



WESTIN HOTELS

OCTOBER 1985

FRONT



“People Are Saying
Nice Things
About You!”

(Story, page 3)

BIRCHMAN

NEWSFRONT

Moving on Moving up

John (Andy) Baugh, sales manager at The Westin Hotel, Williams Center Tulsa to sales manager at The Westin Paso del Norte.

Kathryn Gilligan, assistant director of housekeeping at The Westin Hotel Utah, Salt Lake City to director of housekeeping at The Westin Canal Place.

COVER: "People Are Saying Nice Things About You!" is the theme of an exciting new Westin Hotels employee recognition program launched in late September. The program ties in with the corporate fall and winter advertising campaign which features famous Westin guests saying "nice things" about the highly personalized and very special services they have received during their stays at Westin hotels. Direct object of their accolades is the Westin employee.

In a distinct departure from its usual photo cover format, this month's cover features an illustration that salutes those Westin employees whose exceptional performance in the service of our guests are so deserving of these "saying nice things about you" accolades.

FRONT

A monthly publication by and for employees of Westin Hotels

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Area marketing directors to boost marketing goals

Another step in the advancement of Westin's marketing goals that resulted from Marketing Task Force findings has been achieved with the recent appointments of area directors of marketing.

These five appointee positions are a new concept for the company which assigns the individuals a marketing coordination responsibility for a number of hotels within five largely geographical regions.

The five area directors and their hotel grouping regions of responsibility are:

Ray Stone for the Northern Group of ten hotels located in the Eastern U.S. and Canada and including Detroit and Chicago. Stone will be based in New York.

Creighton Casper for the Western Group of twelve hotels located largely on the West Coast of the U.S. and Canada and to Denver and Winnipeg. Casper's base will be in San Francisco.

Mike Corr for the Southern Group of eight hotels in the South and Southwest and to Cincinnati. Corr will be based in Atlanta.

Bob Hutchinson for the Asia Group of six hotels which includes the Carlton in Johannesburg. Hutchinson will remain based in Manila.

Ulrich Schwartz for the Resort Group of seven hotels in the continental U.S. and Hawaii and as liaison for Westin's hotels in Mexico. Schwartz will continue to be based at the Seattle corporate offices.

Each of the five area directors will be working with the staff teams of their assigned hotels



Ray Stone



Creighton Casper



Mike Corr



Bob Hutchinson



Ulrich Schwartz

in the design and implementation of unified marketing strategies, programs and systems. And in the spirit of Westin's new marketing/operations "total linkage" relationship, they will work closely with the respective operations officers of the hotels.

The five directors will be reporting directly to Bill Newman, senior vice president, marketing.

Newman, who served as co-chairperson for the Marketing Task Force, notes that "The area directors of marketing concept is in direct response to the expressed needs of the management of Westin's hotels who have been requesting more individualized attention to their marketing operation needs and a more hands-on relationship with corporate marketing strategies."

One other major advantage to be derived from the concept Newman adds, is that it will assure a more uniform consistency of marketing effort and procedure throughout the company to the benefit of Westin's customers.

Management Changes

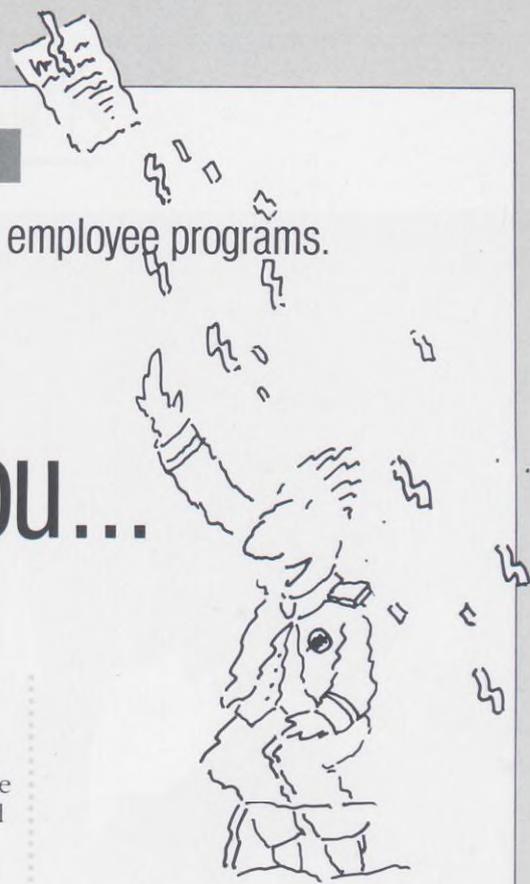
Recent management announcements have included the following:

Ray Sylvester, resident manager at The Westin Peachtree Plaza, has been named general manager for The Westin Bellevue Stratford.

Pat Swinton joins Westin Hotels as the executive assistant manager of The Westin Canal Place, New Orleans.

A 'nice' link between Westin's advertising and employee programs.

People are saying nice things about you...



If you can't say something nice about someone, then don't say anything. On the other hand...

If you can say something nice about someone, then go ahead — say it. If it's really nice, shout it from the rooftops. Or in the case of Westin hotels, from the pages of USA TODAY and THE GLOBE & MAIL or from a number of other widely-circulated news and in-flight consumer publications.

It is the saying of "something nice" about Westin that is the focus of the company's recently launched fall/winter advertising campaign with a people-are-saying-nice-things-about-us message focus.

The ad series is based on testimonials featuring well-known Westin guest regulars who are saying these nice things about us. What these nice things are have a lot to do with the special personalized services these personalities have received from Westin's people. It's the prime reason why they choose to stay at a Westin hotel. Why they are sold on Westin Hotels.

And it's also this special personalized services that personifies Westin employees that's the basis for Westin's recently launched Employee Recogni-

tion Program. Its theme, "People Are Saying Nice Things About You!"

Key to the Employee Recognition Program is to do just that — recognize employee performance and to reward that performance with performance recognition awards and the opportunity to win monetary prizes.

As Chris Marker, executive vice president/Operations puts it, "We believe that outstanding performance by our employees has been one of the key ingredients behind the overall success of Westin's performance. The program was created to recognize and reward our employees for the great job they are doing and, more importantly, to encourage them to do an even better job."

The "People Are Saying Nice Things About You!" employee program was introduced at hotel employee group meetings throughout the U.S. and Canada during the week of September 16. It was actually launched a week later, on September 23, for an 11-week run.

Three prizes of \$100 each are being awarded each week at all of the U.S. and Canada hotels throughout the duration of the program. Prizes are awarded according to established performance recognition criteria. At the end of the 11-week period, a grand prize drawing for three additional cash prizes will be held at each hotel from among all the awards collected.

The grand prize drawings at the

hotels will consist of a \$1,000 first prize; \$750 second prize; and a \$500 third prize.

Coinciding with the employee program, Westin's ad campaign made its debut during the week of September 23 with full-color, full-page plus ads appearing in the national editions of USA TODAY and, in Canada, in THE GLOBE AND MAIL. The ads will make frequent appearances in both of these news publications over the next several weeks with various personalities being featured.

Ads also appear in the international edition of THE ECONOMIST.

In-flight versions of the ad are scheduled for UNITED, ENROUTE (Canada) and AMERICAN WAY.

Commenting on the ad campaign message in relation to the employee recognition program, Fletch Waller, executive vice president/Marketing notes, "The emphasis for this campaign is employee service and responsiveness. This is the real distinctive character of Westin Hotels. The campaign tries to bring this humanity down into a one-on-one basis — one employee meeting the needs and wants of one guest. In featuring responsive, caring professional hotel people, (in our ads) we distinguish Westin hotels from the competitors."

NEWSFRONT



Guest luncheon speaker Victor Kiam, president Remington Products Inc., addresses the Marketing/Operations gathering.

