gunasekara, Chairman, Earl's Court Group.*

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He is a visionary. A man with a plan. He is a trendsetter, not a follower. Someone who has provided leadership in terms of business and representing his electorate of Polonnaruwa. Earl Gunasekara, Chairman, Earl's Court Group commenced his entrepreneurial journey at a young age. He transformed the hospitality sector,

especially in Kandy, with his trademark properties. While setting new benchmarks, his hotels have expanded to various regions across the island and encompass a total of 600 rooms. He has ventured into many business sectors in Sri Lanka and also served as a Member of Parliament and a Minister. Earl Gunasekara envisages a better political leadership that will help the island become a true paradise. As he hands over the reins of his company to his son Emal Gunasekara, Cluster Managing Director, Earl's Court Group, Earl Gunasekara stresses on the need for new blood, both in business and politics. Moreover, he emphasized the importance of believing in the capabilities of Sri Lankans.

By Udeshi Amarasinghe and Keshini de Silva. | Photography Mahesh Bandara and Menaka Aravinda.

### **Who is Earl Gunasekara?**

Earl Gunasekara (EG): Who you see is what I am. I hail from a village. My parents were initially from the south, and they later settled in the Polonnaruwa District, which was where I was born. I attended Kingswood College in Kandy. It was my dream to venture into business because I aimed to employ 100 or so educated people. I did not want to spend time on higher education. Therefore, I left school after completing my Ordinary Levels. Subsequently, I traveled to India and engaged in meditation for seven months. After I returned to Sri Lanka, I started my career in business. Initially, I identified Japan as the market for my business.

*Earl's Court Jewellers Was Established In 1991 Along Galle Road. Back In The Day, It Was Said That The Building Was More Suitable For Singapore.*

I was operating a gem and jewelry business and felt Japan was the best market. Therefore, I learned Japanese for one year from an institute of language at Tribhuvan University, Kathmandu, Nepal. Later, I traveled to Japan, continued my studies in Japanese at the International Japanese Language School in Tokyo. Ven Banagala Upathissa Thero was my classmate, and we obtained our Diplomas after one year of study. I started my gem and jewelry business there. I returned to Sri Lanka and established Earl's Court Jewellers in 1991 along Galle Road. Back in the day, it was said that the building was more suitable for Singapore. We published advertisements, which were very international 44 BUSINESS TODAY

APRIL 2019 [businessstoday.lk](http://businessstoday.lk) in style. Upon seeing the showroom, other jewelers began renovating and restructuring following the design of Earl's Court. I have a particular style of doing things. I am able to provide leadership to any business. Create your own and stand for that. That is my advice to you. This was the beginning. In the jewelry business, 50 percent of my income was absorbed by sales, guides and travel agents, which I did not like. One day I became really annoyed and decided to sell all ten outlets overnight. I was confident that as I understood business and had good ideas, I would be able to move to another field.

Sri Lanka is a small country. While the population will continue to grow, there will be no extension in the land mass. I understood that the demand for property would rise eventually. Therefore, I invested my money in land as well. It was a part of my vision.

**You were one of the first to establish hotels in Kandy. What was the thinking behind this?**

I entered the hospitality sector in 1996. At the time, the country was in a conflict. The airport had been attacked, and there was no proper place for a VIP to enjoy a stay in Kandy. When I approached the banks, they rejected my requests and said they could not give a loan to the leisure sector due to low occupancy. However, I had a vision. I had a strong feeling that someday the war would be over, and I was confident that the fastest booming field would then be tourism. Finally, People's Bank agreed to provide me a loan, and even they were not too keen. After acquiring the credit, I constructed the hotel with great difficulty. It was the only five-star hotel in Kandy at the time. There were a few hotels developed by larger companies, yet as an individual venture, this was the only hotel, especially in the Central Province. At the time it was typical to build near the beach or in Colombo.

However, I was familiar with Kandy. Later on, hundreds of hotels sprang up, when they realized the volume of tourists entering the country after the conclusion of the conflict.

Before, no one started with guts. Although there are many hotels with many different names in Kandy today, we took the initiative and leadership to build hotels to the magnitude that we did in Sri Lanka. Now, many notable hotel brands have opened, constructed and are planning to build new hotels in Kandy. Around that time, I saw a sign for a land sale along the road.

*Before, No One Started With Guts. Although There Are Many Hotels With Many Different Names In Kandy Today, We Took The Initiative And Leadership To Build Hotels To The Magnitude That We Did In Sri Lanka.*

It was a land with a quarry. The rock was solid granite. When I spoke of my intention to purchase the land to build Earl's Regency, I was told that it was a risk and a ridiculous idea. I, however, informed them of how granite can be cut and polished into a gemstone. This was in 1999. At the time I was also managing my father's business known as S E W Gunasekara Pawn Brokers, which had nearly 100 island-wide branches.

