



Tony Williams, Emirates Hotels

Head of Emirates Hotels & Resorts, a subsidiary of the Emirates airline. (There are other unconnected operations with similar names.)

Williams, whose previous experience was with a luxury safari resort in Botswana, has been a longtime admirer of Aman Resorts, and that is the level he targets for the EH&R resorts. Ironically, when Adrian Zecha was separated from Aman Resorts, the name he used for its substitute company was Maha Resorts - the name for EH&R's first (and only, so far) resort.

But despite this clear strategy, Williams presides over a company with an unclear business plan and muddled marketing:

- In home-base Dubai, EH&R operates the 400-room Harbour hotel and a block of serviced apartments. And resorts - what it now calls Sanctuary Resorts. The resort division comprises just the Al Maha resort in Dubai, which opened 10 years ago, in 1999.
- Two other resort locations have been identified. The second Sanctuary resort, in Australia, is due to open this year, although it is already a few years late. And a third, in the Seychelles.
- Australia. Wolgan Valley, New South Wales, 2-hours' drive northwest of Sydney near Lithgow. 40 units, developed on only 1% of the land (some reports say 2%). Other reports say because the area is a valley, the conservation efforts will actually be protecting around 40,000ha. And also that it has about 4000ha of land (some reports say 2000ha).
- The resort needs that large area of land for livestock conservation. It will be introducing animals into the area although ironically, it is first culling some of the wild animals already there.
- Sloppy marketing. In most literature, EH&R does not say where the valley is, except that it is in the

Great Dividing Range and has views of the Blue Mountains. More than a few potential guests might need more guidance.

- Seychelles. Different concept from Dubai and Australia, but more like a standard coastline resort. It will have a 270-room hotel, plus 40 villas and 15 overwater bungalows. Conservation ('sanctuary') here will be related to marine life - a new expertise for Williams and EH&R.
- The Cap Ternay Resort, due to open in 2010, is on its own island in 45ha of protected nature reserve, with 400m of private beach.
- Williams says the 40-unit Al Maha will pay itself back after 12 years, and that Wolgan Valley will be shorter; that looks tough, given what must be high development costs. He says EH&R's investment in hotels is almost US\$1bn.
- Williams says EH&R is looking for other projects, but that expansion is an airline-lead strategy. In fact, there seems no link with the airline's customer needs, apart from that city hotel in Dubai. Making more sense for passengers would be more city hotels - in London, New York, and Sydney for a start. It is therefore difficult to envisage a growth pattern for this accommodation division of an airline with a far-flung route network.

Trumping Trumps?

The two business/show-business personalities, Donald and Ivana Trump - no longer a married couple since 1992 - have both announced the creation of (divorced) hotel groups, both aimed at the top of the market.

Donald has formed the Trump Hotel Collection. Joining the existing Trump hotel in New York have been hotels in Chicago and Las Vegas. Due next is New York SoHo this year, and Toronto 2010. Then, projects in Fort Lauderdale, New Orleans, and Waikiki in the US. And outside - in Aberdeen, UK; Baja, Mexico; Cap Cana, Dominican Re-

public; Dubai, UAE; and Panama City, Panama.

Ex-wife Ivana's move into hotels is more complex. She has appointed US-based development company JMJ Hospitality as 'Developer and Brand Manager' for Le Diamond Ivana Trump (LDIT) projects, in which the Dubai-based Indian-expatriated Darvesh Group is a partner.

The first two LDIT projects are due in Bahrain and Dubai; construction is due to start early this year. Darvesh has an unusual strategy - to create branded development projects, with big-names, such as business and movie names, and build 10 properties in 10 cities. LDIT is the first of its planned four brands.

Its projects will not necessarily be hotels.

There is already exaggeration. JMJ said the response it received from the announcement of Bahrain and Dubai was "one of the best ever in the Gulf". But how would JMJ know what level of response others received - even for Donald's project in the same city, Dubai?

Based on this start, Ivana's hotels look unlikely to trump Donald's - and may not even get much further than this announcement.

Briefs

- **Hans Lerch**, ex-head Kuoni: "MICE business will be hurt more than regular travel business...Travel will cost more...Will people travel less? Yes, but it will depend on the area...But probably people will save on something else (like a new car) but still travel."
- **Geoff Buckley**, head of Tourism Australia:
 - "In 2008, we were forecasting 4% growth in arrivals, and 6-8% growth in spend.
 - "Our air capacity problem has been easing from end-2008, and there should be much more capacity this year."

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