



WESTIN HOTELS

JUNE 1984

# FRONT



**CENTRAL RESERVATIONS**  
**Ten years and a**  
**\$100 million business**

(STORY, PAGE 6)

## Moving on Moving up

**Dianne Anderson**, assistant F&B director, The Westin Hotel, Galleria Dallas to F&B director, The William Penn.

**Richard Boyer**, special assistant, Corporate Office Internal Audit to controller, The Westin La Paloma, Tucson.

**Donal Drayne**, director of marketing, The Westin Hotel, O'Hare to special projects coordinator, The Westin Crown Center.

**Rob Fitzner**, project coordinator, The Westin Chosun, Seoul to front office manager, The Westin Benson.

**Jon Hill**, sous chef, Mauna Kea Beach to executive sous chef, Arizona Biltmore.

**Wolfgang Japes**, executive sous chef, The Westin Oaks, Houston to executive chef, Cherry Creek Inn.

**Bernd Liebergesell**, executive chef, Cherry Creek Inn to executive chef, The William Penn.

**Gerard Luyet**, resident manager, Philippine Plaza to resident manager, The Westin Hotel, Copley Place Boston.

**George Marine**, assistant F&B director, The Westin Bonaventure, Montreal to assistant F&B director, The Westin Hotel, Galleria Dallas.

**Patrick McCrea**, front office manager, The Westin Bonaventure to senior assistant manager, The William Penn.

**Michael McGinnity**, director of sales, New York Sales Office to manager/marketing, The Westin Hotel, O'Hare.

**Werner Meier**, F&B director, Shangri-La, Hong Kong to executive assistant manager, Philippine Plaza.

**David Ornelas**, assistant payroll manager The Westin Bonaventure, Los Angeles to assistant controller, The Westin South Coast Plaza.

**Mike Scholz**, controller, The Westin South Coast Plaza to controller, The William Penn.

**Gail Sepanek**, director of sales, The Westin Miyako to director of sales, The William Penn.

**Mark Spadoni**, staff analyst, The Westin Hotel, Seattle to front office manager, The William Penn.

**Carlos del Castillo**, sales manager, Galeria Plaza, Mexico City to director of sales, Camino Real, Guadalajara.

**Peter Maxwell**, sales manager, Las Brisas, Acapulco to director of sales, Las Hadas, Manzanillo.

COVER: Westin's Central Reservations Office in Omaha, Nebraska

# FRONT

A monthly publication by and for employees of Westin Hotels

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## Westins rate 25 Four-Diamond wins

Twenty-five Westin hotels in the U.S., Canada and Mexico received the coveted American Automobile Association (AAA) Four Diamond Awards for 1984.

Of the 15,000 AAA-approved hotels and motels in the U.S., Canada, Mexico and the Caribbean, only 1,776 were recognized with Four-Diamond Awards for exceptional quality and service.

The 25 Westins now proudly "wearing" the Four Diamond symbol are:

### CANADA:

The Westin Hotel, Calgary  
The Westin Hotel, Edmonton  
The Westin Hotel, Winnipeg  
The Westin Hotel, Ottawa  
The Westin Hotel, Toronto.

The Westin Hotel,  
Renaissance Center Detroit  
The Westin Crown Center  
The Plaza  
The Westin Ilikai  
The Westin Hotel, Cincinnati  
The Westin Hotel, Galleria  
Dallas  
The Westin Benson  
The Westin Bellevue Stratford  
The Westin Hotel, Seattle.

### UNITED STATES:

The Westin South Coast Plaza  
The Westin Bonaventure  
Los Angeles  
Century Plaza  
The Westin Hotel, Vail  
The Westin Peachtree Plaza  
The Westin Hotel, Chicago  
The Westin Hotel, Copley  
Place Boston

### MEXICO:

Camino Real, Cancun  
Camino Real, Guadalajara  
Camino Real, Ixtapa  
Camino Real, Puerto Vallarta

Announced earlier—and reported in *FRONT*—were the nine Westin hotels receiving AAA's top rating award, its prestigious Five-Diamond recognition.\*

According to the 1984 AAA awards listing, Westin Hotels has a higher proportion of AAA top-rated hotels than any other hotel group in North America.

To qualify for awards, hotels undergo rigorous inspection. Ratings are compiled in AAA Tour Books and distributed to approximately 30 million travelers.

\*The nine Five-Diamond Award winners: Arizona Biltmore; Mauna Kea Beach; The Westin Hotel, Williams Center Tulsa; The Westin Galleria; The Westin Oaks; Las Brisas; Camino Real, Mexico City; The Westin St. Francis; The Westin Bayshore.

## Management Changes

These changes in hotel management and corporate office positions were announced in May:

Peter Smith, general manager of The Westin Hotel, Toronto, has been named general manager of The Westin Hotel, Seattle. Smith replaces Jim Treadway at the Seattle hotel, following Treadway's assignment as a member of the recently formed Marketing Task Force (see related story this page).

Bernard Agache, formerly general manager of The Westin Bonaventure, Montreal, is the new general manager of The Westin Hotel, Toronto.

