



Andrew Cosslett

CEO, InterContinental Hotels. Comments edited for brevity/clarity:

-Crisis. Some things we do the same, some different. We make sure systems, such as loyalty programs, are operating properly; it all helps. For instance, we are looking at systems that save 20% of energy bills.

-1800 hotels in development. We usually have 10% attrition in hotels due to open, but this has reduced a little. Development has taken nine quarters, but recently it has been running to 10.

-Another 1mn rooms in the world by 2013, irrespective of the financial crisis, and over two-thirds will be in mid-scale; this is the sector we have to pay attention; getting it right. We worked two years on Holiday Inn before announcing the change; now it has been 3 years, and it will be 5 years. By year-end there will be 700 Holiday Inns in new style; 1100 in pipeline.

-Indigo. 22 in North America; opening in London soon. It is a limited-cost model. We are getting close to Crowne Plaza rates, but at Holiday Inn costs. A lot of Indigo are conversions.

-We are going to see customers being more thoughtful. And they will be looking at value not cost.

-I think there will be more brands to capture as many markets as you can. Brands can't stop; got to keep developing. Create brands for markets. We have looked at environmental brand to see if there is a market demand for that. After all, Starwood Capital's '1' is about how many projects it has got.

-At top of market there is not much we can do in terms of service - we must maintain standards. But we might be able to save costs a little, and try to increase our market share. As a brand company, we

can do this better than some others - in terms of loyalty programs for instance. Where we can drive people to weekend sales rather than longterm image etc. Many look at revpar, but we need heads in beds. Sometimes we need to offer the market things that it does not yet know it wants.

-We will need 125,000 more employees over next four years. They will come from all over the world, but we cannot play the game what we all have done before, such as stealing from others. We need to make the industry more attractive. We have four teaching academies in China, for instance, and from these we will get 5000 graduates every year starting 2011, and later 6000.

Joao Manuel Costa Antunes

Director, Macau Government Tourist Office.

Plans and targets for the new Macau. (A full report on Macau, discussing the V-for-Venetian factor, is included in the current Asia Pacific edition of Travel Business Analyst.) Comments edited for brevity/clarity:

-In 3 years we will have doubled the number of hotel rooms. But also we will have new attractions, so this will help people staying longer. But we will see if the building target is reached.

-Also trying an open-jaw - into Hong Kong and out of Macau, or vice-versa; the open jaw does not need to be with the same airline. It is one of our priorities to attract more visitors to the Pearl River Delta area.

-Three years ago international visitors took a 5% share; this year we hope it will be 10%. Starting July we reinforced our marketing activities in international markets.

-We have an emphasis on the India market. Both Hong Kong

and Macau are strong in that market - HK for its theme parks, us with culture, etc. And we want to expand the Japan and Korea markets. In fact Korea is starting an open-jaw package.

-We are looking carefully at the MICE market. We want to use the new attractions to extend length of stay. In next three years we want to get LoS to two nights.

-We are going to increase our image in other markets - not just traditional markets. We want people to know that Macau is changing.

-Access. Most people want to fly direct into the destination, although access into Macau via Hong Kong is okay for some markets. However, in seven years when the bridge to Hong Kong is open it will be better for us, because the bridge goes to Lantau in Hong Kong, where its airport is located. It will take only 20 minutes to get to Macau.

Marriott's son; new job

David Marriott, 34, the youngest son of Marriott's head, Bill Marriott, has been appointed to run hotel operations in key markets, including New York City. He was SVP sales. Some expect him to get the top job in time, although current CFO Arne Sorenson, 49, may be given a chance first.

Another possibility for that top job could be David's his older brother, John. He left his job as head of lodging at Marriott in 2005, to run the family's private hotel investments, but obviously he could be called back.

Another brother, Stephen, is SVP culture and special events (but he has a hearing and vision deficiency). Sister Debbie was not with Marriott, but now works on government affairs and her husband heads the company in Canada.