



145TH
ANNIVERSARY ★ EST. 1875

HOTEL MANAGEMENT

HOTELMANAGEMENT.NET

THE LEADING HOSPITALITY NEWS AUTHORITY SINCE 1875 | Vol. 235, No. 5 | June / July 2020

MAKING IT MODULAR

BOOSTING THE
VALUE PROPOSITION

DOUBLE HELPING

Annual Franchise Fees Guide
and Design Firms Survey

COVID-19 UPDATE

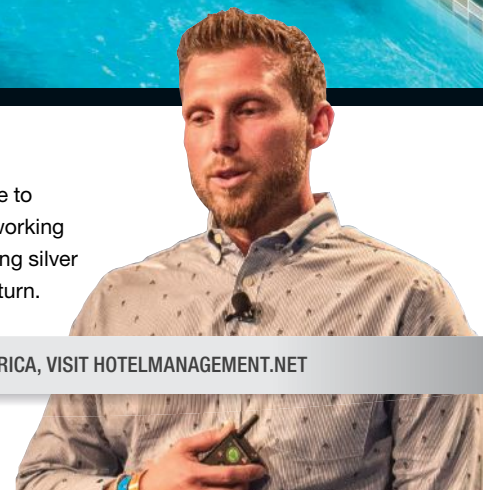
A by-the-numbers look
at where the industry stands

ONE-ON-ONE WITH MY PLACE HOTELS' RYAN RIVETT

The franchise company's president and CEO has never been one to stand still, and with a fully open portfolio and a new brand he's working harder than ever to sustain a forward momentum. He's also finding silver linings that will help the company through and beyond the downturn.



ONLINE EXTRA: FOR MORE ON MY PLACE HOTELS OF AMERICA, VISIT HOTELMANAGEMENT.NET



INSIDE THIS ISSUE

NEWS

- 8 | After a bleak spring in the midst of the pandemic, the hotel industry looks for bright spots
- 9 | My Place Hotels of America launches conversion brand for hotels built since 2005
- 10 | The Hotel Optimization virtual event helps hoteliers prepare, position and perform in the current environment
- 12 | Hotel Management's latest roundtable explores the post-pandemic hospitality landscape

COLUMNS

- 4 Up Front | Elaine Simon
- 17 Trends & Stats | Robert Mandelbaum
- 18 Legally Speaking | Karen Morris
- 19 Tech Watch | Frank Wolfe
- 20 Training Trends | Monique Donahue
- 42 Ad/Editorial Index
- 43 Classifieds

ON THE COVER
The TownePlace Suites Los Angeles LAX/Hawthorne



DEPARTMENTS

- CONSTRUCTION**
 - 14 | **Modular construction**
Proper advance planning increases the value proposition for these properties
- 20 IN 2020**
 - 16 | **Design Trends to Watch**
- ONE-ON-ONE**
 - 22 | **Ryan Rivett**
The My Place Hotels president and CEO draws on his breadth of experience to lead through COVID-19
- GM PROFILE**
 - 23 | **Kenja McLeod**
Loyalty spurs this long-time Hilton GM's journey from line level to management
- SPECIAL REPORTS**
 - 24 | **Franchise Fees Guide**
 - 32 | **Top Design Firms**
- TECHNOLOGY**
 - 36 | **Point-of-Sale Systems**
Contactless, flexible offerings are the goal when updating
- OPERATIONS**
 - 37 | **Pest Control**
Why hotels should pay more attention to birds
- DESIGN**
 - 38 | **Lobby Design**
Technology changes the look, function of lobbies
- HOT OPENING**
 - 39 | **WoodSpring Suites Indianapolis Castleton**
- YOUNG PROFESSIONALS**
 - 40 | **Dealing with Adversity**
Young leaders navigate uncertain hospitality waters

HOTEL MANAGEMENT (ISSN 2158-2122) is published monthly by Questex LLC, 685 Third Ave., 21st Floor, New York, NY 10017. Subscription rates: \$68 for 1 year, \$107 for 2 years in the United States & Possessions; \$91 for 1 year, \$130 for 2 years in Canada and Mexico; all other countries \$146 for 1 year, \$207 for 2 years. Single copies (prepaid only): \$5.50 in the United States; \$6.50 in Canada and Mexico; \$12.50 all other countries. Back issues, if available are \$10 in the U.S.; \$12 in Mexico and Canada; \$24 for all other countries. International subscriptions will be subjected to \$82.50 per annual order for air-expedited service. Include \$7.15 per order plus \$2.20 per additional copy for U.S. postage and handling. Periodicals postage paid at New York, NY 10199 and additional mailing offices. POSTMASTER: Please send address changes to Hotel Management, P.O. Box 1267, Skokie, IL 60076-8267. Canadian G.S.T. number: 840 033 278 RT001, Publications Mailing Agreement Number 40017597. Printed in the U.S.A. Copyright 2020 Questex LLC. All rights reserved.

