Hospitality

Building the Chatwal Brand



An Interview with Sant Singh Chatwal, Chairman and Chief Executive Officer, Hampshire Hotels & Resorts

EDITORS' NOTE In addition to his current post, Sant Singh Chatwal is the Trustee of the William J. Clinton Foundation, Clinton Global Initiative, Urban Enterprise Initiative, and Healthier Generation Initiative. In 2001, he became a founder trustee of the American India Foundation and, in 2007, Chatwal founded Indian Americans for Hillary 2008 (IAFH 2008). In April 1999, he became the only Indian in the United States Sant Singh Chatwal to be honored with the "Order of



the Khalsa" by the Government of India for his outstanding service to the Community. Sant Chatwal has worked tirelessly promoting the rights of immigrants in the United States and is recognized for promoting Indo-U.S. relations for over 30 years. In 2010, Sant Chatwal was honored with the Padma Bhushan – the 3rd highest Indian civilian decoration recognizing exceptional service to the nation as awarded by the President of India.

COMPANY BRIEF Hampshire Hotels & Resorts (www.hampshirehotels.com) owns hotels in the United States, Canada, the U.K., India, and Thailand, with over 3,000 rooms in Manhattan alone. Hampshire's first ultra luxury five-star hotel in Midtown Manhattan, The Chatwal, opens its doors in summer 2010. This fall, Hampshire Hotels & Resorts will also launch a new incantation of the Dream brand in South Beach followed by a flagship location in New York's fashionable Meatpacking District in Spring 2011. Additionally, Hampshire Hotels & Resorts has begun a large-scale expansion throughout India, with its first Dream property having opened summer 2009 in Cochin. Additional outposts are set for Hyderabad, Bangalore, Chennai, Jaipur, Delhi, and Mumbai by 2012.

Are you happy with the brand recognition for Hampshire Hotels & Resorts and for The **Chatwal and Dream brands?**

Our brand recognition has been built over the years and of course it has been a process educating the consumer on all of our boutique products. I believe we have been successful in this and it has no doubt led to our expansion of the Dream brand. I like a challenge and taking risks and I truly believe it is the only way of being successful in business.

For a luxury brand, you always need to have a location and the right building. In '85, when I bought The Chatwal's West 44th Street property in New York, there was a lot of crime in the area. It was a bit challenging, but for our luxury brand, I'd rather it be this location. Our designer, Thierry Despont, is unbelievable. You have to have the right designer, the right location, and the right concept. It was also a challenge for our group to take the next step from boutique to luxury. We had to find the right team to make

this project a success, and after meeting various people, we got very lucky. I'm proud that we put the right team together, starting from the GM, then the sales and marketing team, the chef, and the designer.

Now we have the right product, but with the way the market is going, it is not easy. There are a lot of people with money from India, China, Russia, and the Middle East. These are people who don't just look at the cost; they look at the true value of the service and the ambiance.

In terms of that property, is it directed towards the niche market at that top level? How broad is the clientele?

We have less than 100 rooms and want to make sure we provide every service and more that you would expect from a hotel of this caliber - butler service, private swimming pool, health club, etc. The challenge is having the right product, and finding the right level of customer. I would like to have a mix of clientele. There are a lot of developments coming along in this neighborhood and people are looking forward to them. So we are going to create our own clientele mix.

When you look at the number of projects you have in the works including downtown New York and South Beach in Florida, are you ever concerned about growing too quickly and staying in control of your development?

No, you have to have a balanced approach, but when the market is tough, it gives you more opportunities.

We had a very tough time initially because we didn't have much currency. I had to bring \$100 million in cash equity. People said I was crazy to invest so heavily in New York City at the time I did. However, I believed in the Dream brand, because I wanted to develop it in New York as I did in Bangkok and India. We are thinking of expanding and have projects already in the works.

In addition, we are opening a restaurant in September 2011, right in front of the Yale Club in New York and we are also looking at another project downtown.

What other locations do you envision the Chatwal brand expanding into?

It's very clear the Chatwal brand will be in London; we have a property outside of the city, in Hertfordshire, which is another landmark historical building. If all goes well, this project would be slated for the end of next year or early 2012.

New York City is a crowded market. How do you make your property unique?

We differentiate ourselves product-wise, design-wise, and decor-wise at The Chatwal, but more so by our personal service. We have a great location and concept, and people who enjoy very personalized service will feel safe and comfortable. I go to hotels that stand out for particularly exceptional service, for example, the best butler - he knows what I want, and does what he can to accommodate me. But we are trying to create these types of advantages at The Chatwal everywhere. For instance, we work to have the fastest and best room service available because people don't have time or patience.

You also have been extremely generous and are very engaged in the community. Was that instilled in you early on?

My father said, if you give 10 percent of your profit to people who need the money, whether they're poor or needy, that 10 percent will multiply 1,000 times. He taught me that when he was doing it himself in a small way, and that never stopped. That is one reason I am a Trustee of the Clinton Foundation. President Clinton was my friend before he became President, and he offered me a position in the White House - I said, no because I'm a businessman. He really wanted to help poor people. It's about helping the needy, whether with medicine or getting the right food to them. And giving away your 10 percent profit gives you more happiness and satisfaction.

A suite sitting room and bathroom at The Chatwal