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O&A

A conversation with the Four Seasons' Isadore Sharp

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By A LUXURY DAILY COLUMNIST

By Christopher Parr



Christopher Parr, founder/editor of the Pursuitist blog, was recently invited to the grand opening of The Four Seasons Hotel Lion Palace in St. Petersburg, Russia. The immaculately restored 19th-century palace in the heart of the city is the first Four Seasons in Russia.

During his visit, Mr. Parr had the opportunity to interview Isadore Sharp, founder/chairman of the Four Seasons Hotels and Resorts. It was quite an honor to sit down with the legendary hotelier for a lengthy conversation discussing business, leadership and the future of the iconic Four Seasons brand. Here is the discussion.

What delights were discovered with the Four Seasons Lion Palace, especially with the renovation?

What we are able to accomplish with historical renovations is retaining a remembrance of that part of life. The architecture does reflect the people's life work. It's retaining that charm and quality, and combining it with modern conveniences to make it work. That's really what you look to accomplish, not to copy, or try to duplicate. We make sure these

design elements have traditional aspects that are consistent with the times.



Each Four Seasons reflects the hotel's city in the design and experience. For visitors, how does this property extend the St. Petersburg experience?

Probably more so than anything that we could build from scratch. As you must have experienced when you first walked in, it's not like a hotel lobby. It wasn't a lobby, it wasn't a hotel at that time. It gives people a very good first impression of this city, "Wow, this is a beautiful spot."

On the culinary side, how do you think that the food and wine here embraces the Russian culture?

The food is going to be the latest style and in vogue. The hotel includes both Japanese and Italian restaurants. In some places, you might want to make food indigenous, which you could do, because the chef will prepare anything you want. If you said, "I'd like an original Russian Borscht," you'll get it, as we do have that on the menu. We're not necessarily going to have a Russian menu, but you will have food that would be indigenous to the Russian culinary history.

Every chef would certainly be conscious of making sure they can meet local customers' needs. That's what the word indigenous means, it's not just the architecture, it's not just the art, it's the people. They give you the flavor of the country.



With the Four Seasons Moscow property opening in 2014, in the heart of Red Square, what are your impressions of that project?

The concept of it is overwhelming. It's huge, an entire city block. When you see the scale of this project, the hotel is the smallest part of it. It's a retail complex, office building and apartments. The prominence of the building and the location takes your breath away. I'm

standing on Red Square looking at the building and I say, "How did this happen?" We are creating this building in the most important city in Russia, and it's the Four Seasons.

If I'm overwhelmed with it, figure that out. That's the impression you get. We're just fortunate. Both St. Petersburg and Moscow, that's a one-two punch. We've never had that kind of impact in any city.

The outbound market that is going to come from here to other Four Seasons hotels is going to be a huge benefit. I've always said, and it's a fact, that every new Four Seasons hotel creates value for every other Four Seasons hotel. We opened up in Hangzhou. A beautiful small hotel in China. There's no doubt that the Chinese people who went to that hotel are going to remember that experience. When traveling to New York, they'll ask "Is there a Four Seasons Hotel?" That's the impact we're going to get.

As you travel to these amazing destinations and step back to view these impressive properties, having built the Four Seasons brand, what goes through your head?

We have another new Four Seasons Hotel and that they meet the standards that we're attempting to be consistent with. Yes, I'm proud of it. It's what I've been doing for 50 years.

Even though there are over 30 hotels that we no longer own or operate, for whatever reason, every one of them has been an important building block in Four Seasons' history. Every one of them. Even the ones that don't even come close to looking like a Four Seasons today. At the time, it allowed us to take the next step. I've always thought that each time we've made a deal, that this is going to help the company. And they did. Whether it's the first motor hotel in Toronto that got us started, or a training center in Belleville, Ontario, which was ridiculous.

Thinking about it, it was a business deal that helped us keep people, and it made a little money to keep us in business. Even though they have no meaning in the longer term, but that year, that next step, it helped.

Speaking of which, what is the next step in travel for affluent consumers?

Everywhere. As [New York Times columnist Tom] Friedman says, the world is now flat. There's not going to be anyplace that people won't find out about, and they'll be looking for more and more exotic places to go to. Like our elephant camp, with tents and 18 rooms, that's spectacular. We will only go to places that can support a Four Seasons hotel. We're not about to just go there because somebody wants to build a Four Seasons.

Any exciting new properties on the horizon that you want to discuss? Anything else that you're very excited about?

Yes. The one that will be a blockbuster for Four Seasons is Orlando. Fifteen years trying to get into that market. We've got in in such a way, that it's well worth the wait. I mean, Disney wants us in the park. The most important brand in the world believes they need Four Seasons. What a good endorsement. When it opens, that hotel is going to be a major event for Four Seasons. As far as others, there are so many. We've got 65 properties that are on

the drawing board.

Four Seasons Resort Orlando at Walt Disney World Resort

The Disney property is very exciting for us, too. We recently visited the Golden Oaks community, toured their homes and previewed the Four Seasons Orlando property under construction. It is an exceptional endeavor and destination. I see similar philosophies shared between you and Walt Disney. Disney likes to "plus" it. Make it better. For families visiting Orlando, the Four Seasons brand is necessary for that experience.

And they see that. They know they run a first-class operation, but they know they can't give it that extra "plus" that the high-end consumer is looking for. Now, grandparents will love to take their kids there. They're going to have a good time, relaxing in the hotel while their kids are off doing all this fun stuff. Disney knew that.