Taking over at The Plaza as managing director is Jeff Flowers, general manager of the Shangri-La, Hong Kong. Flowers replaces Philip Hughes, who has resigned to accept a hotel management position in Florida.

David Hayden, general manager of The Westin Chosun, Seoul, is the new general manager of the Hong Kong hotel.

Replacing Hayden as general manager of The Westin Chosun is Giovanni Angelini, general manager of The Westin Chosun Beach, Pusan.

Also announced was the appointment of a general manager for The Westin La Paloma, Tucson, now under construction and scheduled for a late 1985 opening. He is Andy MacLellan, general manager of The Westin Hotel, Williams Center Tulsa.

Moving to Tulsa as the new general manager for that hotel is David Ling who has held the position of corporate Rooms

Division director with the Seattle offices.

Hanne Dittler, corporate director of property service, replaces Ling as the new director of the corporate Rooms Division. (Story, page 9)

Hud Hinton, formerly executive assistant manager for The Westin Ilikai, has joined the corporate Food and Beverage Division as director. (Story, page 9)

## Discoveries adds three more stores this month

Discoveries store openings continue to make news with the opening of three new outlets scheduled in June.

On June 6, a Discoveries store makes its debut at The Westin Ilikai, followed by two same-date openings (June 20) at The Westin St. Francis and

The Westin Hotel, Edmonton.

With these openings, Discoveries boasts a chain of nine hotel stores featuring its top-quality line of specialty merchandise. Hotels with Discoveries outlets, in addition to the three mentioned above, are: The Westin Hotel, Copley Place Boston; The Westin Hotel, Ottawa; The Westin Hotel, Williams Center Tulsa; The Westin Hotel, O'Hare; The Westin Crown Center, Kansas City, and The Westin Galleria and The Westin Oaks in Houston.

All Westin employees are allowed a 25 percent discount on direct purchases made at a Discoveries store, with some item exceptions. Discounts apply to cash sales only and to items costing a minimum of \$10. Also, employee identification is required for discount eligibility.



## Safety stars

Following an intensive, three-day audit of the hotel, The Westin Hotel, Cincinnati was named the first hotel in the world to receive the prestigious Three Star International Safety Rating from the International Safety Rating Council. In addition, three other Westin hotels—The Westin Hotel, Chicago; The Westin Ilikai, Honolulu, and The Westin Crown Center, Kansas City—were presented with Two Star International Safety Rating Awards. The Council also presented Westin president, Dwight Call, with a special citation on behalf of Westin for its pioneering efforts in the safety rating program.

Here, Tom Hosea (left), general manager at The Westin Hotel, Cincinnati is presented with the hotel's Three Star Rating plaque by Frank Bird, chairman of the International Safety Rating Council and president of the International Loss Control Institute.

## Marketing Task Force convenes

Westin's six-member Marketing Task Force, formed in early May to study and determine the future marketing direction for the company, embarked on their full-time assignment in mid-May.

The Task Force group includes four Westin members plus two outside consultants.

The members are: Bill Newman, senior vice president, marketing; Jim Treadway, former general manager, The Westin Hotel, Seattle; Chris Baum, director of sales, Westin Sales Office, Houston; Creighton Casper, director of marketing, The Westin St. Francis; John Gimbel, director of business plans and operations analysis, United Airlines; Don Tatzin, consultant, Arthur D. Little, Inc., management consultants.

Newman and Gimbel are co-chairing the group's activities with assignment completion expected to take approximately six months.

At completion of their Task Force assignments, Baum, Casper, and Newman will be returning to their formerly-held positions, while Treadway will be assigned to new management responsibilities.

## Montreal hotel lease sold

Westin Hotel Company Limited has sold its lease on The Westin Bonaventure, Montreal to Hilton International, Canada.

Announcement of the sale was made April 30, at which date Hilton assumed management responsibilities for the property.

# PHOTONEWS

## Campaign trail

PITTSBURGH—"Tis the season of the airplane hopping, hotel stopping political candidate in the U.S. as presidential hopefuls hit the campaign trail around the country. Among these hotel stopping stops have been a number of Westin's hotels that included The William Penn, recent host to Democratic candidate Senator Gary Hart (center), pictured here with the hotel's general manager, Bob Hawes (right), and Steve Bullock (left), executive assistant manager.



## Culture connection

ACAPULCO—Las Brisas has recently added a new cultural dimension for the enjoyment of its guests. It is its Hermes art gallery which has been established to bring the works of Mexico's finest artists and sculptors to this "Pink Paradise" resort. Nichole Eisen, daughter

of Werni Eisen (center), Las Brisas general manager, cuts the ribbon inaugurating the new facility assisted by Francisco Escudero (left) executive assistant, and Rafael Botello, owner of Hermes Galleries.

