

Opening *in a* Storm

Jon Cummins admits that it's been a rough year for hoteliers. Regardless of where your property is located, or what type of hotel you operate, 2009 is not without some of the biggest challenges the industry as a whole has seen. But that didn't stop Cummins, COO of Amerimar Enterprises, a Philadelphia-based developer, from going ahead with the opening of the Hutton Hotel, a 248-room boutique hotel in the west end of Nashville, Tenn. Despite the difficulty for many people to travel, and the recent bad press luxury travel has received, the opening still created a buzz earlier this year, at a time when Nashville's occupancy rates were reportedly at its lowest in four years.

"You play the hand you're dealt," Cummins says. "Considering the environment, operating it in the short term is very challenging. Are we ramping up? Yes, we are, but again that's the caveat. We're certainly not achieving our expectations that we had when we started this project a few years ago, but that was then and this is now."

That may sound a little like the Hutton Hotel has had a rough go, but considering the market, it's actually had a decent time of things. It's already given Nashville a unique hotel that has attracted a star-laden clientele, including some of country music's biggest stars. And a lot of that success has to do with the property's owner and general manager, both veterans of the hospitality industry, who know that new hotels can't lose sight of the fact that the lodging business is a long-term industry.

As Cummins points out, hotels are built to last 100 years, so the current situation is merely a blip on the lifetime of the hotel. "The real estate business is not short term," he says. "You can't just look at

something and say 'I'm going to make it happen in a year and flip it.' Other than occasionally getting lucky, that's just not how these things work."

The rough market just means sticking to your guns and persevering, he says. That's exactly what they've done at the Hutton.

One thing the hotel has going for it is its status as an independent property. While some industry observers fear for independents in this economic climate, others realize the flexibility to move quickly and to take more risks can be an asset. One rea-



son is that attracting guests from a minimized pool of prospects means differentiating your product—quickly.

"Brand standards kind of define what you can do," Steven André, general manager of the Hutton Hotel says. "I think being independent lets us address our guests' needs on an instantaneous basis."

That's a position the Hutton Hotel has embraced. "What we really try to do is to make sure we are very aggressive in our sales and marketing campaign. We have a very unique product—the technology that we have, as well as all of the 'green' fea-

tures of the hotel," André says. "Because of what's happening out there we know it's difficult for people to make travel choices, so we just have to be that much more aggressive in our marketing and our effort."

Another point of emphasis is to understand who to market to at the present time. André and Cummins has focused their marketing energy on the audiences that they feel can help the hotel get up and going, including meeting planners and the local wedding market.

"Frankly, from a physical standpoint, I think our points of differentiation are pretty self evident," Cummins adds of the hotel's trendy design. "Once we were opened, we haven't had any trouble selling the physical points of differentiation. What we've focused on is making sure we deliver the customer service that we feel is reflective of the overall product that we've created."

One of the aspects that has helped ease the market pains is that the hotel's architects embraced technological advancements and made sure they had a hotel that could be proud of its environmental friend-

liness. Both selling points that have helped the hotel weather the economic storm, Cummins and André say.

According to Cummins, the green aspects weren't completed simply for differentiation or cost savings, although both are benefits. He says it was done because it was the right thing to do. "It's too expensive to say [differentiation and cost savings] are the only reasons you're going to do it. You have to want to do it," he says, "You really have to believe in all three aspects or you can't get there, and it won't make sense."