Marketing/Operations meeting stresses one-ness strategy

For the first time in several years, the managing directors and general managers joined with directors of marketing/sales of Westin Hotels world-wide for a meeting characterized by President Dwight Call as "one of the most important in the recent history of Westin".

The 125 attendees, including company officers, gathered at The Westin Hotel, Tabor Center Denver in early September. Their theme was "one-ness" with an agenda that focused on the total interrelationship between hotel operations and hotel marketing.

Fletcher Waller, executive vice president/Marketing, unveiled Westin's new "market driven" strategy which emphasized the marketing/operations relationship as a "total linkage" in

which meeting the needs, wants and expectations of Westin's customers is the responsibility of each and every member of the hotel staff.

In stressing the need for a total linkage between hotel marketing and operations departments, Waller said, "There must be complete agreement as to the products and services we offer; the potential customers for those products and services; how we make the hotel available for sale; how we close the sale; how we serve the customer, and how we evaluate our performance".

With much of the market-driven strategy based on the work of the Marketing Task Force, meeting attendees were given a detailed briefing of that group's work and recommendations by Bill Newman, senior vice president/Marketing who

had served as co-chairperson of the Task Force.

The two day program also featured reports on company

expansion plans and programs with updates on new projects currently under construction or being designed.

CEO Harry Mullikin noted that the recent acquisition of Hertz Rent-A-Car, Inc. by UAL, Inc. "provides exciting opportunities for joint marketing campaigns to capture a larger share of the business and pleasure travel market."

Mullikin also stated that development efforts are very promising in achieving the company's goal of substantially increasing the number of Westin's hotels. "We are committed to a major market presence in key destination areas," Mullikin said, "And, as we grow, so do the opportunities for our people."

Westin selects new corporate ad agency

The Los Angeles office of Dentsu Young & Rubicam (DYR) has been selected to handle Westin Hotels corporate advertising with account take-over to take effect by year end.

The DYR appointment, announced August 31, culminated an intensive agency search by Westin over the past three months. Agencies meeting a screening criteria were narrowed to six, including the incumbent, Seattle-based Cole & Weber which has been Westin's agency for nearly 30 years.

The six contenders conducted presentations to a corporate review committee who rated the agencies on a pre-established set of criteria. According to Fletcher Waller, executive vice president/Marketing for Westin, "Dentsu Young and Rubicam was judged to best fit our needs for long-range marketing development."

Waller explained that the change in agencies is part of a twelve-month review and subsequent restructuring of marketing's role at Westin. "Westin has examined every facet of its marketing process, and is committed to become a more forceful marketer intent on doubling its share of the world lodging industry," Waller said.

Waller also noted that, Cole & Weber will continue to have Westin's public relations account, and will continue to work on various individual hotel advertising programs.

PHOTO NEWS

'Goodwill ambassador'

SEOUL—When Zahid Nana, director of catering for The Westin Crown Center was sent to The Westin Chosun for a month to assist in the reorganization of the hotel's catering department recently, he found himself taking on the added role of "goodwill ambassador" for Kansas City. That city's mayor, Richard Berkley, who is a friend of Nana's asked him to present the key to the city of Seoul along with his personal best wishes to the people of Seoul as a goodwill gesture.

As Seoul's mayor was out of town at the time, Nana (right)



made the presentation to Jona-Shim Park (left), the city's chief administrator, at ceremonies at Seoul's city hall. Nana also presented Park with a commemorative book on Kansas City inscribed by Mayor Berkley.

Two

BOSTON—To celebrate the second anniversary of The Westin Hotel, Copley Place, executive director of the Massachusetts Special Olympics Ken Hodge and Susan Mooncai, sales and public relations, cut a five-foot tall birthday cake replica of the hotel created by Lynn Mansel, pastry chef. 2,500 Bostonians filled the Lobby Lounge for a gala benefit birthday party which raised \$2,120 for the Special Olympics with the help of Boston Celtics Hall of Famer Dave Cowens and his former team mate Hank Finkel who played celebrity bartenders. The pair donated their tips while The Westin chipped in a dollar for each beverage poured that evening.



