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# LODGING

## LIGHTS **OUT**

**When the  
city goes dark,  
will you have  
the **POWER?****

TED SAUNDERS  
EXECUTIVE VICE PRESIDENT  
SAUNDERS HOTEL GROUP

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# Grid Lock

Last summer's massive electrical grid failure, which pithced he Northeast and Midwest into darkness, may just have been a taste of what's to come

by Philip Hayward

**W**hen the power went out in the Northeast and Midwest last August, hoteliers got a wake-up call. While never particularly cheap, electricity to their properties had been relatively reliable. But now they know how fragile the U.S. grid of transmission lines can be under stress. That the failure of a set of lines in rural Ohio could shut down so many major cities is cause for significant concern, compounded by the increasing indications that the antiquated grid will fail again. Over-use, storms, and acts of terrorism are some of the potential threat and the reasons that hoteliers are quickly re-evaluating their energy management programs.

Suddenly, beyond cutting costs and trying to save energy, anticipating and reacting to failures have become an essential part of operating strategies.

## LET THERE BE LIGHT

In Boston, hotels escaped the travails experienced in New York and beyond. Had the city experienced something of similar magnitude, though, the management of the Saunders Hotel Group (SHG) believes its back-up generators would have gotten through the worst of it. Downtown, the family-run company owns and operates The Lenox (212 rooms), the Copley Square Hotel (143 rooms), and it owns and operates a Comfort Inns and Suites at Logan Airport.

The Saunders Hotel Group hotels are perhaps best known for the environmental ethic by which they are run. The company won the American Hotel & Lodging Association's Prestigious Stars of the Industry Award for environmental merit, in addition to other recognitions from dedicated environmental organizations. "I am concerned about mre failures," says SHG executive vice president, Tedd Saunders. "Many people in the industry and gov-

ernmental agencies are in denial. The grid is very susceptible to more incidents, and I think we are seeing the beginning of the effects of the [aging] grid.

Saunders says SHG properties are well prepared for short-term outages, thanks to oil-powered generators. "It's part of the ethic of being a four-diamond hotel," he says. "The generators can provide essential services—telephones, security, alarms, sprinklers, elevators, and lighting for hallways. The generators automatically come on once a week to keep them in good running condition."

In his other life, Saunders is president of Ecological Solutions, an environmental consulting firm for the hotel industry. Over the last decade, he has advised clients about the bottom-line benefits of conservation, something he believes will help operators in the event of black outs. "Energy efficiency is not something we undertake because of power failures, but there are nonetheless dual advantages."

George Neeson is vice president for engineering and housekeeping for Hilton Hotels Corporation. It's his job to prepare his company's hotels for outages. He, too, sees more outages coming in the future. He views the deterioration of the grid as an unintended byproduct of energy deregulation.

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Saunders Hotel Group Executive Vice President



## Light at the End of the Tunnel

With more frequent failures of the U.S. electrical grid looking more likely, owners and operators of lodging properties of all sizes and segments can find help from a number of sources.

The AH&LA's Engineering and Environment Committee consists of more than 40 hotel executives specializing in just such matters. George Neeson, vice president of engineering and housekeeping for Hilton Hotels Corporation is chairman of the committee. In 2001, the committee oversaw production of an energy management handbook and video. The rolling black outs in California were still fresh in the minds of AH&LA members and the association sought ways to help them reduce waste and provide lists of higher yielding energy investments. The committee estimates an energy audit of a 400-room luxury hotel in a major metropolitan area can yield savings of \$80,000 on annual energy expenditures of \$800,000.

AH&LA vice president for governmental affairs Kevin

Maher, who serves as staff liaison to the committee, says the committee is currently working on a benchmarking project that will allow hoteliers to measure their energy performance against a group set. He says the association recently renewed its partnership of 10 years with the Environmental Protection Agency's EnergyStar program. The two organizations are teamed in an effort to provide hoteliers with guidelines for reducing energy consumption and certifying them as EnergyStar compliant.

One of the best manuals for dealing with energy management crises comes from AH&LA federation member California Hotel & Lodging Association. Executive vice president James O. Abrams and his staff compiled a wealth of information explaining the origins of its 2001 rolling black outs as well as more universal strategies for dealing with various types of outages. For information on *The Innkeepers Guide for Dealing with the Energy Crisis*, contact CH&LA, 916-444-5780.

For information on AH&LA's Energy Management and Conservation Guide, call 407-999-8100.

# Eco Lodge

**Whether they're concerned about the ozone layer or the bottom line, many industry leaders are steering their ships toward environmentally friendly alternatives, while others seem to have missed the boat**

by Jessica Downey

**W**e've been in the spin cycle for years, going round and round about it, waiting for the solution to help us come clean. We know that operating hotels and resorts generates waste and involves use of products often at odds with the environment while consuming costly and finite supplies of energy, water, and other resources. However, hotels, like many other businesses, have avoided energy-saving methods and environmentally friendly products in large part due to the perception they are less effective and more expensive than conventional sources.

