

# HOTELS OCTOBER 2023

LODGING CONFERENCE REWIND

## A LABOR OF LOVE?

The hotel industry still has a labor problem to solve and it's not going away anytime soon.



LODGING CONFERENCE REWIND

### ASSET RELIEF

To sell or not to sell? There is no easy answer right now. The best approach might be to talk to your lender or consult a broker.



COVER STORY

## THROUGH THE FIRE > (12)

From humble beginnings to billionaire, here's how Salamander Collection CEO Sheila Johnson's arduous journey made her stronger.



MOVERS & SHAKERS

### NIKO KARSTIKKO

What is Bob W? Who is Bob W? Its CEO explains why it quite possibly could be the best of both worlds in travel.



# DEPARTMENTS DESIGN SCENE SETTER

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Viewpoints from hotel industry leaders

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Inside the job of a director of outdoor experiences

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What's new on the breakfast menu

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#### ABOUT THE COVER

Sheila Johnson, the subject of this issue's cover story, is the founder and CEO of Salamander Collection, which now numbers seven hotels and resorts in the U.S. and Caribbean. But she's way more than just a hotelier.



Jacu Strauss, the creative director of Lore Group, never intended to end up with a career in hospitality. It was unplanned, but his designs are anything but, as Lore Group's budding portfolio shows.



.....

#### SUSTAINABILITY

### **CLIMATE SENSE**

The CEO of Barceló Hotel Group does not shy away from climate and sustainability issues and argues that the hospitality industry should be taking the lead on it. "It has a duty to initiate great change," he writes in this exclusive column.





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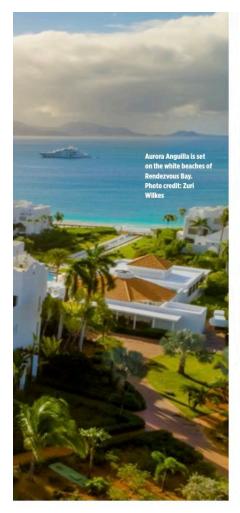
OWNING AND OPERATING HOTELS IS ONLY ONE FEATURE OF THE MULTIFACETED SHEILA JOHNSON.

By DAVID EISEN

heila Johnson appears harried at the moment. As a billionaire philanthropist, owner or partner in three professional sports franchises and co-founder of the seminal BET network, people tend to clamor for her attention and elate when she abides.

Beyond that work, she wears another hat: hotel company owner. Specifically, Salamander Collection, totaling seven hotels and resorts currently, with locations as diverse as Aspen and Anguilla.

On this day, as she plops down on a chair in the Gold Cup Wine Bar of the Salamander Middleburg, in Virginia, she's a bit irked—something





about a hotel conference keynote that she's accepted, but the exact details have failed to materialize. Within her vexation springs something ordinary: unlike most, Sheila Johnson is minted, but like most, she can become irritated by the quotidian wheel of

For Johnson, it's been a wheel of fortune, one that she has spun with both gumption and humility. Her conference details resolved, Johnson makes her way into the hotel lobby, which in Salamander jargon is referred to as the living room, a nod to Johnson's own Virginia farm home, just minutes away, where she is known to welcome guests in her living room. All Salamander properties have a twist on this.

No sooner has she crossed the threshold before a couple approaches her, almost deferentially. Johnson greets the woman like an old friend, dropping into a conversational casualness not often exuded by business tycoons who tend to emit a particular distance and detachment to those not within their inner circle.

Once the couple has left, Johnson seats herself on a couch, this time not perturbed, but solicitous, empathetic. Turns out, the woman Johnson had been speaking to had been sick and was getting over the malady. Johnson remembered and showed a genuine concern usually reserved for a long-time friend or a family member, not a paying guest.

#### STANDING ON HER OWN

Salamander Collection, which Johnson founded a decade ago, recently went through a rebranding effort-naming conventions, mostly, and storytelling. One thing that hasn't changed is the Salamander credo, conveyed by Johnson, which is front and center on the company's website: "As a hotel company, our approach to hospitality is the same as it is to family: you will always belong, always feel welcome, respected, appreciated and special."

