

Hospitality



One Man's Dream is Another's Hotel

Vikram Chatwal, President, Vikram Chatwal Hotels

EDITORS' NOTE In April 1999, at the age of 28, American hotelier Vikram Chatwal created Vikram Chatwal Hotels, an independent hotel group of six luxury hotels in three cities. The flagship in the hospitality group is the Dream Hotel. After graduating from the Wharton School of the University of Pennsylvania, Chatwal worked for Morgan Stanley.

COMPANY BRIEF Vikram Chatwal Hotels (www.vikramchatwalhotels.com) is one part of a long heritage of gracious hospitality offered up by Hampshire Hotels & Resorts and its Chairman, Sant Singh Chatwal. The collection represents the forefront of progressive, thought-provoking, and thoughtful design. From its inception in 1999 with the progenitor for the group, *The Time on Manhattan's West Side*, Vikram Chatwal has sought out the most daring and creative design teams to bring his "Hautels" to life including *Dream*, *Night*, and *Stay*.

MANY THINGS HAVE BEEN WRITTEN ABOUT Vikram Chatwal since he first set foot on the lifestyle hotel scene with the opening of *The Time Hotel* in 1999. The Ethiopian-born son of Indian-American hotelier Sant Singh Chatwal was largely regarded as a Manhattan bon vivant. However, Vikram was keen to shed his playboy image for the one for which he had spent his years at Wharton.

Vikram had always been something of a visionary and while he respected the normative model of the hotel world, the rise of a new animal called the boutique hotel seemed to awaken something in him. When his father beckoned him into the family fold, he agreed on one condition: that he be put in charge of a grand experiment of sorts. His father agreed to offer up one of his tourist-class properties in Manhattan's Midtown West landscape and, in exchange, Vikram vowed to make the property more profitable and visible by way of insightful and forward-thinking decisions. The result was the wildly popular hotel *The Time*, which became the catalyst to create a new company, Vikram Chatwal Hotels.

Act Two

The catch-22 of having a success straight out of the gates is that it ratchets up the expectations for the sequel. Vikram knew of the potential pitfalls of a less-than-stellar sophomore effort, so he spent a good four years forging new relationships to create a second act that would not disappoint. The net result was nothing short of

a Dream, so he called the new property just that and orchestrated a press frenzy surrounding its opening. The success of this new brand became immediately apparent and begged for a follow up, so Vikram set out to grow the brand on a global scale. Dream Bangkok opened to overwhelming response in 2006 and proved that the brand had global resonance.

In the same year that Bangkok opened, he launched another property in New York that was almost the antithesis of his lighthearted Dream brand. Through an exploration of a moodier and more risqué mindset came *Night*, a study of all things nocturnal. This smaller, townhouse-like property became a new model and would serve as a counterpoint to the mainstreaming of the boutique segment.

Expanding the Dream

By late 2006, this flurry of activity had captured the attention of several strategic partners who would eventually help elevate Vikram's Dream to a new reality. He set out in an effort to expand the portfolio in a focused way, but bigger and better than before. Vikram procured two deco gems on 11th Street and Collins Avenue in Miami, which would eventually become Dream South Beach. At the same time, he decided to look outside of midtown New York to establish the new flagship for the Dream brand, zeroing in on the increasingly popular Meatpacking District. What followed was a strategic real estate play for the remaining parcel of the classic Albert Ledner-designed, wedge-shaped building that housed what remained of the Covenant House on 16th Street, just east of 9th Avenue.

It's a gamble that seems to have paid off. Dream Downtown has attracted more than its fair share of attention since opening in 2011, due in large part to some particularly shrewd decisions made on Vikram's part. He appointed Handel Architects of New York to reengineer the entire structure and carve out a valley in the middle that now plays host to *The Beach at Dream*, a watering hole replete with glass bottom pool that looks down into the hotel's lobby and imported sand.

The Beach is just one of six food and beverage venues at the property that, by most accounts, is raking in north of \$40 million annually in its F&B-related bacchanalia alone.

Vikram credits the success to a special partnership between the Strategic Hospitality Group and The Tao Restaurant Group that both report



A Junior Suite at Dream Downtown, New York

up to the hotel ownership, the end result being a rare Vegas-Manhattan hybrid that is giving the competition a run for its money.

Along with serving up dining and nightlife venues that appeal to the local market, the maverick hotelier also realized that he needed to tap into a network that would give them global reach to bring people from far and wide to their new, sizeable investments. In early 2011, the Chatwal Hotels entity entered into a groundbreaking agreement with Wyndham Hotel Group to license the Dream and Night brands to Wyndham for expansion. In doing so, both operating entities remain in the deal and not only continue to benefit from the fruits of their labor, but allow other developers to do so alongside them.

The most imminent of these new franchise developments traverse several continents with properties recently announced in the western United States (Los Angeles), in multiple cities in Europe, and in several locations in India.

Luxury as Lifestyle

As the lifestyle segment continues to grow, so do its tentacles into other segments of the market – at least that's how Vikram Chatwal sees the industry evolving and he seems prepared to put his money where his mouth is. Recently, Vikram opened his eponymous hotel *The Chatwal* on West 44th Street in Manhattan, which represents the group's first foray into the five-star luxury-lifestyle arena. The property is the first member of Starwood's Luxury Collection in Manhattan, which puts it in rarified air alongside the St. Regis in pecking order. Chatwal also just partnered with India's megalithic Sahara Group who purchased controlling interest in New York's fabled *The Plaza*. Chatwal says his interest initially will be in managing the retail and food and beverage areas, which have been showing lackluster performance since the property reopened after extensive renovations in 2008. Chatwal's partnership with the Sahara Group is yet another strategic play. This new marriage will prove to be a powerful resource to further expand the Dream brand.

Almost as if by birthright, Vikram seems ready to carry the torch that his father started burning 30-some years ago when he arrived in New York. While it remains to be seen which of the younger Chatwal's interests will ultimately prove the most successful, it appears the industry has spawned the latest in a new breed of rising stars. ●