

Burtenshaw Lecture 2020

[MUSIC PLAYING]

BOB HARRINGTON: Welcome to the 2020 Distinguished Burtenshaw Lecture. My name is Bob Harrington, and as the director of the School of Hospitality Business Management, it is my pleasure to introduce our featured speaker today, and also to provide a bit of history about the Burtenshaw lecture series. So before doing so, I'd like to ask, as a courtesy to our speaker and everyone else, please turn off and put away all your electronic devices, particularly your cell phones. So thank you.

As noted in today's program, the Burtenshaw lecture series is made possible through a donation by Jerry and Angelina Burtenshaw, which commemorates their late son, Calvin Brett, who planned to enter the WSU's hospitality program before being involved in a tragic accident many years ago. We have included a picture of Brett working as a concessionaire in the family business in the program, and it's simply priceless.

Each year since 1981, WSU's School of Hospitality Business Management, through the efforts of the Burtenshaws, has invited leaders in the field of hospitality to visit our campus and deliver a lecture to our students, family-- family-- faculty, and WSU community. Today's lecture is being video streamed live online. And so for Angelina, who was, unfortunately, unable to make the trip, and also those Cougs who may be joining us via YouTube at our César Ritz Colleges in Switzerland, Vancouver, Everett, Tri-Cities, the Global Campus, and beyond, welcome. And we're glad you're here, as well.

In addition to supporting the Burtenshaw lecture series, the Burtenshaws have been instrumental in helping to shape the WSU hospitality program throughout the years with their vision, their leadership efforts, and through their generous contributions to the school. Jerry Burtenshaw is a prominent and very successful graduate of our program.

He has received numerous noteworthy awards and honors, including WSU's Alumni Achievement Award, induction into the College of Diplomats of Educational Foundation of the National Restaurant Association, being named Hospitality Man of the Year by the Washington Restaurant Association, being named Dean's Distinguished Leadership Award by the WSU Carson College of Business. And in 2017, he was inducted as a member of the inaugural class into the School of Hospitality Business Management's hall of fame.

The Burtenshaws are remarkable individuals, who turned tremendous personal loss into the establishment of this wonderful lecture series that has impacted students for nearly four decades. And so Jerry, please, we'd like to recognize you and thank you for your effort and support, if you'd raise your hand, or acknowledge Jerry.

[APPLAUSE]

Also in our audience today are a number of others that I'd like to have stand to be recognized. Our School of Hospitality Business Management ambassadors, please stand.

[APPLAUSE]

The officers for our professional student organizations, Sigma Iota, Eta Sigma Delta, PCMA, and the National Society of Minorities in Hospitality, please stand and be recognized.

[APPLAUSE]

Also, the faculty and staff from the School of Hospitality Business Management, and also from the Carson College of Business.

[APPLAUSE]

And of course, our very dedicated members of the School of Hospitality Business Management Advisory Board, who are also here.

[APPLAUSE]

So now to introduce today's guest, we are thrilled to have Jan Hazelton as the featured speaker for this year's Burtenshaw lecture series. She has impeccable credentials and a wealth of experiences in the hospitality field, which can be reviewed in more detail in her bio in today's program. I didn't have a chance to meet Jan until today, actually, so I did a little bit of cyberstalking to get a feel for who she is as an individual.

So after reading about her, one thing that was apparent, and certainly upon meeting her today, was the immediate feeling you get from being greeted by Jan. A very warm, reassuring smile, and her welcoming personal approach. And I think this fits well with the notion of practicing the art of hospitality, where it's been said that people may not remember what you do, but how you make them feel. And Jan is certainly one of those folks that fits in that mold.

Secondly, in reading about the Kerzner International, which is a leading global developer and operator of destination resorts, and Ms. Hazelton is responsible for two concepts, Atlantis, their flagship entertainment destination resorts, and their ultra-luxury One & Only resorts and private homes. This involves sourcing the right location and the right market and ensuring that the product fits with the Kerzner criteria. During her tenure, these properties have been recognized by a number of international organizations. Everything from Travel and Leisure, Conde Nast, US News and World Report, and many others recognize them as leading resorts and travelers' choice.

One thing that jumped out at me, as well, was, during an interview about her role in these brands, was the description of the Kerzner International team as being innovative, entrepreneurial, and assuring exceptional experiences. And when she was talking about the

notion of experiences and the notion of luxury, she touched on the importance of its subtle nature, attention to details, and the intangibles that make a difference. And so while Jan is an internationally seasoned hotel investment and development executive, she is one of those unique individuals that understands both the financial aspects and the intangibles that impact guests' quality of life. So please, give an enthusiastic Cougar welcome to Ms. Jan Hazelton.

[APPLAUSE]

JAN HAZELTON: Thank you very much for that very, very kind introduction.

I'm sitting in a hotel suite at the Dorchester Hotel with Brad Pitt, and Angelina Jolie walks in. How did I get here?

[LAUGHTER]

Good afternoon, ladies and gentlemen, fellow Cougars and hotel students. I graduated from hotel school here back in 1983, and I am absolutely delighted and honored to be here today. Being back on campus is great.

So my journey, it's been an interesting one, to say the least. It's been full of twists and turns, great moments, and disappointing moments, as well, and everything in between. So it's been a career of both choosing my path and my path choosing me.

So it's interesting, the journey to Pullman yesterday was impressive. I don't remember Alaska Airline having numerous daily flights to Pullman. But I was on an airplane that held 72 people. Now, I remember when I was at Pullman an embarrassing moment that I had. I was on a flight flying from Pullman back to Seattle. And these planes had maybe 12, 18 people on it.

So I was chatting with a friend as I was boarding the plane. Plane's taxiing down to turn around so it can start taking off. And the next thing I know, the pilot says, OK, welcome aboard, we're heading to Spokane today. And I'm thinking, Spokane? I'm going to Seattle. So as one does, or at least you certainly couldn't do it today, but you could back then, you get up, go to the pilot, part the curtain, tap him on the shoulder, and say, excuse me, I'm on the wrong flight. And he's like, OK, and turns around and takes the plane back, and the little steps come down and I pop off. Easy.

I'm certain I couldn't do that today. However, yesterday's flight gave me a little bit of cause for concern because, as I was boarding my flight from Seattle to Pullman, I looked at the plane. OK, it had orange writing on it, OSU logo. I mean, what's wrong with this picture? What's up with that? Anyway, I thought I was getting on the wrong flight to Pullman again.

Anyway, today, as was mentioned, I'm the head of development for Kerzner International, responsible for Europe and the Americas. And so there are four things that you need to put into a hotel to get a deal together, in a broad capacity. You need a vision, you need a brand, you

need capital and a site. And then you need to work out the feasibility. And if you can't make it work, then the deal just doesn't get done. And if you look at my career, it has a lot of these elements, too.