## Message received

CALGARY—When a meeting guest at The Westin Hotel, Calgary discovered he had left his urgently needed project notes in another city, he contacted the front desk for help. The response from Tony Cary Bernard, senior assistant—"not to worry." A quick phone call resulted in arrangements for the notes to be Telexed to the hotel. Within 50 minutes the notes were transmitted—all 13 feet of them—and delivered to the grateful guest. Here, Bernard checks the copy as it is spewed forth from the hotel's Telex.



## Colorado dinin'

DENVER—An outstanding team effort resulted in Cherry Creek Inn winning the Chef Keller Award for their creativity in developing a six-course menu utilizing such Colorado food products as quail, venison, Rocky Mountain salmon trout, goat cheese and wild raspberries. The Chef Keller Award competition is an annual event produced by the Westin F&B Division.

Chef Bernd Liebergesell (right foreground) is shown with members of the Cherry Creek Inn team who created the winning menu: Pat Moore, assistant restaurant manager; DeeDee Jones, catering coordinator; Tom Avery, cook; and Davis Duncan and Ian Orr, culinary apprentices.



## Westsel sells Westin

NEW YORK—Fernley and Fernley of Philadelphia, one of the oldest and most successful association management firms in the United States, is among Westin's biggest accounts. They are also among the biggest boosters of Westin's Westsel computerized sales lead system, particularly for its ability to provide speedy answers to their hotel space requests best suited to their client needs.

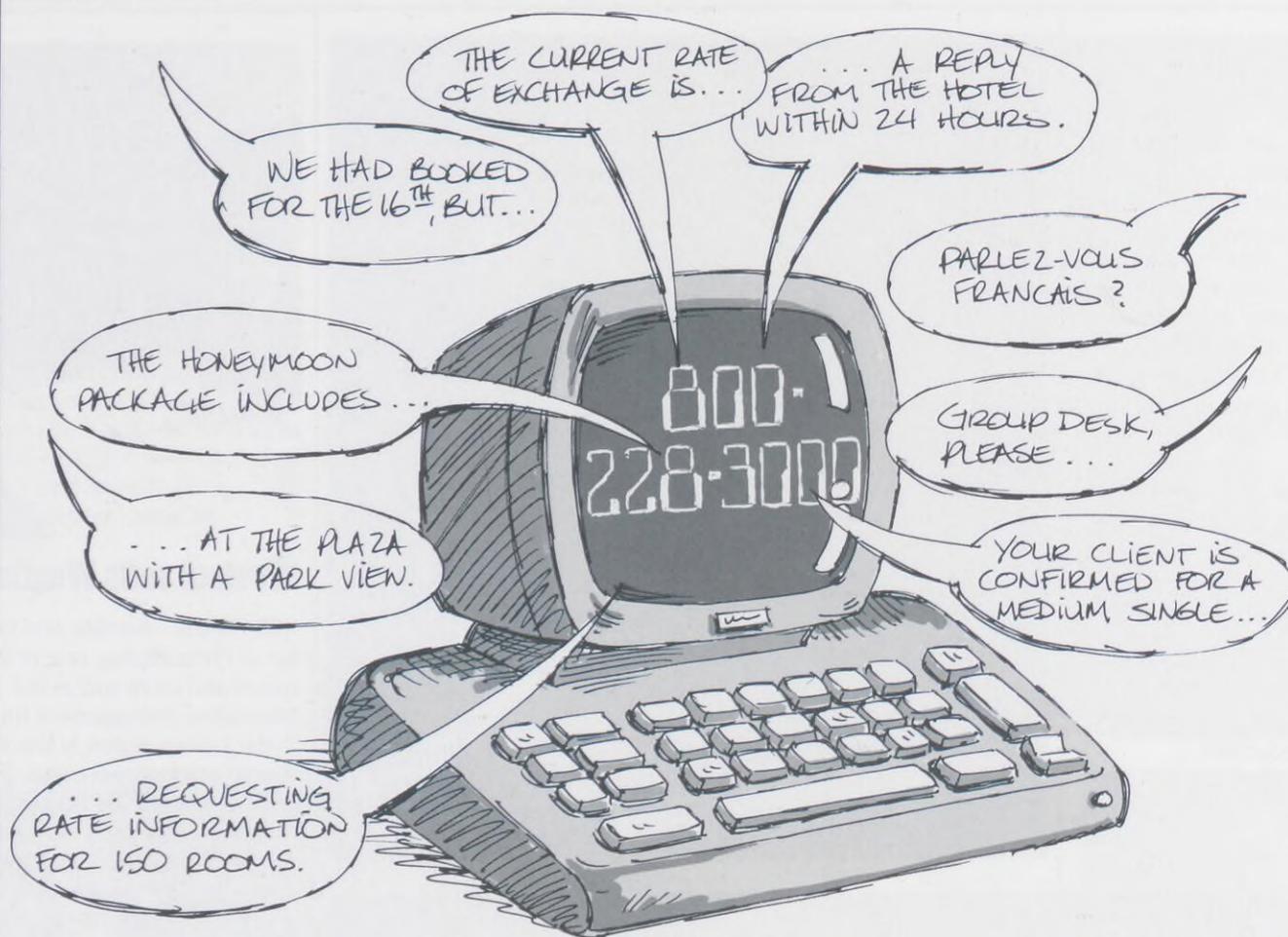
Here, Mike McGinnity (standing), former director of sales, and Adam Petriella (left), sales manager at the Westin Sales Office, New York, review with Tom and Tayler Fernley a Westsel printout of the many associations the Fernleys manage.



