

What 2 Do™ Presents

The Hotel Beat

"TO THE HOTELS, FOR THE HOTELS, WITH THE HOTELS IN MIND"

6th Edition

November 2003



24 Hour Fitness- #374 in your guide – Daily, weekly, and monthly rates for the Bay Area's #1 health club. Over 425 locations worldwide.



The San Franciscoing of Silicon Valley

Hip and Trendy Spots Open - Giving Silicon Valley a Big City Feel



Everyone, stop and look around. It's beginning to happen and at a pretty rapid pace. Nightclubs, restaurants, and hotels opening with a different feel than we've been used to in Silicon Valley. Perhaps our "almost top 10"-largest-population-count-in-the-US is starting to get noticed. There are many examples of businesses opening up locally with the sheik feel one gets when entertaining in San Francisco, our love/hate sister city.

Santana Row, Cabana, Club Palermo (formerly Elements), Seven restaurant, Hookah Lounge, and all the Joie de Vivre hotel properties are some of the examples of companies focusing on the hip and swanky to attract customers. These businesses don't have the ordinary feeling of some of the more popular leisure businesses in town. They exude excess.

From the billowing satin curtains to the expensive leather chairs to the fine dry cleaned immaculate uniforms of the staff, these businesses are taking a proven model from San Francisco and duplicating it here. Now before anyone gets upset and claims we are nothing like San Francisco and don't want to be. This is a natural process. There is no doubt. The rest of the world views San Francisco as one of the major attraction cities in the world, and I'm not suggesting we are in that league . . . Yet. These businesses are finding great success with this new to the area model, attracting 20 and 30 something professionals in droves. More importantly, these businesses are keeping some of our prosperous entertainment-rich residents from making the one-hour drive north to eat and party. The more entertaining we make our own community, not only will locals spend more dollars here, but visitors will, too.

This shift doesn't come without a price. In order for customers to be treated to this swanky ambiance, they must pay. - payment to the tune of \$10 for a glass of wine instead of \$7 or \$12 for a chicken sandwich instead of \$8. The glass of wine is the same wine at both places, and the chicken sandwich is roughly to same, too. This is the capitalism at its height. People DO pay these prices, and as long as they DO, more will come. Additionally, local hip city hangouts like Los Gatos are struggling. So much so, they've begun to run advertising campaigns to bring people back. This trend is not without its trade offs.



So what's next for our emerging metropolis? We need large entertainment venues to compete with the Golden Gate bridges and Pier 39's of the world. How about a multi-cultural marketplace? A unique place that would bring people to the area, not just give them something to do once they arrived. Or we could build a true visitor's icon that people can point to and say, "That's San Jose". Many ideas have circulated around this for years. My personal favorite is a giant light tower (like the one San Jose had in downtown 50 years ago) standing tall and marking our community with an unmistakable icon.

Wherever this goes, however this plays out, the change in flow is happening. Overall, it's good for our city. It's good for our businesses. And it's the beginning of the end of admiration and superiority complex with San Francisco. It's an exciting place for all of us to be.

What Are Visitors Looking To Do In Silicon Valley?



Over the past 5 years, World 2 Do has been accumulating a large quantity of statistics unmatched anywhere in the industry. Because of our unique phone tracking system, World 2 Do is able to track who is calling for information, what they are calling about, how interested they are in different businesses, where they call from, what time of the day they call, and a lot more. The hotel list below is a product of that data.

So what businesses are visitors most interested in? Because attractions are not “gated” events – meaning a ticket isn’t needed to get through the door or personal business data isn’t often shared. Using the “call for” method is the fairest way to calculate apples to apples. From a sheer volume of calls throughout the year the top leisure

businesses are: 1) Winchester Mystery House 2) GreatMall 3) Pizza Hut 4) AMC Theatres 5) SpeedRing Indoor Kart Racing 6) Macaroni Grill 7) About the Food –food delivery 8) Usual/Spy 9) Pizza my Heart 10) Berryessa Flea Market 11) Great America (even though it only generates business 6 months of the year) 12) La Concha Spa 13) Japantown 14) Rooster T. Feathers 15) Dave & Busters.

Looking at this data by category is also interesting. The top 5 categories that receive the most calls 1) Restaurants (27%) 2) Attractions (26%) 3) Shopping (12%) 4) Nightlife (7%) 5) For the Kids (6%). Obviously, interest in different businesses change over time. For instance, Santana Row restaurants and nightlife are hot items lately; however, longevity is the key. The top 10 restaurants over time are: 1) Macaroni Grill 2) Habana Cuba 3) Todai 4) Birk’s 5) Hawgs 6) Blake’s 7) Fanny & Alexander 8) Gordon Biersch 9) Mexicali Grill 10) Bella Mia. For Seasonally based businesses: 1) Great America 2) Cirque du Soleil 3) Six Flags 4) Raging Waters 5) Whale Watching 6) San Jose Sharks

For further information on statistics, or to ask any questions about how these statistics are achieved, contact World 2 Do at 888-987-8636 ext. 334.

