

Local Hotel Adventures to open premier project: The Andell Inn

BY STEFANI C. O'CONNOR

JOHNS ISLAND, SC—When is a Residence Inn not a Residence Inn, even when it really is? The best person to answer that riddle is Don Semmler, a veteran of Marriott International who has struck out on his own and formed Local Hotel Adventures, an independent development/management company.

Semmler's first project is a 100-room "independent boutique" property, here near Kiawah Island that, in the realm of "things may not always be what they first appear," is owned as a Residence Inn franchise, but will be operating as The Andell Inn to meet the requirements of the locals who don't want national brands—and presumably their signage, etc.—impacting the area, which has a sensitivity to nature and the environment.

The property is slated to open next year in the retail and services enclave of Freshfields Village, located at the crossroads of Kiawah, Seabrook and Johns Islands. Freshfields was created by Charles Pinckney (Buddy) Darby III, chairman/CEO of Kiawah

Partners, and his group to serve as the "neighborhood" shopping district for the affluent Kiawah Island community. (Darby was integral in helping acquire Kiawah Island in 1988 and has held primary responsibility for its development direction.)

The hotel is owned by Freshfields Village Hotel Associates, of which Semmler is a major investor and who has the majority share. It will be managed by Local Hotel Adventures.

"It just happened to work out that the kind of hotel that I wanted to build was part of the prescription of this new village; that they wouldn't allow branded concepts," said Semmler.

The only other local hotel is the 268-key The Sanctuary at Kiawah Island, a luxury beachfront property owned by William (Bill) Goodwin Jr.

Ironically, Semmler formerly served as EVP/global full-service brands for

Marriott, which is the parent of the Residence Inn brand, among others. The executive departed the company some three years ago and first formed James Hospitality, a consulting group, before adding the current enterprise.



Don Semmler
Local Hotel Adventures

"I wanted to go into the high-return hotel space. The most profitable-margin hotels in the industry are all Courtyards, Residence Inns, Towne-Places, Hilton Garden Inns, Hyatt Places, etc. Those are very profitable hotels; however, they're also cookie-cutter. They're proto-designed and they're almost exactly

alike. There hasn't been much innovation in that space," explained Semmler. "I wanted to go with the idea of a hotel that was high return and high personality."

He also wanted his project to fit into the Freshfields' concept.

"It's a walking village with a main street, designed to be a Low-Country coastal, turn-of-the[last]-century

design. There were different architects so it doesn't look like it came from the same brush stroke. They built this really beautiful community," said Semmler.

And to keep it beautiful and special—and potentially increase property values—the community and its organizers made the decision not to put in national brands, at least not obviously.

"They felt it would commercialize it and destroy the environment," said Semmler.

(Freshfields Village does allow national brands to be featured inside the locally owned businesses, e.g., Tommy Bahama "presented" by retailer Palmetto Islands. There also are financial institutions, such as Bank of America, as well as a ResortQuest by Wyndham vacation rental outlet in the mixed-use complex.)

Interestingly enough, the developer said his prototype for the hotel was a gourmet grocery store called Newton Farms that had set up shop in Freshfields Village in 2005. The enterprise is actually a private-label line from

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Piggly Wiggly Carolina Co., a well-known brand of 600 self-service grocery stores in 17 states.

Similarly, Semmler said, "I used the Residence Inn guestroom as a starting point because it's the perfect guestroom for the area," noting the guest mix is multigenerational. "I did a lot of research, and if a family picks a location for seven days or more, the percentage of times that there's three generations participating is about 80%," said Semmler.

"And this is an extended-stay product; this is not a hotel room, this is not a condo: it's right in between," he added. "I have studios, one bedrooms and two bedrooms, and they all have a kitchen and a living room."

Despite its positioning, Semmler said overnight transient business would be welcome.

"I'm convinced I'll be able to bring incremental visitors to the area because, right now, if you come in the summer when it's sold out, you either pay \$500 or more a night at The Sanctuary or you rent a house for seven days a week with no housekeeping and there's no standards," he said.

On the shoulder seasons he anticipates golfers taking advantage of Kiawah Island's five championship courses, as well as guests attending social events and weddings, to book his rooms.

Room rates are expected to start at \$250 per night for studios. The property will feature a fitness center, pool and great room with bar. Amenities, such as complimentary breakfast and wireless Internet access, will also be offered.

Design of the Andell Inn is Low Country high style, according to Semmler, who reiterated he used Residence Inn as a "chassis" and "then I just redesigned the public space and hired an outstanding design group that is making it absolutely special and surprisingly different."

Orlando, FL-based The Hotel Design Group, led by Founder/Principal Deborah Golding, is tasked with the effort. "She's all about differentiating and creating an experience for customers. I really think it's as good as I've ever seen," said Semmler.

The Hotel Design Group is known in the lodging industry for its work with Richard Kessler and his eponymous collection of hotels, seven of which were used to help launch Marriott's Autograph Collection three years ago via a marketing/franchise agreement.

