

## Even the experts don't have the answers

### IN THE details

#### Investors are stumped

- Unsettled times are here
- What's behind closed doors
- Next steps are uncertain

By Paul J. Heney  
Editorial Director



Last month's The Lodging Conference, held at the Arizona Biltmore in Phoenix, was an informative event, full of updates from major players in the industry. There was a bevy of panel discussions that covered everything from finding hot hotel deals to turning around underperforming properties. The opportunity to see so many people from so many facets of the world of lodging all in one place was reason enough to be there.

I went into the event expecting to hear gnashing of teeth over the economy, gas prices, federal bailouts, the airlines' struggles and the other myriad problems that have played across the cable news channels

this fall. The timing of the government bailout and political wrangling over the proposed \$700-billion fix (if you can call it a fix) only served to reinforce my expectations.

Interestingly, many sessions held during the event's first day turned out to be subdued but not panic-stricken. The second day seemed a little more somber, but once again, there was no mass hysteria by any means.

However, I sure didn't come out of the conference with positive feelings, mostly due to what was said behind closed doors. This magazine has been a partner and sponsor of the Lodging Industry Investment Council for several years now. As such, our editors are invited to sit in on and participate in this fascinating roundtable event. Put together by Mike Cahill, president and founder of HREC—Hospitality Real Estate Counselors, and Jim Butler, partner at Jeffer Mangels Butler & Marmaro, LIIC is an invitation-only group of hotel owners, investors, brokers and bankers who get together to talk shop three times per year—at The Lodging Conference, the Americas Lodging Investment Summit and the New York University Investment Conference.



Mike Cahill [right] and other members of the Lodging Industry Investment Council listen to a conversation about how economic conditions are affecting hoteliers at the panel's recent meeting at the Arizona Biltmore. The roundtable is held in conjunction with The Lodging Conference.

It was enlightening—and more than a little scary—to see how person after person said they hadn't purchased any hotels in the past couple of years. Many described what's happening in our country as a perfect storm in the economy. The main agreement in the room was 2009 is not going to be a fun year in our industry

or any other.

What was most concerning to me was none of them even pretended to know what is going to happen next. When the experts—the people with their fingers truly on the pulse of the industry—are stumped, you know we're in strange and unsettled times.

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HOTEL & MOTEL MANAGEMENT supplies the credible news analysis and operating resources the lodging industry needs to prosper amid constant change. Comprehensive reporting and research offer top-of-mind and quick-hitting insights while introducing the people driving the future of the hotel community. Strategies about marketing, finance, technology, design and product purchasing go beyond the bricks and mortar to bring readers closer to the fundamentals of operating in the lodging business.

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