Costa Rican Treks

Memo

TO: Maria Tornio, President; Alberto Ramos, Tour Operations Manager

FROM: Paulo Alvarez, Vice President Finance

DATE: August 12, 2018

SUBJECT: Expense Reductions

I have examined company expenses and have several recommendations for implementing cost-saving measures. Please review the attachment, which covers operating, marketing, and employee-related expenses. It is important that we make well-informed decisions in selecting vendors and continue to leverage our standing as a premiere tour operator in negotiating contracts. We should also analyze the effectiveness of our advertising strategy and determine which efforts are yielding the best results. Finally, we must determine the types of employee expenses and allowances that can be reduced with minimal effect on tour operations.

I have scheduled a meeting on August 18 at 2 p.m. in Conference Room B so that we can discuss our plan. Please let me know what other members of our team should be invited.

Employee Related Savings

Mobile phone plans reduced to smaller plans with focus on emergency-only calls

Reduction in vehicle allowance

Operations Related Cost Savings

Vendor contract negotiations

Research less expensive local and long-distance phone services

Marketing Related Cost Savings

Evaluate current marketing strategies and advertisements, evaluate effectiveness, and focus on most successful ventures

Utilize Web site, electronic newsletter, and other electronic formats as much as possible