



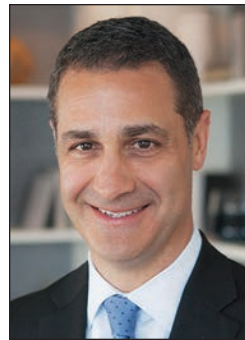
The Omni Difference

An Interview with David Chase,
Managing Director, Omni Berkshire Place



Omni Berkshire Place at the corner of 52nd Street and Fifth Avenue (left);
a Fifth Avenue suite (above)

EDITORS' NOTE David Chase has worked in the hospitality industry for over 25 years, beginning his career at The Ritz-Carlton San Francisco. After relocating to the east coast and working in Boston, he settled in New York to open the first W Hotel in New York City. Since then, Chase has held management positions at prestigious hotels such as the St. Regis, The Ritz-Carlton, as General Manager of Trump SoHo, and, most recently, as the General Manager of The New York Palace.



David Chase

Are there certain key characteristics that define an Omni property?

I will speak more to the Omni guest. We have an amazing loyalty program called Select Guest. Over half of those who stay in this hotel are in that program. It's different than most programs because it's genuinely experiential. Everyone receives a complimentary morning beverage, which is something they all take advantage of. There is also complimentary Wi-Fi and the ability to have a few items pressed. These are real amenities they get without burning

points.

The Omni guest is loyal to the brand with 60 hotels in North America. As a brand, we now have resort properties and some great city hotels. We also have some great convention hotels. This doesn't make us multi-personality as many hotels have different offerings like that. Even still, guests know that Omni is a luxury brand they can count on. Guests are getting value and a loyalty program that provides them with usable items during each stay.

Will you talk about changing your restaurant concept and what guests can expect from that?

Bob's Steak and Chop House is a Prime American steakhouse. We will be the 14th Bob's, a chain founded in 1993 in the original Del Frisco's location. Nine years ago, Omni became a 50 percent partner in the chain. Much of the growth over the past few years has come from putting Bob's into Omni hotels. We know how incredibly successful this concept is in New York City and we are giving our guests and the neighborhoods what they want.

To be successful, does it really need to draw from the neighborhood?

Yes. We have a very busy bar and restaurant just from our street frontage. This location is in the heart of the city, so we feel we're exponentially improving upon what we're offering at this incredible location.

Are you happy with the current rooms product?

We're in good shape. We're about five years from our last complete renovation but everything was brand new in the rooms at that point. We'll continue to make additions or tweaks to soft goods as needed, but we're in exceptionally good condition and the hotel is showing beautifully.

How critical is corporate business to this property?

Our relationships with our key neighbors like BlackRock, CitiGroup, JP Morgan, etc. are an important part of our weekday business. We need them and it's a segment that keeps retracting a bit. Those businesses are trying to spend less on travel but, when larger companies contract, we work to add smaller accounts and have deployed a salesperson to win more of that business to keep our corporate mix where it needs to be.

How important has it been for you to reinforce the guest relationship?

At 400 rooms, we're still a really intimate property, which allows us to have lobby presence in a very direct manner and fashion.

In our first full year, we stabilized the leadership team. Many of the staff have been here for 10 or 15 years and, like my luxury hotel competitors, we look very closely at our employee satisfaction scores and we've had a profound increase on those.

The way to address that service delivery is by me and my team providing inspirational leadership and having high standards. I'm proud to say we've been very successful this year in transforming the team.

Will you talk about your immediate experience with Omni in particular?

Omni is a very special company. Many of my competitors are overwhelmingly asset light. Many don't own hotels anymore – they just want management contracts and to run the hotels for someone else.

We are very unique in that we own virtually every hotel in the chain and, like ourselves, the overwhelming majority of those hotels are owned without debt. We really have a unique circumstance where the commitment to the building is not just about collecting the management fee.

Many GMs today have to face conflicting priorities of an owner and a management company. It's easier for us to choose our direction and maintain a sense of security.

Is the competitive set broad for you?

Omni considers itself a four-star luxury brand. Surely there are offerings in New York that have some things that we may not.

We are still very dedicated in a five-star capacity offering 24-hour room service and our three-meal restaurant. Many other luxury hotels have abandoned those services, but as a brand, we're committed to them. ●

PROPERTY BRIEF Conveniently located on 52nd Street in the heart of Manhattan, Omni Berkshire Place (omnihotels.com) is near Central Park, Times Square, Rockefeller Center, and Radio City Music Hall. Guest rooms and suites were designed with the feel of an Upper East Side residential townhome, while keeping them spacious and larger than most Manhattan accommodations. The property boasts 398 luxury guest rooms including 45 suites; a 17th floor sundeck overlooking midtown Manhattan; 24-hour in-room dining; state-of-the-art fitness center; 7,000 square feet of function space; and a 24-hour business center.

How challenging do you find the New York market and is it possible to find growth today?

Amazingly, even with all the new supply, we have found that occupancy has held. Whether it's via the convention bureau, or just this incredible city attracting visitors from around the world, there are millions more people here but, of course, rate has suffered.

Travelers believe today that the best rates come from waiting to book but is that always the case?

I still believe the traveler should book early because all properties are looking for base business booked in advance. International travelers, for instance, can often get an excellent rate booking far out.

Unfortunately, many times as the date approaches, the rates dip because people are trying to fill the remaining rooms. During midweek, we can still have high demand, creating compression so we can hold rates until the end. On some weekends and during busy seasons, we have a better chance of holding our rates, but in any soft periods – like holiday weekends and summer weekends – sadly, many of us are trying to grab those last rooms at a discount.