

From Red to Black:

A Case Study on TRINITY International Industries' Transformative Success Through **4D Wealth***




*4D Wealth = 4 Dimensions of Wealth; Relational, Social, Intellectual & Financial. It is a philosophy and business process developed by Ridge Group Investments  <https://ridgegroupinvestments.com/>



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About

Ridge Group Investments

The author of this Case Study

Ridge Group Investments (RGI) is a mission-driven private investment holding company that seeks competitive, risk-adjusted financial returns. RGI began 40 years ago with the founding of Highridge Partners, a real estate development company, which is still active today. Over the last ten years, RGI has continued to expand its real estate portfolio while acquiring investment expertise in other asset classes, including venture capital, private equity, and clean energy.



HIGH RIDGE
PARTNERS

Founded in 1978, Highridge Partners is a real estate investment firm that invests in various asset classes across real estate.



CRESCENT RIDGE
PARTNERS

Crescent Ridge Partners is a venture capital firm that funds early stage entrepreneurs who address some of society's deepest issues.



ALPINE RIDGE
PARTNERS

Alpine Ridge Partners is a private equity firm that invests in well-established, cash flowing, small businesses.

All RGI companies invest with the long-term strategy of building a better future for generations to come. We do this through direct investments or partnerships with people committed to developing lasting solutions that positively impact our communities.

About

Ridge Group Investments' 4D Wealth Philosophy

The underpinning framework of this study.

So, what is 4D Wealth?

4D Wealth is a new way of thinking about wealth. It consists of four components that, together, create a holistic and profitable way to create wealth. We believe wealth is maximized when all four areas are thriving.

DIMENSION	CURRENCY	MANTRA
Relational Wealth	Trust	Prioritize a relationship over a transaction
Social Wealth	Impact	Use business as a vehicle for good
Intellectual Wealth	Creativity	Bring something new to the world
Financial Wealth	Money	Have a solid plan to make it and grow it

How do I practice 4D Wealth?

It's important that a company's most influential stakeholders – including management and investors subscribe to the foundational belief of 4D Wealth: that true wealth is about more than just money. Once everyone is on board, take stock of what influences the major decisions made at your company. This inspiration stems from observing leaders who embody an innovative approach to decision analysis and exhibit a unique outlook on assessing risk versus reward, guiding our philosophy at 4D Wealth. Use these questions as prompts to help you develop your own framework of 4D Wealth:

Financial

What is the purpose of making money?

Relational

Who will we (my team and I) grow closer to as a result of our company's existence? **Do we have their best interest in mind as much as our own?**

Social

Why is this good for humankind in the long run?

Intellectual

How are we thinking about things in a different way than everyone else?



While 4D Wealth is theoretically sound, is it effective in practice?

Currently, many individuals and companies struggle to measure impact and performance in terms other than financial metrics. Measuring financial performance is straightforward, but finding the right metrics to measure connections, impact, and innovation can be tricky. Society has defaulted to money as the best indicator of success, thus measurements of the other dimensions of wealth have never been developed. At RGI, we're working to change that.

We believe each dimension has a unique and relevant currency that can be measured. While financial currency is money (that's an easy one!), the other three aren't as immediately obvious. For relational, the currency is trust. We define this more concretely as the people we invest in and work with sharing our values. Social's currency is impact, which we monitor by making sure our investments and projects are benefiting the world. And intellectual currency is innovation – we (or those we work with) creatively solve problems using our unique skills and gifts.

RGI makes investments that not only maximize financial returns while managing risk, but also optimize all dimensions of 4D Wealth. For instance, we look for investments that form or solidify deep connections (relational dimension), that benefit society (social dimension), and that lead to innovation or a way of solving problems creatively (intellectual dimension).

Examples of 4D Wealth

There are a handful of companies who practice 4D Wealth without calling it that, the most notable being Patagonia.

Patagonia is an example of a company whose existence and purpose is much deeper than commerce. Their mission and the reason why they operate is clearly stated in their mission statement: "To use business to inspire and implement solutions to the environmental crisis." They understand the importance of financial health and making money (for example, they sell their products for a premium with a healthy margin), but their significant strategic decisions are not made based on financial performance. In fact, over the last 10 years they have intentionally made decisions that negatively impact their financial performance in the short term in order to adhere to their mission.

Costco has a similar purpose. Their mission is: "To continually provide our members with quality goods and services at the lowest possible prices." They support this mission with the following code of ethics: Obey the law. Take care of our members. Take care of our employees. Respect our suppliers. Their commitment to the community, partners, and employees shows a deep commitment to bettering the greater good and building strong relationships with all their stakeholders. And by following these guidelines, this company has happy employees, loyal partners and customers, and significant financial success.




Our intention is to optimize these four aspects of wealth. We believe that this will increase financial returns and lead to sustainable projects. Our goal is to build thriving investments to fruition that demonstrate strength in each category of our 4D Wealth.

Throughout this case study we test the hypothesis that by engaging all 4 Dimensions of Wealth, companies are more successful, profitable and sustainable.

TRINITY International Industries' Transformative Success through 4D Wealth

Executive Summary



TRINITY is a company specializing in storage, organization, and home solutions. Under the dynamic leadership of CEO Cze-Chao Tam, it has embarked on a transformative journey to revitalize both its operational strategy and company culture. Despite the economic challenges of the COVID-19 pandemic, TRINITY stands today as a thriving industry leader. This study underscores the importance of effective leadership and highlights the critical role that 4D Wealth plays in organizational success.