I have always told my son that an idea is money. This is a challenge. We are building a five-star hotel in Kurunegala, and everyone is shocked. I have been asked whether there is tourism in Kurunegala. I advised him, that if he knows the figures, then he should do it. Professionals and banks will refuse you, and they will laugh at you. If you approach a financial institution, they will ask about due diligence. But you must calculate it yourself.

In terms of Kurunegala, I have taken into account the expressway being built which will reduce access time to 40 minutes. Kurunegala will become a hub because it is proximate to the Cultural Triangle, North Central and Central Provinces. A visitor can travel from the airport within 40 minutes, and stay in Kurunegala. When all the facilities are available, there will be no need to go all the way to Colombo. We are opening the property next year. It will have 120 rooms and three large banquet halls on 30 acres of land. It is located near the highway interchange on a hillock along the Negombo road. I believe the view from the hotel is better than Earl's Regency in Kandy. It will be another talk of the town. Moreover, this will be the only hotel of repute in the nearby areas spanning Bingiriya, Wariyapola up to Chilaw.

**Many build hotels and then give the management of the properties to international chains. What are your thoughts?**

This is the mistake. Blue chip companies appoint General Managers from overseas, and I believe it is a wrong way of thinking. Sri Lankans are more capable than foreigners. We must give them a chance. At hotels in Sri Lanka, especially in many hotels around Kandy, General Managers have been trained by

me. We must provide Sri Lankans the opportunity. Overseas, Sri Lankans are faring quite well. We have hospitality in our blood and Sri Lankans also have the capacity.

They just need an opportunity. I never give my properties to be managed by foreign companies nor will I employ foreign General Managers. Many have made proposals; however, I have instead requested for suitable Sri Lankan candidates to be sought out. We must believe in our people. Apart from one property being managed by Aitken Spence, the other hotels are operated by us. In Kandy, we have Earl's Regency and Earl's Regent a four star hotel. Earl's Reef is located in Bentota. We are opening Earl's Regent in Negombo this month. I purchased Hilltop Hotel in Kandy from Aitken Spence and will re-launch it as a 120-room four-star-hotel with a new look next year.

We are also introducing Earl's Red, our chain of business hotels; one hotel is already opened on Baseline Road in Dematagoda. In Kandy, we will have two more. We have already opened an Earl's Red in Kurunegala. At present, in total, we own and manage approximately 600 rooms.

**There is a unique style to your designs. What is your contribution to the design process?**

I get involved in the design process, but I also employ good architects. However, I do not merely pay them and sit back and watch; I join the process. It is my hobby to travel and be inspired. Sri Lanka is a lovely country. We need to fix our political process, and it will then become a paradise.

*Sri Lanka Is A Lovely Country. We Need To Fix Our Political Process, And It Will Then Become A Paradise.*

**Why did you enter politics?**

In 1994, President D B Wijetunga stated that those who speak on stage are not the only candidates who should enter politics. He explained to me that businessmen can build a country, and provided me the opportunity to enter Parliament through the National List. I contested in the elections of 2000, and at the time I received the highest number of votes in Polonnaruwa from the United National Party, and have never lost an election to date. The UNP won in the 2000

and 2001 elections because of me.

I always believed that if I entered politics, I would do it right. I do not need to comment on the state of politics in Sri Lanka today. I believe that if I really want to serve the people, I could do so with my own money, rather than through politics. If I were to stay in politics, I decided I would do so behind the scenes. Or else, it is a waste of time. That is the reason I wanted to make something of my own, as this ensures that I am in charge and can decide what to do. For example, there are 131 trade unions in the railway sector and without their consent, regardless of who the subject Minister or President is, nothing can be done. That is the system in the country. There is also the choice of whether you lay back and enjoy the benefits or build your own empire. Therefore, I left politics.

I was a Member of Parliament for 21 consecutive years. When I won the Polonnaruwa electorate in 2001, it was the only district that the UNP won apart from Hambantota. When Mr Ranil Wickremesinghe formed the Government, I was offered the post of the State Minister for Home Affairs. However, I became disenchanted with the post as I could not serve the people. I did not receive anything relevant to work on, and therefore from my point of view, it was a waste of my time. Today I am happy because I have done a better service to the country since leaving politics and the Government. This was possible because I was in the private sector.

In my opinion, in terms of politics, an entirely new generation of politicians must be elected; candidates with a business mindset. Regardless of what is being said, it was not governments that built the country, it was the business sector that developed the country. Therefore, there should be a 50:50 power. Politicians should make policy decisions while 50 percent of the responsibility of building the state should be given to the business community. Or else this will not take place.