## Pillow talk

SAN FRANCISCO—Stage and screen star Rita Moreno is wild about Westin's bed pillows. After a recent visit to The Westin St. Francis, she claimed that it was due to the hotel's soft, down pillows that she enjoyed the most restful sleep in years. So as a memento of her stay; a pair of pillows to feather her home nest were presented to her by Russell Vieira, banquet captain.

## CENTRAL RESERVATIONS OFFICE



# Point-of-Purchase

**T**alk about success stories. Just ten years ago this month Westin Hotels Central Reservations Office (CRO) in Omaha, Nebraska opened for business. On staff were eight agents equipped with their CRT terminals and phones. On line was Westin's instant connection to the traveling world, its toll-free reservations number: 800-228-3000.

Today, and still growing, the CRO staff numbers 95 agents plus 20 support staff, dozens more

## Point-of-Sale

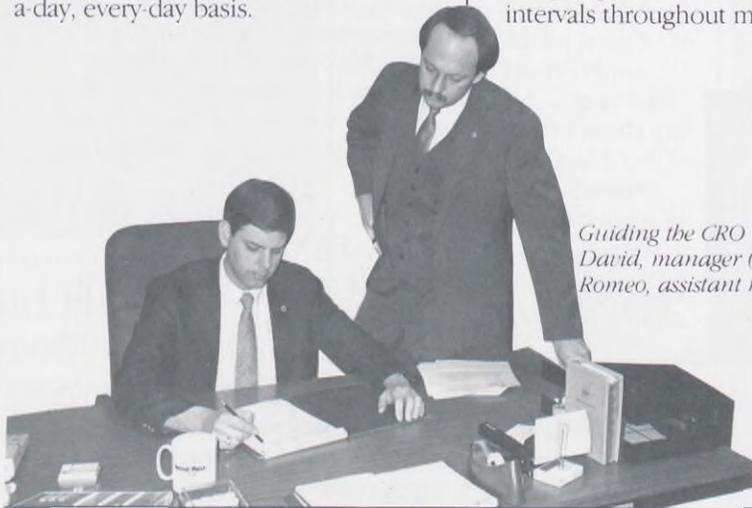
CRT terminals and phones, and what is considered the most sophisticated hotel reservations system in the country. Further, over these brief ten years, the CRO has developed into a 100 million dollar (1983 room revenue production) business—an operations record that not a

few other organizations might envy.

The CRO, as most Westin people are aware, is where the United States and Canada go shopping for Westin hotel rooms from Mexico City to Manila and from Vancouver to Vail. It's open for business round the clock seven days a week. Some 65 percent of these "shoppers" are travel agents. The rest are about evenly divided between individual and corporate travelers.

Heading the CRO operation as manager is Mike David, an articulate and enthusiastic individual, who transferred to the Omaha office as assistant manager from The Westin Bona-venture, Los Angeles six years ago. The CRO's assistant manager is John Romeo, formerly with The Westin Peachtree Plaza, who is charged with the office's day to day operations.

Romeo also takes responsibility for the supervision of the newly created Discoveries catalog order desk, which has its own toll-free number. Up to a dozen agents are trained to handle catalog call volumes on a 24-hour-a-day, every-day basis.



*Guiding the CRO operations: Mike David, manager (seated), and John Romeo, assistant manager.*

Key to the CRO operations, David explains, is the complex tele-communications network called Westron. Its computer "brain" is linked to Apollo, the United Airlines reservations and computer system located in Denver, Colorado. In addition to the CRO, all of Westin's hotels and regional sales offices, with some offshore exceptions such as The Carlton in Johannesburg, are hooked into the Westron network.

Essentially, this is what happens when a prospective room reservation buyer dials the Westin toll-free number: After the agent has found out what hotel the caller is interested in (or one is suggested if the caller requires that information), full information on the selected property, such as room rates, availabilities, etc., is brought up on the agent's CRT screen. (It's picked up electronically from Westron's brain in Denver.) Once the reservation transaction is completed to the satisfaction of the caller, this information is transmitted via Westron to the receiving hotel as a booking. The process takes but a matter of minutes. Further, the transaction is stored in the computer and can be instantly recalled when needed.

For non-Westron hook-up properties, the booking is sent via Telex.

## DAY FOLLOWS THE SUN'

O

ur typical business day follows the sun,' says David. "When the first shift comes on at 6:30 a.m., it's an hour later on the East Coast, and the phones that have been relatively quiet during the graveyard shift begin to ring."

As the sun heads west and crosses the various time zones, additional agent shift groups check in at scheduled intervals throughout most of the

morning. Noon to about 4 p.m. is the peak business period and when the office is most heavily staffed. During this period, it would not be unusual for an agent to receive a call from New York followed by one from Honolulu.