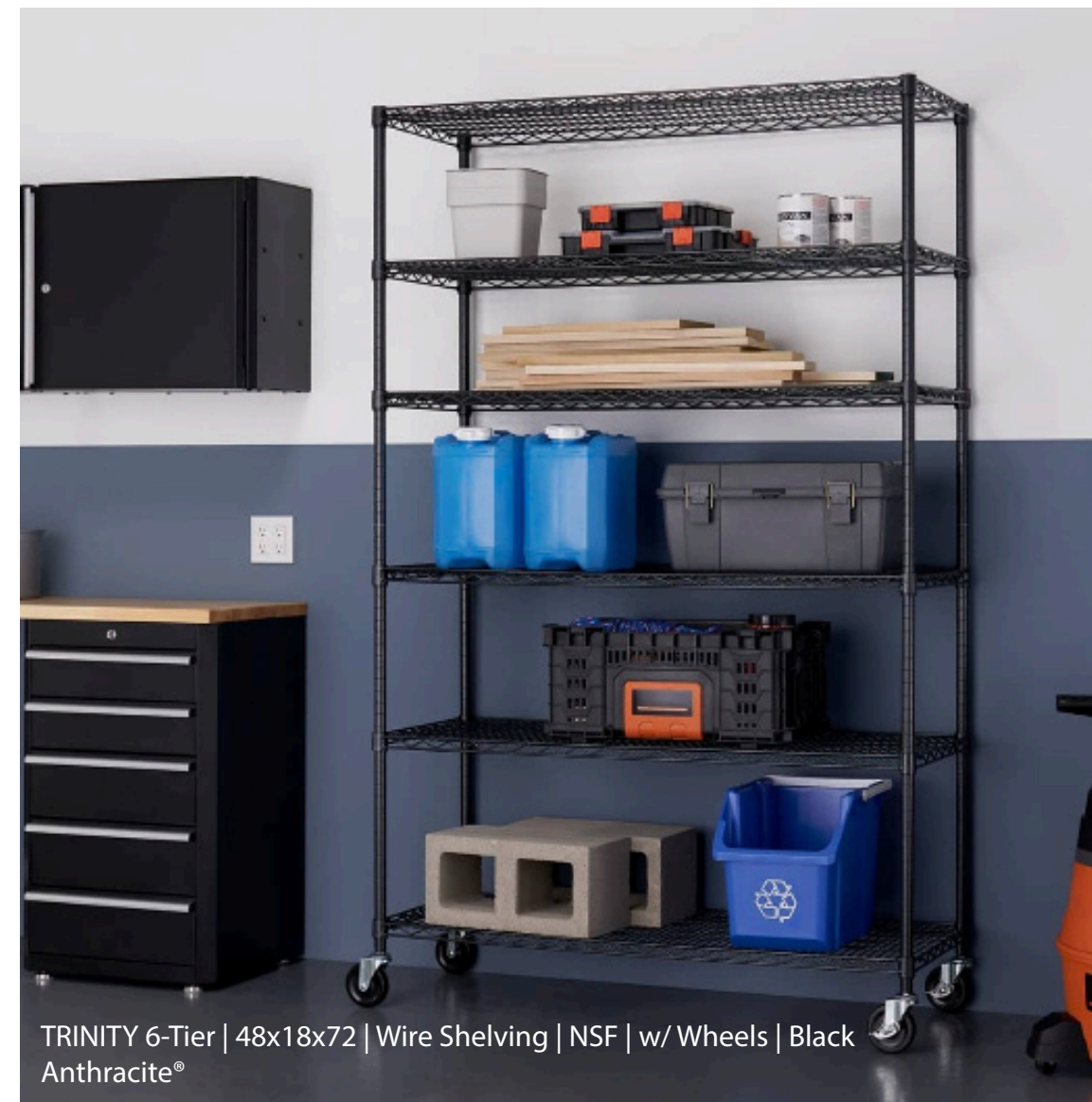
Background

Prior to Cze-Chao Tam appointment as CEO, TRINITY was a small business operating at a loss with just a handful of team members. The company was processing a small number of orders per day, and generating only a few million in gross revenue annually. At the time, the company suffered from a lack of effective operational strategies and procedures, leading to unnecessary expenditures and unfulfilled commitments to buyers. At the time, the company felt like a “sinking ship.”

To remedy the situation, Cze, a strategic and adaptable leader, took on a series of critical tasks. She defined the company’s core values and spearheaded a fundamental shift in workplace culture. She implemented standard operating procedures, operational drills, and established routines that streamlined the company’s operations. And lastly, she recognized the significance of building and nurturing relationships across the value chain. All these modifications played a pivotal role in enabling the company to endure the challenges posed by the COVID-19 pandemic.

TRINITY’s narrative transcends the short term, albeit potentially catastrophic, challenges posed by the supply chain disruptions outlined in this study. The story of TRINITY underscores the strength and resilience of its business model, how Cze and her team developed an operational framework that ultimately thrived in the face of adversity when many competitors capitulated. TRINITY’s track record of achieving record growth in market share during times of unprecedented upheaval emphasizes the value of adopting a long-term perspective built on the foundation of 4D Wealth. This approach proves that businesses can achieve positive outcomes, even amidst crisis, by looking beyond short-term challenges and focusing on enduring strategies, principles and values.

Under Cze’s leadership, TRINITY underwent a remarkable transformation, evolving from a small business to a thriving and successful organization. Today, TRINITY’s team has grown more than tenfold, they now process thousands of orders a day, resulting in an impressive multiple nine figure annual revenue. This remarkable growth can largely be attributed to Cze’s leadership philosophy, a philosophy rooted in a 4D Wealth approach to doing business.