So let's start with the vision. So after high school, I knew I was going to attend either WSU or UW. And I looked at the programs that each school offered, and I saw that WSU offered architectural interior design. I know I'm here today talking to hotel students. However, I thought it was great. Being an interior designer was something that I was aspirationally seeking, so WSU won out.

However, first year, I kitted myself out with pens, pencils, drawing boards, slide rulers, everything that you need for your architecture class, and early on, I made a very awkward discovery. Everyone could draw but me. So I stuck it out for a year, but really, it was obvious that this was not the path for me. So it was time to abandon my aspirations and vision of becoming an architect or interior designer, and I needed to have a rethink.

So I figured business would be a very good major. Then I discovered that WSU offered a hotel and restaurant administration course, and who doesn't love hotels? They're much more interesting than widgets in the business world. So I changed my major to hotel administration.

Now, I know that work experience is very important during your education. And so during my latter years at school, I got some work experience, as well. And I made sure it was in food and beverage. So I worked at an establishment that I'm sure many of you are familiar with. And I thought it was an absolutely brilliant idea to work at the Cougar, because I would inevitably be spending my time there, so instead of spending my money, I was making money. I guess it's kind of like multitasking. Do what you love, love what you do. And I was very happy to visit the Cougar yesterday and see that it's still in business.

Now, I also had a summer internship at Lyons Restaurant, which was a great training to become a restaurant manager. So I spent the summer working there, weekends, night shift, and I realized that it was not for me. So I got quite a few lessons early on. But I think that one key is that it's important to give something a try, but it's also important to be honest with yourself, and if something isn't working, don't be afraid to change. That strategy worked out pretty well for Twitter, and it hasn't been bad for me.

Another fond memory I have is my time at WSU I was involved with the Sigma Iota club. And during the last year, I organized our senior field trip. This entailed planning an itinerary, getting hotels and restaurants to provide you complimentary food and beverage and hotel stays, and various other things. And I think the idea is that we had a group, I think it was 12 or 16 students, and we go down and we visit managements, talk to them, see what they had to say, potentially maybe getting a job. But it was good fun.

So we did that, and I believe that year Dr. Terry Ann Brighton's family joined us on the trip. We had a really successful trip. We started in Portland visiting Spaghetti Factory. And

unfortunately, I don't think Spaghetti Factory is in business anymore. That's a disappointment. But then we stopped in Napa Valley, as well as San Francisco at the airport Hilton, the Saint Francis, which was a Westin Hotel.

And we came back through Lake Tahoe, stopped for a little skiing, which is a very important part of hospitality, then last stop was in Reno with Caesars. And we tried our hand at gambling, as well. So anyway, before we headed back to Pullman, I think lost all our money. And we came back. It was a great trip, a good memory.

So when the time arrived and I had to say goodbye to WSU and work out what to do next, the truth is I didn't have much of a plan. I wasn't interested in working for Lyon's Restaurant, because they had kind of given me an offer, so I was really disappointed to leave school with not a proper job offer in hand. I really loved Westin Hotels. I just thought, at the time, they were a real elegant company, cutting-edge at the time. If you know the Seattle Westin, the two circular towers were cutting-edge at one time. And I tried to get onto their management training program in Seattle, and I was rejected.

So anyway, left school without a job. But there was a suggestion that the Century Plaza Hotel, which was another Westin hotel, might have an opening in their management training program. So as one does after graduation, I took a road trip with a girlfriend, and we ended up in Los Angeles. So I made sure I brought a business suit or business outfit, and I went in and interviewed with management at the Century Plaza Hotel. They said, well, we'll see. We'll know in a couple months.

So I came back to Seattle, and I took a job at the front desk at this lovely Seattle Westin Hotel. And a couple months later, I heard from Century Plaza Hotel, and I'd been accepted into their management training program. So I was very excited. And LA, here I come. There's the beautiful Century Plaza Hotel, which today looks a little different than that, but it was a great first job.

And it was a very exciting time at that hotel because it was the center of all activity in Los Angeles. They were building a 300-room addition next door to be the luxury tower. And also, the Summer Olympics were held in LA that year, which created a lot of excitement, as well.

An interesting accounting feature was I was working the night audit when the Olympics were on, and the hotel was completely sold out for the whole time of the Olympics. Big companies would buy big blocks of rooms, but not every room actually was occupied. Some people didn't show up, so we were able to resell hundreds of rooms. It was the only time in my career I've ever experienced occupancy of more than 100%. Then the question for you accountants is, do you put that extra in occupancy or do you put it in rates? So I'll let you figure that out.

And the interesting thing about this hotel, when I was there and I started my career, they were building a luxury tower. Fast forward, I think it was probably 2006, and I was in Los Angeles for a hotel conference that they held at the Century Plaza every year. And I was sitting out on the terrace, fondly reflecting back on my time at the Century Plaza that was many years before, and

they were tearing down the tower that they were building when I was there. And all I could say was like, wow. My career has outlasted the useful life of a hotel. That's pretty impressive.

So the hotel also was a very, very exciting place to be because it was the president's hotel of choice. And then when I was there, it was the time when Ronald Reagan was running for his re-election. And so the Century Plaza was built for security. They had super VIP areas. They had special places on the roof where they would put their Secret Service. And the place would be crawling with Secret Service, White House press.

It was a very, very intense time. And everybody would have to have security clearance that was going to be anywhere near the president's suite on the top floor. But there was also the election night celebration party at the hotel. So a fascinating place to be, and a great source of business. But it made me realize that, every time a president takes a trip, how much of a burden it is on the taxpayer. Very expensive.

And there were other excitements, too. Not all of them were enjoyable. So during my management training program, I was on night audit from 11:00 PM to 7:00 AM. And one night, the hotel was about 65% occupied, and the fire alarm went off. OK, no one told me what to do or what procedures to follow. I was 22 years old, and I was the most responsible person at that hotel. Wow.

So the phone started ringing off the hook. People want to know what to do. I mean, of course, you're kind of like, well, leave your room, because you certainly didn't want to say, oh, don't worry about it, because you didn't know. So anyway, the meeting planner happened to be a team leader, and led everybody from his floor 20 floors down the stairs in their pajamas.

And then he, of course, marched straight up to my desk and started yelling at me in his pajamas. I was like, wow. I guess I'd be angry, too, but I realized that working front desk was kind of like a glorified complaint department. So however, the next day, we all went through emergency procedures on what to do. So hopefully, that will never happen again.

But you know, so I figured I don't know if operations is for me. Another lesson I'm learning. But I thought, sales. Now, that's what I would really like to do. I think I'd be good at sales. Now, I wanted to get a job in the sales department at the Century Plaza Hotel. However, somebody would have to die or they'd have to retire for there to be an opening, and then if there was an opening, you had to have previous experience. So you can kind of see the problem here.

