

The Luxury of Being Yourself

An Interview with Dieter Huckestein, Chairman and CEO, Conrad Hotels; President, Hilton Global Alliance, Beverly Hills



EDITORS' NOTE Prior to assuming his current position in February 2005, Dieter Huckestein spent 10 years as executive vice president and president, owned and managed hotel operations, at Hilton Hotels Corporation (HHC). A graduate of Germany's Heidelberg Hotel School and Cornell University's School of Hotel Administration, Huckestein has served in various management positions worldwide, including vice president of Hilton International, overseeing the Americas, and senior vice president of the Hawaii region at HHC.



Dieter Huckestein

COMPANY BRIEF Headquartered in Brussels, Conrad Hotels was founded in 1982, with the goal of operating a network of luxury hotels and resorts in the world's major business and tourism capitals and top resort destinations. In November 2000, Beverly Hills, California-based Hilton Hotels Corporation and U.K.-based Hilton International formed a joint-venture company to expand the Conrad brand of luxury hotels on a worldwide basis. One of the world's leading hospitality companies, Hilton Hotels Corporation (NYSE:HLT) owns, manages, and/or franchises more than 2,300 hotels, resorts, and vacation ownership properties. Hilton International, an operating division of Hilton Group plc, operates more than 400 hotels, resorts, and vacation ownership properties in nearly 70 countries worldwide.

How has business been for the Conrad brand?

It's on the upswing. People are traveling. I was just in Beijing, where we signed an agreement to open a new Conrad hotel. With the Olympics coming up in 2008, we expect the demand to be extremely high in that city. China is already the fourth-largest tourist destination in the world, with 40 million visitors a year. Of course, the success of any Conrad property has to do with the amount of

travel and tourism to its city.

You recently announced the addition of a Conrad in Chicago. What made you feel that Chicago was an important market for the Conrad brand?

Chicago is a major gateway city in the United States; it's an international destination. It's a fun city, and the hotel is located on Michigan and Rush Street, so it has a unique location right above the Westfield North Bridge/Nordstrom shopping complex. It is a boutique hotel with just 311 rooms, and we're really going to spruce it up. We're going to put in flat-screen TVs and a new spa – all the things that a true luxury boutique hotel should have. We knew that a Conrad hotel in that particular location was going to do really well, and Chicago, in general, should have good years in 2006 and 2007 because of the influx in citywide conventions.

What other cities will be home to a Conrad property in the near future?

We have two hotels in California in the pipeline, and the opening of the Conrad Tokyo is helping the brand tremendously. Travel writers have told me it's one of the best hotels in the world. It is so nice to have such a great flagship in Asia. More and more developers are coming to us with interest in the Conrad brand.

The Conrad Bimini Resort & Casino is scheduled to open in 2008. Is gaming a perceived area of growth for the brand?

We don't manage the casinos at Conrad properties, but we're certainly interested in providing them. There are casinos at our properties in Australia and Punta del Este, as well.

Do you believe a spa can be a source of revenue for a hotel?

Absolutely. More and more travelers – particularly in the luxury market – see the need to relax and unwind and to take care of themselves. And there's no better way to do that than at a spa. Just get a massage and bounce back. All in all, I don't think a hotel can rightfully

call itself a luxury property without having a spa.

How important is it to have a high-quality food and beverage operation in a luxury hotel? Do you see a benefit in hiring a so-called celebrity chef?

Actually, I do. In Tokyo, we have Gordon Ramsey, and the restaurant is doing extremely well. In Chicago and Indianapolis, we are developing our own concept – a caviar and champagne bar that has the feel of a lobby bar, with an extensive hors d'oeuvres and tapas menu. Food and beverage is an important factor, and we certainly are very open-minded in terms of using good, entrepreneurial chefs who delight in pleasing our guests.

How can you ensure the safety and security of your guests without infringing upon their privacy?

That is, of course, our ultimate concern, and there's a thin line to walk. In certain markets, like at The Waldorf Towers - A Conrad Hotel in New York, we take more security measures. We inspect the trunks of cars that pull into the garage, for instance, because it is such a high-profile location. But do we need such measures at the Hampton Inn in Warrenton, Virginia? I don't think so. However, we still have a security program for those kinds of properties. In some locations, like Cairo, Bali, and Istanbul, we work closely with local authorities to ensure the safety of our guests.

What are your most pressing goals for the Conrad brand for the years ahead?

I think our number-one priority is to expand the brand – to establish a Conrad in every major gateway city in the world. Second, once we establish a property, we need to make it a product that corresponds with the Conrad brand and all of the emotion associated with luxury. One of our taglines is: The luxury of being yourself. By that we mean that at a Conrad hotel, you can be yourself and we will cater to your individual needs. A Conrad hotel is a place where you can relax and celebrate your individuality. ●

Conrad Tokyo's exterior