TRINITY 6-Tier | 48x18x72 | Wire Shelving | NSF | w/ Wheels | Black Anthracite®

Introduction

CZE BECOMES CEO

When Cze-Chao Tam assumed control of TRINITY, a storage manufacturer, in 2015 she found a company in a state of disarray. For one thing, TRINITY wasn't generating much profit. The struggling startup was operating at a loss with just a handful of team members. On average, the company was processing a few orders per day but due to undefined roles, tasks slipped through the cracks. Buyers would often complain that their orders were being unmet. Employees complained that their roles and responsibilities were unclear.

"When I was made CEO, the best way to describe TRINITY was that it was the Titanic and it was sinking fast," says Cze. Cze co-founded TRINITY in 2007 and had worked every position at the company up to that point. She had worked at the warehouse unloading containers and processing orders, she drove the forklift and worked behind the desk taking customer service calls. "I honestly did not know if we could right the Titanic. I did not go into it thinking that I could by any means, but I did go into [the role] thinking that I had to do the best that I could possibly do and try as hard as I could try."

It was evident that TRINITY faced challenges that required immediate attention. Cze knew that she needed to act, and act fast.



TRINITY EcoStorage® | 24" Stainless Steel Kitchen Cart | NSF | Chrome

Policy, Building Company Culture



Before she became CEO, Cze had never taken on the helm of a company of this size or magnitude, and especially not one that was facing the challenges that TRINITY was facing. So, her initial move as CEO was straightforward – she brought in an executive coach.



TRINITY PRO® | 66x19 | Stainless Steel Rolling Workbench w/
Clampable Raised Top

When I hired the executive coach, I told him I wanted to do two very simple things, she says, [I wanted] to write a tagline and to establish the company's core values. Only then could the company begin to define an identity externally, at a product level, and internally as a culture. Any thoughts of TRINITY's success laid first and foremost in its foundation.

Internally, that meant setting forth a series of policies designed to establish company culture: a revitalization plan targeting the company's workforce. To do this, she introduced transparent pay scales with clear progression pathways. Pay bands within each level were implemented to reward loyalty, and review templates were created for salaried employees, tying their progress within the company to their alignment with TRINITY's newly established values, "We gave everybody a sheet, we [told them], this is where we see that you are today, this is where you could be tomorrow... your future is in your hands."

TRINITY team members are empowered with all of the information and tools that they need to actualize their full potential within their preferred role and set of responsibilities, "Once we standardized the benchmarks, skillset and character traits needed to succeed, we were able to provide both supervisors and employees with tangible goals and guidelines they could refer to and follow for years to come.", explains Cindy Lin, TRINITY's Director of Operations and HR.

TRINITY VALUES



We operate with honesty and integrity, because we choose our values over personal gain.



We work to gain the respect of others through the way we carry ourselves, and what we stand for.



We admit our mistakes, and we take steps to prevent them. We understand we don't have all the answers, but we seek to find them.



We value learning from anyone, anywhere at anytime.



We willingly offer up mutual trust and accountability because we have nothing to hide.



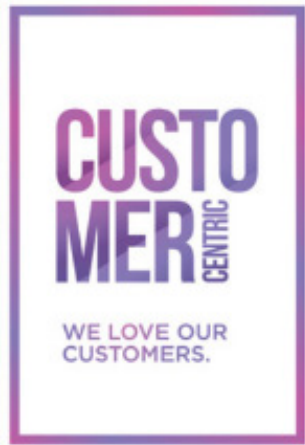
We possess an intrinsic motivation and hunger to be our best. We may fall down, but we get right back up and try again.



We depend upon the collective energy, intelligence, and commitment of each and every employee.



We will be disciplined in protecting our assets, minimizing our risks, analyzing data, and making informed decisions.



They are at the core of everything we do: the products we build, the decisions we make, and the way we operate. If they aren't satisfied, we aren't either.

PAY SCALES

In each role TRINITY staff can earn higher pay by demonstrating skills development, **without taking on any additional responsibilities**. Soft skills are a necessary part of pay scale growth, TRINITY isn't interested in highly skilled employees without character or values. "At TRINITY we hire people for their character and values; the skills we can teach at any time", says Cze.

Minimum



4/6 hard skills



3/5 soft skills



Midpoint



5/6 hard skills



4/5 soft skills



Maximum



6/6 hard skills



5/5 soft skills



In addition to these initiatives, Cze cultivated an environment of open dialogue between employees and management, introduced an employee handbook, and rolled out new benefits. These comprehensive cultural changes fostered a workplace environment that highly valued the wellbeing of its workforce and made room for enhancements in operational efficiency. More importantly, they transitioned the company from a jumbled startup to a more structured, process-driven system.

FUN FACT

Warehouse picking and packing are key processes used to fulfill customer's orders, each one impacting the time an order spends in a warehouse.

For each order packed at industry standard cost (\$3 per order), TRINITY warehouse prepares 4 orders.




KEY LEARNINGS

- The encouragement of an open dialogue between management and employees deepens **relationships** within the company. This approach promotes a culture of transparency and trust, which can strengthen the bond between employees and the company. The transparent pay scale system allows for unbiased pay decisions, further enhancing trust and transparency.
- The transformative steps taken by Cze represent her innovation and ability to create **intellectual wealth** to combat the challenges that TRINITY faced. Instead of following traditional HR policies, she intertwines the company's values with the pay scale system and implements a level and pay progression pathway. These actions offer a creative and effective solution to the lack of structure and transparency that previously hindered TRINITY's growth.
- CEO Tam's strategic and process-driven approach to overhauling TRINITY's operational and HR policies also resulted in increased **financial wealth**. The introduction of clear pay scales and progression pathways, along with other internal policies, promotes a fair and efficient system that can improve employee satisfaction and performance. In the long run, this has led to increased productivity and a turnover rate that is **only one fifth of the industry standard**.