Moreover, Ministers should not be given the authority to appoint public sector officials such as chairpersons. For example, a minister who has been in a position for a long time becomes an influential figure in that position and in the party. He would be offered Cabinet ministerial positions due to seniority and would then be empowered to appoint chairpersons to the country's most important organizations. In this scenario, they would nominate a relative or someone affiliated with them. This trend must stop. It is along these lines that I believe the development of the country will take place.

For Sri Lanka to develop, there should be discipline in law and order. The tourism sector must be headed by a capable person as it is a means through which the state can receive revenue easily. Although the resources are available to us in the country, I believe the strategy has not been executed properly. For example, it still takes three hours to travel to Kandy by train, which was built by the British. We merely use railway systems that had been used decades ago. Although it has been over 70 years since we received Independence, our trains continue to travel at the same speed as it did before.

Even though the politicians receive the credit, it is the business community that has built the country.

**You have used your name in the Group's name, not many people do so. Why is that?**

Luckily, when I was born, my mother had dreamt of the letter E, and therefore decided to name me Earl. She looked up the meaning, which simply meant a person who was the owner of wealth. Thus, for my businesses, I suggested that we use my own name. Because when it is my name, as I love my name, I will work to protect it. When Earl's Regency was named, everyone knew who owned the property. Even my father used his name, S E W Gunasekara Sarath Earl Wickremesinghe Gunasekara.

I have taught my children three very important lessons. One is to never to sign as a guarantor for anyone in your life and do not gamble. Two, work hard, and the money will come to you; do not seek easy money. And, the third, do not allow your spouses to become involved in the business. These are the three conditions I had placed on them when I handed over the company.

I believe that we have done a lot for the country. I am satisfied with what I have achieved. I arrived in Colombo with 200 rupees borrowed from my cousin brother. That was how I started, and I have been engaged in different types of businesses. There is little that I have not done. Tamarind and chilli processing, operating a bakery, you name it, I have been involved in various sectors.

I tell my children, if the feeling is right, go for it. If you feel you are right, just do it. Speak to others, obtain their contributions and ideas and listen to them, however, decide for yourself. Do not wait around thinking for too long. If you fail, learn from it. You may fail but learn from it. Think of the cost as a payment for a

private lesson. Do not mull over it and break down.

***In My Opinion, In Terms Of Politics, An Entirely New Generation Of Politicians Must Be Elected; Candidates With A Business Mindset. Regardless Of What Is Being Said, It Was Not Governments That Built The Country, It Was The Business Sector That Developed The Country.***



### **How do you manage everything?**

Everything is temporary, nothing is permanent. My policy is if someone asks for the shirt off my back for double the amount I paid for it, I would take it off and sell it. That is why I sold my jewelry stores despite building them for 20 years. One day the thought crossed my mind, and I sold it. Even today, the highest shareholders of my companies are my children, not me. I am a minority shareholder to ensure a living for myself. We are not going to live for long, and I believe that I have finished working for the country and the people. Everything is transient. The thought process of this is mine, and therefore I should always be here is wrong. If it does not suit you, change immediately, be it in business or personal life. Do not hold on to something and suffer. If the company does not earn a profit, give it up or go for a change. Diversify. Do not hold on to something



claiming it is a family legacy. Nothing is ours. Even I do not belong to myself, thus how can anything else belong to me?

***Do Not Hold On To Something And Suffer. If The Company Does Not Earn A Profit, Give It Up Or Go For A Change. Diversify.***

### **Do you have plans to enter politics in the future?**

Yes, if there is an excellent leader. I have identified a few candidates, and if one of them rises to the leadership, I will definitely reenter as an active politician. Otherwise, I will enjoy my time and focus on meditation. That is something I love, meditating and traveling the world. If there is something that I could do to help boost the country and economy, or if there is something that I can do to help the next generation; I am willing to help. However, this is only if the correct candidate is elected to the seat. We will see. Politics is like a 20 over cricket match, you do not know what will happen tomorrow, things change fast and I cannot predict the future at the moment. I will wait till the last moment to make a decision on whether a suitable candidate with the country's best interest at heart will be elected.

### **What is your future direction?**

I have completed my run in business and am now focusing on making time for myself. I have worked since my childhood and launched my business activities, while I was schooling. I have worked for over 50 years, it is enough. I am fit, but I want to enjoy my time now. The younger generation must take over the baton and run.

### **Is your son actively involved in the business?**

We have started the transition and handover. I believe in giving the young a chance, and now the Group is their baby. If they want to destroy it, they can do so; if they're going to build it, they must do so. I am not going to worry about the business once I hand it over to them; I will allow them to manage it the way they deem suitable.

