

“Thank You” - Powerful and Pleasant Words

OpenAxis, Inc. develops and installs “EzQC”, a user-friendly system to make your quality control of hotel maintenance easy.

For more information, please call us at 323-265-3000.

Inside this issue:

“Thank You”—Powerful and Pleasant Words	1
Tax Exclusion Rules for Selling House	2
Employee Turnover	3
EDI Solution and EzQC	4

Simple Words Make Big Difference

Last week, my friends and I planned to play golf at a golf course on our vacation. A concierge lady at a 5-star hotel helped us to make a golf reservation. However, she did not know much about local golf courses. After a long waiting time, she made a reservation. We had less than one hour before our tee time (starting time), and we went to the valet parking. A parking attendant said, “Are you taking a long one-hour drive to the golf course?”. Of course not. One hour driving meant that we would miss the tee time. I went back to the concierge lady for cancellation and asked for another golf course closer to the hotel. She did not look happy because she had made the golf reservation for us after having struggled. I noticed of “trainee”



typed on her name tag. This was not her fault. The hotel management wrongfully assigned her at the concierge desk although she was not ready to work there without supervision.

Having quickly learned the situation, I smiled at her and said, “Thank you very much.”. Then, I saw a big smile on her face. The simple words “Thank you” is a magic word.

People’s Effort is Worth to Appreciation

When we do something together, we may not be able to accomplish our goal or bring a good result as we expected. We get angry with unexpected results sometimes. However, angry words and attitude do not bring the good result most of the time. Instead, expressing our appreciation for other people’s efforts brings a happy face and enhances cooperation to-



wards the goal.

Appreciation Opens Door

“Thank you” makes other people more open and communicate with us better and more. Better communication will benefit us and others.

We Are Supported and Connected

We are knots on spider webs. I know that a lot of people have been supporting me for my entire life. Without their support, I wouldn’t have been where I am now.

At the end of each day, I look back my day and say “Thank you” to all the people I contacted. Quite often, I regret some bad and negative words I used that day. I will try doing better tomorrow— with more appreciation and attentiveness.

Tax Exclusion Rules for Selling House

OpenAxis, Inc. has opened a new office in Las Vegas to expand our business in the following areas.

- Assisting real estate developers
- Hotel management
- Incorporation of Business in Nevada State

OpenAxis, Inc.
3970 Starfield Lane
Las Vegas, NV 89147

To see previous versions of OpenAxis News, please go to our website, www.OpenAxis.com, and go to "About Us", and then "Newsroom".

Houses have become expensive especially in California. Selling a house in the hot market brings profit. But it is not as easy as we thought it would be; selling your home and moving into



another one is seldom an easy decision.

But, there is a good news! Recent tax law changes make your decision a little more profitable. As part of the taxpayer relief, the government includes a provision that will eliminate the federal income tax liability on the gain on the sale of a principal home, for most people. We will look at this provision in detail and discuss the planning opportunities available to you that may allow you to slash your income taxes.



Basically, under the law, generally effective for property sales after May 1997, up to \$250,000 of the gain from sale of a single person's principal house is tax-free. And, for certain married couples filing a joint tax return, the amount of tax-

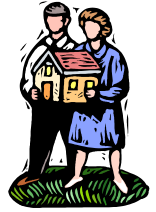
free gains doubles to \$500,000. This law replaced the old personal home sale rules. No longer do you have to "roll over" or "buy up" in order to defer your gain to a later tax year. You also no longer have to concern yourself with the "Over age 55, once in a lifetime" rules. The rules allowing you to take your home sale profits tax-free apply regardless of your age and regardless of how many homes you might sell in the future or have sold in the past. It is available to you even if you previously took a "once in a lifetime" exclusion. As long as you meet the qualifications, this exclusion is available for everyone.

Example 1:

Mrs. A, age 30, sold her personal home this year for \$300,000. Mrs. A originally bought this home in 1995 for \$210,000. Mrs. A's gain on the sale of her principal residence in the amount of \$90,000 is excluded from tax, and Mrs. A can use these funds however she sees fit. She does not have to buy another home and she does not have to be over age 55.

Example 2:

Mrs. A decides to purchase another home, and closes escrow on the new home in June of this year. Her purchase price was \$120,000. In June, two years later, Mrs. A sells this new home for \$180,000. The \$60,000 gain on the sale of this home is also excluded from tax. No tax to be paid whatsoever. In effect, over a matter of just a few years, Mrs. A has managed to take \$150,000 in home sale profits tax-free.



