



LODGING HOSPITALITY

IDEAS FOR HOTEL DEVELOPERS & OPERATORS

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Desires Expands Beyond its Base

Boutique may be an overused adjective to describe some hotels, but Raul Leal still thinks the term applies, especially to the properties his Desires Hotels operates. "The word boutique still has a lot of meaning for travelers and hotel owners," says Leal, who is president of **Tecton Hospitality**, the parent company of Desires. "A boutique hotel implies small and intimate yet active and full of energy, attributes you generally don't find in larger hotels."

In 2005, Desires doubled the size of its management portfolio to eight properties. The additions include three in Miami Beach (Hotel Astor, The Strand Ocean Drive and the Betsy Ross) and the soon-to-open 110-room Glenn Hotel in Atlanta. This spring, the company will add its first property in New York City.



The Betsy Ross in Miami Beach

Desires' strategy centers on expansion beyond its warmweather roots. After New York, Leal would like to add properties in Chicago, Los Angeles, Texas and several second-tier cities like Cleveland, Seattle and St. Louis. "Wherever we go, each property must be tailored to that individual market but also bring a new level of excitement to the location," he says. Spotting trends and incorporating new concepts into the properties is serious business at Desires. Leal says his team conducts focus group research and relies on associates to track what's happening on the local scenes. The choice of general managers is also critical.

"While we don't have a prototype for a GM, he or she must have a different kind of thought process," says Leal. "Of course, they must be great at operations, but they also need to excel at PR, design, ambience, music and entertainment."