Core Values:

Integrity in Practice



“At TRINITY, we can confidently say that we want to help our people improve both professionally and personally, and we believe that starts with one’s character.” – Cindy Lin, Director of Operations & HR.

Integrity lies at the center of TRINITY's core values. It's an unwavering principle that influences both Cze's personal upbringing and her professional journey. It serves as a guiding light during her tenure as CEO.



Cheaters prosper in this world all the time," Cze states matter-of-factly. "Your expectation for yourself [has to be] something different." In other words, make your own rules.

This philosophy necessitates what Cze refers to as "strategic patience," a commitment to the journey as much as the destination. The company sets goals without strict timelines, focusing instead on how tasks get done. They aren't driven by quick gains or profits, but rather by enduring investments. It's why if a supplier offers TRINITY significantly lower costs than its current partners, or indicates a willingness to operate at a loss for the sake of collaboration, the company has historically chosen to decline such offers.

Even if an opportunity seems profitable at face value, it's not sustainable if, say, the factory were to go under, explains Cze. "We're not here to take advantage of you. We're here to build a business together."

It's an ethos that's rooted in collaboration, in growing together as a business, and ensuring the well-being of all the parties involved. A fortunate outcome to this line of thinking is that a deliberate approach paves the way for innovation.

In 2015, TRINITY began exploring alternatives to chrome products after they learned that chrome production had significant repercussions on the environment due to the use of harmful chromium. After some experimentation, trial and error, the company created a coating substitute that wasn't as glossy as chrome but was manufactured at a more economical cost than chrome. In direct comparisons, the replacement also outperformed chrome in rust resistance.

At the time of its production, very few buyers were interested in the product. Still, TRINITY kept the metal in production. Today, as sustainable products gain traction, interest in the metal is surging with TRINITY positioned as an industry leader. The company is continuing to find new ways to think sustainably and has begun incorporating recycled chopstick blocks into their products as another prime example.

The philosophy is clear: "We don't want our success to come at the cost of a supplier. We don't want it to come at the cost of workers. We don't want it to come at the cost of the environment." It's as simple as that.

TRINITY's business practices have consistently underscored the importance of integrity in its operational and strategic decision-making processes. This became even more evident during the challenges presented by the COVID-19 pandemic.

In the wake of the pandemic, the US government launched the Paycheck Protection Program (PPP) to offer financial support to businesses impacted by the crisis. This program was designed primarily to serve as a lifeline for smaller enterprises facing significant economic distress, essentially providing "free money" to applicants. From an initial analysis, availing of the PPP could be construed as a prudent financial measure to mitigate unforeseen economic disruptions. Yet, TRINITY's executive team approached this potential financial lever from a different vantage point, highlighting the company's deep-rooted emphasis on ethical conduct.

TRINITY was experiencing solid cash flows and was in no way distressed as a result of supply chain disruptions or any other external factors related to the pandemic. It was this financial health, combined with a broader perspective on the overall business landscape, that informed the company's decision to forego pursuing a PPP loan facility.

Cze communicated this choice transparently to the entire TRINITY community, highlighting several key reasons:

- **Self-Sufficiency:** TRINITY had promised to retain all team members throughout the difficult period. This commitment was never contingent on the availability of government funding.

- **Ethical Distribution of Resources:** Recognizing the dire straits many smaller businesses found themselves in, TRINITY felt morally obligated not to divert funds from those truly in need.

- **Living By Their Values:** Cze has always championed the company's core values. This decision was an embodiment of those principles, a tangible manifestation of choosing integrity over expedience.

- **The Manner of Profit Generation:** For TRINITY, the method of earning is as crucial as the earning itself. While profitability is essential, it must not come at the cost of moral compromise.


Cze's communication to the team was not just a statement of corporate decision-making; it was a heartfelt message underscoring TRINITY's core beliefs and values. It was a plea for collective responsibility, a reminder of the shared values, and a testament to the company's unwavering commitment to integrity.

“

We are a business, and making money matters... **but HOW we make money matters EVEN MORE.**

”

ERP Implementation, System Process Updates



After establishing core values and prioritizing the wellbeing of the workforce, Cze turned her attention to reviewing the existing process systems at TRINITY. She discovered that the company was using “a disjointed collection of software tools for sales, accounting, customer success, and inventory management.” It was clear that this disjointed approach was hindering the company’s ability to operate effectively and at scale.

One glaring example of these inefficiencies was the SKU (Stock-Keeping Units) tracking system, which involved a piece of poster board taped on the wall with manual calculations done weekly. Cze transitioned the accounting team from the method to a Google sheet for inventory management. But, as the company began to expand, it was clear that a Google sheet was not enough. At the time, TRINITY was managing around 300 orders a day.

To resolve the issue, Cze made a contentious decision. She settled on implementing an Enterprise Resource Planning (ERP) system. The move, though necessary operationally, required a huge overhaul of the company’s business processes and came with challenges. The implementation process took about a year to build, and the system itself was costly, requiring a significant investment that amounted to over 50% of the company’s profits. Naturally, this induced apprehension from the team. “Nobody likes change,” explains Cze. “Especially not change that big.”

Yet, despite the challenges and the initial resistance, following the implementation of the ERP system, TRINITY experienced significant improvements in various aspects of its operations. SKUs doubled and the number of orders processed per day quadrupled. Gone were the days of manually typing out shipping labels; instead, TRINITY’s employees now enjoyed streamlined and automated processes that saved time and reduced the chances of error.