Respect is something Johnson has had to fight for within the context of a patriarchal society. Her first marriage to Robert Johnson, a co-founder of BET, who went on to become the owner of the NBA's



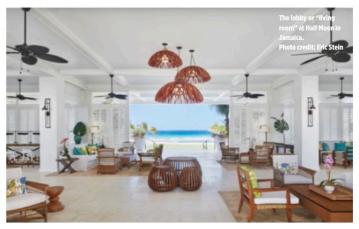
Charlotte Bobcats (now Hornets), made it even tougher. Consider one of Robert Johnson's other businesses he started, the REIT RLJ Lodging Trust, a publicly traded owner of hotels. Sheila Johnson is quick to point out that she was a heavy investor in the company.

It's no wonder she tends to go big. Of her involvement in professional sports, Johnson was originally asked to invest in the WNBA's Washington Mystics. She set her sights higher. "I was given a moment in time as a woman, as an African American, to be the first to buy in a sports team," she said. Why one, when you can have three? She went to Ted Leonsis, the founder, majority owner, chairman and CEO of Monumental Sports & Entertainment, which owns the NHL's Washington Capitals, NBA's Washington Wizards and the Mystics. "I made him a deal," Johnson said. She'd buy into all three teams, becoming the first woman and African-American sports

owner. "He loved the idea," she said.

Johnson's involvement in professional sports fundamentally ends with her checkbook. The hospitality business, that's another story, and much of her success within it can be traced back to her

daughter, whose equine leanings brought Johnson to Middleburg, an hour due west of Washington, D.C., where Johnson once taught music at Sidwell Friends, the tony private school that graduated both Obama daughters and Chelsea Clinton. (Johnson



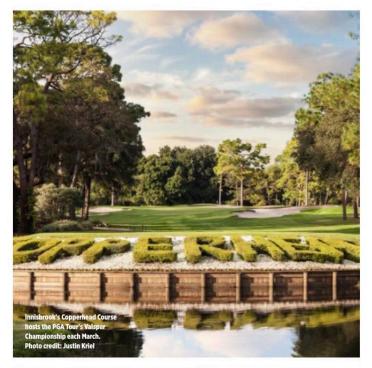
is classically trained on violin.) Johnson's daughter often had show-jumping events in the area and what ensued was a love affair—maybe it's the old stone walls that dot the landscape, she imagines.

The romance led her to buy a farm, a stone's throw from Salamander Middleburg, which started as 340 acres of land that was developed into one of the preeminent resorts on the east coast. It's become an anchor of the local economy, but it wasn't easy getting the project completed; local opposition abounded, but, after three years of debate and two false-start groundbreaking ceremonies, Johnson was able to get the project through by one vote, likening it to passing a kidney stone.

It was 2005. It is Virginia, where, for instance, the town's gun shop brazenly displayed the Confederate flag in the window. Opposition came ostensibly from those concerned over environmental impact. Even local celebrities got into the act, such as the late Hall of Fame football player Sam Huff, who was also a longtime radio announcer for the Washington Redskins, now Commanders. He, according to The Washington Post, voiced concern that the resort would "ruin the town's quaint, historic character."

Not uncommon for a project like this, it got the greenlight because Johnson and Salamander acceded to some of the demands of Middleburg and Loudon County; namely, it agreed to build a \$4-million wastewater treatment plant and give it to the town. Not to mention, the resort generates taxes and pays hefty utility bills. Each October, it hosts the Middleburg Film Festival, which brings in close to 3,000 people. (The Washington Post called it the "itty-bitty Cannes.") Johnson's friend, Robert Redford, who has his own film festival, Sundance, once mentioned to Johnson that she should have one, too. She acquiesced.

After the Salamander vote, Johnson fought back tears, raw with emotion. Later,





she bought the gun shop, which is now a successful market.

#### LUXURY LOVE AFFAIR

Hotels, luxury hotels, were something

Johnson always had an affinity for, something that goes back to her music days when she would tour Europe with music troupes, staying in some of the finest hotels the continent offered. "I learned about luxury," Johnson said. "I'd stayed in the best hotels, why couldn't we do it?"

Salamander Middleburg opened seven years after the project's approval and Salamander Collection is now 10 years old with six other properties. They are all diverse, all with Johnson's imprint. These include Innisbrook Resort, in Palm Harbor, Fla., which also hosts the PGA Tour's Valspar Championship each year; Hotel Bennett, in Charleston, S.C.; Aspen Meadows in Colorado; and two properties outside the U.S.—Aurora Anguilla Resort & Golf Club and Half Moon in Montego Bay, Jamaica.