A sophisticated piece of equipment known as an automatic call distributor forwards incoming calls to available agents. Except for extremely busy periods, there is no call waiting. In conjunction with the automatic call distributor is an even more sophisticated piece of equipment called the Star System which, in effect, is a mini management information system computer. Star monitors each agent's position, recording such information as how many calls each agent is taking, how much talk time is taken to process a reservation call and how much release time or afterwork is needed to complete a reservation.

"Since labor and phone costs are our two biggest expenses, the value of these timing reports cannot be overemphasized," David notes. "In no way do we try to rush a caller transaction," he hastens to add, "but we try to make each call as expedient as possible."

Throughout the day duty supervisors roam the floor to assist agents with any problems or special situations involving non-reservations related calls.

"Because the toll-free number is such a convenience," says David, "we get all kinds of calls ranging from people notifying us that they've left some personal belongings at such and such a hotel, to complaints, or praises, for a meal they had at one of our hotel restaurants."

But there are also a number of reservations calls in which the caller will make special requests that are above and beyond the regular information available to agents. This usually requires communication via Westron to the requested hotel for confirmation of the request. In order not to tie up the agent's or caller's time with such transactions or have the caller contact the hotel directly, these requests are turned over to service assistant Patty Campbell for handling.

Says David, "One of our customer service basics is to never have to tell a caller that he or she has to contact the hotel for answers to their questions or requests. We are here to do that for them and can pretty well guarantee we can give them an answer back within 24 hours, or 48 hours if it's an overseas property. We're the only reservation office in Omaha to provide that customer service."

## PACKAGE AND GROUP DESKS

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hile any agent might answer any call, the office assigns certain agents to handle two specialized business call areas which are transferred to them. These are known as Package Desk and Group Desk agents.

Package Desk agents—there are 12 positions—handle mostly individual traveler (IT) packages as put together by the hotels. Such IT packages might be a ski package for The Westin Hotel, Vail; a honeymoon package at Las Brisas, or a golf or tennis package at the Mauna Kea Beach.

Handling the Group Desk are six agents. These people handle bookings for meeting groups requiring 12 or more rooms (five rooms minimum for resort properties) to full-fledged conventions.

Both the Package and Group Desk

operations are more complex and time consuming in their handling. In the case of group business for instance, this involves a call-back to the customer as the agent is required to check confirmation with the requested hotel.

Recently added, since the implementation of 800 number service for Canada last April (which had formerly been handled through a Toronto reservations office), is the French Desk. This is for the benefit of French-speaking callers, mostly from the Canadian province of Quebec.



*Eileen Mott,  
senior supervisor*

Not all reservation requests channeled through the CRO are handled by the office's agents. About a third of them are made through the various airline reservations systems to which travel agencies in both Canada and the U.S. subscribe. These airline systems, including United's Apollo, American Airlines' Sabre and TWA's Pars, are linked to Westron. Travel agencies hooked to any of these systems can make their own direct Westin Hotel reservations for their clients.

Keeping these systems updated and supervised is the responsibility of Westron update coordinator, Mary Smith.

The Mexico Deposit Desk offers yet another facet of the multi-faceted CRO operation. Guests requesting rooms for any of the Westin hotels in Mexico are required to submit a deposit (usually the rate for the first night's stay) to confirm their reservations. Collecting and depositing these monies and handling these guest transactions with the Mexican hotels are the responsibilities of a four-member staff. Heading that desk is Ann Taulborg, who claims the distinction of being the first agent to be hired by the CRO and also celebrates her tenth Westin anniversary this year. Another tenth anniversary celebrant is Mary Jo Leahy, who made CRO history by taking the very first reservations call.

## NEW SALES HELP SERVICE

**S**tarting in early May, the CRO added a new sales-oriented desk service—group lead qualifications.

Both the Westin Sales Offices and the hotels supply this desk with those business lead files on prospects that the sales staffers have not had the

opportunity to contact. It is the task of the two-member group lead desk staff to call these individuals by phone to determine their potential as current or future business prospects for Westin. All qualifying responses are relayed back to the originating sales office or hotel for staff follow-through.

Responsible for this new operation is Byron LeSeigneur, senior supervisor.

To date, the highest call volume record for a day was 9,000 calls, and the hour call volume record was 945 calls. Adding one more mind-boggling statistic—an excess of 1,900,000 calls were handled by CRO agents during 1983!

What with weekly as well as daily peak and valley volume operations, agent work schedules have to necessarily be very flexible.

Working out the weekly staff schedule is one of the responsibilities of senior supervisor Eileen Mott, who is also responsible for all the interviewing and selection of agent personnel.

"Though we have a pretty good history of call volume patterns and can schedule accordingly," says Mott, "those patterns can sometimes fool us and change quickly. We have to be flexible enough to change with them. Our goal is to always keep staffing to match call volumes and to meet our service levels."

All new agents undergo a rigorous three-week training period, conducted

under the direction of training coordinator Marilyn Haley, before they are assigned a station.