### **Emal Gunasekara, this presents a big challenge for you. What are your thoughts?**

Emal Gunasekara (EmG) – Yes. The statue has been made, I merely have to carve the intricate details. That is the hardest part, and I am taking it on as a challenge. There is a lot to learn from my father. Hard work, dedication, and creativity. He has always advised me to think about the direction, not the speed. He always says that we should know where we are heading to, and that we should not try to do everything as we may take the wrong turn. Have a goal and just do it. I'm blessed to have him, his support and guidance to venture on this journey. It will not be an easy one.

My father and mother both provided me with a good education. I attended Royal College in Colombo and I completed my higher studies in Economics for four years at Monash University, Australia. When I returned to Sri Lanka, my father took me under his wing and guided me. It is a blessing, since no one receives this chance. For my father, it has always been his gut feeling and experience. I have segregated my duties, and have introduced decentralization systems to the company.

### **Has there been a cultural change in the organization?**

EmG – The new generation is different. Everyone is on social media, and we are moving away from traditional media. Paper has been replaced by the mobile phone. We must adapt to these changes to sustain the company and be a leader in the industry.

### **Your father built the business from scratch. Usually, the founders of a company do not pass the reins on to their children at such a young age. They keep a hold on it. What are your thoughts?**

EmG – As my father mentioned, nothing is forever. It is the same for me. I believe that is a good policy that everyone should adopt. Many assume they will do this forever, however, even for me there will be a point when I must hand over the reins. I am grateful that since a young age, my father taught me how to make decisions. He always discusses what he observes in the property to identify a unique or different method of doing things. Even today, I continue to seek his advice and guidance. As a child, my father took me everywhere, and he has molded me in his form.

### **Don't you think they are too young?**

EG - No. It is a mistake to think they are too young. They must be given the responsibility and ownership so that they protect it as their own. I can guide them. You have to eventually handover, therefore why not transfer the reins now. It is their baby now, whether they want to end it or continue the business. There is no point in giving it to them at the last minute.

### **What are your future plans?**

EmG - We recently introduced our vision for Earl's Court Group, the three E's - Environment, Employees and Earnings. In terms of the environment, whatever we do today we must consider environmental sustainability.

*The Statue Has Been Made, I Merely Have To Carve The Intricate Details. That Is The Hardest Part, And I Am Taking It On As A Challenge. There Is A Lot To Learn From My Father. Hard Work, Dedication, And Creativity. He Has Always Advised Me To Think About The Direction, Not The Speed.*

The young generation considers pollution and anything being built today has solar power, and are sustained by rainwater. It is something that I have been discussing with my father. We must focus on the welfare of our employees. We always think of how we can contribute to our employees because we are not merely in the business of earning money, but are also focused on providing a service to the country. Providing employment helps reduce unemployment in the island. Earnings are not merely the profit earned by the company, but also include client/ customer satisfaction. If customers are happy, you are gaining something, that is what my father has always taught us. Money can be earned in many ways, but one must also win people to sustain the flow of money. Therefore, we focus on doing the right thing always. We have future projects for Negombo and Kurunegala in the pipeline. We have also established the Emal Gunasekara Foundation, with my father's help, to empower Sri Lankans to emerge out of poverty. It is an initiative that does not merely provide handouts but hopes to develop a new generation of entrepreneurs.



Emal Ganasekara, Cluster Managing Director, Earl's Court Group.

*If Customers Are Happy, You Are Gaining Something, That Is What My Father Has Always Taught Us.*

### **What more needs to be done?**

EmG - I believe the businesspersons should constitute to 50 percent of the political leadership. Political appointments should be stopped. For example, there are many five-star-hotels in Passikudah, but it takes over ten hours to travel from Colombo. This is a problem, which needs to be addressed. Businesspersons will be able to assess and provide a solution.

EG - Politicians claim the highest revenue earner for the country is tourism. However, they are not providing the required infrastructure for the industry. If it takes over ten hours to travel to Passikudah, although there are many five star

hotels, who will visit there? The British built many airfields across the island such as Hingurakgoda, Palali, Ratmalana, Ampara, Batticaloa, and Koggala. Furthermore, we now have the Mattala Airport. Yet how many domestic flights operate?

This is where the business community needs to be brought in. They will be able to find a solution. Politicians are good at talking on stage, and they should be responsible for policy. However, we need the business community to take the country forward. We must reduce our Cabinet, appoint ten good ministers and make way for the state to operate freely. There is too much red tape at the moment, and nothing is moving. Moreover, I feel that it is a waste to be in politics as well. It is the businessmen who should drive the country. For example, US President Donald Trump is a good businessman. Sri Lankans must be smart and intelligent. If we make timely good decisions, our journey can change.