



A Blend of Unique Hotels

An Interview with Timothy R. Busch,
Founder and Chief Executive Officer,
Pacific Hospitality Group, LLC



Balboa Bay Resort in Newport Beach, California (left);
The Meritage Resort and Spa in Napa, California (above)

EDITORS' NOTE *Tim Busch brings nearly 35 years of business and industry experience to his role as Founder and Chief Executive Officer of Pacific Hospitality Group, LLC. Most recently, he helped lead the creation of the Meritage Collection. The Meritage Collection is a new life and style collection including independent hotels, resorts, wineries, and golf courses. Included in the collection is Napa Valley's Trinitas Cellars, which is owned by Busch, a wine connoisseur. Busch has founded and led many companies, including The Busch Firm. He is also part owner and managing partner of the Stone Eagle Golf Club in Palm Desert, California, and co-owner of Busch's Markets – a 15-location specialty grocery store – the largest independently owned grocery chain in Michigan. An attorney, CPA, and licensed California real estate broker, Busch graduated from Wayne State Law School.*



Tim Busch

COMPANY BRIEF *The Meritage Collection (www.meritagecollection.com), gives its owner Pacific Hospitality Group (PHG) the distinction of being the only operator to provide AAA Four Diamond properties in Napa, Newport Beach, Santa Barbara, and La Jolla, four of California's most desirable travel destinations. Each of the Meritage Collection's hotels and resorts reflects the intention to deliver upscale, one-of-a-kind, elevated experiences in outstanding settings. The Meritage Collection ensures ease of access and cultural integration at these coveted California locations.*

What was the vision behind creating this business?

PHG started with branded-type properties. In 2006, we opened our first non-branded Four Diamond property, The Meritage Resort and Spa in Napa Valley.

Since "Meritage" means blend of varieties, we felt it was a great name to premier us for the Meritage Collection, which is a blend of unique hotels that have different locations but also unique attributes.

We began expanding on Meritage and, in late 2011, we bought Estancia La Jolla Hotel & Spa.

Then we opened the Meritage Expansion. In June 2012, we acquired the Balboa Bay Resort, and in February 2013, the Bacara Resort & Spa.

At that time, we felt we had enough synergy to create Meritage Collection, which we revealed in March 2013.

The opportunity is now here for non-branded hotels to compete with branded hotels, since there is a certain customer type who always prefers to experience something personalized and unique.

We can also shed a lot of the cost associated with the brand and focus our resources on elevating our collection of hotels.

Additionally, we're focused on maintaining an exceptional Four Diamond service level.

We also have a very strong focus on the group market. Our properties are in high-density populations near San Diego, Newport Beach, Santa Barbara, and Napa Valley. These locations are attractive to conferences and groups, sales training, and incentive groups.

The fourth and most unique element is incorporating lifestyle. We call Meritage Collection a lifestyle company. In three of our hotels, we have already incorporated a wine-tasting room. Two are operated by Trinitas Cellars and, in the third hotel, Bacara Resort & Spa, we have a tasting room with Trinitas but it's mainly operated by Foley, a conglomerate of wineries. Foley is a wonderful partner of ours, as we are both interested in working with guests and customers who want to enjoy lifestyle experiences that include wine, golf, and travel.

The four properties we currently own and manage, along with a fifth that was acquired in November 2013 – a Four Diamond boutique property in the wine country – will all provide highly desirable lifestyle experiences.

In 2014, we're putting a 250-room lifestyle resort under construction on the ocean at Huntington Beach. It will be the fifth large conference type hotel for us located in a beautiful setting.

Are there certain characteristics for each property that help visitors know it's Meritage?

Some common things are a fabulous spa; having a wine amenity incorporated into the experience; and a new concept called Blend, which is a grab-n-go European style café for breakfast, lunch, and snacks.

Each one of our spas is so unique to the geography that we have a lot of guests who enjoy our properties because they're spa lovers.

The food and beverage and winery programs also set us apart.

At Estancia, in La Jolla, we are blending our Trinitas tasting room with whiskeys and tequilas, and we now have our own proprietary single barrel whiskey program with Jack Daniel's. They've done the same in traveling to Mexico in choosing a tequila blended specifically for Estancia.

What do you look for when it comes to hiring?

We have hired an outstanding service trainer who has worked with many of the Five Star brands.

We have a personality survey that we have every employee take. Through that, we can identify if they have a service-orientation.

We take those who are predisposed to be hospitality-oriented and train them in how to read guests' needs without being asked, and on proper etiquette.

We train them on how to engage the guest, so they're not waiting for the guest to ask them for something but rather anticipating guests' needs.

We are in the business of creating memories and, when guests leave, we want them to say it was fun and that they are anxious to come back. This requires employees who are magnificent.

How did you end up leading in the hospitality industry?

I enjoy the hospitality business. I enjoy giving people a restful and unique experience.

But also, we're trying to reengineer the entire experience. Marriott has invented the systemization of properties so every room the world over looks the same. There is a certain customer base for that, but the world is evolving and there is more than one way to present a hotel room and a guest experience. There are different markets where you have a different style of room based on occupancy.

You have to be focused on how you develop your properties so they're specific to the local market and demand, as opposed to making one product fit all. ●