In addition to requiring certain basic skills such as phone and typing experience, applicants are also selected for their phone voice qualities.

"The CRO is the point of purchase for callers," says David, "but it's also the point of sale." An agent who projects a friendly voice, who sounds interested and helpful, and is thoroughly knowledgeable about our Westin product can also mean the difference in making the sale.

"While we demand a lot from our people," David goes on to say, "we also compensate them with, among other things, higher salaries for similar positions in Omaha. But we've also been very fortunate in our staffing; they're a group of real professionals."

## FAM TRIPS AND QUALITY CONTROL

**S**ince there is no Westin hotel in Omaha, all agents after six months service, are provided with an expense-paid "product" familiarization trip to the nearest Westin—The Westin Crown Center in Kansas City.

Additionally, representatives of the various Westin hotels are invited to stop at the CRO from time to time, both to give staff presentations on their property and to better acquaint themselves with the CRO operations as well.

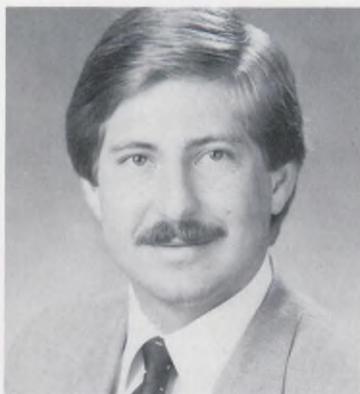
To assure callers are receiving Westin-style courtesy and caring service, the CRO has established a quality control monitoring program. A three-member quality control staff monitors random calls received by the agents as an on-going check for the maintenance of quality standards and procedures.

Once every quarter, monitor results are discussed individually with each of the agents and any improvements, as needed, are implemented.

As much as anything else, it is due to these quality control standards that has earned the CRO a recent award of Excellence from the editors of *Hotel & Travel Index*.

Results of a survey of U.S. travel agencies for the *Index* ranked Westin (CRO) highest from among some 36 hotel companies in reservations service satisfaction. A fitting tribute indeed, adding a special lustre to the Central Reservations Office tenth anniversary "success story" celebration.

## New corporate division head appointees



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**Hud Hinton—**  
 corporate F&B director

**H**ud Hinton, executive assistant manager for The Westin Ilikai, is Westin's new corporate Food and Beverage director. Hinton assumed his new position, replacing Jacques Bourgeois who had

resigned from the company in late April.

Hinton joined Westin as director of restaurants at The Westin Hotel, Renaissance Center Detroit in 1978, and a year later was named the hotel's F&B director. His previous hotel experience, largely with resort properties in Florida and Colorado, emphasized food and beverage area positions.

In 1981, Hinton was appointed senior assistant manager for The Westin Hotel, Renaissance Center Detroit and the following year transferred to The Westin Ilikai as executive assistant.

A Business Administration graduate from the University of Southern Florida, Hinton is also a Westin Corps graduate and a member of the International Society of Food Service Executives.



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**Hanne Dittler—**  
 corporate rooms director

**H**anne Dittler, formerly director of property services with the corporate Rooms Division, assumed the post of Division director in late May. She replaces former director

David Ling following his appointment as general manager of The Westin Hotel, Williams Center Tulsa.

Born in Germany, Dittler attended the College of Hotel Management in Heidelberg and launched her industry career with hotels in Europe before coming to the United States.

She joined the company at The Westin St. Francis in 1961 as assistant housekeeper and within a year was named executive housekeeper for the hotel.

In August 1968, Dittler transferred to Seattle as director of housekeeping for the then Westin-managed Olympic hotel. Five years later, in January 1973, she joined the corporate Rooms Division as corporate director of housekeeping, and in April of 1978 Dittler was named director of property services.

## Coin washer celebrates 80th birthday

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**F**our months after The Westin St. Francis opened, on June 17, 1904, Arnold Batliner was born. But it was more than half a century before the two contemporaries got together. This was in 1962 when the 58-year-old Batliner applied for and got the position as the 58-year-old hotel's coin washer.

This year the hotel and coin washer jointly celebrate their eightieth birthdays. And the saying "You're not getting older; just getting better," applies to both of them.

Over the past 22 years Batliner has perfected his "money laundry" technique

in transforming even the grubbiest of coins into newly-minted look condition. Over that time he estimates he has washed about 12.5 million dollars in coins in all denominations from pennies to dollars as well as the occasional centavo, franc or kopeck that may slip into the coin bags that are delivered to him daily.

Batliner's "laundry room" with its bank-like security includes a silver burnishing machine, an electric sorting machine for separating the various denominations, a drying machine and a machine to recount and wrap the sparkling clean coins for back-in-circulation delivery at the end of the process.

The Westin St. Francis began this unprecedented, and as yet unimitated, coin-washing custom in 1938 when silver dollars were in wide circulation. Former hotel manager Dan London initiated the service for the benefit of women guests of the hotel so their white gloves would not soil from handling of dirty coins. Thus began a tradition that continues to this day.

