

# Hospitality's Global Impact



## A Strategy for Growth

An Interview with Alan J. Fuerstman,  
Founder and Chief Executive Officer,  
Montage Hotels & Resorts



**EDITORS' NOTE** Prior to launching Montage Hotels & Resorts in 2002, Alan Fuerstman was the Vice President of Hotel Operations at Bellagio in Las Vegas, Nevada. Before this, he served as President and Managing Director of The Phoenician resort in Scottsdale, Arizona, where he was responsible for ITT Sheraton's Luxury Collection properties including St. Regis Aspen, St. Regis Houston, and all ITT Sheraton properties in Arizona. Fuerstman previously served as General Manager of the El Conquistador Resort and Country Club in Tucson, Arizona. He began his career with Marriott International. He graduated with a Bachelor of Arts degree from Gettysburg College in Pennsylvania.



Alan J. Fuerstman

**COMPANY BRIEF** Montage Hotels & Resorts ([www.montagehotels.com](http://www.montagehotels.com)) is a hotel and resort management company designed to serve affluent travelers and homeowners. The company features a collection of distinctive hotels, resorts, and residences in settings that offer memorable culinary, spa, and lifestyle experiences. The company's flagship oceanfront resort, Montage Laguna Beach, was opened in Laguna Beach, California, in 2003; Montage Beverly Hills, the company's second hotel, opened in Beverly Hills in 2008; Montage Deer Valley in Park City, Utah, opened in December 2010.

### Were you surprised at how deep the economic crisis was and for hospitality broadly, is the business coming back?

We didn't anticipate the depth of the economic crisis and couldn't have picked a more difficult time to open a hotel, but great luxury hotels are built for generations and will undoubtedly experience all economic cycles. We are seeing a significant recovery this year and are very pleased with the growth in our business levels.

### Have you been happy with how the Beverly Hills property has evolved?

Very much so. The hotel is maturing beautifully. We were recognized with five stars within our first year of operations, achieved record pricing in selling our residences, and experienced exceptional revenues in 2010 over 2009 – greater than 20 percent. The momentum is carrying forward and we are extremely optimistic.

We named a new General Manager, Hermann Elger, in October 2010 and opened Chef Scott Conant's Scarpetta restaurant.

### Is there an effective understanding of the Laguna Beach property as a destination resort?

Laguna Beach is a fabulous destination that has a real panache to it from its artistic roots to its extraordinary beaches. The summer activities such as, Pageant of the Masters and the Sawdust Art Festival all contribute to that. The caliber of the hotels and resorts in the market also help shape it as a great destination.

### In December, you opened your third property, Montage Deer Valley. Why did you decide on the Park City location and what can guests expect?

The decision to develop in Park City was an easy one. Park City is a great destination. Deer Valley has been ranked the number one ski resort in North America for numerous years in a row by *Ski* magazine, so from a luxury skiing perspective, it's an ideal destination.

It's also a terrific location with great advantages over most other ski resorts. Salt Lake City International airport offers easy access from the East and West Coasts and from international markets.

The resort itself is reminiscent of the great mountain lodges of North America.

The spa is incredible with an indoor swimming pool and great treatment spaces – it's the largest spa we have built to date.

The ski-in/ski-out access is exceptional. We're located mid-mountain on some of the premiere runs in Deer Valley.

I view Montage Deer Valley as a year-round mountain destination resort with great activities for the entire family, and to that end, we built a great recreational center that has its

own bowling alley, dart area, game room, and pub. We hope it quickly becomes one of the preeminent mountain resorts anywhere.

### After Deer Valley, are you focused on specific locations for additional growth, and how large do you envision the brand becoming from a property point of view?

We have a robust pipeline of new opportunities. The focus is on ultra-luxury markets that can support a Montage.

We carefully select the markets that will allow us to provide the level of service and deliver our brand promise. It's about each Montage destination being in a leadership position in the market we're performing in.

We continue to look at opportunities in markets such as New York, London, and Paris. We have a couple of properties in Mexico in development and projects in the pipeline in Northern California wine country and Hawaii.

There is no magic number of properties I see for Montage, but there will be very strong criteria for the location and specific site to become a Montage.

### Is it important for you to have a residential component to the offering?

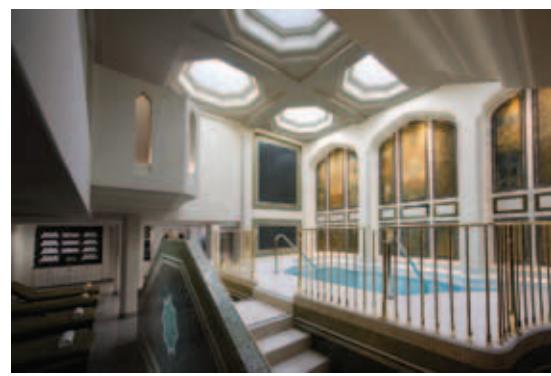
We're finding that the residential component complements what we're doing well and economically makes our new projects more viable. I envision us continuing it in most of our new build opportunities.

That does not mean there won't be some opportunities where there may be existing hotels that can be converted to a Montage that may not have an opportunity for a residential component. There may be a bit of both.

### In terms of opening the Deer Valley property, have you been able to find the top talent and are young people still attracted to the hospitality industry?

Young people are attracted to hospitality. It's exciting, dynamic, and we're having great success recruiting talent. I'm so pleased with the team in Deer Valley and that speaks well for the growth of our company.

We have a deep focus on the education, mentoring, and development of our talent coupled with recruiting exceptional talent from outside of Montage. It's a great recipe for our growth strategy. ●



Montage Laguna Beach Studio Restaurant (top left); Montage Deer Valley Rendering (top right); Montage Beverly Hills Co-ed Mineral Pool (center)