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HANDS-ON HOST

JOHN FITZPATRICK ON BUSINESS AND PHILANTHROPY

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While John Fitzpatrick's name is synonymous with the hotel business, he has a variety of philanthropic interests outside of it and is soon to become chairman of The Ireland Fund. He talks to **Grainne Rothery**

Accommodating attitude

Immersed in the hotel business for his entire life, there was never going to be an alternative career for John Fitzpatrick, who owns the Fitzpatrick Manhattan and the Fitzpatrick Grand Central in New York, and is set to take over from Loretta Glucksmann as chairman of The Ireland Fund in 2014.

Having started out in the Gresham peeling potatoes, Fitzpatrick's father Paddy ran the Talbot Hotel in Wexford before taking on the job of running PV Doyle's four Dublin hotels in the late 1960s. For Fitzpatrick Snr hotels were something of a 24/7 occupation. "On Sunday, if we wanted to see our Dad, we'd get into the car and he'd say we're going for lunch. On our way, he'd hit the Tara Towers, Montrose, the Skylon and we'd end up in the Green Isle for lunch, because he had to check all the hotels."

In 1970, Paddy Fitzpatrick bought his first hotel, which he renamed Fitzpatrick Castle Hotel, Killiney. After leaving school, John Fitzpatrick decided hospitality was the career for him and his father put him straight into the kitchens. "He always insisted that you started from the bottom up. He had a great line and it stood to us. He said, you can't ask someone to do a job you haven't done yourself."

After three years of working in each and every department, Fitzpatrick had progressed to the position of junior manager. He spent a year at UNLV's hotel college before returning to Killiney to take over as assistant general manager. He then worked in hotels in Chicago for a year. "It was tough but it was nice to work for someone else other than your father. It gives you different perspectives. Then I came back as general manager here."

Fitzpatrick Snr had bought the Shannon Shamrock hotel at this stage. "Then things got tough – it was the mid-1980s and we were in trouble down there so I went down to run it. I loved it. It gave me my first experience of being on my own. In Killiney, you were very much under the wing and every move you made was watched by the whole family – not just dad by mum, everybody.

"My father then bought the Silver Springs. At that stage my brother Paul was coming up so we kind of shared it between us."

American dream

Then the family started looking at America. "Dad's dream was always to open a hotel in the United States. He just had this thing about America. And after me living there, I wanted to live there again. Everyone thought we were crazy because we were just a little hotel group. But to dad, nothing was a problem. And he gave that kind of attitude to us. So we got a couple of investors and we went to New York."

In 1991, the family bought its first New York hotel on 57th Street. Fitzpatrick lived in the hotel for six months on his own during renovations. Trying to break into the US market was "a good wake-up call". "Here in Ireland, it's so small and everybody knows everybody. It was tough getting the brand recognition. We got people in, but it took a long time. We knew once we got them in, we had them. And finally, it took off."

Around the same time, Fitzpatrick pitched against Trusthouse Forte and Sheraton for the management contract of a British Airways crew only hotel across the road on 57th Street. "My dad said, are you crazy, an English hotel with an Irish company running it? And you're up against Trusthouse Forte? I said, you always said if it's worth having it's worth asking for." He ended up winning the contract and retaining it until the hotel was sold on.

During the 1990s business boomed and the Fitzpatricks bought the Grand Central hotel and, in June 2001, expanded to Chicago. "Then 9/11 happened and the world fell in. New York died in terms of business. Three weeks after 9/11 we all thought New York was never going to come back. We dropped from 80pc occupancy to 40pc. Chicago was okay for a few more months because it's a convention base but then it crashed too."

Diagnosed with cancer in November 2001, Paddy Fitzpatrick died the following August. "I think the next four or five years were the toughest years of my life. But we turned it around and then I eventually sold Chicago."

Selling that hotel enabled Fitzpatrick to buy his siblings' stakes in the two New York hotels. "I went to dad



'I hate sitting in an office. I want to be out meeting people. I like to walk and see what's going on. I can walk into a hotel and within five minutes know if it's okay. It's just in my blood'



The main entrance of the Grand Central in New York and the Wheeltapper Pub at the Grand Central

years before and said we have to set something up, family businesses eventually don't work unless there's a system," he says. "And he set up a way that we could all buy each other out."

Fitzpatrick's sister Eithne bought the rest of the family out of the Killiney Castle, while Paul set up his own designer hotel brand, which now owns the Morgan and the Beacon. The other two brothers Patrick and Tony, meanwhile, both became involved in property businesses. Now that they're all working separately, the family is closer than it ever was, says Fitzpatrick.

He has aspirations to expand his own portfolio of hotels. "We're always looking around. I would like another hotel in New York, maybe Washington. You know they say don't keep all your eggs in one basket? I think New York's the exception. I could do another two hotels in New York and they wouldn't be in competition. If there's a crash or a disaster, it's very resilient."

He also toys with the idea of buying a hotel in Dublin city centre. He believes hotel property prices are starting to get too expensive in Ireland again, but the upside of that is that the economy is coming back.