Batliner's unusual occupation has made him somewhat of a celebrity. He has appeared in a number of TV shows that, more recently, have included Real People, the Evening Show and Boston's Good Day Show. Articles about him have also appeared in several newspapers, as well as United's "Mainliner" magazine and "Fortune."



# Bill D. Ellis dissects the Westin sales DOLLAR

Westin vice president and controller Bill Ellis' middle initial is "D."

Not a few of his corporate office associates would be quick to suggest that the "D" stands for "Dollar." Though said in jest, the tag is very appropriately placed.

Few people in the company are more knowledgeable about the comings and goings of the company's income and expenditures than is Bill D. (for Donaldson, not dollar) Ellis, a 32-year veteran of Westin with 13 of those years in the Financial Services Division.

From time to time, in fact, Ellis has been asked to share his insight on the comings and goings—particularly, the goings—of Westin's sales dollar with various in-company conference groups.

The interview that follows is based on one of Ellis' presentations to such a group. His highly informative and easy to understand account of just what happens to Westin's sales dollar provides a fascinating eye-opener that, we think, will be of considerable interest to all Westin people.

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**FRONT: First of all, what is the source of Westin's sales dollar. Where does it come from?**

**ELLIS:** Well, I guess it's no surprise to anybody, but even though it's our main reason for being in business, the Westin sales dollar does not come only from the sale of guest rooms. Food and beverage operations are equally big contributors—the restaurants, lounges, room service, catering functions and such. And there are other contributing areas such as guest laundry and valet, guest telephone calls and the sub-leasing of retail space. All are producers of Westin sales dollars.

**FRONT: Okay. So, let's say this big shiny sales dollar has checked in and popped into the till. What happens to it now?**

**ELLIS:** First, fifty cents of that gets sliced off and goes right out for direct costs. That is the costs and expenses directly related to providing the goods and services our customers enjoy. A lot of that is labor costs—salaries and wages for room attendants, cooks, bell staff, front desk people and so on—whatever labor it takes to serve the guests while they're staying at the hotel. Other direct costs would include linens, uniforms, cleaning supplies, glassware, silverware, the cost of the food and beverages served to our customers, travel agent commissions and on and on.

**FRONT: So now fifty cents has been whacked out of the sales dollar. What's the next bite?**

**ELLIS:** Take eleven cents and apply that to administrative and general expenses, which is administrative overhead. Most of this is for salaries such as for the managers office, accounting, personnel and purchasing departments, etc. It also includes liability and other types of general insurance and the cost of doing business on credit such as collection costs, credit card discounts, legal fees. Other administrative costs would include printing and stationery, travel and moving expenses, employee training programs, etc.

## interview

**FRONT: So far, we've spent sixty-one cents. Now what?**

**ELLIS:** Ring up four cents for advertising and business promotion. This is principally the salaries of hotel sales personnel. But it also includes the cost of advertising in various media such as newspapers, magazines, radio and directories. It also includes all expenses relating to operating a sales department. For instance, the cost of telephone calls, stationery and postage to bring in business, travel expenses to bring group business into our hotels—anything that has to do with business promotion.

**FRONT: That's a pretty important expense. What's next?**

**ELLIS:** Figure nine cents out of every sales dollar for utilities and maintenance. Maintenance is principally labor—the salaries and wages of our engineers, painters, carpenters and electricians. Then there is

the cost of materials for maintaining the buildings and the grounds—the cost of decorating and renovating, and the cost of maintaining elevators, escalators and other equipment. Utility expenses, basically that's the cost of heating, cooling and lighting. When you relate the increases in your own home utility expenses over the past 8-10 years you can appreciate the impact of this cost factor.

**FRONT: Don't tell me! Let's move on to the next slice—how much and for what?**

**ELLIS:** It's a pretty big one . . . sixteen cents for rent, depreciation and interest. These are fixed charges—something we can't see, but it's still a very material expense. Many of Westin's properties are leased from others and, in many cases, the rent we pay is substantial. Other hotels we own outright. This means that in most instances we are carrying the mortgage and paying interest on these mortgages. Where we do own the property and equipment,

we have the costs of depreciation on these assets such as the building, furniture and other types of fixtures and equipment.

**FRONT: Let's see, that brings us up to ninety cents. What's next?**

**ELLIS:** Here's another area familiar to most of us—property taxes. Largely because many of our properties are located in downtown or high-property-valuation areas, it's a major expense. Figure on three cents out of the sales dollar.