So out of the blue, I was approached by [INAUDIBLE] [? Forester ?], and they had an opening for an entry-level consulting job in Los Angeles. Entry-level. That's great. I was pretty excited about that. I fit the bill there. And they do significant feasibility work in the industry. Aha.

Now, let me reflect back to WSU and my very fond memories of my favorite course that I took while I was here. Except for the wine tasting. That probably, in tandem, was a favorite. But so while I was pursuing my hotel degree, my favorite class was feasibility. Dr. Umbright taught the

course. And our assignment and our project was to prepare a feasibility report for a hotel in a location of our choosing.

Well, I selected my hometown of Bellevue, Washington, and I'm quite pleased to say that I happened to dig this out while I was home over the weekend. This is my report. And my market was Bellevue, Washington. And this is my attempt at Google Maps 30 years ago. This is an aerial photo I took of the site location I picked out in Bellevue. My dad was fortunate enough, he had a pilot's license at the time, so he took me up to take some pictures of the site.

So now, I have to just say, my conclusions on this feasibility report were, let's see. "Overall, Bellevue is a community of pride and accomplishment. Even though it is a fairly young city, its future looks long, healthy, and prosperous." Pretty good, Jan. Then let's see, the other conclusion was, "since the economy is stable and growing, and taking into consideration the great accessibility to the area, Bellevue would be able to support an additional motor hotel property." I guess I'm pretty good at this, aren't I?

So anyway, if we fast forward to come back to [? PKF ?] opportunity, I was very excited about this. And I joined them, and I spent the next four years writing feasibility reports in various markets in the US. And I had started in California, southern US, and I had one opportunity in Austria, a little village called [? Waidring ?] Austria. And I mean, a development always starts with an idea or a dream. This was a dream.

And a dentist living in Los Angeles I think had visited [? Waidring ?] and wanted to create a hotel there. So we went and did a feasibility study for him. And I can say that the hotel never got built, but when you work in development, you have to have a very thick skin because 90% of what you work on never comes to fruition.

So my projects ranged from a Holiday Inn in Barstow, midway between Los Angeles and Las Vegas. And I think, at the time, Barstow's claim to fame is it had the largest McDonald's in the world. But I think the Holiday Inn was built, and very successful. And I also worked on a luxury hotel in Beverly Hills, the Peninsula, which, again, today has been built and is very successful.

So I'm going to come back to feasibility a bit, but I want to talk a little bit about brand. I mean, what is a brand all about? And I guess it's how you feel about a hotel and how you get treated, what values are. And a brand really sets customers' expectations. People like to know what to expect.

So I don't think I've ever consciously had a personal brand strategy. Nowadays, that's kind of a more obvious thing to do when you look at the Instagram sensation or YouTube blogger. But during my past, it was more about simple networking, and something which I do think is highly valuable. And that's public speaking. Because initially, public speaking can be very scary, but you soon realize that speaking can be actually kind of good fun.

And over time, I volunteered for various speaking opportunities, and then also later helped to run Urban Land Institute's Hotel and Resort Council, as well as I'm currently running an international hotel investment council. And so doing these type of things voluntary on your spare time, which seems to get limited these days, is actually really valuable. It exposes you to a lot of different people, a lot of different things, volunteering to be on panels, because when you do that, when you're up on a stage, everybody will know who you are.

And that's great, because then they think of you a little bit differently. And you're no longer just one of the crowd, but it provides you confidence. It helps you speak to more senior people. So I recommended everybody take those hard first steps and put yourself out of your comfort zone. It's a really great thing to do. I think it's helped my career develop quite a bit.

So early in my career, I don't think I did a lot of speaking, but I did network. And a broker that I met during my time at PKF called me one day and asked me if he could refer me to a job at Sheraton Hotels. I thought, wow, that sounds interesting. So one thing led to another, and I joined Sheraton. And I had a very specific role. It was a development analyst for Sheraton Suites for the Western US. And I would be based in Los Angeles. And so if many were going, Sheraton Suites, I didn't know they did Sheraton Suites, well, they kind of didn't. They tried, but it didn't go very far.

So anyway, the thing about this job at Sheraton is it seemed to change every year. And so that's where I'm going to give you another little piece of advice. Working for a large company can be very advantageous. So if you're working for a company and you're not happy with who you're working for or what you're doing, just wait a year. Things always change. I had six different bosses in seven years when I worked at Sheraton. Plus, I relocated five times within three different cities. So it helps to be flexible if you want to advance your career, as well.

So my time at ITT Sheraton was very exciting. ITT was the parent company, and they were very well capitalized, and they spent significant money expanding the Sheraton brand. So I started out as a development analyst for the West Coast, based in LA. Then I moved to Seattle because I got a new boss, who left after year. And then I moved to headquarters in Boston. And that's where the job started getting really interesting. I was at headquarters. And headquarters is a great place to be because you get so much exposure to what's going on. You get lots of opportunity.

And then I started traveling internationally. I did a few big projects in Australia. One was working on a RFP for a casino license in Melbourne, and the other was looking for a hotel in Sydney, Australia. We had Sheraton Wentworth at the time, and we were going to be losing our management contract. So the task was let's find a replacement. So we spent a couple weeks in there scouring the market, finding opportunities to buy something or a site to develop.

And we ended up acquiring it's called the Sheraton on the Park, or I think now it's called Sheraton Grand in the Park Sydney, or something to that effect. But it was a real triumphant project. I spent a few months going back and forth to Sydney. And during the process, we did

the underwriting, negotiating. I was working with another gentleman in the company who was a lawyer. And it was an office and a hotel mixed use complex.

So we were getting ready to close, and within two weeks of closing, all of a sudden the CEO of the company said, well, we were always planning to finance this, but we weren't planning [? to pay ?]...We were planning to pay all cash. So we thought, great, this is easy. The buyer was happy we're paying all cash. And two weeks before closing, the CEO says, no, we need put financing on this. We're like, you've got to be kidding me. You don't get financing in two weeks.

Well, the treasurer of Sheraton flew down to Sydney, and we spent night and day for two weeks straight pitching and negotiating with some banks. And we did succeed in getting financing for this hotel, and we closed on time, which was a landmark. And it was a fabulous experience, and it was kind of my introduction into hotel financing a little bit, which helped me later on.

So I then was offered the opportunity to move to Hong Kong with Sheraton, and I just didn't want to move to Hong Kong. It just didn't resonate with me. So I ended up moving back to Boston. And then, some changes came relatively quickly. ITT was splitting into three publicly traded companies, and McKinsey, the big consulting firm, was brought in to review the company. And the word was out that redundancies were coming. Well, shockingly, at 35 years old, I suddenly found myself redundant, unemployed, and looking for a job. So this is a good time I'm going to talk about capital. We'll come back to redundancies.