...and twenty

KAMEULA—Another birthday cake. And this one in celebration of the 20th anniversary of one of the world's finest resorts, The Westin Mauna Kea on the Big Island of Hawaii. That event coincided with the hotel's Annual Employee Awards Banquet at which some 56 veterans who were on hand

to greet opening day guests in July, 1965 were in attendance. Attending to the traditional cake-cutting ceremonies are (from left): Dick Helfer, manager; Lou Martinelli, vice president Westin Hotels; Adi Kohler, managing director.



The coat off her back

CALGARY—Canada's Institute of Association Executives (IAE) annual conferences are Mecca to hotel sales people from throughout the country. The gathered account executives from across Canada represent a major source of hotel group business bookings. Westin's display booth at this year's conference, held in Calgary, was well represented by sales members from all of Westin's

Canadian hotels and The Westin Sales Office/Canada. The five-day conference produced several excellent leads for the Westin crew.

As a booth attraction, Westin promoted a drawing for a Blue Fox fur coat. The coat, modeled here by Liz Jahma of The Westin Hotel, Edmonton was won by Ron Evanson (right) account executive for the Canadian Society of the Plastics Industry.



Dan McClaskey

ON REDUCING THE
COST OF DEVELOPING
NEW HOTELS...

Dan McClaskey, executive vice president/development, joined Westin in 1957.

After hotel experience in Washington, Oregon, British Columbia and Hawaii, he transferred to Seattle as general manager of the Benjamin Franklin Hotel, now site of The Westin Hotel, Seattle.

After seven years in Los Angeles as manager and general manager of the Century Plaza, he was elected a vice president of Westin in 1972.

He was elected a senior vice president in 1979, group vice president in 1981 and executive vice president in 1982.

His current responsibilities include directing the design, construction, furnishings, equipping, and opening and operating of new hotel projects. He has worked both on new hotel projects and operations for Westin since 1977.

In this FRONT interview, McClaskey comments on a subject of vital importance to Westin's growth goal — reducing costs of developing new hotels.



Q. Reducing the costs of developing new hotels was one of the company goals presented at this year's Management Conference. Can you comment on the significance of this goal to Westin Hotels?

A. As you know, Westin's major goal is growth. In addition to acquiring existing properties, this means developing new hotels and, in some instances, adding to existing buildings.

There are a number of costs involved in the development of any project. The largest of these is the cost of construction — a cost

which over the past ten years has more than doubled. For example, today's costs on a per room or per module basis can easily approach \$175,000, when ten years ago comparable construction would cost \$90,000 per module or even less.

Westin's challenge is to find ways to reduce the costs of new projects while offering a highly acceptable consumer product and one that will produce an acceptable profit for the company, the hotel owners and developers.

If we don't find ways to lower and control these construction costs they could become so prohibitive that the room rates we would have to charge would become unacceptable to our guests, and we would find ourselves hard put to pursue our growth goals.

Q. That brings up the question as to what would be the determining factors as to new construction versus acquisition? That is, what direction would Westin likely to go if both opportunities presented themselves in a particular location?

A. The answer to that question depends on the particular situation. Either or both opportunities might work out depending on the market or a number of other factors.

Our position now is that because we are interested in growth and marketing concentration we feel we can operate more than one hotel in many locations in the United States and, indeed, in other parts of the world.

If we have the opportunity to buy or manage an existing property that suited our specifications for that particular market, then well and good. It would be a ready facility and one that we can place people in and generate management fees immediately.

On the other hand, while developing a new project can take five to seven years or longer from inception to opening, the location or other project factors may assure us that is the way to go.

It's whatever would work out best for our marketing concentration for that location — it may go either way or both.

Q. Getting back to the question of reducing costs of developing new hotels, what are some of the major areas where significant cost reductions might be made?