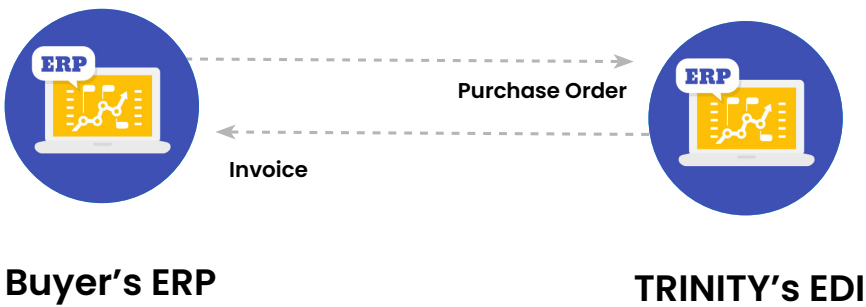
In addition to ERP, TRINITY adopted an Electronic Data Interface (EDI) system, which allows the company’s computer system to share important information directly with others. The EDI system serves as a “data translator” between TRINITY and external partners like Costco to effectively streamline the business process and reduce friction in retailer relationships. Thanks to the system, TRINITY has been able to significantly broaden their e-commerce customer base.



Innovative systems open the door for cutting edge modifications. Today, the company continues to leverage technology to optimize its operations and is currently processing in excess of “hundreds of orders every hour,” says Cze. Since these system changes TRINITY’s revenue has grown over **700% to multiple nine figures annually.**

ENTERPRISE RESOURCE PLANNING (ERP)

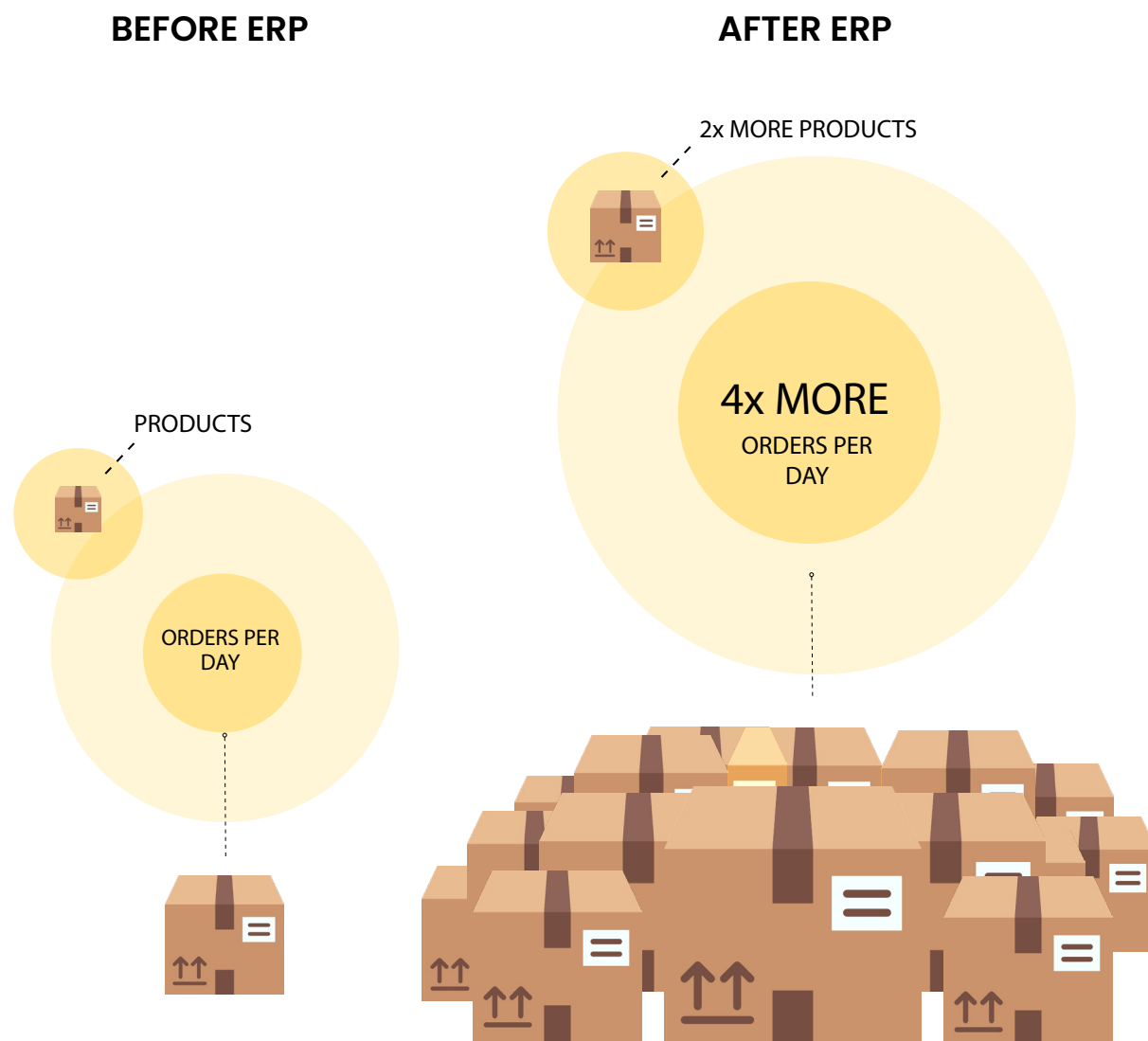


ELECTRONIC DATA EXCHANGE (EDI)



-  Faster response times and higher accuracy for customer service
-  Faster, more efficient, and more accurate order processing

KEY LEARNINGS



- By integrating EDI and transitioning to a digital customer service system, the company significantly improved its interactions with both suppliers and customers. The advanced technology facilitated smoother transactions and more accurate and efficient customer success interactions, which created **relational wealth** with both partners and clients. Furthermore, the CEO's hands-on involvement in the ERP customization indicates a commitment to understanding and meeting the unique needs of all stakeholders.
- The company's approach to their operational challenges exemplifies innovative problem-solving. Moving from rudimentary manual systems to advanced technological solutions like an ERP system, third-party shipping software, and automatic label cutters indicates a willingness to seek out and implement innovative solutions. The complete suite of technological solutions that drive TRINITY's operations demonstrates the **intellectual wealth** that drives their differentiated value creation process. Moreover, the custom ERP system and the adoption of the EDI represent creative ways to improve efficiency and scalability, ensuring a win-win solution for the company, its partners, and customers.