One job I had, I won't get into too many specifics, but 20 years ago, getting equal pay as a woman was not automatic. And I remember one employer recruiting a man to do the same job that I was doing, that I had been doing successfully for a few years, and they were paying him 20% more than me. So I fought hard, and I did get a raise. However, I still didn't feel very valued. So they were pretty mad when I gave my notice two months later. "After all I did for you." I'm like, well, you know, a day late, a dollar short, so.

So anyway, back to the capital. Also, when I was jobless, I kind of instantly went to my network, and started talking to people and finding out where opportunities were. And I did find an opportunity in Dallas for a very small little private equity company called Circuit Capital. And here, they worked with a third-party investor, buying and selling and asset managing hotels for this investor. But unfortunately, within the first six months I was there, they were selling most of their assets and their primary investor was losing interest in hotels. So I kind of saw the handwriting on the wall, and knew this would be a very short-lived job.

Therefore, through my network, I contacted Olympus Real Estate, which is a private equity firm also based in Dallas, as I had heard they just raised a new fund and they had their own capital to spend. They weren't dependent on somebody else. So I ended up then joining Olympus Real Estate, and spent some time there. And it was where we would be looking at sourcing, acquisition opportunities, doing the underwriting, asset managing, and selling the hotels. That was kind of the circuit of business that we would do when we were there.

And one of the hotels I was involved with was the acquisition of the Copley Plaza in Boston. It was a beautiful, old, rundown, ground-down at the time when we looked at acquiring it. And we acquired it with the business plan of doing an extensive renovation and rebranding it a Fairmont Hotel. And let me tell you, when you look at old hotels like this, they need a lot of capital, because you start digging in and you realize there's more and more things wrong with it. And part of the problem is some of the guest sees and some of it doesn't. And it's always harder to spend the money in the areas where the guest doesn't, but it still needs to be spent.

So while I enjoyed working at Olympus and the private equity and all that exciting buying and selling, I didn't really like Dallas. Just wasn't for me. So phone happened during one day, and it was a headhunter asking me if I would be interested in a position with a French bank in their hotel division in New York City. Wow. Really? Are you kidding me? New York City? Who wouldn't want to go there? So they say that everybody should live in New York City at least once, and I certainly agree.

Now, as a side note, how did I get this job? Well, the treasurer of Sheraton was the one who referred me to the headhunter. And remember, she's the one that I worked with in Sydney to secure the financing in a very short period of time. So again, network is really important, and always leave the company on good terms.

So I spent the next three years working with Crédit Lyonnais in New York learning banking. It was a fabulous experience. I was a relationship manager, and was responsible for bringing in new clients. And after the first year, my boss inquired if I would be interested to move to London because I'd like to start up a hotel lending practice. We have our colleagues and our headquarters in Paris, and we've got US clients that are looking to go to London and start investing in Europe, so we think it'd be a really great thing to have an office and expertise in London. So, well, that was another one wasn't very hard to consider.

So, London. Packed my bags, and in 2000, I moved to London as an expat. So what does an expat mean? It's a person living outside their native country. And wherever you go in the world, if you are an expat, there's always an expat community that you can kind of coddle yourself with, in addition to immersing yourself in that local culture.

So now, was I scared? Was I nervous? Absolutely. But I had no idea what to expect, what I was getting myself into, but I was excited and nervous at the same time. So I spent three years in London, and the first year was literally just going out and meeting people in the industry and companies, trying to source business opportunities. The second year, things were really starting to click. I had a few projects that I was working on and getting financing, and they were just kind of in the credit process, getting approval.

And then, September 11th hit. And that was a disaster for the industry, as we all know. Business dried up, so my boss in New York said, Jan, come back to New York. I have a safe haven for you, and you need to leave London. Well, I loved living in London, but I did go back, kind of kicking and screaming because I really loved living abroad.

I moved back to New York, but I continued to expand my knowledge in banking, which was very helpful. And I, at this point, instead of bringing in new business, I was taking over some of our corporate clients, like Hilton, Host Marriott, Hyatt. So it was exciting times. And I was a banker for Hilton. And that was very instrumental because, as you know, I was trying for next four years to find a way to get back to London.

So over the past 10 years, I've looked at many projects around the world, and one thing I can certainly tell you about the capital is it's probably the number one thing that people lie about. How much they have, how much something is worth, where their money comes from, you name it. And they also lie about sites. People lie about planning, they lie about funding, and in some cases, they lie about whether or not they actually own the land. And these are all things I've experienced firsthand. So you have to be switched on, do your research, and take everything at face value. And it's important to do your due diligence. Dig in, do your research.

So anyway, getting back to London. So in 2005, Hilton Hotels Corporation, which was based in Beverly Hills, and Hilton International, which was based in London, they merged. And as I was the relationship banker for Hilton, I knew some of the senior management there, and I planted a seed and asked them if there might be an opportunity in London with the company. One thing led to another, and I ended up joining Hilton Hotels in London in the development team, and I had a focus on portfolio deals and capital partners.

I loved being back in London. Hilton was a very dynamic company to work for. They were bringing their brands here, [INAUDIBLE] Hampton, Garden Inn, Double Tree, they were bringing those out to the world, and so there was tremendous opportunity in Europe to set up these brands. And I spent the first two years working on many different portfolio transactions, finding opportunities to acquire portfolios, or people who were acquiring portfolios, can we brand them, and what do we brand them. And it was a very, very exciting time.

However, during this time, Blackstone ended up acquiring Hilton and took them private. And when Blackstone came in, then came the financial crisis of 2007. Deals stalled, development stopped. Everything grounded to a halt. Lehman Brothers went bust, and hotel performance faltered around the world.

OK. So with Blackstone as the new owner, another McKinsey review comes in. Great. Guess what? Yes, redundancy program is announced. And yes, once again, I made the cut. That's not a good thing. And it was in 2009. And it's like, wow. Wow. Things are a bit different this time. I'm older, more experienced, but business in the hotel investment world and banking world absolutely dried up from the financial crisis.

So by 2009, the recession was in full force, and I was made redundant again. Not really great for your ego. This time, it was a bit more difficult because no one was hiring, and many companies were cutting back, laying off. So I was like, what to do now? I figured it was pointless to be going out and knocking on doors to be hired.

So I was talking with a former retired banker that I had met during my time at Crédit Lyonnais, and he suggested we team up and form an advisory company, and we can market our services to these banks that have bad loans. Now, that sounds like a good idea. That seems like certainly something that would be useful. And so we did this, and we ended up establishing a business. It wasn't easy, but we did. And we advised some banks on their bad loans. We branched out and did some other consulting projects, as well.

Now, being a consultant is great. You have lots of flexibility. You can take on a variety of different projects. But at the end of the day, you have no control over the project. And that can be a bit frustrating. I'll give you an example.

