

LEADERS IN *Hospitality*

The Reason for Corporate Travel

An Interview with Robert R. Matheu III,
General Manager, Nemacolin Woodlands Resort

EDITORS' NOTE In May 2004, "Trey" Matheu was appointed to his current position with Nemacolin Woodlands Resort. He joined the property as Director of Lodging in May 2002. Prior to this, he served in a number of senior positions in the hospitality industry, including Food and Beverage Manager at the Keystone Resort in Colorado, Resident Manager at Jackson Lake Lodge in Wyoming, and Resident Manager at Snake River Lodge & Spa, also in Wyoming. He holds a bachelor's degree in history from Pennsylvania's Lafayette College.



Robert R. "Trey" Matheu III

PROPERTY BRIEF Farmington, Pennsylvania-based Nemacolin Woodlands Resort (www.nemacolin.com) features 335 luxurious guest rooms, suites, townhomes, and single-family homes, 125 of which are located in the Chateau LaFayette. There are 42 additional rooms at Falling Rock, the AAA Five-Diamond Frank Lloyd Wright-inspired boutique hotel overlooking the Mystic Rock golf course. The resort also features the Woodlands Spa, offering more than 60 treatments; more than 31,000 square feet of meeting and banquet space; 10 dining venues and seven bars and lounges; and a private airfield. The property's outdoor attractions include two golf courses, the PGA Tour-tested Mystic Rock and the traditional The Links; a 25-station sporting clays facility; the 18-mile Off-Road Driving Academy, featuring Hummer H1 and H2 vehicles and Toyota FJ Cruisers; an equestrian center, featuring dog sledding in the fall and winter; a downhill and cross-country skiing facility; and the large Hawaiian-style Paradise Pool. Guests may also browse a \$45-million art collection and view live animal exhibits featuring black bears, zebras, wallabies, lions, tigers, and emus.

The hospitality industry has been heavily impacted by the economic downturn, especially in regard to corporate business. How challenging has it been to get the message out on the critical role the industry plays in the economy?

There has not been an industry that has been unaffected by this recent economic downturn. Unfortunately, hospitality and travel is one of those line items that is one of the first to go when looking at budgets and trying to trim costs. Compounding this issue over the past year



has also been the public lambasting given to some of the publicly traded companies over the use of the hospitality industry. Unfortunately, we have felt the brunt not necessarily from the companies in question, but rather by other companies worried about the backlash of using our product. I think it has forced our property specifically to work more closely with our corporate partners and guests, and become more accommodating and flexible. A contract signed two years ago in good faith and in a good economic situation is much different than the reality of trying to travel with both public and financial pressures acting against you. We have had to look at the long-term relationships, and in some cases, forgo immediate profitability for long-term return.

What are the essential reasons why corporations need to continue to hold corporate events and group meetings, especially during these challenging times?

The reasons for corporate travel have not changed. At Nemacolin, we have identified three key reasons people travel and use resorts for business: to thank existing clientele or to host and present to future clientele; to thank employees for exceptional performance; or to allow teams to be away from the office to concentrate on specific strategic initiatives and plans or to facilitate team building – we see this quite often when companies merge and are forced quickly into an environment in which they need to work closely and coherently. People use resorts to foster and grow relationships. In addition, there's ROI. A meeting or retreat at a world-class resort such as Nemacolin sends a message that "we care and we are grateful." When people feel rewarded and appreciated, they sell more, they buy more, and they are more productive, and the result is a positive ROI on every dollar invested in that program.

During challenging times, the need to communicate with your employees is critical. As a leader, how much of an emphasis have you placed on employee communication to help them to understand the plans and vision for the property?

Our owners, Joe Hardy and Maggie Hardy Magerko, have always ensured that there is full disclosure for all associates regarding the property. Monthly, we bring the associates together and talk not only about public relations issues, but also about the financial state of the company,

the future booking pace, and the business decisions that affect both the daily lives of our associates as well as daily operations. We have also instituted a "have you heard any good rumors lately" section, and publicly answer any fears, rumors, or questions that have permeated the resort. Honesty is the best policy and we are a culture of full and open honest disclosure.

It is during tough times that leaders need to step up. How have you focused your efforts during these challenging times?

Everyone around the world has been asked to do more with less, and Nemacolin is no different. We have spent considerable time trying to create a more efficient company. We've also focused on the sales effort. I have been traveling with the sales team as well as meeting with potential clientele more than ever. We were forced to relearn the mantra, "there is no bad piece of business." Finally, even during these down economic times, we have found the resources to expand the offerings at the resort again. This year, we added a Kids Spa, Dog Spa, and Dog Hospital, and are embarking on a Native American interpretive village and family camp sites, including both primitive and tent cabin accommodations. There never is a dull moment at Nemacolin.

What are the key priorities for Nemacolin as you look to the next few years?

Sales continues to remain our key priority. We have not, and will not, cut spending in our essential sales and marketing efforts; the worst thing we can do is make a short-term decision that could cause serious long-term damage for our business. Also, now that the resort has been through operational changes, we will focus on back-to-basics philosophies for 2010. We are spending more time listening to guests and conveying what they are telling us to the associates in order for them to better understand the guest expectations. This goes hand in hand with continuing to grow and nurture our line-level managers – many of whom have been recently promoted. Finally, as is our nature, we will continue to grow our amenity and activity offerings. We have four major projects we are moving ahead with, not only in 2010, but for 2011 and 2012 as well, including the possible addition of gaming to the property, the addition of some interesting rides at the Adventure Center, and the initial planning stages for a residential component to the property along with a membership club. ●



The Hardy Board Room (upper right); Lecture Hall (left)