Beside the tax laws, there are some restrictions. This exclusion has a detailed set of rules that must be followed to qualify for the exclusion. Besides the \$250,000/\$500,000 dollar limitation noted above, the seller must have owned and used the house as her or his principal house for at least two years out of the five years before the sale. While the two years



(Continued on page 3)

(Continued from page 2)

do not have to be consecutive, in most cases you can only take advantage of this gain ex-

clusion provision once during a two years period.

For more information on these tax rules, please feel free to contact us at 323-265-3000.

Employee Turnover

With the increased globalization of business environment and rapid advance of technologies, it is getting harder to retain good employees than before. In old days, an employee could work only for one or two companies in his/her life. Nowadays, an employee could change job every year. Turnover is becoming a very big problem in the business environment.

Turnover costs us a lot of downtime and lost revenue. Recruiting a new employee can take

the time ranging from a month to a year or even longer.

There are many potential causes for turnover, such as high stress environment, non-competitive compensation plans, poor job fit, poor working conditions, poor supervision, poor communications, and inadequate training programs.

A company has to take some actions to reduce employee turnover.



• Hire the Right People

The people you hired should be a good fit with your company profile. It means their values and personal goals clearly match with your company's.



• Develop Competitive Compensation Plans

This is the most important one about how employees feel about their jobs. If

(Continued on page 4)

In the next issue of OpenAxis News, we will write about;

*- Social Security;
US-Japan Agreement*

- More about Employee Turnover

If you have any requests for topics to be discussed in Open Axis News, please e-mail us at Info@OpenAxis.com.



OpenAxis now assist hotels with the following issues:

Property Tax Reduction:

OpenAxis helps hotels save hundreds of thousands of dollars through property tax appeal and through better managed fixed assets.

Income Tax Reduction:

A hotel saved \$300,000 income tax through better managed fixed assets using Worth It program that OpenAxis assisted to install and implement.

Quality Control:

OpenAxis has developed a new software, EzQC to make an Easy Quality Control" of your daily maintenance work possible.

For more information about how OpenAxis's experiences benefit your hotel operations, please feel free to call us at 323-265-3000.

At OpenAxis, we focus on the implementation of IT solutions for small- and medium-sized businesses.

We provide management and computer consulting services by identifying issues, implementing solutions, and managing all your IT needs.

Comprehensive Solution:

- Accounting Solution
- Operation Solution
- Manufacturing Solution
- Other Integrated Solution
- Customized Solution
- EDI and E-Commerce Solution
- Returned Merchandize Authorization

OpenAxis, Inc.

901 Corporate Center Dr. Suite 400
Monterey Park, CA 91754

Phone: (323) 265-3000
Fax: (323) 265-3330
Email: info@openaxis.com
www.openaxis.com



(Continued from page 3)

the employees feel they are underpaid or undervalued, they will eventually leave. Offering good compensation will help you lower turnover and the costs associated with it.

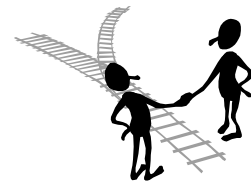
· **Motivate Your Employees**

Treat the employees like your family members. Communicate with employee person-to-person. Praise and celebrate employees' accomplishment frequently.



· **Do an Exit Interview**

Interviewing a departing employee can help you better understand how to improve your company in various aspects. It is awkward for a company to interview a leaving employee, but if you show your efforts to listen, he or she will help you. The feedback you received from a departing employee is valuable to solve problems that result in high turnover.



EDI Solution seamlessly integrate with accounting system

Edisoft Merchant offers users of major accounting systems a "one-click solution" that truly defines seamless integration. Once the orders are in accounting system it takes over all further processing, just as if those orders were keyed in manually. That's what "seamless integration" means.

Merchant supports an unlimited number of trading partners and Value Added Service Providers (VASPs). Templates are designed to meet each trading partner's requirements. Flexible capabilities include mapping many varieties of product and ship-to codes. Edisoft Merchant distinguishes itself by providing superior user productivity and world-class document management. One of the most important and powerful features of the Edisoft Merchant translator is the capacity to perform daily tasks easily and recover from problems quickly.

EzQC for Easy Quality Control of Property Maintenance

EzQC is a quality control system for property maintenance of hotels, office buildings and other real estates. EzQC allows managers, housekeepers, janitors, and engineers to input, share, and manage detailed maintenance information. All they need to do is to make several clicks on affordable and portable devices. EzQC makes housekeepers work efficient and bring accurate and quick communication to managers.



For more information, please contact us at (323)265-3000