A. As I mentioned earlier, the major area need for cost reduction is in construction.

This is an area we have to address early in the game — in the initial schematics in the layout and planning of the property. We have to be very wise and judicious in the use of space — that it is properly laid out, properly designed inside and out and the facilities properly located.

The non-public areas are a good example. We must use the opportunity to locate integral departments next to each other so we can achieve greater efficiencies and improved communications with less space. Proper location also gives you the ability to cross-utilize and cross-train people for the better maintenance of valid staff levels.

This also applies to the back of the house areas, which, in the past, have often been over-designed. With better designed layouts and proper traffic flow you can reduce the space in these areas and cut construction costs while making it easier and more efficient for people to handle their jobs.

While we will continue to maintain an appealing impact in the public areas, we are taking a hard look at the size and number of restaurant and bar facilities. In certain locations, depending upon what the market requires, we may find the need for fewer restaurant and bar seats and even fewer restaurant facilities. Such reduction in square footage would also reduce the overall cost of the project.

Then, things like efficiencies in energy management techniques should be incorporated early on in a product's design. As you may be aware, energy is one of the major operating costs of a hotel and they are costs that continue to accelerate. There are a lot of things that can be done to control and lower these costs through efficient energy management systems.

“...all of these approaches where cost reductions can and will be made can be done without any adverse effect on the hotel guest.”

Furniture, fixtures and equipment — known as FF&E — is probably the second largest area of a project's cost.

There is a lot that can be done here also to reduce costs without reduction in product quality. This would include such practices as developing budgets at the very inception of the project that we feel we could comfortably live with, then maintaining a firm rein on these budget constraints whether we are working with our subsidiary company, FORMA, or any other design company. More judicious purchasing practices would also be essential to reducing costs.

Project pre-opening costs can be substantially reduced simply by cutting down on the lead time for bringing in people in advance of the opening.

Another area where cost reductions can be realized is in corporate services — that is those services provided to a project by the corporate design and construction staff, food and beverage, rooms and others. We have now established a minimum scope of services that we think is mandatory to provide the developer on a new property. These would include the proper design of the front desk and other layout efficiencies, computer systems and the like. Beyond these essential basics, our new approach is to consult with the developer and offer a menu of additional services from which he can choose. This new approach can allow us to reduce our corporate services costs significantly.

Bear in mind that all of these approaches where cost reductions can and will be made can be done without any adverse effect on the hotel guest whatsoever. In fact, our aim in all of this is to produce an even more attractive consumer product.

Q. And that leads to the subject of this final question. What impact will Westin's efforts to reduce costs on developing new properties have on our hotel product from the guest's point of view?

A. Let's go back to the basic thrusts that came out of the Management Conference. One of these was that Westin would be “market driven”. That means that we would be more fully attuned to the wants and needs of the marketplace.

In line with that, we feel we can reduce the costs of developing new hotels and yet provide a better product for meeting the wants and needs of our customers. We can do this by keeping in constant touch with our markets. By doing research and testing on a continuing basis to assure that we are offering not only a constantly better product but a product that the customer is willing to pay for and at the same time will earn us a proper return on our investment.

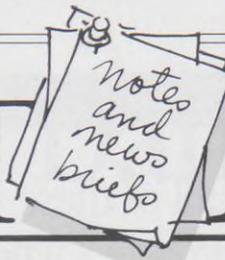
Among the things that our research has shown that our customers want include additional room telephones, more in-room refrigerators, in-room safes and, in some areas, outlets located near the room desk where a guest can plug in a computer.

But we've learned that we should not necessarily develop the exact same product for every location around the world. A market like New York for example, will have different demands and requirements than would a much smaller market such as Tulsa.

If you come in too high on your product in one area, the customer is not going to pay for it. On the other hand, if you come in too low in another area, the customer won't buy because it may not be acceptable. Our product and services must be targeted for the needs and expectations of each particular market.

