

Creating Excellence

An Interview with Ricco DeBlank,
Chief Executive Officer – Hotel Division, Sun Hung Kai Properties

EDITORS' NOTE Ricco DeBlank joined The Ritz-Carlton Hotel Company in 1995 and worked in Bali, Shanghai, Seoul, Hong Kong, and Osaka in various executive roles. Most recently, DeBlank opened The Ritz-Carlton, Tokyo and The Park Residences in March 2007. He joined Sun Hung Kai Properties in 2009. DeBlank was educated in Scotland and received his A-level examinations at Gordonstoun School, after which he received a degree in marketing and hotel administration from The Hague Hotel School.



Ricco DeBlank

COMPANY BRIEF One of the biggest developers in Hong Kong, Sun Hung Kai Properties (SHKP; www.shkp.com) focuses on premium residential, commercial, and retail property development and related businesses such as property management, hotels, technology, telecommunications, and car parks. SHKP has built a series of landmarks in Hong Kong, including Two IFC, Hong Kong's tallest International Commerce Center (ICC); The Arch and The Cullinan luxury residences; the New Town Plaza shopping center; and APM, the hip late-night shopping mall. The group employs over 31,500 people.

Would you provide an overview of SHKP's hotel operations?

SHKP owns a premium portfolio of hotels in Hong Kong. The group wholly owns and operates The Royal Garden in Tsim Sha Tsui East, plus the Royal Plaza Hotel, Royal Park Hotel, and Royal View Hotel in other prime locations in the city. SHKP's Four Seasons Hotel has set a new benchmark in Hong Kong's hospitality industry since opening in 2005. It is part of the International Finance Centre (IFC) development, in which the group holds a 50 percent stake. In addition, the group's wholly owned W Hotel Hong Kong opened in 2008 and is part of the Airport Express Kowloon Station development in West Kowloon. Also, the Four Seasons Place at Hong Kong Station and the HarbourView Place suites at Kowloon Station attract guests from around the world with their convenient locations and premium facilities.

What are your plans for new developments?

The group is developing new hotels in Hong Kong and on the mainland, including a luxury Ritz-Carlton at Kowloon Station in Hong Kong

and another Ritz-Carlton in Pudong, Shanghai. We will also be opening two new hotels with Intercontinental Hotel Group above the Tseung Kwan O Mass Transit Railway station in Hong Kong.

The Ritz-Carlton at Kowloon Station in Hong Kong will open in the fourth quarter of 2010 on the top 13 floors of the ICC, which will make it the world's tallest hotel. At 490 meters above sea level, ICC is the tallest building in Hong Kong, and the fourth tallest in the world, forming the superb Victoria Gateway with Two IFC on the opposite shore of the harbor.

The Ritz-Carlton in Pudong just opened in June 2010 as part of the Shanghai IFC development in the Lujiazui financial and trade zone. HSBC has opened its mainland headquarters in the same tower as the hotel.

What makes SHKP's hotels unique in the market?

Good locations plus spectacular views set us apart, and quality and our service attitude also make our hotels unique and competitive. Many of our hotels are strategic parts of premium integrated complexes in convenient locations along the railway. The Four Seasons Hotel at Hong Kong Station, W Hotel Hong Kong, and the upcoming Ritz-Carlton at Kowloon Station are on the Airport Express in Hong Kong, and The Ritz-Carlton in Pudong also sits above the Lujiazui metro station in Shanghai, offering travelers maximum convenience. Our Royal hotels are also situated in prime convenient tourist locations in Hong Kong.

Holistic planning is another plus. We put our hotels within large integrated complexes that are comprehensive and self-sustained with almost everything business or leisure travelers need.

The partners we choose give us another edge. For instance, we lead the market in introducing top international operators like Four Seasons Hotels and Resorts, Starwood Hotels and Resorts Worldwide, and The Ritz-Carlton Hotels and Resorts.

What impact has the economic downturn had on the luxury hotel industry in Hong Kong and throughout Asia?

Occupancy in the luxury sector has been affected since late 2008. However, over the past few months, we have seen a gradual recovery. Our Four Seasons Hotel and W Hotel Hong Kong have seen almost 90 percent occupancy. Obviously, the

market is picking up, but it will be a long recovery, and what we see is a "new normal."

On a macro perspective, the group is cautiously optimistic about the global economic conditions amid proactive fiscal and monetary policies by various governments. The mainland economy is expected to maintain a reasonable level of growth and this will boost the Hong Kong economy. In the longer term, Hong Kong will continue to benefit from its status as a major business hub in Asia, as well as a popular destination for leisure travelers.

What is your philosophy on celebrity chefs and branded restaurants for hotels?

When we choose celebrated chefs and branded restaurants for our hotels, we pay attention to the specific market needs. We are especially proud of Sabatini Italian restaurant at The Royal Garden, which creates excellent food with its own presentation with excellent returns, year after year. We are also very proud of the Four Seasons Hotel, where Caprice French restaurant and Lung King Heen Cantonese restaurant are the only two Hong Kong restaurants rated three stars by Michelin.

How have you been able to achieve consistently high levels of service in your hotels?

I make every area in my hotels measurable, work on improvement with my team, and encourage my employees to set the goals to ensure we are better tomorrow than we were yesterday. Our hotels follow the group's principle and put our customers before everything. Employees at all levels listen to customers carefully and seek constant improvement in our products and service.

We also work to ensure individual employees can grow in their jobs. Employees are an important asset of the company. If they feel proud to work for the company, they'll show that by the way they deliver service. When every one of our 4,500 hotel employees does that, we can create excellence.

What are your key priorities for the hotel division for the coming year?

Our priority this year was to open our Ritz-Carlton hotel in Hong Kong successfully. We will work to ensure we run the new hotels with the best of our quality traditions and our enthusiastic service attitude. In addition, we will explore the possibilities to expand our portfolio in major cities in the mainland, adopting the ICC and the IFC integrated development model. ●