

Hospitality's Global Impact



A Quality Vacation

An Interview with
Gordon "Butch" Stewart, Chairman,
Sandals Resorts International



EDITORS' NOTE "Butch" Stewart founded Sandals Resorts in 1981 and Beaches Resorts in 1997. He was born in Kingston and educated in Jamaica and England.

COMPANY BRIEF Sandals Resorts International (www.sandals.com), founded in 1981, is based in Montego Bay, Jamaica and owns and operates a dozen couples-only, Luxury Included® resort hotels in the Caribbean. The resorts are located in Jamaica, Antigua, Saint Lucia, and The Bahamas and offer upscale amenities such as gourmet à la carte dining and activities including scuba diving and golf. The company also owns four resorts under the Beaches brand name: two in Negril, Jamaica; one in Ocho Rios, Jamaica; and one in Providenciales, Turks & Caicos. Beaches Resorts caters to families with Kids Camp programs, Xbox® 360 video game centers, water theme parks, and nanny services. Beaches is also home to the Beaches Resorts Caribbean Adventure with Sesame Street, which brings kids' characters Elmo, Cookie Monster, Grover, Zoe, Abby Cadabby, Big Bird, and Bert and Ernie to the resorts year-round for daily activities and special stage shows.



Gordon "Butch" Stewart

How much of an impact has the global economic crisis had on your business and how is Sandals positioned coming out of the downturn?

Despite the downturn in the economy, Sandals Resorts International experienced one of the best years on record in 2010. In contrast to many other competitors in the industry, we have not let the economy get in the way of our high caliber service and expanding amenities, which is why guests continue to flock to our properties to experience a quality vacation. This economy has made the value proposition more important than ever. Consumers want to travel, but they are demanding that every dollar be spent well – across all levels of affluence. And we have not compromised the Sandals Resorts experience. Customer satisfaction always comes first for us, which has resulted in one of the highest returning guest rates of any resort company in the world. As a testament to our faith in the Luxury Included® concept, in 2010, we debuted the elegant Sandals Emerald Bay, Great Exuma, Bahamas and introduced a rebranded Sandals

Royal Plantation, the only member of the Leading Small Hotels of the World on the island of Jamaica.

How do you define the Sandals difference in the all-inclusive industry and what makes the brand unique?

What differentiates an all-inclusive from Sandals is the influence of luxury in every aspect of the resort experience, hence the Luxury Included® concept introduced in

2007. At its core, the Luxury Included® concept was introduced as a commitment to exceed expectations with real and tangible points of differentiation that customers could experience and that our partners could articulate and sell with confidence. Three years later, and in an economic environment that demands value, the benefits of this decision are clear: Sandals Resorts is delivering the best, most comprehensive luxury vacation in the Caribbean. You won't find the depth and breadth of service standards and amenities at any other all-inclusive resort company and part of our success on this front has been outstanding partnerships – including our relationships with iconic companies such as Martha Stewart on weddings, Greg Norman on golf, Beringer on wine, Microsoft Xbox on electric gaming for kids and many parents, and our good friends at Sesame Street. From white-glove butler service and multiple fine-dining options at every resort to world-class instruction and equipment at our water sports and dive centers, we are determined to define our difference by the company we keep and the high-quality experience we provide to our guests every single day.

You recently opened Sandals Emerald Bay. Would you provide an overview of the property and how you expect it to be received in the market?

We purchased the shuttered Four Seasons Resort on one of the most pristine Out Islands in the Bahamas and debuted Sandals Emerald Bay in early 2010. The opening of this resort highlights the continued progression of the Luxury Included® concept. The property is the most graceful and refined in our portfolio to date and we continue to evolve the brand with these standards in mind. The expansive marina, Greg-Norman designed golf course, pristine white sands, and elegant service have leveraged the property to create an unforgettable getaway.

You have been a leader in the community for many years and Sandals is known to have a culture of philanthropy and corporate responsibility. How critical is this to the brand?

Philanthropy is extremely crucial to our brand as we deem it necessary to protect the environments surrounding our properties and help support the local communities who make these destinations great. In 2009, my son and CEO, Adam, officially launched the Sandals Foundation, the philanthropic arm of Sandals Resorts International, as a means to expand upon the philanthropic work that Sandals Resorts International had undertaken throughout the past three decades. The foundation funds projects in three core areas: education, community, and the environment. And because Sandals Resorts International absorbs all of the administrative costs for the foundation, 100 percent of the proceeds are filtered directly to programs benefiting the Caribbean community.

The work of the foundation is paramount not simply from a corporate responsibility point of view, because many companies do right in the places where they operate; we are compelled to become intimately involved in the communities where we operate because we are Caribbean. This is our home. Our employees are our neighbors. We are determined to be a force of real change and betterment.

What are your key priorities for Sandals as you look to the future?

Our top priority will always be to surprise and delight our guest, which means emphasizing service standards and continual training, careful attention to the aesthetic at each resort, and developing new opportunities for guests.

Right now, that means we are supremely focused on our newest resorts – Sandals Emerald Bay and Sandals Royal Plantation – as strategic properties in our portfolio, as they represent the evolution of our brand and set the bar for the future of our Luxury Included® concept.

Beyond that, we will court new markets, continue to refine the way that we share our evolved Luxury Included® concept with audiences, and seek – on our terms – the best new locations for growth. ●

The Italian Village at Beaches Turks & Caicos Resort Villages & Spa (top right); Beach front villa: Sandals Emerald Bay, Great Exuma, The Bahamas (lower right); Sandals Grande St. Lucian Spa & Beach Resort (upper left)