**FRONT: Speaking of taxes, we can guess what's coming up next.**

**ELLIS:** If you're guessing income tax, you're right. The pay-out comes to three cents from the dollar.

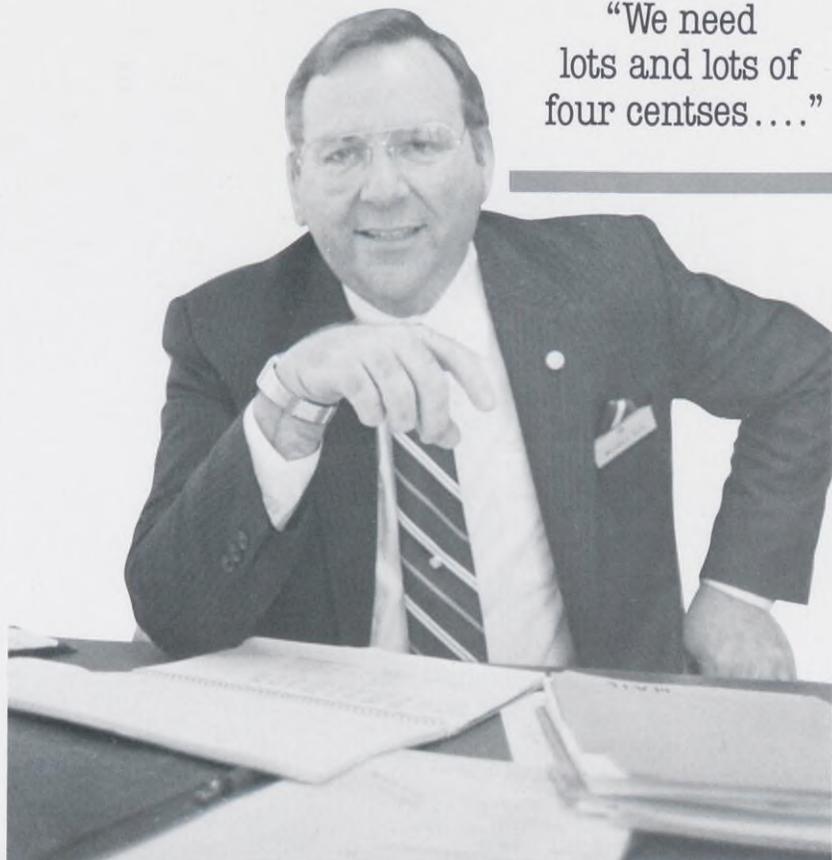
**FRONT: Wow! That leaves us with just four cents left. Who gets it?**

**ELLIS:** Westin does . . . sort of. On the average, assuming of course that Westin has had a good year, about four cents of the dollar drops to the bottom line. That can be referred to as profit or, by financial people, as net earnings. But that four cents also has a job to do too. Some of it goes to stockholders as a return on their investment. Some of it goes to pay back monies that we've borrowed. And some of it goes toward capital investment—that is for new equipment, renovations, additions and for new furniture, carpeting or whatever.

**FRONT: Well, if we counted right, that adds up to 100 pennies which pretty well takes care of the Westin dollar. But that four cents profit seems like so little.**

**ELLIS:** Well, it is little in relation to a single sales dollar. That's why volume is so important to us. We need lots and lots of four centeses to keep our investors, our money-lenders and our people happy, and our hotels maintained in first-class condition so that our guests will be happiest of all. After all, it is the guest who is supplying all those big shiny sales dollars you asked about. To borrow the words from a popular commercial "we do it all for them."

"We need  
lots and lots of  
four centeses . . ."



## EXCELLENCE



## THE GIVING SPIRIT OF EXCELLENCE

A basic trait of excellence is a giving spirit—in job performance, in working relationships, in serving others.

This giving spirit applies as well off the job as, for instance, in the service to the communities in which we live.

A recent example of excellence demonstrated in community service giving was the Walk America/Teamwalk in which hundreds of Westin people gave of their time and energies to raise thousands of dollars in the nationwide effort to win the battle against birth defects.

Some of the many Westin walkers who participated in this year's event are pictured here.



◀ **FROM THE WESTIN HOTEL, CINCINNATI** — a goodly group of 27 walkers gathered at Fountain Square for the 18-mile hike. Twenty-three made it all the way, including cafeteria employee Dottie Hessdeffer who is a grandmother. Pledge champion was John Gantert, Delmonico's dining room manager, who collected \$430 and won the dinner-for-two hotel prize.



◀ **FROM THE WESTIN HOTEL, SEATTLE** — collectively walking 130 miles and raising several hundred dollars in the process—this team (from left): Eric Schmidt (engineering), Mike Wahl (security), Jill Nordlie (public relations), Nadine Proctor (purchasing), David Jordan (management trainee), Debra Pflug and Sue Brush (public relations). Walkers not pictured were Nick Nisco and Bob Comeau (guest services) and Scott Anderson (stewards).



◀ **FROM THE WESTIN GALLERIA, HOUSTON** — and taking a mid-walk refreshment break in the hotel's food van, are (from left): Tricia Heaney, Chyrel Oates, Jessie Oates, Janey Poole and Valerie Seay. The hotel's team of 20 walkers raised over \$1,000 with Richard Berger, pastry chef coming in on the money with over \$350 in pledges accounted for.



◀ **FROM THE WESTIN MIYAKO, SAN FRANCISCO** — it was thumbs up all the way—well, most of the way—with six of the 22 walker starters making it to the finish line of the 32-kilometer course. Most impressive was the close to \$1,500 pledge monies raised; a real thumbs up performance!