What 2 Do™ Call Volume Where Do You Stand?

Below is a list of the top 50 hotels for the What 2 Do™ Guide. The hotels are ranked by the total number of calls from hotel guests and staff for fall quarter 2003. Total calls are divided by the number of rooms in the hotel. The top 3 receive prizes including dinners for two, AMC movie passes, and ski lift tickets:

1. BEST WESTERN AIRPORT PLAZA SAN JOSE

PRIZE WINNER

2. SUPER 8 - SAN JOSE

PRIZE WINNER

3. HAWTHORN SUITES MILPITAS

PRIZE WINNER

4. Hawthorn Suites Santa Clara
5. Vagabond Inn San Jose
6. Comfort Inn – San Jose New
7. Wild Palms
8. Executive Inn Downtown
9. Woodfin Suites
10. Wyndham San Jose
11. Best Western Lanai
12. Quality Inn –Mountain View
13. Vagabond Santa Clara
14. Holiday Inn Express –Santa Cl.
15. Executive Inn Airport

16. Comfort Inn – Mountain View
17. EZ 8 Motel– 1550 North 1st
18. Comfort Inn Morgan Hill
19. Courtyard Marriott San Jose
20. Silicon Way Inn
21. Residence Inn 2- Stewart Rd.
22. Arena Hotel
23. Best Western Brookside
24. Holiday Inn – SJ (Mont. Rd.)
25. Days Inn – Santa Clara
26. Campbell Inn
27. Sierra Suites
28. Best Western Santa Clara
29. Guesthouse Inn
30. Clarion Presidents Inn
31. Crowne Plaza Milpitas
32. Ramada Sunnyvale
33. Days Inn- Mont. Rd.
34. Plaza Suites – Santa Clara
35. Residence 1- Lakeway

36. EZ8 – Santa Clara
37. Park Plaza – airport inn
38. Travelodge – the alameda
39. Hilton Garden Inn - MV
40. Crestview Hotel
41. Extended Stay – San Jose
42. Homestead Vlg- Sunnyvale
43. Radisson San Jose
44. Western Motel
45. Hampton Suites - Milpitas
46. Ramada Limited Santa Clara
47. Residence Inn – SJ South
48. Travelodge South First
49. Marriott San Jose
50. Courtyard Marriott - Milpitas

**This is the top 50 out of 175
hotels in the Silicon Valley.**

Around Leisure Town

New Businesses in Silicon Valley



Cabritos Mexican Bistro – 685 E. El Camino Real, Sunnyvale. Call #240 in your What 2 Do™ Guide. The location has been home to 3 or 4 restaurants over the past 5 years. This is the newest and most exciting one yet. Authentic Mexican cuisine, a cultural Latino atmosphere, outdoor seating, breakfast, lunch, dinner, and great Margarita's. I love the open air & brightly colored atmosphere.

Westfield Shoppingtown Oakridge Mall– 925 Blossom Hill Rd., South San Jose. Seventy new stores have been added to the newly remodeled mall - Cheesecake Factory, La Rochelle wine bar, Century Cinemas, BJ's, Buca di Beppo, Sushi Boat, California Pizza Kitchen are but a few of the latest additions. The courtyard where the theatre and the majority of the restaurants are located is open till 1AM. Call 578-2912.

Piatti– 3905 Rivermark Plaza, Santa Clara- off of San Tomas. This fast growing restaurant group brings the 15th restaurant, Piatti to Santa Clara. Piatti is on of several restaurants and amenities for the fast growing new developments in the area. Mid-range Italian food done right. Good rustic atmosphere, traditional Italian specialties. Call 330-9212

Forbes Mill Steakhouse– 206 North Santa Cruz Ave., Los Gatos- In the heart of the strip in Los Gatos, a new steakhouse has opened with a bang. Dark hard woods emanate throughout this very upscale environment. High quality steak products, and one of the better wine lists in town will help keep this restaurant on its successful path. Call 395-6434.

Amber India– Located in Santana Row (near Pete's Coffee). Perhaps the most elegant Indian restaurant I've experienced offering delicacies primarily from the northwestern region of India - from the fiery Vindaloo of Goa to the gentle spicing of Pasanda of Avadh. Extensive wine list and full bar. Call 248-5400.

IN DOWNTOWN SAN JOSE

Palermo – 394 S. Second St., San Jose. Renato and Diane Cusimano have just finished a renovation of San Jose's oldest Italian restaurant complete with a hip new bar "Club Palermo" (for a short time this business was called Elements), outdoor patio seating, and many private dining rooms. Call #222 in your What 2 Do™ Guide.

Liquid Lounge – 175 San Pedro St., San Jose. Joining the sudden flood of nightclubs to San Jose, Liquid Lounge is the brainchild of the owner of another new bar, the Blue Tattoo. Like Blue Tattoo, open on Friday and Saturday nights spinning hip hop, club, R & B, and house music - with 3 bars. Call 298-4900.