Copyright 2020 Questex LLC. All rights reserved. No part of this publication may be reproduced or transmitted in any form or by any means, electronic or mechanical including photocopy, recording or information storage and retrieval system, without permission in writing from the publisher. Authorization to photocopy items for internal or personal use, or the internal or personal use of specific clients, is granted by Questex LLC for libraries and other users registered with the Copyright Clearance Center, 222 Rosewood Dr., Danvers, MA 01923; phone: (978) 750-8400; fax (978) 750-4470; call for copying beyond that permitted by Sections 107 or 108 of the U.S. Copyright Law. For those not registered with the CCC, phone permission request to Wright's Media (877) 652-5295. Hotel Management does not verify any claims or other information appearing in any of the advertisements contained in the publication, and cannot take any responsibility for any losses or other damages incurred by readers in reliance on such content. Hotel Management welcomes unsolicited articles, manuscripts, photographs, illustrations and other materials but cannot be held responsible for their safekeeping or return. Questex LLC provides certain customer contact data (such as customers' names, addresses, phone numbers and e-mail addresses) to third parties who wish to promote relevant products, services and other opportunities which may be of interest to you. If you do not want Questex LLC to make your contact information available to third parties for marketing purposes, simply call toll-free (866) 344-1315 between the hours of 8:30 a.m. and 5:00 p.m. CT and a customer service representative will assist you in removing your name from Questex LLC's lists. Outside the U.S., please phone (847) 513-6024.





The Hilton Garden Inn San Jose (Calif.) Airport, developed by architecture firm AO, is slated to open in January 2021.



Construction of the Hilton Garden Inn San Jose (Calif.) Airport.

MODULAR BUILDS

Proper advance planning increases value proposition

BY JENA TESSE FOX AND CHUCK DOBROSIELSKI
JFOX@QUESTEX.COM

Modular design has gone from niche to standard within the design and construction sectors of hospitality, with owners drawn to the lower costs and faster pace of constructing a building in a warehouse and then transporting the assembled pieces to the site.

But in order to reap the benefits of this quicker and (relatively) cheaper method of construction, hoteliers need to think differently about how they work, said Henry Wong, principal at architecture firm AO. “Many of the same decisions that you would make over the course of, say, eight months are now contained over, let’s say, three months, which means you have to assemble your entire team earlier. You need to be willing to and be able to make the decisions that you might [otherwise] defer ... You now cannot defer. You need to be willing to make those paradigm shifts, so that by doing so, those decisions made early can be integrated into the manufacturing processing cycle.”

When creating a modular building, designers will need to consider how, exactly, the structure will be divided into its components, said Patti Harburg-Petrich, principal in the Los Angeles office of Buro Happold, a consulting engineering and advisory company. “For the hotel rooms themselves, that’s pretty obvious,” she acknowledged, “but then, what do you do about the corridor, and what do you do about the lobby and all these other pieces?” The back-of-house areas of a building, she suggested, could be partly modular and partly traditional. “There will be a traditionally built concrete podium and then the modules will stack on top of it,” she said of this type of hybrid plan.

Stephen Siegel, principal at H-CPM, argued that the value proposition of modular design can vary based on location. “One [reason] is the cost of your labor because the cost of your labor in a warehouse or some type of manufacturing player is typically a lower-cost labor,” he explained. “If you’re building in ... a unionized area, your labor rates are higher.” Similarly, if the necessary facilities for building and assembling the components aren’t nearby, the costs of transporting the pieces from the nearest warehouse can add up. In traffic-logged urban markets, bringing the components to the site may have to be cleared with the department of transportation in advance, Siegel cautioned.

However designers and owners create and develop a modular hotel, Harburg-Petrich emphasized the importance of having a well-thought-out plan in place that works for everyone involved. “You really need to get the design set and the contractor in to help coordinate and optimize that approach,” she said. “That, I think, is a challenge. Sometimes—oftentimes—on projects we’ll have the owner or the designer trying to make changes up until the last minute. And that doesn’t work very well if you’re going with a modular approach.” **HM**

4

QUICK
STATS

10-20%

SAVINGS IN LABOR WITH
MODULAR CONSTRUCTION

Speed is the biggest advantage of modular construction.

Source: Buro Happold

15-30%

SAVINGS IN TIME WITH
MODULAR CONSTRUCTION

Depending on financing, this can translate to financial savings as well.

Source: Buro Happold

5.7%

INCREASE IN U.S.
CONSTRUCTION COSTS IN 2018

Chicago; Phoenix; Portland, Ore.; San Francisco; Seattle; and Washington, D.C., experienced the greatest annual increases

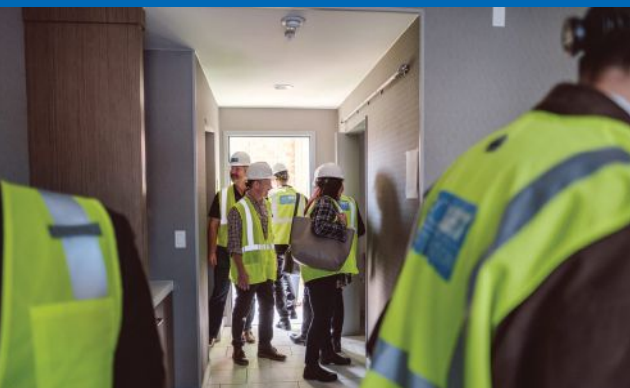
Source: Rider Levett Bucknall

4 MONTHS

TIME SAVED ON ONE
KENTUCKY HOTEL PROJECT

Concord Hospitality cut four months off constructing the AC Hotel Louisville (Ky.) Downtown by going modular.

Source: Concord Hospitality



MODULAR PERMITS: When building a project modularly, owners will have to secure two types of permits, cautioned Henry Wong, principal at architecture firm AO. “There’s one as we refer to as a state permit, and then there’s one that’s done by the local [authority-having jurisdiction]. So those local authorities—the building departments, the health departments and so forth of the local city or county—will prevail over anything that’s done on site, but the modules are inspected and permitted through a state-related agency.” Because of this, Wong, said, owners will need to get early code alignment and code agreement for the on-site and off-site elements.