Aside from the basics that go into any room, marketing will have a definite controlling influence in the room's design and amenities. In the end the guest wants a well-designed room with adequate space in clean, quiet and comfortable surroundings. Add to this great service and you are well on your way to satisfying guest's needs and wants and assuring their continued loyalty.

FRONT DESK



"Nothing unimportant ever happens at the Plaza" reads the hotel's ad slogan. But murder?

Not to get alarmed. It was only a boardgame. It seems there is a hot new boardgame out now known as HOW TO HOST A MURDER. As a combined promotional boost and charity benefit, the game's producers recently hosted a HOW TO HOST A MURDER party for the press and invited guests in The Westin Plaza's White & Gold Suite. Stars of the affair were stars of the entertainment world — including Ed Marinaro of "Hill Street Blues", Mary Hart of "Entertainment Tonight", singer Leslie Uggams and the like who acted out the boardgame murder mystery for the entertainment of the audience. The "murderous" occasion raised a lot of monies for the National Society for Autistic Children and the Make-A-Wish Foundation. And that was important.

A Westin "friends-in-high-places" award to Dave Evans, vice president/Marketing

High Place case #1: Evans has been named a director of the Board of the highly prestigious American Society of Association Executives (ASAE) to serve a one-year term that began in August of this year. The national association's members are a major source for hotel bookings of organization meetings and conventions. Evan's achievement is particular-

By now you have become familiar with Westin's exciting and rewarding employee promotion, "People Are Saying Nice Things About You!" which was introduced throughout the U.S. and Canadian hotels in late September. You are probably also very familiar with the seven points that are key to your earning performance awards and cash prizes.

These seven points are listed below — except that a key word or phrase describing each of these points has been replaced by another word or phrase. (You'll have no trouble finding where the substitute words or phrases are used!) Your challenge is to replace these substitute words or phrases with the originals. Need help? Check the "People Are Saying Nice Things About You!" poster in your hotel:

1. Do I show **snapshots** to guests and fellow employees?
2. Do I listen and respond to the **jokes** of guests and fellow employees?
3. Do I do my part to enhance the **room charges** our guests receive?
4. Do I **gossip** with my supervisor?
5. Do I **disregard** the feelings of guests and fellow employees?
6. Do I exercise my **gorilla**?
7. Do I follow **sleep-walkers**?

Westin Trivia

ly notable in that only one non-association executive member — and that from a supplier company — is allowed to become a Board director.

High Place case #2: Evans has also been elected as a director and member of the Board of the Professional Convention Management Association (PCMA). Also a national organization. PCMA represents the meeting needs of the medical, dental, hospital and allied health professions. His term of office with PCMA, which begins in January, 1986, is for two years.

Suffice it to say, Evans' presence on both of these Boards will be adding considerable emphasis to Westin's visibility and exposure in the right "high places".

Goodbye, Design International — Hello, Forma.

As of October 1, Design International, Westin's subsidiary interior design, purchasing and food facilities planning firm, has been operating under its new name FORMA. That name change occurred in conjunction with an office relocation from The Westin Building to the Lenora Square Building in Seattle.

In its brief existence under the Design International name the company has won a number of design awards as well as industry accolades. Interior Design magazine, for instance, has seen fit to include Design International as one of the industry's "Top 100 Interior Design Giants", and Restaurant and Hotel Design magazine listed it as one of the "Nineteen Notables in Hotel Design".

"Oh no, not another one — we're running out of suites!"

It's no wonder that some of our guest service/front desk people get a little celebrity-jaded after awhile. Take this report of celeb check-ins recently at The Westin Bellevue Stratford that happened over one two-hour period. First, Tony Perkins arrived, followed shortly thereafter with the arrival of Placido Domingo, followed shortly thereafter by Sophia Loren, then the governor of Pennsylvania, Dick Thornburgh, and, lastly, George Bush, Vice President of the United States. As one front desk clerk quipped later to another, "It would be kinda nice to see an unfamiliar face once in a while."

