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### Hotelier of the week: Richard Millard

Today at 13:40 — by Sara Turner in [Accommodation](#) | NEWS ITEM

Richard Millard, CEO of hotel management company Tecton Hospitality, talks to ABTN about his life in the business, how the US hotel industry is coping, and the eternal question - to brand or not to brand?

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Following the withdrawal of criminal proceedings against four British Airways (BA) staff members, the Office of Fair Trading (OFT) will be "reviewing the role" of whistleblower Virgin Atlantic.

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Richard Millard, CEO of hotel management company Tecton Hospitality, talks to ABTN about his life in the business, how the US hotel industry is coping, and the eternal question - to brand or not to brand?

Born in London, Richard Millard started off in the industry as a 17-year-old on the night shift at a New York hotel. He started at Tecton Hospitality in 1984 and over the next decade the company managed more than 150 properties. In recent years, the organisation moved from branded to unbranded hotels, and saw the creation of the boutique hotel brand Desires - several new openings are planned in the coming months, including the new Cesso hotel in New York, due to open this summer.

### What are the roots of Tecton Hospitality?

We started off doing what we call in America "hotel workouts". We took struggling hotels, figured out how to reposition them, put them back together and helped them make money again. Up until 2000 we did nothing but branded hotels - Marriott, Starwood and Hilton - those kind of people.

### What happened in 2000?

We got into the boutique lifestyle business, so unbranded hotels. Because we're based in Miami, we have a lot of boutique hotels here. We thought there was a great need for some professional operators in the boutique business. In 2006 we took this part that did only unbranded and gave it a name - Desires became the operator of all the boutique hotels that we had.

### Is business picking up in the US?

Really it's market by market. It depends on where you are and what you're doing. In New York City you'll always have occupancy but the question is [regarding the] rate. It's a gateway city to the US, and the dollar is relatively weak, which makes it a much more attractive place to go [if you're] European. If you ride up and down in the elevators in the two hotels we have in New York, you will see lots and lots of Europeans, from England in particular.

In Miami it's pretty strong, although the rate is off a little bit. In Miami we have a lot of new products on the inventory, which has had an impact.

### Was the hotel business badly hit by the recession?

Over 2008 we all started to get hit. The year 2009 was pretty awful, so you'd expect 2010 to be at least flat or a little better. The good news is that business hasn't dropped off any more. The bad news is we're a long way from where we were in 2008.

### Are there signs of improvement?

Again, market by market. In general the economy over here is not great. Unemployment has increased. It's worse now than it was six months ago.

In the hotel business, certainly in gateway cities, there are signs of improvement. The weakness of the dollar helps us.

In the city of Miami where we have half a dozen hotels, we're a gateway to South America so we don't just rely on the US. But it's still tough down here.

### How about the meetings market?

Across the board last year was a disaster. From a popular standpoint, everybody cut back. This year will be better. It won't be great, but it will be better.

There are a whole bunch of things going on out there which affect the meeting world, such as technology and budgets. It has changed significantly, but still people want to meet face to face.

### Tell me about rescuing hotels

It was fascinating. The hotel business is about making people happy. But we also deal with money.

I had to be a businessman. I'd go to hotels and I would ask how they were doing. And they would say: "Great!" I'd ask about their financial statement and they'd say: "Well we don't have any money, but the guests are happy and we're doing great."

A lot of it isn't about stressed hotels it's about stressed management. And it's also about location - you can't fix a bad location - and the marketplace. You need to invest in sales and marketing, and listen to what people are saying about your hotel.

### What does your job entail?

The job I have now is probably the best job in the world. It's not like working. I get to travel a lot. And being in the unbranded hotel industry is interesting. Each hotel is different.

The culture that we've created for the company is good. In the US, if you're a waiter you usually say: "I'm not really a waiter, I'm just doing this until my real career has taken off." But we take real pride in what we do in the hospitality industry. We do everything we can to make people feel confident - education, training, pay, benefits, lots of celebrations and lots of career pathing.

### Do you think business travellers are getting more adventurous?

It's a generational thing. People of older generations, like mine, don't like surprises, so can get married to their brands. But younger generations like something a bit different when they travel. It's about reassuring people before they come what they're going to get.

### What do you think about branding?

E-commerce has levelled the playing field a bit between branded and unbranded hotels. Now you can book online, and see exactly what you're getting.

To create a brand is a very difficult thing. Especially a brand that people are absolutely fanatical about. To create that trend is very difficult.

### Do you think there are too many brands?

I think we don't know the difference between one and the other. Take Marriott. Do you know the difference between a Marriott, a JW Marriott and a Renaissance? The difference between a Doubletree and a Hilton, or a Holiday Inn and a Holiday Inn Express? I don't. I've often woken up in a Courtyard and thought I was in a Renaissance.

I think us hotel people are keen on creating brands and understanding them. But I'm not sure the customers are. I don't think customers can tell the difference. I don't think there's a need for all these brands.

I think a lot of people are passionate about Marriott or Hilton as big brands, not necessarily the sub-brands. I do think Richard Branson should create a Virgin hotel brand. That would be strong.

### Describe your perfect hotel

It's not about the physical hotel, it's about how you're dealt with. We all like to be recognised. It's about the little things that show effort and love. I want the pillows I like. I want the hotel to know what I want and what I like. It's about the difference between plastic flowers and real flowers.

I like uncontrived. I hate it when people ask me how I am when they don't really care. You probably expected to hear about how the hotel would look like, but I don't think that's as important.