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BRIEFS

Veteran Kessler joins Hunter
Industry veteran Brown Kessler has joined Hunter Realty Associates as vice president. The company announced that Kessler—who was most recently with IHG as vp, franchise sales, for the U.S. and Canada for six of the company's seven brands—will be based in its Atlanta office.

Virgin to launch hotel brand
Virgin Group revealed plans to launch a new four-star, lifestyle hotel brand under the moniker of Virgin Hotels. As part of the launch plan, Virgin Group has established a property venture that will acquire \$500 million of Virgin-branded assets in the next three years.

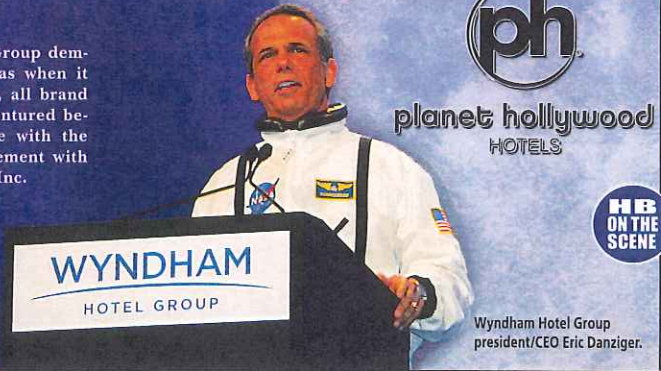
Wyndham shoots for the moon

By DENNIS NESSLER

LAS VEGAS—Wyndham Hotel Group demonstrated just how serious it was when it urged attendees of its first-ever, all brand conference to “Imagine” as it ventured beyond its current brand universe with the signing of a new licensing agreement with Planet Hollywood International, Inc.

With a deal completed just hours prior to the start of the Wyndham Hotel Group Conference taking place at the Mandalay Bay Hotel & Casino here, company president and CEO Eric Danziger announced

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Gary Beasley, Joie de Vivre Hospitality

Joie de Vivre undergoes management shift

By LAUREN ESPOSITO

SAN FRANCISCO—Since its establishment, Joie de Vivre Hospitality has been synonymous with its founder and CEO, Chip Conley. Now, there will be a new face to associate with

the company as Gary Beasley assumes the role of CEO and Conley transitions to the position of co-chairman.

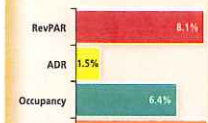
Beasley comes to Joie de Vivre from Geolo Capital, the private equity firm that acquired a controlling interest in the company

earlier this past summer. John A. Pritzker, whose family owns Geolo, will share chairman duties with Conley as non-executive chairman of Joie de Vivre. According to Beasley, the recent executive changes have been in

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New CEO Beasley plans to grow Joie de Vivre outside of California

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the works since they joined forces.

“When Joie de Vivre started thinking about taking on a capital partner, the company wanted to find a balance between finding the needed capital and a company that would fit well culturally. It was both a partnership and an acquisition,” he said.

While John Pritzker has ties to hospitality, Beasley does as well, having spent seven years with KSL Resorts, specializing in the acquisition of four-star destinations. But having been out of the lodging world since 2001, he was persuaded to re-enter it on the investing side with Geolo Capital.

Although Beasley is taking the reins at Joie de Vivre, he stressed Conley will very much remain an essential part of the company he founded, having signed a five-year employment agreement. “Chip has been known as the face of Joie de Vivre, and he’ll remain the face. But I hope it will eventually transition to him being known as one of the faces,” he said. “Chip has been extremely supportive and this change frees him up to focus more on the creative aspects of building the brand and designing new hotels.”

Taking over the day-to-day operations at Joie de Vivre, Beasley explained he is assessing the company’s strengths and

weaknesses to devise a plan for future growth. “Right now we’re going through a strategic planning process to put together a vision to take this company to the next level, and making sure we have the right resources to execute our strategy,” he said. “I think often there can be a disconnect between the investor and the ‘investee’ in situations like this. But because I already have a relationship with Geolo and understand Joie de Vivre, I can hopefully bridge that gap. I speak both languages.”

When it comes to growth, Beasley aims to bring Joie de Vivre’s portfolio up from its present count of 34 hotels, all in California, to approximately 60 hotels in the next four to five years. “We have a lot going on right now on the development front...we will continue to focus on the West, but we’re looking to broaden our presence outside of California,” he said. “We are also targeting New York City. We’re looking at a number of opportunities and hope to get going on a property there within the next year or so.” However, his goals for Joie de Vivre ex-

tend beyond New York. “To be a presence in the East, you’ve got to plant a flag in New York City. Once we do that, we can start attacking the East Coast. I also think other markets like Chicago ultimately make a lot of sense for us as well.”

Joie de Vivre has carved its niche in the independent boutique hotel segment, but Beasley predicted the company may eventually diversify its efforts. “Independent boutique is a very interesting niche, but I think Joie de Vivre’s skills are transferable beyond the boutique segment,” he said. He cited the Carmel Valley Ranch, a 139-room resort in Carmel, CA, which joined Joie de Vivre’s portfolio last month.



Chip Conley,
Joie de Vivre Hospitality

“It’s an interesting marriage between our two companies. We’re both striving to create unique experiences and are focused on developing the capabilities to expand,” Beasley continued. He pointed out that Pritzker was the driving force behind selecting Joie de Vivre as a partner. “John really kind of is the ‘anti-Hyatt.’ He really values uniqueness and creativity and with a flag; you can be limited by

standards. As a lifestyle hotel company, Joie de Vivre was very attractive.”

While Beasley acknowledged he is taking the reins while the hotel industry is still struggling to pull itself out of the recession, he is pleased with how the company weathered the downturn. “We’re actually gaining market share and exceeding much of the boutique segment so that is very encouraging,” he said. “We’re looking at undervalued assets. There are 10 times more three-star hotels than there are four-star hotels, and we like the opportunity to acquire and transform properties into three-and-a-half star boutique hotels. It’s a hit ‘em where they ain’t strategy, because we know we’re not going to win auctions against the Pebblebrook’s and LaSalle’s.”

In the midst of Beasley’s strategizing, he speculated his post may be short, and he sees himself eventually returning to Geolo. According to Joie de Vivre, it plans to start searching for a long-term CEO next year. “It’s a bit of a unique situation. It made sense for me to come in and run Joie de Vivre because of my hospitality background, but I joined Geolo to be an investor. My goal is not necessarily to be a long-term operator,” he said. “But we’re in no rush. We’ll see how things transpire. Right now my goal is to finish the strategic planning process.” **H3**