



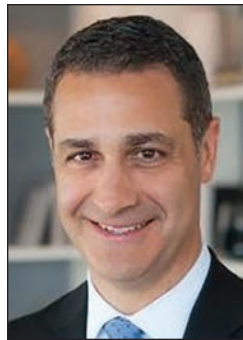
## A Long-Term Focus

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



The Apartment Penthouse dining room (left) and living room (above)

**EDITORS' NOTE** David Chase has worked in the hospitality industry for more than 25 years, beginning his career at The Ritz-Carlton San Francisco. After relocating back 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 including The St. Regis, The Ritz-Carlton, as General Manager of Trump SoHo, and, most recently, as General Manager of The New York Palace.



David Chase

**PROPERTY BRIEF** Conveniently located on 52nd Street between Madison and 5th Avenue in the heart of Manhattan, Omni Berkshire Place ([omnihotels.com](http://omnihotels.com)) is near Central Park, Times Square, Rockefeller Center and Radio City Music Hall. Guestrooms 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 guestrooms including 45 suites; a 17th floor terrace sundeck overlooking midtown Manhattan; 24-hour in-room dining; a state-of-the-art fitness center; 7,000 square feet of function space and a 24-hour business center.

### What are your views on the state of the New York City hotel business and has Omni Berkshire Place achieved growth in this market?

After several years of the New York market retreating a few points, it has grown a few points this year. Amazingly, this market continues to add room supply, yet occupancies are still holding at 87 percent this year across the market.

We enjoyed some rate growth this year after rates had suffered over the past years due to the new supply. Rate has finally turned the corner this year.

This increased rate has led to increased profitability, which has made for a positive year for us.

### Is your competitive set primarily located in Midtown or do you also compete against other parts of the city?

When it comes to corporate business, we compete geographically in this immediate

neighborhood. However, with weekend business, all bets are off. The city has become geo-blind for leisure travel. There was a time when leisure travel was based on location, but it has now blended.

The weekend landscape has changed. Customers now have many options when it comes to price range and this has caused the weekend rates to continue to struggle when compared to business travel.

### How is Omni Berkshire Place positioned in the market and is the Omni brand well understood?

People know Omni Berkshire Place as an incredible location for a business hotel as well as an ideal location for our leisure guests. Though we have more than 400 rooms, there is a townhouse feel that people enjoy and that makes it feel like a home away from home.

As a brand, we have many convention hotels such as those in Dallas, Nashville and Louisville. We have others that are more similar to us in cities such as San Francisco and Chicago. We also have some unbelievable resorts in California and Arizona.

We're currently building an 1,100-room convention hotel at the Boston Seaport which will have the biggest ballroom in Boston.

Our customers may know us in different ways, but those who are loyal to us are very loyal. They come to us because our loyalty program is experiential, not points based. They get special treatment when they're here with complimentary beverages, WiFi, and pressing that they use every stay while still earning free nights for the future.

### Are you happy with where the property stands today and are there changes planned?

As a GM, it is easy to come up with many millions of dollars we'd love the owners to spend on the property. However, Omni Berkshire Place has been well kept by a very engaged and committed owner. A room renovation is foreseeable in the not too distant future, we are updating our lobby next year and we have just redone our restaurant.

In a 92-year-old building, there is also a necessary commitment to keeping the back of house running and we spend a lot of money doing that.

We're lucky to have ownership that is completely about the long-term. They keep the mechanics and physical condition of the building in excellent shape because our brand owns and operates its hotels as they have here for 23 years. It's a legacy long haul here.

### Do you look at the restaurant as an amenity or is it a profit generator?

Food and beverage in hotels, in a perfect world, would be its own entity. To some extent, it's an amenity but, in a luxury hotel location such as ours, I need to have a full-service, three-meal restaurant.

Over the past two years, we've provided our customers with an appropriate food and beverage experience for this luxury hotel. It's not a driver of profit, but it's doing well and has shown an excellent increase in its second year. We're very pleased with how it has done for us.

### How do you manage projections today with so many different booking channels and a shorter window for bookings?

We rely on firms like CBRE when it comes to estimates for the future, which are often driven by supply. On the demand side, there is still a lot of guess work. Data exists, but future projections are still often wrong.

For an individual hotel, the tools for projecting the relatively short term – zero to nine months out – are excellent. All the hotels share data with the tools we subscribe to that offer round rolled-up projections for the market.

There are also great optics on the shorter window. However, I can't say with any accuracy what is going to happen in New York in 2020 other than at the convention level where the truly big hotels lay that business down.

### How critical has it been to build a stable team at Omni Berkshire Place?

We just had our annual employee satisfaction survey that reflects the best scores this hotel has ever achieved. Similarly, we're having the greatest year we've ever had with customer scores as well.

These are the report cards that determine if the leadership team is getting it right. The financials are the other metric on which we are judged.

I could not be happier with the results of the work we did over the last few years that have led to very little turnover and having the right people in all the right jobs. ●