

The King of the Caribbean

An Interview with Gordon "Butch" Stewart, Chairman, Sandals Resorts International, Kingston, Jamaica



EDITORS' NOTE Born in Kingston and educated in Jamaica and England, Butch Stewart founded Sandals Resorts in 1981, and Beaches Resorts a little more than a decade later in 1994.



Gordon "Butch" Stewart

COMPANY BRIEF Founded in 1981 and based in Montego Bay, Jamaica, Sandals Resorts International (www.sandals.com) owns and operates a dozen couples-only, ultra-all-inclusive resort hotels in the Caribbean. The resorts, located in Antigua, the Bahamas, Jamaica, and St. Lucia, offer upscale amenities such as gourmet dining and activities including scuba diving and golf. The company also owns four resorts under the Beaches brand name, two in Negril, one in Ocho Rios and one in Turks and Caicos. Beaches resorts cater to families with Kids Kamp programs, Xbox video game centers, water theme parks, and nanny services. Beaches is also home to the Beaches Resorts Caribbean Adventure with Sesame Street, which brings favorite characters Elmo, Cookie Monster, Grover, Zoe, and Bert & Ernie to the resorts year-round for daily activities and special live shows.

The travel industry has faced a few challenges over the past few years. When you look at travel to the Caribbean and your properties, did you see a negative impact post 9/11?

Not at all. We have had consistent growth. We never slowed down. In fact, after 9/11, Sandals Resorts ran 80-percent occupancies. Our take on it was that the public trusts our brand. While other folks were having occupancies in their 20s, we enjoyed 80-percent occupancies.

Do you envision your property portfolio remaining relatively consistent, or will you open additional properties?

The brand continues to get stronger; we're going through a big expansion, and have been at it for the last five years. In tandem, we have done a great deal of

modernizing and refinement of the product, and we have expanded the sizes of the existing hotels. We're just about to break ground on our expansion in Antigua, taking that hotel from 193 bedrooms up to 380 rooms and adding a conference center, a genuine British pub, a lot of retail shops, and the biggest pool in the eastern Caribbean. That hotel is on the most magnificent beach you can find and will have butler services, which we just brought on line at the end of last year.

Sandals resorts are all-inclusive, which is unusual for properties in the luxury hospitality sector.

Yes, ultra-all-inclusive. We have the best bedrooms in the business, and we obviously have things that other people don't – scuba diving, water skiing, and butler service. We have a comprehensive array of activities and entertainment, both day and night. I think we pioneered the idea of offering quality spas in the Caribbean; we elevated the standard for the services, environment, and quality of spas when we refurbished our spas and put in a host of new services, treatments, and facilities. The response to our new Red Lane spas has been tremendous.

Are conferences and meetings an increasingly important part of your business?

Oh, yes. We are very strategically working on that concept. The new Sandals Whitehouse in Jamaica has great facilities, and so does Sandals Grande Ocho Rios. After its expansion is completed, Sandals Antigua will have everything in the way of conference facilities, including 10,000 square feet of banquet and meeting space with its own kitchen. Sandals Grande St. Lucian and Sandals Royal Bahamian are established resorts with conference facilities, and of course our Beaches Turks and Caicos has become more and more popular for conferences.

Are you surprised at how well the market has taken to the Beaches brand of resorts?

We were confident from the start, primarily because it's a brand that our Sandals customers demanded. Sandals resorts are for couples only, and those couples wanted the same kind of product – the consistent quality, services, and facilities – but for their families. And that's what they have gotten with Beaches Resorts, just with a different concept for different age groups.

Is North America the key feeder market for Sandals and Beaches?

Our markets continue to expand around the globe. We've seen an increase in business from the Middle East, the Far East, Continental Europe, and, of course, the UK. We have an enormous foothold in Canada. But the United States remains our core market and our strength, and we are very happy about that.

Have you been able to provide your guests with the technological services they demand?

Yes. We have responded to that need. As usual, we do everything that's important to our customers.

Are you pleased with the airlift your guests can get to your resorts? Have the airlines provided enough transportation options for them?

There's never enough lift, but there has been a tremendous increase in recent years to most of the Caribbean. Our friends at American Airlines have tried hard in very difficult times, and no question about it, they do a fine job. U.S. Air, Delta, and Continental are expanding too, which is great. Some of those airlines have never ventured into the Caribbean or haven't been there for many years, so it's good to see them spreading their wings.

Your product could very well cross borders and be successful in other markets, yet you have remained focused on the Caribbean. Will that trend continue?

No question. We have maintained our focus on the Caribbean primarily because our product takes a lot of personalized focus. We're looking at the Far East right now, but anything that we do will be

The daypool at Sandals Grande St. Lucian Spa & Beach Resort



have been with us for years. I think that's important and that's how we have gained our strong position in the market.

As your business has grown, have you had to change the way you manage your time or define your role?

I don't think I've changed much. I do have to get through more things over the course of any day, but experience has allowed me to make decisions more quickly. In other words, decisions come more naturally to me. Also, we have an enormous amount of senior people at our resorts; we have a strong, potent team. So the process of delegating the ownership of projects to people with a good level of accountability is easier. I don't think I have ever been more potent in my ability to get things done. And I'm having a lot of fun. I get so much enjoyment out of executing things. The things we do make so many people – our guests – happy.

After almost 40 years in the business world, do you ever take the time to step back and reflect upon your good fortune?

Yes. I consider myself to be a "people person." I'm very lucky that I get to spend so much time with people – all the way down to those on the service level at our properties. That's how I stay current. That's good stuff. I'm very lucky.

Do you have any plans to slow down?

Well, I might get bored if I did. Face it: You can't fish every day, all day. ●

*Sandals Grande St. Lucian Spa & Beach Resort (top);
Beaches Turks & Caicos Resort & Spa*

done carefully so that it doesn't take away from the personalized relationships that we have with our guests.

The hospitality industry is one in which it can be challenging to find and retain talented people. Sandals has many long-term employees and has been able to find those talented people. Is it the culture of the company that keeps your employees with you?

I started in business in 1968 with air conditioners and then automotive products, industrial equipment, and so on. A lot of the people who started with me in those days are still with us. It's a lot easier to have long-term relationships than short-term relationships. And it's a certainty that those long-term folks know the product inside out. The first two folks that I employed with Sandals are still with us, and there is a host of other people who