One of the projects I worked on was with an Italian developer. And he had plans to develop a Four Seasons Resort in Sicily. Now, in particular, keep in mind, we were well entrenched into the financial downturn, so finding investors was not going to be easy. You're probably wondering why I took this on in the first place, but I'll get there. So particularly, when you're talking to investors, you mention Italy, and everybody gets a little concerned. When you mention Sicily, they start looking at you cross-eyed. Then when you say that it's a development project, which entails even more risk, they think you're mad.

So, however, there was a reason I took the project on, because in certain markets in Europe, the European Union will provide subsidies to development projects. And these subsidies are made in cash, and they end up making a project very interesting because the subsidy for Sicily, the developer would get a 50% cash subsidy with no strings attached, no repayments. So if you consider your investment analysis and feasibility, this makes a project very attractive, and can really make your returns sing.

To top that off, the Italian state bank would provide a loan for 10 years, interest-free. The only requirement is you just amortized it over that 10 years. So there was really a great way of making a project feasible. And I actually, after approaching 150 different investors on this project, I ended up with six saying, yes, we're interested, come back to us as soon as the EU subsidies are confirmed and you have your planning permission. Well, let's just say the developer has still not achieved those objectives, so that 90% rule.

Another project I had was working with an Egyptian investor that was interested to acquire distressed assets in Spain. So they found an asset, and they approached me and asked me to do an operator search, but with the criteria that the operator had to bring in equity, about 2 million euros at the time. About 20% of the project, or project equity. So that is not the easiest thing to do because hotel brands typically don't like to be equity providers.

However, I did find one group that was very interested. And they stepped up to the plate and said, yes, yes, we're happy to do 2 million, we can do that. So I'm with my client. We fly to Abu Dhabi, where the brand is located. And the night before we have our meeting with the brand, he tells me, you know, Jan, I just don't think this is going to work. We need them to provide

50% of the equity, not just 20, which means instead of 2, it was like 10 million. I'm like, seriously?

Anyway, that was a wasted trip. Embarrassing, and again, out of my control. Fortunately, the brand understood. So it can be very frustrating being an advisor. There are some advisors in the audience. They might know that feeling. Anyway, running your own business is hard, but it also can be rewarding.

Another project that we did is this lovely resort here is The Belfry. My partner and I, we sourced an offmarket transaction for KSL, which is a private equity firm based here in the US that specializes in resorts. And they're also very specialized in golf. And we knew that they were interested to come to Europe. So we knew that the Irish seller was in trouble, and contacted them, put the two together. One thing came to another, and KSL is a very happy owner of this resort. Repositioned, and it's doing very well. And it was a great story for the [? TJ ?] of the company because it sort of eclipsed everything we did in the past four years. So made it all worthwhile.

Now, shortly after the Belfry transaction, I was approached by the global head of development for Four Seasons Hotels. And it's another thing I have to thank [? TGA ?] Consulting for, because even though the Sicily project never happened, it did mean that I spent some time and got to know the Four Seasons development team fairly well. So Four Seasons was in the process of regionalizing their development efforts, and they were looking for somebody in London.

While I enjoyed the consulting because you have opportunity to do many things, I was very intrigued by the opportunity to work for a luxury hotel company such as Four Seasons, which has such an amazing image, and it's a great luxury brand. And I really, really admire the founder, Isadore Sharp. So I don't know, we probably all are familiar or have learned about Isadore Sharp, but he had one rule that he instilled in all of his people, which is the golden rule, and it was his ethos, and it was very simple, treat others as you want to be treated. And it's simple, very effective. So I have a lot of time and respect for that man.

I spent the next three years at Four Seasons, immersing myself in the luxury sector. I was tasked with adding to the portfolio in Europe. And this entailed working on numerous projects in many markets, meeting very interesting owners and developers, and working on many RFPs for amazing opportunities. During this time period, there are many government buildings in Europe, throughout some of the major capital areas, that were being sold or auctioned off or whatever.

They were trying to monetize because all the governments are broke. And so there's some beautiful buildings that we worked on to try to convince the owners that owned them to put a Four Seasons in there. So unfortunately, we weren't successful, for a variety of reasons. And some of those reasons are that other brands have a different view of what makes financial sense than we do. But that happens.

But also, might want to talk about location here, because early on, I learned location, location, location, right? Location is everything. However, in luxury hotels, it's not always the case, but it isn't far off. Sometimes, a luxury hotel will create the destinations. Four Seasons was very successful in doing that in Costa Rica. They were the first luxury brand to enter that market that was really a haven for backpackers and a very low-rated market. And they came into that market, and are very successful. And today, they have a beautiful resort hotel that's getting a rate of over \$1,000 a night.

Another example of a site defying logic is the Amangiri in Utah. It's a very ultra-luxury small hotel that's located in the middle of a desert on a plateau in Utah. And it's not very intuitive for a hotel site, but it's in the midst of a beautiful natural setting, and it's been very successful. However, through all this, let's not forget you still need the capital, and the feasibility has to work and investors need the right return on their money. But without the site, you have nothing.

So there's been multiple luxury brands all searching and competing for unique, extraordinary opportunities. So when you're out there doing development, you have to put in a lot of legwork, you have to have a great brand behind you and a clear idea of what you're looking for, and be able to recognize it when you find it.

But there's also challenges that come with that, because you can have the most fantastic site you've ever seen, with incredible potential, but if the money and the backing from the ownership comes from a highly dubious individual with multiple corruption charges against them, then it's never going to work. So I've had a few experiences with fantastic projects that I had to turn down because the ownership didn't pass what we call KYC, or know your client. Very disappointing, but anyway, you move on to the next challenge.

But also, other challenges are that the property itself has to work. The rooms have to be the right size, and big enough to deliver your brand promise. You need to be in a market that will support the rate that you need. And there might be challenges of labor laws, and there might be planning restrictions on what will make your project work. For example, we-- it's a Four Seasons. We were looking at a project in Barcelona. Beautiful city, great tourist destination. And we'd been working with a developer that had acquired an old Deutsche Bank building, and in a perfect location. You just couldn't get more A plus location.

And so as we were going through our agreement, signing LOI, all of a sudden, new government comes in, and they change the legislation in Barcelona, and they will not allow any more new hotel development. So man who bought the hotel, or bought the building with the idea of converting the hotel was frustrated, and we were very frustrated because we were out of a great opportunity at that time.

So there's lots and lots of things that can come up when you're working on a hotel transaction. You can be tripped up by a legal hurdle at the last minute, or again, another brand has got a bigger pocket book and keen to take market share, so they'll be willing to pay more than you

for certain items in your term sheet. Anyway, don't get me wrong. I love luxury. Just don't assume that traveling around the world and staying in some truly fantastic hotels is not without its challenges.