In the book "The Apple Experience," it talks about how Steve Jobs built his retail empire. The first chapter goes on at great length that Steve Jobs admits that all his concepts of running the Apple stores are based upon the Four Seasons service formula. A good endorsement from one of the greatest visionaries of our time who saw what we did.

Jobs hired Ron Johnson and asked him, "Find out who gives the best customer service experience in the world, because that's who we're going to copy." Johnson came back with "the Four Seasons." When they were thinking of things to do in the Apple stores, they asked each other, "What would Four Seasons do?" That goes a long way in reaffirming that what we're doing works. So don't change. As the old story goes, "If it ain't broke, keep polishing the stove."

Personally, what does luxury mean to you?

It really means high-end quality that meets customers' expectation every time. Every time. The brand promises something. To me, it's "memorable experiences." We believe when you come to a Four Seasons hotel, you will walk away with a positive feeling.

Every guest experience either burnishes the brand or tarnishes it. There is, at this level, no in-between. Either meet their expectation or they will say, "Hey, I didn't get what I was promised."

It gets better with each experience, or not. Most times, people walk away with a good experience. They say, "I just came from the Four Seasons, you've got to see it." Our ability to promote the brand in terms of preserving the integrity and getting it to grow happens with every guest experience. Tens of thousands of people, almost daily, are what we call a walking advertisement. Third-party commentary is the best. You never tell a friend to do something if you don't think it's the right thing. Anybody that recommends Four Seasons to somebody else, that's gold.

And how do you ensure that level of exceptional standards?

Every employee here, everyone, understand that that's their obligation. That's their responsibility. They are the keepers of the brand. We bring together people and create a work environment that lets people rise to be their best. It's not something that we own, this is something that any company can do.

There's no one person in this company, including myself, that has to carry this message. It's embedded. We've got 40,000 employees, and each one is a culture carrier. And people say, "What's going to happen when you're no longer there?" It won't matter.

The company has got a life of its own now. There are so many people who have an intuitive understanding of what's required in terms of leadership and responsibility. Chris Norton has just been promoted a year ago to be the president of hotel operations for Europe, Middle East, Asia and Africa. He didn't memorize anything. He knows from his own experience, and Chris has been with Four Seasons almost 25 years.

The company has grown very slowly. I use the word "evolution," Four Seasons really evolved to become what it is.

Let's talk about Allen Smith, the new CEO of Four Seasons. How do you expect his leadership to continue your vision and drive the company forward? We searched worldwide. It wasn't just one industry, it was any industry. An enormous number of people threw their name into the hat. The name of Four Seasons wasn't on the headline. The search didn't talk about the company, it described what the person's character, criteria and make-up had to be.

Allen Smith was not looking for a new job. He was in a job and he worked for the company for 25 years. He's already a proven CEO, and he knew where his next 10 years were going to take him.

His wife told me a story. They knew this search was out there in the market. And they both figured out it must be Four Seasons because no other company would talk philosophically about the kind of person they were looking for. I think she pushed him and said, "Allen, this is made for you." He is a perfect fit. My discussions with him gave me complete comfort to know that this is the right person at the right time. His personality, his character, his manner – perfect. Personality, low key. Very bright. Understands the culture. Actually, he worked for Four Seasons when he was an intern going to school in Chicago.

My whole life is tied up in this company, and I wouldn't be so confident if I wasn't certain. I'm conveying this message to all our people, and I know they trust me.

He joined formally on Sept. 23, and he was in the office that day. I said, "Allen, how did you feel walking into the office? This is yours. This is your domain." He said, "It's overwhelming." Allen said he talked to his daughter that day, and he said, "I'm just so nervous. It's like the first day going to school." And she said, "Yes, Dad. But you're the headmaster." And that's the way he's approaching the job.



Lastly, could you share with us your favorite Four Seasons property for a relaxing vacation? If you and your wife are going away for the weekend, where would you go?

Obviously, we travel for business and it's enjoyable. She sees the cities as a tourist and gets her running shoes on and she's off and going, out seeing museums. My preference is just to stay home. We have a home in Palm Springs, and that is a true getaway. We have the kids there, so that's a vacation to us. And for her, same thing. We sort of play house together, so, it's getting back to our roots.

We asked that question to Kathy Hilton a couple months ago, and her favorite hotel was Four Seasons Maui or any Four Seasons in the world.

Is that right? You know, and she's probably right. Because with her lifestyle, she knows she's going to get everything she needs from us.

Look, this is something that's happened very slowly over a lot of years. You know, the bumps along the way, they give you a better understanding of what you have to do to keep going.

It's about having those crises that if you didn't get through them, we wouldn't be sitting here talking. But when you do get through them, it really sets a foundation that is rock solid, that you know what to do, and you're not going to let that happen again. It lets you move forward, because you've gotten through something that's built up your resistance to failure. A couple of those along the way give you some good educational experiences of "Don't do that!" Because those are destructive mistakes. And we all make mistakes. There are many that we have gone through, no big deal.

It's the destructive mistake that you must avoid. And fortunately, in the history of the company, we've gotten through a couple of those, which set the basis of where we are today. One of them was why we became a management company. Simple common

sense. Can't keep building these hotels and owning them, I don't have that kind of money.

So why do it? But we can manage, so why don't we do that? That is the business model of today, and that started in 1976. It's a long time ago. But that's allowed the company to become very successful. That's really the history.

Thank you for the time, Mr. Sharp. It's been quite the pleasure.

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Four Seasons St. Petersburg, Russia

This interview first appeared in the Pursuitist blog. Reproduced with permission.

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