

# Hospitality

## Everlasting Innovation

An Interview with S. Steven Pan,  
Chairman, Regent Hotels & Resorts, and  
Chairman and Chief Executive Officer,  
Formosa International Hotels Corporation



The Pool Villa at the Regent Phuket Cape Panwa

**EDITORS' NOTE** Steven Pan is also President and Chief Executive Officer of Pacific Resources Group. Pan joined Formosa International Hotels Group in 1991 and became President in 1992. In 2000, he assumed his current post with the company. Pan founded Pacific Resources Group in San Francisco in 1994 and the group has since completed many landmark transactions in San Francisco, Tokyo, and Hong Kong. The group is still active in California and Asia. Pan began his career as an associate with First Boston after earning an M.B.A. from Columbia Business School in 1988. In 1986, he received his B.A. in economics from the University of California, Berkeley.



S. Steven Pan

**COMPANY BRIEF** Regent was founded in the '70s and became the first truly Asian-based global hospitality group. The founding team was the first to introduce the five-fixture bathroom and the villa resort concept. In the '80s and '90s, Regent properties were among some of the world's most acclaimed hotels, such as the Regent Hong Kong and Regent Beverly Wilshire. The brand was later sold to Four Seasons and then Carlson. Regent looks to return to gateway cities popular in Regent history such as New York, London, and Shanghai, and has projects in the pipeline in Abu Dhabi, Bali, Doha, Kuala Lumpur, and Montenegro, among others. The existing Regents are located in Beijing, Berlin, Phuket, Taipei, Turks & Caicos, and Singapore. All Regent managed hotels were selected in Condé Nast Traveler's Readers' Choice Awards in 2011 for the best luxury hotels in the world.

Regent Hotels & Resorts ([www.regenthotels.com](http://www.regenthotels.com)) was acquired by the Formosa International Hotels Corporation ([www.grandformosa.com.tw](http://www.grandformosa.com.tw); FIHC), which has become the largest and most profitable hotel company listed on the Taiwan Stock Exchange, with market capitalization in excess of \$1 billion and debt free. FIHC owns its flagship Grand Formosa Regent Taipei, which has consistently been one of the most profitable Regent Hotels in the world. FIHC operates lifestyle hotel brand Silks and multiple restaurant brands throughout the greater China region.

**What excited you about the opportunity to acquire Regent Hotels? What are your plans for the brand?**

Having owned and successfully managed the Regent Taipei for over 20 years, we were excited to bring Regent home to Asia and apply what works best to the brand itself.

Since its birth in the 1970s, Regent has set the benchmark for luxury hotels worldwide and become a name synonymous with impeccable service. The flagship Regent Hong Kong was consistently voted the world's best hotel, and in the 1980s and 1990s, the Regent group opened 17 hotels over 22 years, including the celebrated Regent Beverly Wilshire. Our goal is to once again make Regent the most admired luxury hotel brand in the world.

**In restoring the brand to its former glory, you will link it to the original Regent DNA. How do you define "original Regent DNA"?**

Regent's true spirit is in its everlasting innovation, which means pioneering concepts that withstand the test of time. Regent was the first to introduce five-fixture bathrooms in 1980, as well as in-room check in. Regent also pioneered the all-villa resort in the early 1990s in Bali. They have all since become five-star luxury hotel standards.

On a larger scale, the Regent DNA has tailored business models for the specific market with mixed-use platforms. For hoteliers, it's easy to focus on the single-use hotel operation but this doesn't generate the highest return on investments for owners. The luxury hotel is used as the anchor to position the project in the real estate development that drives tangible and intangible values. The hotel has to take the back seat and put the spotlight on retail or residence. Acting on the best interest of owners means hoteliers must be flexible on product mix and innovative on financing alternatives such as mixed-use development.

**Are you focused on continued growth in Asia or are there opportunities in other international markets?**

Regent is committed to global growth. Expansion in Greater China, through both acquisition and management in partnership with leading developers, is key to our upcoming plans – with the international cities of Shanghai and Hong Kong as key targets. As Asian markets continue to strengthen, we anticipate growth in

Burma and Indonesia, given their current status in terms of political and economic factors, and resources. Markets with a high entry barrier to development, such as Korea, Taiwan, Singapore, and Hong Kong, will continue to be strong.

We want to return to gateway cities around the world such as New York, Los Angeles, London, and Paris. We have a new strategic alliance with Rezidor, one of the fastest growing hotel companies in EMEA, which will help us grow our brand in Europe and the Middle East, Africa, and Russia.

**Is there a common thread running throughout the Regent properties or is the focus on what works for a specific location?**

Bespoke is the common theme moving forward. All new hotels will speak to the location. Each resort and hotel's decor, design, food, etc. will be built by partners that have an expertise that speaks to that region. Every experience will be made-to-order for that hotel; nothing will be "off the shelf." If you build a place that is timeless, it will still be relevant in 20 years.

That's what Regent Hotels & Resorts are about – bespoke luxury.

**As you continue to grow and hire top talent, how do you define what makes a successful hotelier today?**

Finding like-minded people who enjoy taking care of others and who can be empathetic is far more important than years of experience because you can grow the experience along the way. The best employees are those who run the business as if they own it. They can put themselves in the owner's shoes and make decisions that benefit both parties. They need to share our Tao: To serve as we would like to be served. Hoteliers need to serve the guests, associates, and owners the same way they would like to be served.

**As you look at the impact that you have had with the Regent brand since the acquisition, do you take time to reflect and appreciate what you have built?**

A great deal of work is still required before we can fully appreciate it all. I consider the rebuilding of Regent to be my mission in life. The amount of effort you put in and the way you express yourself are crucial to making it work. We need a systematic way of communicating that works across all levels. We need people to know that we are in it for the long haul. ●