"I think the Government has done one hell of a job. They'll never get everything right, but look at what they had to start with. I think what really helped was the change of government. The Taoiseach came over to New York very shortly afterwards and he had this positive attitude which meant a lot to give bankers in the States especially the confidence that Ireland was in control again. Not that anything was solved, because it was still disastrous.

"We were in denial when we went into recession here. And I think we're in denial that we're coming out. All I can say on the positive side is that there's great opportunity and that's why I'm looking here.

"We have an international brand now. If I could get a downtown Dublin hotel, we could do very well. The only regret we have is that we don't have a downtown hotel because of the amount of business I give away that I can't give to my sister. Some visitors will come to Killiney, but some want to be downtown. We could fill a hotel.

"But I've got to be careful not to be sentimental about it. That's what my accountant - who's Irish - says."

Back in New York, Irish visitors currently account for between 20pc to 25pc of guests at the two hotels. "That

probably went up to 30pc during the Celtic tiger. The Irish are definitely back - I'm seeing a lot of shoppers over this year. But there's not enough Irish business to survive. So it's corporate. And we're getting a lot of English business. The company targeted the British tour operator market over the last few years. From last July until this June we ran at 92pc capacity. But we need about three years of that to make up for what I lost."

Fitzpatrick recently stepped down as chairman of the Hotels Association of New York, having completed three terms in the role. Last month, he became the first Irishman and one of the few New Yorkers to take over as chair of the American Hotel and Lodging Association, which represents 54,000 hotels and 3.4 million hotel rooms. "It's great for the brand," he says.

Philanthropic interests

Outside the hotel business, he has become increasingly involved in philanthropic interests since the death of his mother Eithne in 1994. "When my mum died, I was worried she'd be forgotten," he explains. "And I probably wasn't thinking of philanthropy at that stage, I was more thinking of memorialising my mum." He set up the Eithne Fitzpatrick Memorial Fund, which was renamed the Eithne and Paddy Fitzpatrick Memorial Fund after the death of his father.

Through the charity, Fitzpatrick is particularly focused on supporting organisations that assist children in need, as well as ones that advance the peace process in Northern Ireland. The fund has raised more than US\$2m so far for a range of causes, including the Corrymeela Reconciliation Centre, the Barretstown Gang Camp, the Integrated Education Fund, Co-Operation Ireland and Templemore Avenue School.

He serves on the board of the American Ireland Fund and earlier this year was announced as the new chairman of The Ireland Fund, a role he will take over at the beginning of 2014.

Three years ago, he took part in the RTÉ show *The Secret Millionaire*, which involved spending eight days living undercover in the Muirhevnamor housing estate in Dundalk, Co Louth. During the course of his time there he visited a number of community projects and individuals and, at the end of the week, had to decide to

'No matter what I'm involved with it, I get very involved. So, for me, it's not just being chairman of The Ireland Fund. If you don't get involved, you don't get the benefit'

which projects to personally contribute money.

He was initially reluctant to take part in the programme. "The name just put me off. But then I thought, if I can do something that promotes my parents' fund it might help raise money for that. I was still very sceptical. But it was amazing. The best thing I ever did."

After the show ended he remained involved, helping to get an extension built onto a local boxing club and to get the local council to rehouse a couple he had met. He still visits Dundalk each time he's back in Ireland. "It was more than a TV show," he says. "No matter what I'm involved with it, I get very involved. So, for me, it's not just being chairman of The Ireland Fund. If you don't get involved, you don't get the benefit."

He notes that philanthropy is a hugely important aspect of business and for business people in the US. "You can mix everything together and it becomes part of you. It's not just doing charity. You make contacts along the way and those contacts help your philanthropy work, or whatever. In the States, it's all part of the one thing. It's part of your make-up."

His philanthropic work and his work in helping the peace process have earned him a number of honours and awards, most notably an honorary OBE in 2008.

Team focus

Fitzpatrick describes his leadership style as team focused.

"It's not you who's successful; it's the team around you. I wouldn't be able to take on The Ireland Fund or the American Hotel and Lodging Association if I didn't have the team around me. If you're a dishwasher or a general manager, everyone's treated the same. The reason you bring good people around you is you're hoping they've got better experience than you have."

"In the hotel business, it's all about the customers. I'm adamant about the old style of Irish hotel service. We may not have the lobbies of the Waldorf but we give better service. So, you've got to look after your employees, because if they're happy they'll look after you."

Despite his range of interests and responsibilities, he remains hands-on in the hotels. "I hate sitting in an office. I want to be out meeting people. I like to walk and see what's going on. I can walk into a hotel and within five minutes know if it's okay. It's just in my blood. What motivates me is making people happy, making people feel welcome."

He describes opening his first hotel in New York as his best achievement to date. "Through that hotel I've had some great experiences," he says. One of this notably involved hosting a fundraiser for Hillary Clinton when she was running for Senate in 1994. "And I got to know more Irish through that hotel than when I was living in Ireland. Every prime minister's stayed with us. Every president's stayed with us. It's been great. I wouldn't change it."



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