

Connecting with the Client

An Interview with Ahmass Fakahany,
Chief Executive Officer and Owner, Altamarea Group



Marea, an Altamarea Group restaurant on Central Park South in New York City

EDITORS' NOTE Ahmass Fakahany is a former President & Chief Operating Officer with Merrill Lynch & Co., Inc., a firm at which he also held the following positions: Vice Chairman and Chief Administrative Officer, Chief Financial Officer, Chief Operating Officer of Global Markets & Investment Banking, and Chief Financial Officer of the Asia Group. Prior to this, he held various assignments with Exxon Corporation. Fakahany received his M.B.A. from Columbia University and his B.S.B.A. from Boston University School of Management.



Ahmass Fakahany

COMPANY BRIEF Brick by brick, Ahmass Fakahany and Chef Michael White are building the Altamarea Group (altamareagroup.com) with a shared vision to create restaurant brands that are distinct in concept but united in delivering unsurpassed quality and outstanding service. They strive everyday to uphold and further this vision with an unwavering attention to detail and a true devotion to pleasing guests.

What was your vision when you founded Altamarea Group?

I went to business school but the seed of my interest in hospitality was there since I was a teen.

I went to work for Merrill Lynch and when it was time to think about the next chapter of my life, I was close to doing something in finance again. But I have an entrepreneurial spirit and always loved the hospitality arena. I felt I could translate what I learned from the finance world into something I was passionate about. This was the genesis of it.

The more I got into investing and running pieces of it, the better it seemed to do.

What makes someone successful in the hospitality business?

First, you have to be concurrently passionate and paranoid – always assume something can go wrong. The margins in this business are so tight that it takes little to put you into difficulty.

You must also run it as a business and you have to plan well, so you need processes, metrics, and client data. You also need to hire good people and ensure that you retain and develop them, especially in this transient

industry. There is an actual human capital arbitrage by retaining and developing people and providing incentives that do so. You need to have a maniacal client focus.

Was it challenging to find people to fit into that culture?

I found there was initially a resistance to it – it's too corporate and others find comfort in chaos. But ultimately, people want to grow and be empowered, and they have dreams.

Once we established a performance culture, and people understood they could have a voice in it, they wanted it.

Once the senior layer also bought in, it began to grow as an operating culture. However, it was hard in the beginning, because people lean towards the status quo and industry standard.

How does one build a company in which your people can have a career when so many perceive this can't be done in this industry?

The key is that even though we have a brand strategy, Altamarea is an overarching brand and a parent. We have been very aggressive in rotating people across our different restaurants and brands, without impacting their compensation. I am paying for the development of the individual.

As you build breadth in your game, you then start to think like an owner and, at that point, you can have a career ladder.

Is it important to build awareness for the umbrella brand?

With time and scale, there is an affinity and connection with the overall Altamarea Group. Our client is starting to explore across our portfolio and to enjoy the touch we have.

But the early affinity and connection is with the restaurant. The brand strategy was to win the high-end, which means achieving elevated dining acclaim. You can't go downmarket up but you can go upmarket down.

You can create success and client connection on the high end and then they get excited when you do something more low key, as they know the quality will still be outstanding.

How large can the company grow?

I want us to be agile and able to act like a small and flexible entity, while thinking big and not losing client attention.

Until our processes, our staffing, our measurement capabilities, and even our concept are fully in place, there is no urgency to move quickly.

We moved quickly in the beginning because we were new, had the concepts ready, and there were good real estate deals.

With 15 properties, scale helps us in terms of leveraging the core, leveraging purchasing power, and creating better deals for the group, but we also need to make sure there is a demand in the location into which we want to go, and execution capability.

Will New York be your core focus?

I see tremendous international opportunities for us. The wealth effect we have seen over the past few years in Asia, the Middle East, and Latin America is manifesting itself in elevated hospitality. With the tremendous disposable income that has grown in these countries and certainly the high-net-worth tier, I believe a great opportunity follows that.

New York is a fabulous place to run a restaurant business, and you also get tremendous global respect if you can succeed here.

Is there still an appreciation for fine-dining experiences?

Absolutely, but the appreciation is for fine-dining and high-quality food in a relaxed setting, executed with flexibility. This is a food generation like I have never seen. They want a setting that isn't stuffy, and they want to be able to share plates or decide to have only appetizers and not be looked down upon.

How critical is it to offer healthy options on your menus?

This is important because everyone is on some kind of diet, and while that makes menus increasingly difficult, it's here to stay.

A lot of our menus allow our clients to take care of their needs without making big announcements. The client can navigate their dietary preferences without having to share their restrictions with the whole table.

Why is philanthropy such a core value of what you're building?

Every deal that I've done is a long-term deal. There is a vision behind what we do.

When you do long-term deals, you're part of the community. We're not in the business of food and beverage – we're in the business of creating memories. If we're going to be here, it's irresponsible not to know what is going on in the community.

I feel that a restaurant that invites philanthropy makes us feel better and it says something to our employees; it's not just about taking.

Because the length of the deal makes you a long-term community member and there is a natural obligation to be part of it, this is something we've embraced early in our time. ●