

## Becoming a True Brand

An Interview with Michael Achenbaum,  
Co-Owner and President, Gansevoort Hotel Group, LLC



**EDITORS' NOTE** Prior to his real estate ventures, Michael Achenbaum held positions at Bear Stearns and Nomura Securities. He has worked with his father since 1999 and together they have co-developed more than \$1 billion in property. Achenbaum founded the George Mitchell/Archie Wilkins Scholarship at the University of Michigan, which provides financial assistance to local students who participate in the university's Big Sibling program. He is also dedicated to being a Big Brother to two underprivileged boys in New York. Achenbaum earned a History degree from the University of Michigan and master's degrees in law and business from New York University.



Michael Achenbaum

**COMPANY BRIEF** Gansevoort Hotel Group, LLC ([www.gansevoorthotelgroup.com](http://www.gansevoorthotelgroup.com); GHG) developed the first urban resort in New York as well as the first luxury hotel in the city's Meatpacking District with the 2004 opening of Gansevoort Meatpacking NYC. The brand has expanded with the fall opening of Gansevoort Park Avenue NYC and a third-party management deal in Turks + Caicos, Gansevoort Turks + Caicos. They are currently negotiating other agreements in high profile locations. GHG is a subsidiary of WSA Management Ltd., a real estate development and management firm whose principals have more than 70 years combined experience in the real estate trade, and have developed and/or owned more than seven million square feet of office and industrial space, 2,000 apartments, and 2,250 hotel rooms. WSA's specialty is locating underutilized assets, whether vacant land or existing buildings, and transforming the property to meet its highest and best use. The firm typically seeks ground-up construction opportunities, but has completed substantial renovation projects.

### How have you positioned the Gansevoort brand and what is your outlook for where it can go?

We have tremendous brand recognition right now. What we're recognized for is providing a resort-like experience within the confines of New York or urban environments. GHG is trying to move further into the true resort-type properties that cater to those same clients when they want a pure relaxation experience – that is what Turks represents to us.

With two or three more properties, we're on the verge of becoming a true brand. We're in significant negotiations with a number of different locations, but all in cities that represent areas our clients would travel – where there is a business presence, and a high-end luxurious social experience.

We are looking at doing secondary brands as well, but those will come to represent something else in people's minds so you know there is a differentiation.

### You offer the service and quality of the top-tier luxury segment along with that cool social experience. Do people understand you can have both?

The way we provide both of those is by staffing top down with people who came out of properties with a classic hotelier school mentality. Simultaneously, you create certain physical amenities and environments, like our front lobby at Park Avenue, which is incredibly dramatic.

The restaurants, the rooftops, and the pool areas are a big part of what make up our urban resort feel, and we strive to create a scene to which people are drawn.

I also don't want the restaurant to be an afterthought. At Park Avenue, we have Asellina. The ONE Group and our team found an amazing chef who has awards for his hotel chef work, and he's created a classic Italian/Sardinian menu. We gave him a lot of leeway with the understanding that we wanted a certain price point to reach a broad clientele and that we wanted people to feel they received value.

There is a combination of factors that allow you to not step on the toes of the people who expect service, while indulging those who crave a more "vivid" experience.

At Park Avenue, we have a separate entrance for our rooftop, so guests are never interfered with by the clamor to get to the roof.

### How important is the spa/fitness offering and do you need to provide that in an urban environment?

We're not forced to do it at every hotel, but I love working with Exhale. They have an amazing product that combines a beautiful spa concept with yoga and core fusion-related classes.

What we've dedicated at each hotel – Park Avenue, Turks + Caicos, and Meatpacking – is an outfitted room/area specially for daily classes. We're already running seven classes a day on the

weekend at Park Avenue. So we're getting an incredible reception from the community at large. For our hotel guests, there are reserved spaces.

We combine that with Hiro Haraguchi Hair Salon in Meatpacking and a Cutler Hair Salon at Park Avenue – we're truly full service.

You can't find another hotel in New York City that has a pool, spa, hair salon, yoga and core classes, a grand lobby, a rooftop facility with a club, and a stylish restaurant with an amazing chef.

### There is a lot of buzz around your food and beverage, and club product. Going forward, is partnering the way to go?

When we first did that restaurant in the Meatpacking District location with Jeffrey Chodorow, he was probably the most significant restaurateur in the world – and he's still going strong, and we're looking forward to a new concept he's doing there this summer

Our club down there is the top club in New York City – Provocateur, owned by Michael Satsky and Brian Gelter. Those two gentlemen and The ONE Group are incredibly talented people with whom we have partnered on a lobby adjacent champagne bar, Winston's, and on our roof at Park Avenue, Gansevoort Park Rooftop. So they bring added value.

We're capable of running the bars ourselves, but it comes down to what is in the best interests of the property owner and the client, as well as what is in my firm's best interests.

At Park Avenue, we partnered with a company that historically, in Europe, is one of the biggest retailers: Lacoste. Since Steven Birkhold has taken over the company in the U.S., it has grown exponentially. We made a decision to do a store together, but we wanted to do a special edition store.

We look at each one of these partnerships and locations, and figure out how we maximize the experience for the guest. That is the determining factor concerning self-management, or partnering with a third party.

### When a property like this opens, do you take the time to appreciate it?

With a lot of people who I perceive as successful in business, they're driven to the point where they don't stop and smell the roses.

I never see the things that everyone else sees as great – I see the things that could have been better.

I want our guests to have a perfect experience. If you achieve that 98 percent of the time, you're incredibly successful in our industry. ●

Gansevoort Park Avenue rooftop pool