

LEADERS IN *Hospitality*

“Enriching Your Life”

An Interview with Peter C. Borer,
Director and Chief Operating Officer,
The Hongkong and Shanghai Hotels, Limited, Hong Kong

EDITORS' NOTE Peter Borer joined The Peninsula Group in 1981 as Food and Beverage Manager of The Peninsula Manila. Since that time, he has held various executive and managerial positions within the company in Hong Kong and Bangkok, including General Manager of the flagship Peninsula Hong Kong, Regional General Manager of Asian properties, and Group General Manager for Asia. Borer is a graduate of the Lausanne Hotel School in Switzerland.



Peter C. Borer

COMPANY BRIEF The Hongkong and Shanghai Hotels, Limited (HSH; www.hoshgroup.com) which was incorporated in 1866 and is listed on the Hong Kong Stock Exchange, is a holding company whose subsidiaries and its jointly controlled entity are engaged in the ownership and management of prestigious hotel, commercial, and residential properties in key destinations in Asia and the U.S. The hotel portfolio of the group comprises The Peninsula Hong Kong, The Peninsula New York, The Peninsula Chicago, The Peninsula Beverly Hills, The Peninsula Tokyo, The Peninsula Bangkok, The Peninsula Beijing, The Peninsula Manila, and The Peninsula Shanghai. The property portfolio of the group includes The Repulse Bay Complex, The Peak Tower and The Peak Tram, St. John's Building, The Landmark in Ho Chi Minh City, Vietnam, and the Thai Country Club in Bangkok, Thailand.

How has the global economic downturn affected the travel and tourism industry, and what is your outlook for the business in 2010?

Like most other companies, we have seen a downturn in our business this year, caused both by cutbacks in business and leisure travel budgets, and particularly for business travelers, as corporate travel policies are not permitting them to stay in luxury properties, especially if their companies are making layoffs at home. But we are seeing the light at the end of the tunnel and look forward to a modest upswing in business in all of our hotels. However, while our other properties in Asia and the U.S. have been affected, the China market seems to be holding firm, so we anticipate that our newest hotel – The Peninsula Shanghai, which opened



in October 2009 – will do very well, especially with the World Expo taking place in the city from May to October 2010.

How critical is it to have involved and engaged ownership that have a long-term business view and continue to invest in the properties?

It is vital. As the third generation of the majority shareholders, the Kadoorie family and our current Chairman, The Honorable Sir Michael Kadoorie, takes a long-term view for the hotel company, which explains our philosophy of not taking on management contracts, but rather always investing. Location is also key, and we are prepared to sit it out until the perfect site comes along, hence the superlative locations of our two newest hotels, The Peninsula Tokyo (2007), located in the heart of Marunouchi in Ginza opposite the Imperial Palace, and the newly opened Peninsula Shanghai (2009), the only new building in over 60 years to be constructed on the historic Bund.

What are your plans for expansion, and would you highlight some of the properties in development for the brand?

We just opened The Peninsula Shanghai in October 2009, and are currently working on The Peninsula Paris, which will open in 2012. Ideally situated in the exclusive 16e arrondissement of Paris, two blocks from the Place de l'Etoile and the Champs Élysées, it was formerly the Hotel Majestic which opened in 1908. George Gershwin wrote much of his oeuvre “An American in Paris” there, and the Paris Peace Accords were signed there in 1973 in its later reincarnation as the Centre International des Conférences of the French Government.

Many leading properties today have placed a major emphasis on offering high-end spa/fitness facilities. Peninsula Hotels is known to be a leader with its spa product. How much of a focus has this been for you, and would you provide an overview of your focus on the spa product for the properties?

We have introduced a group-wide program called “Peninsula Wellness,” incorporating all aspects of healthy living for our guests, whether staying in our hotels or before/after their visits. The program includes spas, Naturally Peninsula light and healthful cuisine, and Simply Peninsula



skin and personal care products, candles, and CDs. When we planned to open spas in several of our hotels, we decided to partner with an expert in the field, so after extensive research, we entered into a partnership with U.K. spa consultancy ESPA. As a full-service consultancy, ESPA assisted us with the design, building, training, and overall management of the individual spas, and continues staff training on an ongoing basis, together with a constant collection of new treatments. ESPA's emphasis on training and innovation aligns perfectly with our own brand attributes, so it is an ideal partnership.

We offer Peninsula Spas by ESPA in our hotels in Hong Kong, Shanghai, Beijing, Tokyo and Bangkok, New York and Chicago, and have also just introduced Simply Peninsula by ESPA, a range of treatments and products created and produced exclusively for Peninsula by ESPA.

As you look to 2010, what are the key priorities that you are focused on for the brand in order to make sure that you maintain your leadership position in the industry?

Every great company has a history, and The Peninsula Hotels is no exception. As one of the world's oldest hotel companies dating from 1866, our philosophy through the years has always been a focus on offering personalized service, outstanding facilities, and excellent value, together with a firm commitment to our local communities. This will continue, but with the aim of further enhancing the guest experience in each of our hotels. In 2010, we are introducing “Enriching Your Life,” an innovative program that further defines not only our guests' experiences, but those of their friends, family, and our communities – in short, a theme that provides guests and those important to them with an integral collection of experiences designed to enrich, enlighten, and educate. Topics will include “The Art of Hospitality,” focusing on hotels' art, antiques, and programs with local art establishments; “Milestones of Life,” in celebration of life's special occasions; and new Peninsula Academy programs, fundraising, volunteering activities, and much more. ●

The Peninsula Shanghai lobby and entrance (above left and right)