A key attribute of the Autograph

Collection is the ability of a hotel to keep its independent identity while still benefiting from Marriott's services, a model Semmler indicated would be applied to The Andell Inn.

"I'm going to be on the Marriott system, but you won't see the Marriott name on the building or in the building," said Semmler. "Yes, it's a [Residence Inn] franchise," he acknowledged, but noted, in this case, "It's actually quite similar to Autograph. Autograph gets all of the customer-delivery systems that Marriott has. That includes Marriott.com."



A rendering shows the three-story, 100-room Andell Inn that is currently under construction in South Carolina.

He further explained, "Let's say you're a [rooms] shopper—about 95% of people on Marriott.com shop by location. If you hit Charleston, my hotel will show up as a Residence Inn. It will be called the Andell Inn Residence Inn or something like that."

The hotel is named for the Andell family, which settled in the region in 1876, and whose descendants still live in the area.

When it was pointed out that Residence Inn by Marriott is largely considered a national brand, and one that caters primarily to business travelers, the executive said, "If you ask me what brand it will be on, it will be on the Residence Inn brand. Having said that, the customer experience and the design of the hotel will be more like an independent, boutique hotel," said Semmler, emphasizing that the words Residence Inn would not be appearing anywhere on the property either.

Commenting on the property's departure from the brand's traditional design, Brian King, SVP/global brand management/select-service and extended-stay lodging for Marriott International, said, "We do custom projects all the time. For example, when we did the San Diego Gaslamp location, it was a 100% custom project. It has a very

interesting urban flair to it. It doesn't look like a traditional Residence Inn, but the DNA of the brand is the same: it has a kitchen, it has a complimentary breakfast. The hotel has a little streetside café.

"There are certain core elements of the brand that are sacrosanct," King continued, "When the customer hears Residence Inn, they expect these three or four things. We hold firm to that. But the design, the aesthetic, how it fits into the locale, we're very flexible on ID and decor and design. Definitely." As far as

the same page in terms of how the Inn and any of the developer's future hotels are presented.

Told the property is being touted as an "independent, boutique hotel," King said, "We're unaware of that. It's hard to be part of a system and get the benefits of the Residence Inn brand without having the name."

Semmler also said The Andell Inn "would be the first purpose-built resort in the Residence Inn brand. They have Residence Inns in resort locations, but they're built the same way as the business hotels. If you go on the web page for Residence Inn, it says extended stay for the business traveler. What I'm saying is, 'Look, I'm building a hotel that's 100% leisure,'" and one that has a different mix of room types.

Hotel Business asked a spokesperson at Marriott whether this particular property was representational of a direction the brand is looking to go in terms of stepping away from the traditional business-traveler-oriented positioning it has and in the future have a specific Residence Inn resort model, with the Andell Inn being the first effort.

The spokesperson stressed the Andell Inn "is not a new prototype and this (i.e., resort) is not the direction. We have been business focused and [that's] more than 80% of our occupancy," she said.

For his part, Semmler said, "I deeply believe I could do a leisure Residence Inn. In fact, I think Residence Inn is a fantastic leisure brand because really if you're traveling with more than two people, a standard guestroom really doesn't cut it; people want to have more space."

In terms of the "independent boutique" concept behind The Andell Inn, Semmler said, "I hope to grow it. I think it's got a lot of potential, so let's see. If I open this up and it's very successful, then I'd go back to Marriott and say, I'd like to do more of these, particularly in the really high-end resort destinations. They [the destinations] often times would prefer not to have the brand name because it's so strong. If it says Residence Inn, then that means it's a 3.5- or whatever-it-is-star hotel and everybody knows what a Residence Inn is; it's not very special."

"We have no plans to do a brand extension for Residence Inn resort at this time," said King. "We do have product strategies for destination markets, so when you're in a market like that, it's appropriate for the customer, but you'll never see Residence Inn by Marriott Resorts. That's not in the foreseeable future."

the property not displaying the brand name, King said, "I don't know the naming protocol right now. I'm not even aware that that's up for debate."

King said Marriott does have hotels, such as in New York City, that have "tiny, little signage that's at pedestrian level. You would never know that it's a giant Courtyard or Residence Inn. So I think it's less about the signage and more about what's really the intent of the property. Kiawah Island is a great location, wonderful destination. Residence Inn works really well for leisure travelers as well, so it'll do well in the market for sure. You'll know it's a Residence Inn when you're there. Customers will love it and that's what matters most."

King noted Residence Inn is present in traditional leisure markets like Orlando and Santa Fe, NM. "A traditional Residence Inn works really well there because the rooms are big, they have fully equipped kitchens; these are things families really look for with leisure travel. We've got lots of markets for Residence Inns in a resort location or destination location and they're very successful."

Which is what Semmler indicated he's hoping for with The Andell Inn. He and the brand, however, may need to get on