But now, more than a decade after early adopters began paving the road to sound environmental management, products have improved, prices have dropped, and many hoteliers accept that the cost to industry productivity and the planet of ignoring environmentally friendly alternatives is more than they can afford to pay.

## THE GREEN TEAM

There have been indicators before—global warming, androgynous frogs, and disappearing forests—but the collapse of the power grid in the Northeast United States last year was a powerful wake up call for businesses that industry is harming the environment and that energy is not in infinite supply. Reports and statistics about the amount of waste and resources consumed by the lodging industry are often staggering. Green Seal, Inc. President and CEO Arthur Weissman says the average-sized hotel uses more products in a week than 100 residential households do in a year.

The hospitality industry—from manufacturers to hoteliers—is responding. Food preparation, maintenance, cleaning, painting, refinishing, bedding, pools, furnishings, lighting, flooring, toilet paper, hand lotion—just about every hotel operation and product has ecologically friendly alter egos that hotels are opting for in growing numbers. According to Tedd Saunders, executive vice president and director of environmental affairs for Saunders Hotel

Group, one of the country's premier independent hotel companies, environmental awareness and the overall effort to be more efficient is not longer reserved for early adopters and eco-activists. Today, he says, it's for business-minded people who want to run cost-effective and innovative companies in tune with consumers' interests and concerns.

Whether or not the thinning of the ozone layer is keeping you up at night, Saunders says the business climate is turning toward energy efficiency, utilization of recycled and eco-friendly materials, and the production of less waste because it just makes good business sense. "We're not at the point where environmental management has become mainstream people realize that it is more than just being a do-gooder; it is seen as a smart business strategy," he says.

Saunders knows a few things about environmental management, having championed the effort in his own family's hotels—Boston's The Lenox, the Copley Square, and the Comfort Inn & Suites Boston/Airport. Saunders initially embarked on the environmental improvements in the late 1980s before the movement was en vogue. He created a "Green Team" among employees that focused on educating themselves and the rest of the staff about environmental issues and concerns.

Saunders says they installed the first dispensers in showers and created attractive recycling containers in the front of the house.

"ning because when we started this work in the late 1980s. I don't think people in the industry even recognized that there was a problem, never mind that there was a solution," he explains. "So we were very much ahead of the curve in terms of finding resources and products and creating partnerships from scratch."

Being ahead comes with the downside of not having as much to choose from, and buying into first-generation supplies that might not work as well. As a result of the initial ineffectiveness of early eco-friend-

## CERES Business

Since its formation in 1988, the Coalition for Environmentally Responsible Economies (CERES, named for the Roman goddess of fertility and agriculture) has become the worldwide leader in standardized corporate environmental reporting and the promotion of transformed environmental management. Endorsed by Fortune 500 companies like Nike and Bethlehem Steel, CERES Coalition members collectively represent more than \$300 billion in invested assets and tens of thousands of individual members.

One of its latest endeavors, called the Green Hotel Initiative (GHI) aims to increase and demonstrate market demand for environmentally responsible hotel services. CERES garnered support from business representatives, the hotel industry, and environmental advocacy organizations to educate purchasers of hotel services, particularly large buyers such as corporate meeting planners, about what they can ask from lodging providers. The GHI coalition created a best practice survey, which offers comprehensive criteria in determining green hotels worldwide. The following companies have adopted the survey as the means of selecting travel accommodations.

- ♦ American Airlines
- ♦ Aveda Corporation
- ♦ Bethlehem Steel Corporation
- ♦ Friends of the Earth
- ♦ General Motors Corporation
- ♦ Interface, Inc.
- ♦ National Wildlife Federation
- ♦ Northeast Utilities
- ♦ Pennsylvania Energy Project
- ♦ Recycled Paper Printing, Inc.
- ♦ The Bullitt Foundation
- ♦ William McDonough + Partners

### CERES ENDORSERS

- ♦ American Airlines
- ♦ Anderson Lithograph
- ♦ APS
- ♦ Aveda Corporation
- ♦ Bank of America Corporation
- ♦ Baxter International Inc.
- ♦ Ben & Jerry's
- ♦ Bethlehem Steel Corporation
- ♦ The Body Shop International
- ♦ The Bullitt Foundation
- ♦ Cape Canaveral Marine Services, Inc.