Building External Relationships



Example Christmas Card to Buyers from TRINITY

Every year around Christmas, you'll find Cze at her desk, writing a card for each and every one of her buyers and their teams. These aren't generic cards either, she explains. "They don't just say, 'Merry Christmas. Thanks for your business.'" They often include details about a buyer's son and soccer practice or about a grandkid that just went off to college. The cards symbolize a fundamental aspect of Cze's leadership philosophy: building and fostering relationships with everyone. "That's something we've always been intentional about."

Besides, being a leader means showing the way through your actions. "I can tell people as many times as I want that these are our values but unless we live them on a regular basis, it doesn't matter."

When Cze first joined TRINITY, the company had clear ties across targeted product lines. These were established relationships with existing buyers that had been fostered for years. Cze aimed to expand this network by including suppliers, and buyers, regardless of their level, from across the supply chain. Her reasoning was simple, every relationship counts.

For example, each buyer team consists of three to four people. A buyer, and two to three assistant buyers. "Most other companies only talk to the [lead] buyer. But we talk to everyone [because] everybody is a part of the process." And so when "people get promoted they remember us."

These relationships have propelled TRINITY's expansion. Originally focused on tool chests, the company was able to venture into the garage storage market. Their existing relationship with buyers provided the strategic advantage. Buyers expressed confidence in working with TRINITY based on their past experiences. "Our chances of getting business are exponentially higher because we already have that relationship," explains Cze.



TRINITY | 2-Tier Sliding Drawer | Chrome




TRINITY Buyers

Extending this strategy to suppliers has also led to mutually supportive long-term business relationships. Cze recounts her relationship with a main supplier. “We started out at the same time,” she says. The two companies and their leaders quickly became partners, and friends. “We can be a hundred percent honest with each other. [I can say] ‘Hey, this isn’t going to work.’ When times are tough, I [can say] ‘Hey, we’re really short on cash. Can you extend your terms another 60 days?’ And it happens the other way too.” TRINITY prioritizes the financial wellbeing of its buyers and suppliers by leveraging logistical efficiencies to save significant costs and build relational wealth across its value chain.

“We’re here to build a business together,” says Cze.

This isn’t just some sentimental expression; it’s backed by tangible actions. For example, throughout the years, TRINITY has committed to funding third-party testing and audits for their overseas manufacturing partners. Normally, factories are required to cover these expenses for US importers, but “we choose to do this because we’re invested in your growth as a factory.” As time goes on, suppliers start to take notice of this commitment.



Building culture takes forever,” explains Cze. “Because it’s not in the values that you write on the wall. It’s not in any letter that you can write. **It’s in the things that you do every single day and the small things that eventually culminate in a culture that everybody becomes aware of.”**

KEY LEARNINGS



- TRINITY demonstrated innovation in their approach to relationship-building by leveraging existing relationships with buyers when they moved into different categories, they were able to expand their product offerings without having to build new relationships from scratch. This strategy allowed them to achieve product expansion, facilitate enterprise growth, all the while creating more value through increasing **relational wealth**. The CEO reflected, “we didn’t have to get to know the new buyer because we already knew them,” exemplifying their approach to maintaining and leveraging relationships for business expansion.
- TRINITY’s philosophy of treating everyone with respect and equality, regardless of their hierarchical position, fostered deeper connections with their stakeholders. Cze’s practice of sending personalized Christmas cards to every member of their buyers’ teams is another example of creating **relational wealth**. It’s a testament to the company’s belief that investing time and care and prioritizing connections on a human level results in more profound, values-driven interactions.

Section 301 Tariffs, Relationships Cont.



In 2018, the US Government imposed Section 301, a 25% tariff on almost all Chinese goods. At the time, China served as TRINITY's primary manufacturing hub. The country's robust infrastructure, abundant supply of raw materials and efficient supply chain enabled high-volume production. But the passage of the law posed a significant threat to the company's operations.

Cze found herself in a difficult position as she watched her competitors relocate their operations to countries like Vietnam to avoid the tariffs. But Cze opted for a different approach. "We value the partnerships that we've built in China," says Cze. So "let's take time to do this right."

The decision required some creativity. TRINITY began by negotiating a shared responsibility agreement with their Chinese partners where each party agreed to absorb a portion of the tariff, rather than one party bearing the full burden. This strategy of collective burden sharing not only ensured their business continuity but also reinforced relationships with Chinese suppliers who took heed of TRINITY's commitment to collaboration and agreed to the deal.

While TRINITY's competitors faced challenges in Vietnam — one competitor according to Cze wasn't able to ship any product out of the country for six months because of inadequate infrastructure — the company was able to maintain production.

"I am certain that if we had immediately moved to Vietnam, we probably could have had better gross profit margins," says Cze. "But we wouldn't have actually been able to sell the goods [in the long term]."