So during my time at Four Seasons, my boss left, the team changed, the executive management team changed, and it just wasn't enjoyable anymore. So I took the opportunity to leave, and I decided I was going to go back to consulting, this time with my own company, called Three Points Advisory. The economy was much more robust, and I did a number of interesting projects.

One was finding an equity investor for Cycas Hospitality, which is a third-party management company. And that investment helped propel the company's growth, and I'm really happy to say that today, three years later, the company's tripled their size and doing great. So that's really satisfying to see. And I also worked for Colony Capital, which is a private equity fund. And they had a few European investments in Rome and Madrid that I was helping them trying to sort them out.

When I was doing that, I came onto Kerzner. So I was very content kind of doing my own thing with my consulting, and Kerzner reached out to me on LinkedIn. And they were looking to fill a role of Vice President of Development for Europe and the Americas that would be developing ultra-luxury brand One & Only and the famed family resort Atlantis. The job sounded really intriguing, and I was excited about having Americas [INAUDIBLE] again, because I speak the language. But the best part was that the company was well capitalized, and they would invest in their hotels and their developments, which is very unusual for a hotel brand company to do.

So anyway, I've been there for almost three years now. And having that capital behind you really gives the competitive advantage, and it's a big tool chest in which to use to make your projects work. So anyway, I love it here, and it's been fantastic. We're a small company, but we have an extremely talented group of executives and colleagues. And so if you ever get the chance to stay at a One & Only, I'd highly recommend it. It's truly an exquisite brand.

Today, we have nine existing assets around the globe, and three more that will be opening this year. And my job is to make sure that we continue to have more in that pipeline. But today, my job incorporates everything that I've done in the past. So during your career, you're going to be building your skills and knowledge over the years. And I've been fortunate to have been able to work in all aspects of hotel development investments, with consulting, working for a brand and manager, working for a bank and lending, and also working for private equity.

So in these type of skills, it includes networking, which I think I've mentioned quite frequently. You can never underestimate your network. And I would say to you, look around you today at your fellow students, because in 20 years from now, some of you will be holding senior positions at hospitality companies, or perhaps some of you will have started your own innovative company. So stay in touch. You never know when you can use your network.

And feasibility is another skill. It's invaluable. From everything that you do in hotel investment and development, it's all about being feasible financially and in the market that you're looking at. You also need to understand capital structure, to understand how debt and equity capital work together. And negotiations. You always have to be able to negotiate. And it's not just negotiating term sheets or negotiating documents, but you negotiate with everybody. I do a lot of negotiating internally with my colleagues and my senior management. They don't know it, but I do.

And then also, relationship management is important. Did that as a lender, and you're always cultivating relationships. And lastly, it's persuasive speaking and influencing others is very important, and learning how to get buy-in for some of the things that you want to achieve where you are. So I'm still loving what I do, and I'm looking forward to signing many more deals in the coming years.

Now, a little advice. Looking back, what advice can I give all of you? Well, the first thing I'd say is that everyone's different, and we're not all good at the same thing. So if something isn't working for you, don't be afraid to try something new. Don't be afraid of change. If you don't like a new job, the city where you live, you can change it. You're in control.

And also, think about your network and your brand. Speaking, leading some industry organizations has been great for me, and introduced me to all sorts of people and opportunities. The more you do it, the more comfortable you get with it. I recommend anybody to live abroad. It opens your mind like nothing else.

So you know, it's good to have a plan and to have goals, but life is going to throw a few curveballs. I know I've had my fair share. And these are going to put you off your stride, but don't let them defeat you. Being made redundant was deflating, especially twice. Running my own consultancies was always a challenge, but it kept me close to where I wanted to be. And every so often, you just end up at the right place at the right time.

So to choose, or was I chosen? Let's take a look here. Each job, did it choose me? Well, first of all, I chose to come to WSU, which I think was a great choice. Westin Hotels. I really wanted to work for that company, so I chose Westin. PKF, they approached me. That was a good opportunity. Sheraton Hotels, once again, I was approached. They chose me.

Circuit Capital, I approached them, so I chose them. Six months only, but that's OK. The next one was Olympus Real Estate, and I chose them, as well, even though it was in Dallas. The next, Cr dit Lyonnais, which is now called Calyon-- changed their name, like most companies do over a long period of time-- the path chose me there. And Hilton was one that I was instrumental in choosing.

Taylor Global Advisors I was instrumental in choosing. Four Seasons, sort of the path to me there. Three Points Advisory I chose, and Kerzner, they chose me. So I guess what I'm trying to point out here is that you don't have to have a perfect vision of where you want to be, because

the path is very changeable and very flexible. And it's turned out A-OK for me. I'm very happy with where I am.

So anyway, let's go back to the beginning. How did I get in that hotel room with Brad Pitt? Well, at the time, I had my own consulting company. And I had a phone call from one of my many contacts, who asset manages a hotel in Paris. And he said that his lawyer called him because he needed some suggestions for somebody to work for his client. His client was a famous American that owned property in France that needed some advice.

So I don't know the logic. I was American and I worked for a French company at one time, so he put me together with him. Go figure, but I was happy about it. Didn't know who the client was at the time, but I was intrigued. So the lawyer contacted me, and finally, I discovered who the client was. I was like, wow, this is pretty exciting.

So one thing led to another, and I just was headed to the Dorchester Hotel to meet Brad Pitt and talk about his consulting assignment. I was a bit nervous, to say the least, meeting a big celebrity like that. But I walked into the Dorchester Hotel, and it was amusing because there was a paparazzi of cameras all out in front of the hotel, hoping to catch a picture of probably famous people staying there. I'm sure they knew Brad was there. So I had to kind of laugh to myself and, gosh, if they only knew where I was going, kind of giggle.

So a security guard greets me, whisks me up to the suite where Brad was staying. Brad graciously comes out, greets me, welcomes me into the suite. We sit down, we're talking about his project, and then the door kind of jingles and Angelina walks him. And that's how I got there. So I never in a million years would have dreamed that my career path would lead me to be in a hotel room with Brad Pitt.

[LAUGHTER]

Anyway, thank you very much for your time. I'm happy to take any questions that you have.

[APPLAUSE]

AUDIENCE: Hi, Jan. I have a question. So what was your favorite development project, and why? Was it the location, the people you worked with, or the outcome of the property?

JAN HAZELTON: Oh, gosh, that's a tough one because there's a lot of really good projects. I have to say probably one of the favorite projects I've worked on-- again, in that 90% category that didn't come to fruition-- was at Four Seasons, we were vying for the US embassy project. And the Qataris had bought the US embassy from the American government, and they were looking at redeveloping it into a luxury hotel.

And so we spent significant time, money, and everything else on that, and we had to come up with renderings and plans and drawings and everything. And while it was a frustrating

experience because we didn't win it, it was really exciting, and probably one of my more favorite projects. Wish we would've got it, but it went to Rosewood. They ended up paying more for it.