Hookah Nites Cafe– 371 S. First St., San Jose. Owner Paul Zumot opens a coffee shop, sandwich shop, and hookah lounge all with a Middle Eastern flair. Premium teas, gyros, falafels, unique sandwiches, DJ music, and a patio seating 40 for flavored hookah tobacco smoking. Serving beer and wine. Open late 7 days a week. Call 286-0800.

Downtown Ice Skating – After a one year hiatus, Downtown Ice is back and will be open every day from Nov. 21-Jan. 19 at Market Street and Viola Avenue. Admission is \$7 - \$8 plus a skate rental fee. For more information, call 287-6423.

Christmas in the Park– Chavez Plaza (by the Tech Museum) starting December 6th thru January 1st. Back again is the favorite San Jose tradition that has been delighting people for years. Call 888-726-5673.



McCormick & Schmick's– Opening in January and the first tenant for the retail space in the Fairmont Annex on Market Street, McCormick & Schmick's has over 30 restaurants across the U.S. featuring 40 different varieties of fresh seafood. Menus are printed daily, based on product, price and availability, usually featuring between 85 to 110 freshly prepared items.

P.F. Chang's– Also opening in January, the highly publicized and controversial partnership with the redevelopment agency comes to fruition. As one of the hottest restaurant concepts in the world and with an exceptionally popular location already in Sunnyvale, Chang's should bring droves of diners to downtown. Located on the corner of San Fernando & 2nd Street.

BEST OF SILICON VALLEY

METRO ANNOUNCES READERS CHOICE AWARDS AND CONCIERGE ASSOCIATION PLANS THEIRS

It's that time of year again - the best of the best lists from key organizations in town. Last month Metro announced their reader's choice award winners. The readers have done a pretty accurate job picking the consensus best places. I've highlighted the most appropriate categories:

Best art gallery: *San Jose Museum of Art*, Best local theater company: *City Lights*, Best local pizza: *Pizza Chicago*, Best Italian restaurant: *Bella Mia*, Best vegetarian restaurant: *White Lotus*, Best Steakhouse: *Blake's*, Best seafood: *Hawg's*, Best sports bar: *San Jose Bar & Grill*, Best live rock club: *The Blank Club*.

February 10th the Silicon Valley Concierge Association will have its 2nd annual awards ceremonies. In this poll, the winners are chosen by you, everyone in the hotel and concierge industry. Last years event was a huge success with around 200 in attendance. It was a veritable who's who of the leisure and travel industry for the Silicon Valley. For more information on how you can participate or attend this year's vote or ceremony, contact Randy Zechman at 408-590-7350.

Hiring Made Easy

Following our business model, World 2 Do is partnering with Human Resource Pre-Qualifying (HRPQ) to bring solutions to local leisure service providers in the area of hiring and retention. HRPQ provides a measurable cost reduction strategy to hiring and eventually retaining any employee from a housekeeper to a Director of Sales.

Available on line or by phone, the system walks prospective employees through a series of questions which determine whether they are good candidates for the job at hand. After an applicant completes the process, HRPQ immediately summarizes and quantifies the data for the employer, making recommendations as to which applicants best meet the specific requirements for a given job and are most likely to be productive long-term employees. Online or email results are available to employers in real time.

The method has been in use since 1986. Published research has consistently documented the system's ability to help lower hiring costs by an average of 15%, reduce turnover by an average of 35% and workers' comp costs by an average of 40%, as well as identify those individuals who are most likely to become productive employees.

For more information on HRPQ, contact World 2 Do at 888-987-8636 Ext. 333.

Hotel's change names

In an increasingly competitive hotel market, owners are constantly looking for an edge to grow revenues or lower franchise costs with different brand names. Since March of 2001, over a dozen hotels have changed brand names. The past two months has brought two more flag changes in the Silicon Valley.

Howard Johnson Downtown – Formerly the Executive Inn. Owner Pete Patel brings the second Howard Johnson hotel to the Silicon Valley, taking his independent hotel to a larger franchise named property. Call 280-5300.

Comfort Inn Uptown San Jose - Only months after a new Comfort Inn opened on 13th Street only a mile or two away, and only a year or so since this hotel opened as a Hawthorn Suites on North First (Just south of the Hyatt), a change in flags has been made. Call 392-9009.

Hotel's Changing Faces

Plaza Suites – Santa Clara New Chief

Jean-Philippe (J.P.) Rollet has been named the new general manager for the 220-room Plaza Suites in Santa Clara. JP joins our hotel community from the Orlando market as an assistant general manager for Caribe Royale, a 1,338-room meeting resort. "The Plaza Suites serves a very good mix of guests," Rollet said. "It is particularly appealing to corporate business travelers, and its all-suites arrangement is a bonus for leisure travelers." JP's introduction to our industry started with a degree from Webber College in Florida. From there, he worked at some four and five star hotels in Boston before moving back to Florida. Welcome to Silicon Valley.



Next Issue

Hotel Beat's next quarterly issue is February.