It became clear to Cze that the company's commitment to their partners in the face of adversity proved to be a successful approach. TRINITY's dedication to maintaining strong relationships, alongside a proven track record of punctual payments, and a refusal to undercut costs, fostered a sense of trust and mutual benefit with suppliers who began to reward the company for their loyalty.

"Our suppliers now proactively offer us cost reductions," says Cze. Ultimately, "we want to win because we've done a good job, not at the cost of somebody else or something else."



TRINITY | 80 Quart Stainless Steel Cooler | w/ Cover

KEY LEARNINGS

- TRINITY's decision to stay in China instead of hastily moving to Vietnam to avoid tariffs showcased the company's commitment to investing in **relational wealth**. By maintaining strong, long-term relationships with their Chinese partners during the tariff crisis TRINITY ultimately ensured business continuity, secured jobs, and maintained stability within the supply chain.
- The company showcased innovative capacity as a result of their **intellectual wealth** by adopting a creative approach to a complex problem. Rather than merely relocating their operations to Vietnam like many of their competitors, they crafted a shared responsibility agreement with their Chinese partners to manage the imposed tariffs.



DRAKESTONE | 24x31 Farmhouse Vanity Mirror w/ Clavos | Walnut

Response to COVID-19 Supply Chain Disruptions

Summary

The culmination of Cze's strategies and actions to save TRINITY took center stage when one year later, after successfully overcoming the tariff sanctions, the company encountered a new and larger operational challenge — the COVID-19 pandemic. Like many companies around the world, TRINITY faced profound disruptions due to the unprecedented strain on the global supply chain. Order lead times extended up to 4 months while the cost and availability of shipping containers were inconsistent.

Having now served as the company's CEO for four and a half years, Cze was prepared. The strategy was simple. She leaned into the values and principles she had outlined all those years ago.

"By reinforcing values, we've been able to cultivate a lot of loyalty," says Cze, who held a company-wide meeting at the start of the pandemic to address her team's fears and concerns. After committing to not laying off a single employee, everyone was able to get to work and "do what needed to get done."

The company adhered to stringent protocols, permitting only a limited number of individuals to work on-site at any given time. They implemented staggered shifts to ensure the company's operations ran seven days a week. Despite working fewer hours, everyone received the same pre-pandemic level of compensation. Cze herself was working around 8 hours a day in the warehouse.

With incoming orders, the company leaned on systematic procedures. The ERP system facilitated a smooth and automated operational workflow, which freed team members to dedicate themselves to their individual tasks and responsibilities.

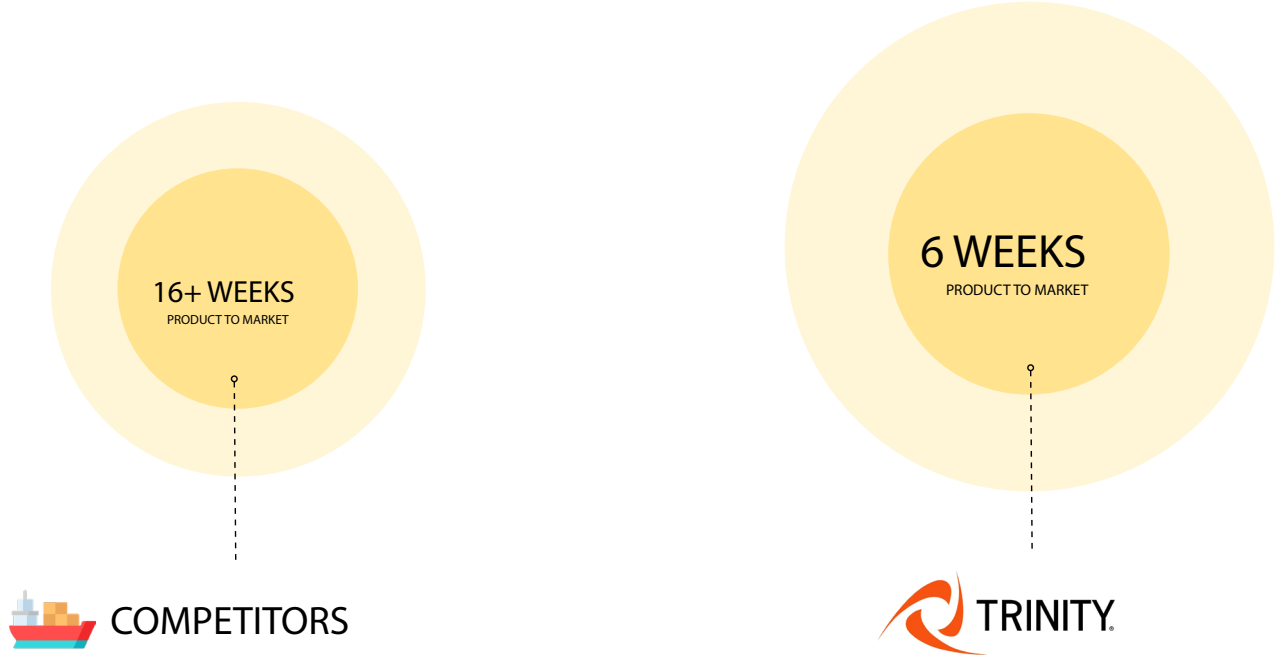
To ensure a continuous product supply and manage escalating shipping costs, TRINITY leveraged the strong relationships they had built with suppliers over the years. "At TRINITY we've always had very strong relationships with our vendors and in this time of trouble it was good to have friends. We were able to obtain a creative pricing structure from our main freight forwarding partner to mitigate the high transportation costs, while still retaining the ability to secure space. They kept us running and we kept on shipping.", explains Rosa Turner, TRINITY's Director of Logistics & Supply Chain. In response to the Section 301 tariffs, TRINITY had already worked out creative shipping arrangements to share the increased costs of doing business. This ensured that their products stayed available while competitors struggled, many of whom were still dealing with supply issues related to having moved operations to Vietnam.