Then there is Salamander Collection's newest addition, Salamander Washington DC. Johnson was born in Pennsylvania but was reared amid an itinerant lifestyle due to her father's profession. He was a neurosurgeon, a Black neurosurgeon, and was never able to nail down a permanent position. That was until the family moved to

Illinois, where Johnson ended up attending the University of Illinois.

It's the Washington, D.C., area that Johnson now calls home and last year Salamander struck it big in the nation's capital when it and Henderson Park, a London-headquartered private equity firm, acquired the Mandarin Oriental in Washington, D.C., with the express purpose to rebrand and relaunch it as the Salamander Washington D.C.

Many were left scratching their heads. They knew Mandarin Oriental and its global portfolio of 40 luxury hotels. What is a Salamander? But like The Notorious B.I.G. once lyricized: "If you don't know, now you know." Or will know. In fact, said Johnson, much of what's been established in Middleburg, which has also been instituted at Salamander's other properties, will be imbued in D.C. "We are linking them all," said Johnson. "You're going to see a lot of similarities."

Prem Devadas is the president of Salamander Collection and plays the diurnal duty opposite Johnson's more regal role. Devadas joined Salamander during those pioneering Middleburg days, fresh off a large hand in opening The Sanctuary at Kiawah Island, another resort gem in South Carolina. It's evident that Johnson leans on Devadas to make Salamander move. She gets him and he gets her.

"All of our properties together, there is a spirit," he said, "and that emanates from Sheila's vision," which he calls "comfortable and inclusive luxury." What one expects of Half Moon in Jamaica should be the same expectation of Salamander Washington DC or Aspen Meadows. The properties are distinct, but the vibe is always Salamander. Consider rooms and corridors, where you will find photos snapped by Johnson herself. "No matter where you are in the country, or outside the country, we believe in the authenticity driving that experience,"





Devadas said. "Unlike some other brands, it really is our effort."

#### **COURAGE UNDER FIRE**

Salamander puts forth the same effort with its employees as it does its guests. Better wages are table stakes these days; hospitality companies succeed on the working environment they create and how they foster careers. "We're present; we're there," said Johnson, who is known to be as involved making C-level hiring decisions as ones for front-line positions. "We recognize employees and treat them on the same level as everybody else."

Opportunity matters and Salamander does not allow its employees to remain static. That means a front-desk worker at Hotel Bennett might next week be supervising the front-desk at Aurora Anguilla. It's a virtuous cycle that benefits both the company and the employee. "It keeps them fresh; it keeps them hungry; and it allows them to accelerate their own ambitions," Johnson said.

Community engagement also has a huge role with Salamander properties. It's a must to be part of the local fabric, Johnson said. For instance, in Jamaica, where Salamander has Half Moon, the hotel and Johnson personally are involved in the early childhood development center, where they have donated computers to classrooms, to name one gesture. "Because of that, Jamaica gives back to us, because they know that we want to be there," she said,

In Aspen, Johnson attends the Aspen Ideas Festival, a week-long event that includes discussions, seminars, panels and tutorials from journalists and politicians to musicians and artists.

One topic that Johnson does not shy away from is diversity, equity and inclusion (DEI). She doesn't just champion it; it is a tentpole of her business and goes beyond hiring. "We need diversity of guests coming to our hotels, we need diversity of those working in our hotels and that has been our mission," she said. "My face is out there and I'm telling the story."

Her own story is now a book, published by Simon & Schuster and released in September, "Walk Through Fire: A Memoir of Love, Loss, and Triumph" is an unvarnished account of Johnson's life story, from her humble beginnings to becoming a billionaire entrepreneur and philanthropist.

In mythology, the salamander is said to be able to pass through fire and come out the other side unharmed and unscathed. Turns out. Johnson has a lot of salamander in her: the book chronicles her father leaving the family for another woman, then, later, a marriage to Robert Johnson filled, as Johnson writes, with infidelities and emotional abuse.

Johnson has described writing the book as therapy. In fact, Johnson calls Lisa Dickey, who co-wrote the book, her own therapist. "When Simon & Schuster asked me to do this, I said I can't do it alone," she said. "It's too painful—the things that I have suppressed. [Dickey] was able to pull things out of me that I couldn't have done on my own."