AUDIENCE: Thank you.

AUDIENCE: I can just yell it. I was just curious, what was your favorite course that you took at WSU, or is there one that you wish you took more seriously while you were here?

[LAUGHTER]

JAN HAZELTON: I would say without question my favorite course was the one that Dr. Umbright taught on the hotel feasibility. Again, that sort of really sparked my interest and kind of really got me into the path of development. Wine tasting came second.

[LAUGHTER]

AUDIENCE: Thank you.

AUDIENCE: I have a question about your life at WSU, as well. I was wondering, what would you consider to be your brand while you were studying at WSU?

JAN HAZELTON: What would I consider to be my brand when I was at WSU?

AUDIENCE: Yes.

JAN HAZELTON: Oh, wow.

[LAUGHTER]

I don't think I should say that.

[LAUGHTER]

Devoted Cougar employee. No, I think enthusiastic hotelier. And I would recommend getting involved in Sigma Iota. It's a great club. And so getting involved in that, again, helps your brand around being a hotel person.

AUDIENCE: Thank you.

AUDIENCE: Hi. When it came to dealing with people, was it easier when you worked with more recognizable brands to deal with people, or did it make any difference to work with-- when you worked with-- like when you were in your own company, does that make a difference?

JAN HAZELTON: That's a very good question. I find that, working for a big brand, it's like you have this security blanket over you. And you show up, and you have this flag on your doorstep or over you. And everybody knows already the recognition of that company, and so they trust it and they believe in it. So being your own brand, one, it helps to kind of have some sort of personal brand or recognition out there, where people have seen you before in the industry and they have some sort of trust that you know what you're doing.

And so it was hard, as a consultant, when people didn't know me, to get them to trust and buy into hiring you on to do work. But the more that you do, and then you have a reputation and you've got the good past experience, it helps. But getting started isn't easy. But if you have that big brand over your doorstep, it's always helpful.

AUDIENCE: OK. My question is, I hear what you say is physical capital. Do you have any problem deal with human capital?

JAN HAZELTON: Can you explain a little bit more what--

AUDIENCE: How you can deal with your employee or how you can deal with your conflict with your colleague, some kind of like [INAUDIBLE].

JAN HAZELTON: How to deal with conflict with my colleagues?

AUDIENCE: Yes.

JAN HAZELTON: Oh, gosh. Well, there's been plenty of years where you kind of don't get along with people, and you find out maybe you don't get along with your boss or he doesn't like you. Wait a year, and it'll change, if you're with a big company. That's a really good question because, you know, this is life, and it's not perfect, and there's always going to be people that you don't get along with.

And you have to, as best you can, put aside your personal feelings and be professional about it, and deal with the people as a professional. And go as far as you can down that route. And if it still doesn't work, and you feel that maybe you're being bullied or being treated unfairly, then that's what HR departments are for, to help those type of situations. And I think today's environment is getting much better at that, at helping create fair work environments, if that answers your question.

AUDIENCE: Yes.

JAN HAZELTON: Great.

AUDIENCE: Thank you. Your lecture is very interesting, and that is fun and happy about being here to have your lecture.

JAN HAZELTON: Thank you. Thank you.

AUDIENCE: Hi I have a question. First of all, I want to say that I really liked your speech. It's really amazing. So I was seeing from the PowerPoint that we have right here that you move along. You have worked with a lot of employers before. So I just want to ask a woman's perspective on the news that a student is coming into a new industry. Do you think when is the best time to get to a new journey with a new employers? And how can you make-- can make sure that it's going to give you more opportunities and is the very good decision? Yeah.

JAN HAZELTON: So your question-- how--

AUDIENCE: Because I've seen in your move, you get to a new company. So when you get a new company, how can you make sure that it's the perfect time to get to a new employer?

JAN HAZELTON: Well, you have no idea.

[LAUGHTER]

No idea. I mean, the perfect example is I joined the company Circuit Capital in Dallas. And six months later, I realized, wow, this is a mistake. And that's OK. It's OK because you can change. You're in control of if you're not happy somewhere you can move on. I like to say I like to give something a chance. So give it a year to make sure that you kind of have given it a fair assessment.

Again, I stayed at the bank for, gosh, almost 10 years. I was at Sheraton for almost seven. And it's just new opportunities come and you want to take advantage of them. And you make that decision at the time whether to stay where you are because you're comfortable and you like it or you're interested in branching out on something else. And that's a personal decision that you need to take for yourself.

AUDIENCE: I actually have another question. Because I see that you changed-- you changed your major two times. So the first time is architecture, and then you changed to business. And then you see that you study business, and then you realize business is not for you. So how can you come to the decision to realize that business is not for you? Was there any difficulty or you just realize you're not fit for it?

JAN HAZELTON: Well, no. Architecture-- I couldn't draw. So at that time, it was before the CAD system, which if I would have hung on for a while I might have been able to make it. So that, to me, it was just a personal, I can't do this. So I moved on to business.

Business-- I love business. Hotels are business. And it was just I thought the hotel path was much more interesting than just kind of plain business, factories, and that type of thing that you kind of study in some of the business classes or at least we used to. Business has changed a lot from when I was in school.

AUDIENCE: [INAUDIBLE]

AUDIENCE: Hi, Jan. I'm actually a student from WSU Everett, and I'm also a Vice President for Sigma Iota in the Everett campus.

JAN HAZELTON: Excellent.

AUDIENCE: First of all, I do want to say thank you for sharing your journey with us here. It's really a motivation for all of us. My question for you is would you any pieces of advice for our newly graduated to have the confidence to brand themselves to employers, to reach out and network?

JAN HAZELTON: I just say don't be afraid. [LAUGHS] And especially for women more so than men-- women tend to-- whenever we get asked a question, we want to make sure we've got absolutely the right answer, we know exactly what we're talking about before we spew out our answer. No offense, men.

[LAUGHTER]

But men blurt it out, whether it's right or wrong.

[LAUGHTER]

And they say it with confidence. And everybody goes, yeah. And you're sitting there in the audience going, no, that's not right.

[LAUGHTER]

That's happened to me many a times. Women need to learn to have a voice and not to be afraid to have a voice. And in terms of confidence of going out-- and just really rehearse it. If you're going to call somebody, rehearse it. Rehearse what you're going to say so you can say it with confidence or ask questions with confidence. And it's all about practice. And doing it more often really helps a lot.

AUDIENCE: Thank you. And I do have another question.

JAN HAZELTON: Sure.

AUDIENCE: I am an international student coming from Vietnam. And speaking for many other international students, I know that you have worked in the international business before. Would you advise us students how to reach out to [INAUDIBLE] career opportunity in a foreign environment than the United States?

JAN HAZELTON: Yeah. So this is a where you-- do you have the ability to get a work permit here in the US?

