

**Hotel Investment Strategies**

# Whatever Happened To Eco-Hotels?

**T**he early 1990s marked the beginning of movement that was going to revolutionize how hotels were constructed and operated. The world was running out of natural resources and consumers were starting to learn the importance of energy efficiency, water conservation and recycling. Progressive hoteliers saw this trend as an opportunity to competitively differentiate themselves, generate publicity and goodwill, and help the environment by embracing the concepts and practices of an eco-hotel, or what is now called an Ecotel.

Several hotel consulting firms and environmental rating organizations quickly jumped on this opportunity and developed a number of services to assist hotel owners and operators in implementing sound environmental policies and procedures. My company, HVS Eco Services, focused on helping hotels become committed to the environment by setting up solid waste management and recycling systems, energy efficiency programs, water conservation strategies, as well as employee education and community outreach initiatives. Its first Ecotel was the Vista Hotel at the World Trade Center—a Hilton International property that fully embraced all facets of environmental operations. The result was a property that garnered extensive press coverage for its environmental efforts, saved hundreds of thousands of dollars from water, energy and recycling systems and enjoyed a high level of employee satisfaction by being part of the hotel's green team. In short, the program and concept worked better than anyone could have imagined.

With this success fully documented, HVS Eco Services rolled out the Ecotel to the U.S. lodging industry. Over a four-year period, HVS and other environmental consultants authored numerous articles, developed detailed manuals and made hundreds of speeches and presentations at industry events and in corporate offices. The result? Except for several individual property owners, the U.S. lodging industry was totally indifferent to the concept of environmental responsibility. Yes, the American Hotel & Lodging Association printed up cards asking guests to reuse their towels, but most of the large chains said, "unless you can prove an actual financial return, we have no interest in devoting resources to being environmentally sensitive."

When Marriott took over the Vista Hotel, the green teams were disbanded, many of the environmental programs dropped, and the Ecotel sign was removed. Needless-to-say, the young and enthusiastic Cornell graduates who founded HVS Eco Services were shocked and disheartened at the lack of interest shown toward this important concept. To this day can you identify a U.S. hotel company that has truly embraced the environment? That is too bad.

Not to be stymied in its environmental pursuit, the staff of HVS

Eco Services turned its focus to other parts of the world and found a small hotel company in India that understood the needs and benefits of operating in an environmentally friendly manner. The Orchid hotel company with Ecotels in Mumbai and New Delhi is an example of an organization that has taken environmental hotels to their ultimate level and, like the Vista in New York, their efforts have paid off. Here are some of their environmental initiatives:

- **Community outreach.** More than 10,000 students from nearby schools have visited the Orchid to learn about the environment.

- **Cash rewards.** These are given to an employee who contributes most to the environmental program.

- **Recycling.** More than 300 kg (661 lbs.) of organic waste is turned into rich fertilizer each day in an array of nine vermiculture pits.

- **Reuse.** The hotel's furniture is made from MDF, a wood-like composite that uses only discarded cotton stocks. Newspapers are delivered in reusable thatched bags rather than plastic. Leftover shampoo is combined and later used to make cleaning detergent for floor areas. Wastewater is treated and used to irrigate the gardens.

- **Conservation.** The hotel operates its own sewage treatment plant, saving half of the cost of municipal treatments. A thermal storage plant is used to decrease the need for energy during peak periods. A state-of-the-art energy management system enables the hotel to operate with less than half the energy usage of other comparable properties. All windows are triple-glazed. Heat recovery is utilized to preheat water for guestrooms, laundry and kitchens. Gardens utilize a drip irrigation system. Every shower and faucet in the hotel is equipped with a water conserving flow control device. Timers are installed on taps used in the back-of-the-house areas.

The Orchid in Mumbai is world renowned for its total environmental commitment. As a result, it enjoys one of the highest RevPARs in the market and benefits from a highly enthusiastic employee team excited about being part of this important concept.

HVS Eco Services also has found strong environmental support in Japan from Hilton and several other local chains. Time will tell whether U.S. hotel companies will do the right thing by embracing the concept of environmental hotel operations. But don't hold your breath on this one. ♦



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