Additionally, the company addressed the shipping crisis by signing a container shipping contract. The agreement guaranteed cargo ship space at a fixed cost, protecting the company from market volatility.

TRINITY's revenue doubled during the pandemic. The company identified the opportunity to gain market share by maintaining the same philosophy.

I have a very strong belief, personally, that the ends do not justify the means," says Cze. "At TRINITY, the means justify the end."

During COVID

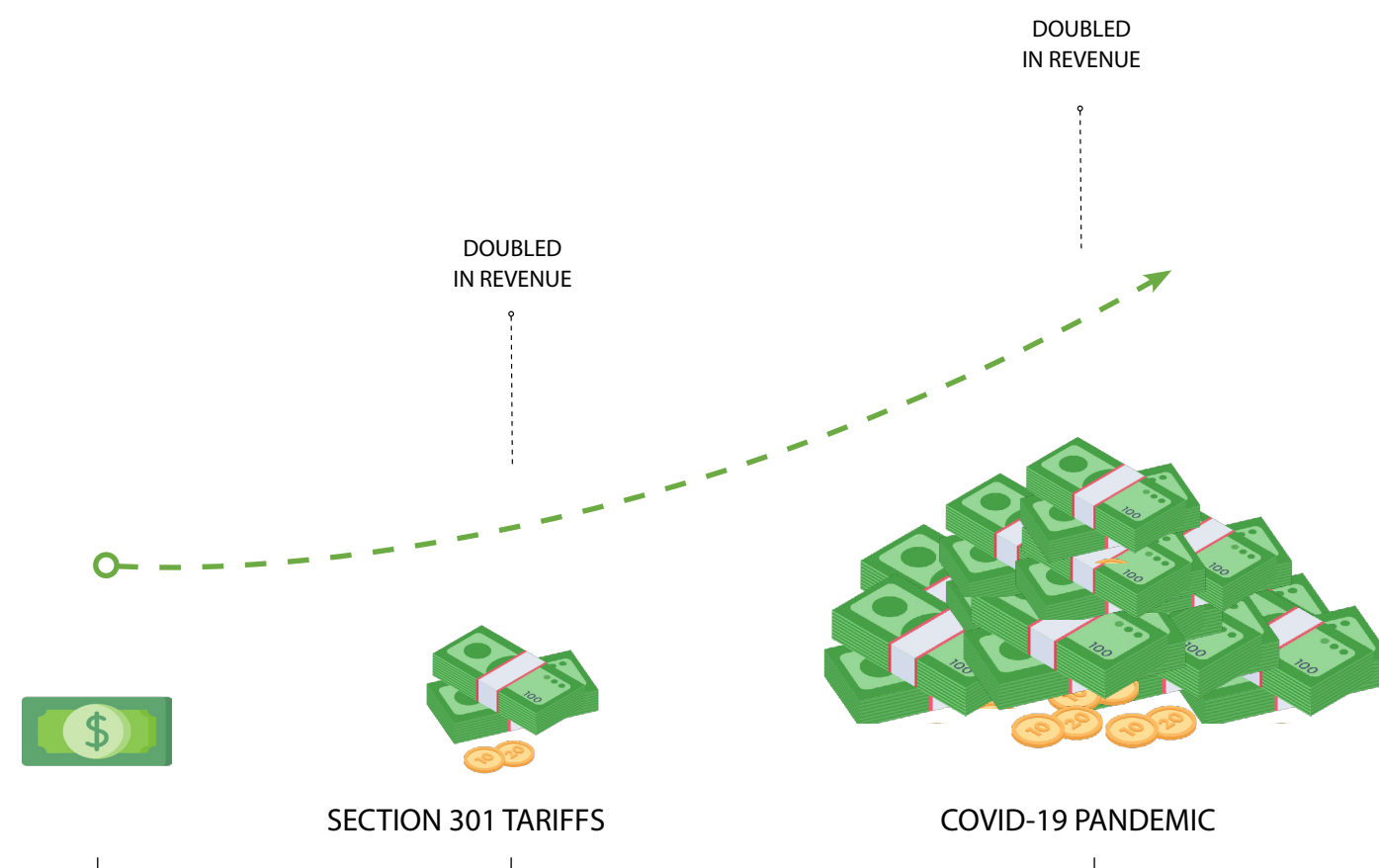


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KEY LEARNINGS

Revenue Growth during Tariffs and COVID

TRINITY was able to double their revenues during the response to Section 301 Tariffs and then doubled them again during the COVID-19 pandemic.




- TRINITY ultimately doubled their revenue during the COVID-19 crisis as a result of the deep **relational bonds** formed with their suppliers. While competitors struggled, TRINITY was able to assure product availability and seize more market share. These relationships allowed them to work closely with their partners to implement solutions to the challenges created by the pandemic.
- The company's decision to sign a container shipping contract to secure cargo space at a fixed cost to avoid shipping market volatility, is reflective of TRINITY's commitment to developing **intellectual wealth** through innovation. By taking this unique approach, TRINITY demonstrated their ability to think imaginatively and strategically when addressing complex problems. As Cze shared, "Our container shipping contract is a strategic decision to protect ourselves from market volatility and ensure a steady supply chain."

From Red to Black:

A Case Study on TRINITY International Industries' Transformative Success Through **4D Wealth***

*4D Wealth = 4 Dimensions of Wealth; Relational, Social, Intellectual & Financial. It is a philosophy and business process

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