

# **People-in-Travel**

## **Tracking Travel's Leaders**

#### **Gerald Lawless**

Head of the Dubai-based Jumeirah hotel company, Gerald Lawless. Some comments paraphrased:

- Leadership has made Dubai what it is. There's always been vision. One of biggest success factors in Dubai's story has been the development of the airline Emirates. Without a healthy airline we couldn't have grown as we have. We have leveraged Jumeirah off the brand of Dubai.
- Abu Dhabi is now doing what Dubai has been doing for some time.
- We have 11 hotels open, and 11 under development including Bali, Buenos Aires, Glasgow, Guangzhou, Majorca, Maldives, New York, Phuket. We already have 3500 rooms in Dubai. We may look to develop in the Caribbean and Latin America. We want to become an international luxury brand, so we need an international spread.
- In Dubai we have invested in hotels. But generally we are working on 'asset-light' development. We have looked at token investments. In Majorca we have leased the hotel. But we can always pull in investment money.
- We operate at the 5-star-deluxe level. We see ourselves competing with Four Seasons and Mandarin Oriental. Unit-by-unit we are already at that level, and in numbers maybe in two years.
- We have to show to developers that we are serious. We have a diversified market, so we have sales offices in Bangkok, Chicago, Dubai, Frankfurt, London, Los Angeles, Moscow, New York, Shanghai, Singapore, Tokyo. And on the administration side we have centres in London, New York, Singapore.
- We are in a position to look at new markets. The other big potential is that around 65% of passengers through Dubai are in transit. Another market is China. It will produce millions of tourists, so having a hotel there helps.
- We have had a 'Big Top' in Dubai where we ask what our customers want. Now we are going to do this in

London and New York.

- We will go from 11,500 staff to 55,000 in the next five years. But there are lots of people in the Middle East. That would be better if we can recruit them rather than going to Asia.
- We will not have 'Grand' or 'Resort' on our hotels. As awareness grows, we might drop the 'Hotels & Resorts'.

#### **Mats Lonnqvist**

Mats Lonnqvist starts as the new CFO and deputy president of SAS this month. He replaces Gunilla Berg, who has left that position, and the airline, after six years. Lonnqvist, 54, has good financial experience, including CFO roles at Eniro, Esselte, Biacore. But has shown a reluctance to move outside Scandinavia – not a suitable sentiment for an international company.

Mats Jansson, president and CEO at SAS, says Lonnqvist has experience of working in industries that are characterised by major changes. That precisely defines SAS's challenges, which are not just those of most airlines - declining traffic - but a break-up into smaller Scandinavian units.

SAS is selling or wants to sell its ownership in Spain's Spanair and UK's BMI, at a time when most other airlines are trying to forge alliances or more with other airlines.

If SAS reverses this trend, and stops its break-up (which is politically-inspired, not commonsense), this may indicate Lonnqvist's influence. And which could then make his current post a step towards the presidency.

But if present developments continue, then his task will be to manage SAS's decline, and prevent losses from threatening the survival of the airline.

### **HKTB's inscrutability**

James Tien, chairman of Hong Kong Tourism Board, says (paraphrased):

• We welcome measures by the Cen-

tral Government to widen the Individual Visit Scheme [for travellers from China to HK].

• We expect the number of longhaul visitors will continue to decrease, while China and other selected shorthaul markets will become our major sources of arrivals in 2009.

We say:

- 'Central Government' is not a reference to what most readers would expect ie the Hong Kong government but to China's government. Is the HKTB chairman talking to media or to presumed political masters in Beijing?
- '...China and other selected shorthaul markets will become our major sources of arrivals in 2009...' But the mainland has long been HK's major source, and now represents a 50% share. Longhaul markets were last a major source about 30 years ago. Does HKTB's chairman assume he is talking to cadet journalists who he wants to mislead?

#### Patrick Imbardelli

Some comments paraphrased:

- UOL bought Pan Pacific Hotels in 2007. We already had Parkroyal, which has been owner operator, and other assets (seven hotels, managed by others under the brands Crowne Plaza, Sheraton, Sofitel). We are bringing the three together, but we have not said we must manage those outside-managed hotels.
- We are committed to those two brands – Pan Pacific and Parkroyal. There is still a lot of residual memory in these. PR will be the 'upscale' brand, but PP higher.
- We are committed to a single office in Singapore.
- We have five projects, including two in China PP Tianjin, PR Chengdu.
- The name of the company is Hotel Plaza Limited (not the same as another Singapore-based hotel company, HPL, Hotel Properties Limited). That name will remain but be used only for business transactions.
- Our priorities are team, customers, owners and partners, and shareholders.

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