- ♦ Catholic Healthcare West
- ♦ Circe Spa
- ♦ Coca-Cola, USA
- ♦ Consolidated Edison
- ♦ Co-op America
- ♦ Earth Friendly Products
- ♦ Earthrise Trading Company,
- ♦ Eco-Invest Publishing, Ltd.
- ♦ Energy Management, Inc.
- ♦ ENVINTA
- ♦ Environmental Risk & Loss Control, Inc.
- ♦ The Episcopal Diocese of Massachusetts
- ♦ FatEarth, Inc.
- ♦ First Affirmative Financial Network
- ♦ First Environment
- ♦ FleetBoston Financial
- ♦ Ford Motor Company
- ♦ General Motors Corporation
- ♦ Global Environmental
- ♦ Green Fuse Energy Company
- ♦ Green Leaf Composting
- ♦ Green Mountain Energy Co.
- ♦ Green Mountain Power Corp.
- ♦ GreenAudit, Inc.
- ♦ Harrington Investments, Inc.
- ♦ Harwood Products Company
- ♦ Hotel Mocking Bird Hill
- ♦ IdealsWork, Inc.
- ♦ Interface, Inc.
- ♦ ITT Industries
- ♦ Kinetix
- ♦ Louisville & Jefferson County Metropolitan Sewer District
- ♦ Mercy Housing California
- ♦ Natural Logic, Inc.
- ♦ Natural Spaces
- ♦ NewLeaf Designs, Inc.
- ♦ Nike, Inc.
- ♦ Northeast Utilities
- ♦ Northern Power Systems
- ♦ Olive Designs
- ♦ Penguin Computing
- ♦ PPL Corporation
- ♦ Polaroid Corporation
- ♦ Progressive Asset Management
- ♦ Real Goods Trading Corp.
- ♦ Recycled Paper Printing, Inc.
- ♦ Rolltronics Corporation
- ♦ Saunders Hotel Group
- ♦ The Summit Group
- ♦ Sunoco, Inc.
- ♦ Timelines, Inc.
- ♦ The Timberland Company
- ♦ Trillium Asset Management
- ♦ United Recycling Industries
- ♦ United States Trust Company/Walden Asset Management
- ♦ Vancouver City Savings Credit Union
- ♦ Wainwright Bank
- ♦ The WATER Foundation
- ♦ William McDonough + Partners
- ♦ YSI, Inc.

ly products, potential adopters were lost, he says. When compact fluorescent lights first came out, for example, the color was off and the bulbs were often dim and would flicker. "People who tried them in the very beginning have never tried them again," Saunders says. "But lighting has gone through many generations and has improved to the point where you can get equal quality and performance with 75 percent savings in energy costs and in the life of the bulb." In 2001, Saunders Hotel Group replaced more than 2,800 light bulbs with energy-efficient bulbs across the three hotels.

The abundance of products on the market today, along with the companies who act as environmental experts and hotel consultants, make it much easier for hotels to find ways to improve their efficiency and lessen waste output. Saunders says there are very few compromises one has to make now in order to be innovative and forward-thinking with environmental issues.

Hotels throughout the United States are flirting with many ideas but energy efficiency is the most pressing issue and will be the first to change significantly.

One of the most notable examples along those lines is The Fairmont Washington, D.C., which recently partnered with Washington Gas Energy Services. According to the Environmental Protection Agency, the hotel agreed to use six percent wind power for all its energy needs, which will save approximately 828,000 pounds of carbon dioxide from being released into the air, the equivalent of removing 72 cars from the road or planting 112 acres of trees.

## ECOLOGICAL EVOLUTION

Although Dimson is encouraged by efforts made by large hotel chains to decrease water and energy waste by giving guests the option to have their linens and towels less frequently, he says that barely scratches the surface. He breaks down the environmental effort into four areas: energy efficiency, air quality, utilization of recycled materials, and the avoidance of damaging chemicals and toxins in cleaning products and paints. While he acknowledges the gradual shift toward energy efficiency—"because you can get the cost benefits within two years" he says movement within the industry on a greater scale is only likely if the consumer demand grows significantly or

if the government mandates more stringent standards.

“It’s not that people [in the industry] want to hurt the environment, but they want proof that they are really hurting the environment or that they can really do something for the environment that has an economic return,” Dimson says. “People don’t look at economic return in terms of future generations. That’s just not the way we do business in this country as a whole.”

However, with groups like the EPA, Green Seal, the Alliance for Environmental Innovation, the Center for Environmental Leadership in Business, and hundreds of other national, state, and community groups fighting for every inch of ground left to gain in the battle for planet Earth, it seems like environmentally friendly incentives, initiatives, and directives are inevitable.

Saunders, has an optimistic view of the lodging industry in terms of the environmental movement. “The benefits are there for business, so that’s why

I’m optimistic. When they can benefit by doing the right things, it’s a good indication that it’s going to happen.” Another positive cue is that hoteliers, owners, and managers from all parts of the spectrum are making efforts, not just the most lucrative. “At the top you have Aman Resorts—epitome of luxury. You have properties from large-scale convention hotels to bed and breakfasts to the smaller lodges,” he explains.

Arthur Weissman of Green Seal says hotels shouldn’t get overwhelmed by how much needs to be done, but should focus on the immediate things they can do to be more cost effective and simultaneously have less impact on the environment. “Start switching out lighting using energy-efficient lights. Use cleaning products that meet environmental standards. For the back of the house, do recycling and use products as much as possible that are environmentally responsible,” Weissman says. “These are very straightforward things that hotels can do almost right away.” •

