

Hospitality's Global Impact

Suited to the Culture

An Interview with Warren Chiu,
Director of Project Development,
Warwick International Hotels



EDITORS' NOTE Warren Chiu joined Warwick International Hotels in 2006. Based in New York, Chiu oversees the brand's project development, focusing on design, renovation, and construction of the Warwick Hotels. The project development team Chiu has established provides services exclusively for the company's ongoing hotel and resort development. A graduate of Rhode Island School of Design, Chiu gained his experience in practicing architecture and project management at P&T (Palmer and Turner) Architects & Engineers in Hong Kong.



Warren Chiu

COMPANY BRIEF Warwick International Hotels (www.warwickhotels.com; WIH) is a privately owned company and has a blue-chip portfolio of hotels and resorts. Launched in 1980 with the purchase of the Warwick New York, Warwick International Hotels is celebrating its 30th anniversary of hospitality excellence. The WIH Group now includes more than 40 prestigious hotels, resorts, and spas worldwide located in city centers and resort destinations in the United States, Europe, Asia, the South Pacific, and Africa.

What impact did Warwick International Hotels see as a result of the economic downturn?

The economic crisis has affected our hotels in many ways. In the last two months of 2008 and throughout 2009, we saw a dramatic drop in occupancy, average rate, and RevPAR. In 2010, we saw a good pickup, but the results are still far behind those from 2008. We are expecting the improvement to continue on to 2011 and all of us have an optimistic view moving forward.

Coming out of this downturn, are you finding opportunities for new development?

This downturn has presented a number of opportunities for us in terms of acquisitions. Many hotels are coming on the market and we are privileged to be in a position to consider some of these opportunities.

Which markets offer the greatest opportunities for the collection in the future?

Warwick International Hotels in general focuses on three main areas for development: the U.S., Europe, and the South Pacific.

We continue to look for opportunities in those three particular areas where we have strong presence. In the South Pacific, we currently own and operate three resorts in Fiji, one in Vanuatu, and

another currently under construction in Samoa. We are in discussion with various developers in pursuit of securing hotel management contracts.

Is it important to have a consistent feel from property to property or do you focus on the local culture?

Many of our hotels have long and interesting histories. For example, the Warwick Denver hotel was once a Playboy mansion. The Warwick Melrose in Dallas was, in the 1930s, an apartment building for the millionaires from Texas, and the Warwick New York was built by William

Randolph Hearst in 1926 as a gift for his long-time mistress, Marion Davies, who was a Hollywood actress. In our renovation projects, we attempt to do things that can revive histories of our hotels. Our



new Premier Rooms and Suites at the Warwick New York, completed in 2009/10, is a good example. The color schemes and furniture design were inspired by the story of Hearst and Davies' love affair and the glamour of 1930s Hollywood.

How do you define your role and what are your key areas of focus for the brand?

My background and training in architecture have allowed me to take a unique approach to a family hotel business. My prime interest in the business is to increase property values by making better use of space in our hotels. In doing so, I have created an in-house design and project management department to oversee our renovations and constructions. My current pursuit of a Masters Degree in Hospitality Management at NYU offers me valuable insight into other aspects of the hotel industry, such as operations and revenue management.

Is it important to attract talent from that local market to retain that local feel?

It's important that we find employees who know the local city well and who understand the mentality of the employees in their respective cities. We emphasize the importance of understanding local cultures

of each of our hotel location, so that our managers and employees feel comfortable working for us. Yet, we also encourage ourselves to nurture our internal managers, while developing their skills to manage our hotels in different locations in the future.

In the New York market, how challenging is the restaurant/food and beverage business? Do you run the restaurants yourself or hiring branded or celebrity chefs?

Our restaurant and bar are blessed with the prime setting of the Warwick New York Hotel – Avenue of Americas and 54th Street. This location naturally brings a good volume of traffic to our outlets. But the increasing competition in the area has kept us making appropriate changes in our menu offering in order to remain competitive. We are open to the idea of working with a celebrity chef when we decide to put a new concept in our restaurant. Whatever the new concept is, we want to make sure that the restaurant and bar are well operated because, essentially, they provide one of the first impressions when a guest enters the hotel.

Is there a strong awareness of the size and scale of Warwick International Hotels?

The brand is evolving continuously. Consumers' perception of the brand in the U.S. is different from that of Europe and the South Pacific. One of our goals is to consolidate and unify that perception while emphasizing the uniqueness of our different properties.

Does Warwick prefer to buy existing hotels and renovate or to build new facilities?

Our strategies are different for different locations. In the U.S., we primarily locate existing hotels. We have done a few takeovers and converted the hotels to the Warwick brand, whereas in the South Pacific where we run resorts, we look for opportunities to build from the ground up. The current construction of a luxury resort in Samoa is a prime example.

Many talk about the challenges of being in a family business. How has your family achieved this type of success?

My father is the founder of the company and, throughout the years, he has developed close rapport with his colleagues. I believe this is the main reason why our company has grown to the point of where we are today. Many of our colleagues have been with us for over 10 years and they have gained a solid understanding of the direction in which we want to lead the company for the long term. ●

Entrance (center); Warwick New York Hotel Premier Room (top)