AUDIENCE: Yes, we do.

JAN HAZELTON: OK, great. I think just go-- if you have an interest in companies, I would approach them in any way that you can find. If you can find any way to know somebody inside or know somebody who knows somebody, to get an introduction. Because I think today, finding a job is really challenging because there's so many-- it's so competitive out there. And so to just apply online through different processes, I think you want to have something that you shine above or some ability for somebody to pick out your CV over others. And so it's not just hitting the send button, but maybe following it up with a call or trying to find somebody that can give you an in through networking.

AUDIENCE: OK. Thank you so much.

AUDIENCE: First of all, congratulations on the Hall of Fame induction this year.

JAN HAZELTON: Oh, thank you very much. Secondly, I'm actually surprised nobody asked this. But what's your favorite Brad Pitt movie?

[LAUGHTER]

That's a really hard question. Because when I started taking on as a client, I started watching all of them.

[LAUGHTER]

And I was very happy to see that he of won the Best Supporting Actor this year. So he was very funny. So I don't know if you saw his acceptance speech. But at the BAFTAs he couldn't attend, so somebody read out his acceptance. And, as you know, Britain just went through Brexit. Right? And the letter that they wrote, he said, hey, Britain. Congratulations. I heard you just became single again.

[LAUGHTER]

And then the end of the letter, it said, I'm taking this award home. I'm going to call it Harry.

[LAUGHTER]

I thought it was hysterical. [LAUGHS]

AUDIENCE: Hi, Jan. This is Jenny Kim, one of the faculty members here. Actually, one student asked some questions. I had two questions in mind. So being yourself-- I mean, being a woman,

and then you had this long, many year career. And was there any particular advice you wanted to share with our students? I mean, it's very inspiring to see our own alumni coming back and share their experiences. So it was very, very inspiring, and I think it is going to be to a lot of students here. So do you have all the advice you already given us to-- what should be doing it, especially the female students. The majority of our students are actually female.

And then, second one is, given that you had so much-- a lot of work experience, no one can predict the future. But can you predict what's going to happen? What do you see is coming in the hotel industry, down the road in the future?

JAN HAZELTON: Well, first of all, advice I think-- I tried to interplay some of that through my talk. But I would just say you don't have to have a perfect plan. I certainly didn't. And don't be afraid to change direction. But I think you just need to be tenacious and dedicated, and continue to go after what you think you want to do. Or if you find out it's a different direction, don't be afraid to change and go that direction.

And in terms of the second question was along today's hospitality industry. Well, until this coronavirus came up, I would say the hospitality industry is growing significantly. And so you're in a great spot because there is such a need for hospitality management and executives as we go forward in the industry. And if you're flexible with location and where you want to live, the world can be your oyster if you get in with a big management company. Because they all are in need of a good talent. And I know that this school puts out really great talent. However, let's just hope this coronavirus thing passes. Because right now it's having a pretty severe effect on the business.

AUDIENCE: Do you think-- I guess my question was, of course, all these viruses and natural disasters can influence not only hospitality industries, actually, many other industries, as well.

JAN HAZELTON: Oh, absolutely.

AUDIENCE: More or less, [INAUDIBLE] big trend or any changes you foresee [INAUDIBLE] industry [INAUDIBLE].

BOB HARRINGTON: I think just the trend is that more and more people around the world are being able to afford to travel. And so that is just seen-- it's one of the industries that will, I think, continue to grow and expand, and in all segments. Because there's a lot of people entering the ability to go and travel with low cost carriers, and so there's a lot of brands that are low cost, making it affordable to go out and see the world. And then all the way up through experiential travel and ultra luxury, at my level-- thank goodness there's still a lot of wealthy people and they keep getting richer. And they love to have experiential travel and do something different.

So I think that's part of a trend of what we see, is just everything is centered around experiences. And it doesn't have to be in luxury, but people want something different. They don't want the cookie cutter. They're looking for something unique.

AUDIENCE: Hey, stranger.

JAN HAZELTON: Yeah. [LAUGHS]

AUDIENCE: What do you think about the growth of Airbnb and VRBO? Because basically, what I've heard is that there's more for these-- there's more units going in to supply with those sorts of companies than there is lodging supply.

JAN HAZELTON: You're absolutely right. And the question was that what do I think of Airbnb and VRBO, and those type of kind of new disruptors. And I have two thoughts on that. And one is that it definitely has had an impact on many markets in terms of the Airbnb supply. On the other hand, if we didn't have that, where would these people be staying?

Because if you look at New York City, it's still 80% occupancy. London's still 80%. Where would these people be staying if they were in an Airbnb? However, not to discount the fact that they have-- they do have an effect on the business. And they're two very different prospects, I think, of Airbnb. I've stayed at a few, and I'm not really a big fan.

And it's all about what your purpose of travel is. You want to be local, in a neighborhood, not have people swarming around you for service, it's fine. But if you want a little bit of security and know that your Wi-Fi is going to work in that it's clean, then hotels kind of win there. A hard question to answer there because we don't know where the future of that's going to go. If Airbnb is public and goes public and successful, what does that mean? So it's a hard question, but it's definitely here to stay in our industry.

So it's finding a way to cohabitate, and making it more fair playing ground. Because hotels, they pay-- they have to charge occupancy tax, and Airbnb doesn't. And I think that some of that is coming into play in certain legislation. And, in Europe, certain markets are putting restrictions on people's ability to put their homes on Airbnb. It's more putting restrictions on people that are doing it as a business versus doing it as a way to supplement your income and maybe pay for your vacation, which is kind of how I think it all started. Yes?

AUDIENCE: So I was wondering what-- if you had any advice on hotels as a destination rather than building hotels around a destination. Is there anything that you look for in a location or market that makes it particularly suitable?

JAN HAZELTON: And that's a question that it all depends. [LAUGHS] But, speaking from Kerzner, we absolutely would look at a location that becomes a destination in what we're doing. We've got a project on a Greek island called Kea, and it's not a really well-known island. But we believe that one and only, we'll put that destination on the map.

We have two hotels also in Rwanda. And Rwanda isn't necessarily a destination that's on the top of anybody's list. However, I've gotten more phone calls since our hotels have opened,

about people interested to go there. And so because we have a luxury hotel in these destinations, people will want to go and check it out.

SPEAKER 1: Thank you, Jan. I think that's all the time we have for questions.

JAN HAZELTON: Good.

SPEAKER 1: So Bob has some parting words for you.

BOB HARRINGTON: I guess I want to give one last thank you for Jan for presenting today. [INAUDIBLE]. And we have a parting give from the forum, as well.

[APPLAUSE]

JAN HAZELTON: Great. Sure. Wait. Let me-- yeah. Don't let that-- it doesn't look to--

[APPLAUSE]

[MUSIC PLAYING]