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## HP Hotels taps new CEO with a goal of national recognition

By CJ Arlotta  
Associate Editor

HOOVER, AL—With a new but familiar leader at the helm, HP Hotels is continuing its shift toward becoming a nationally recognized hotel operator.

“Leaders need to have a clear sense of priorities,” said Charles Oswald, newly appointed CEO of HP Hotels. “You have to have intense alignment around these priorities. Everybody needs to know what they are, what we are, what we stand for and what are the things we’re trying to get done – and if you do that, you’ll succeed.”

For Oswald, who is also serving as the company’s president, some of his goals revolve around HP Hotels becoming nationally recognized, developing into a best-in-class operator, gaining preferred status with key brands and expanding its sliver equity.

His rise to the top of the company wasn’t by accident. “Any time you’re moving up the corporate ladder, one of the best ways to do it is to take on the job you want, and start doing it in advance,” he said. “I’ve been functioning in this role for some time.” This appointment as CEO, more than anything, is just a formality, according to Oswald.

“Over the course of the last few years, I’ve certainly been drifting toward becoming more actively involved in the business development side, as well,” said Oswald, who previously served as the company’s COO, where he built its operational framework.

In the near future, the management company isn’t planning to appoint a new COO; however, according to HP Hotels’ CEO, the company currently has more operations coverage than it’s had in the past, so the team itself will report directly to Oswald, but as the company gets its “next bump in growth,” it will probably begin looking for a leader.

Summed up in one word, HP Hotels’ approach focuses on connections – developing relationships with customers, employees, etc. “These connections are going to continue in my role as CEO because we’re going to continue to match-make, getting sellers and investors connected, and that’s largely where we see our opportunity to get involved as manager and take over operations of hotels going forward,” said Oswald.

HP Hotels’ current portfolio includes Four Diamond-rated hotels; branded full-service and limited-service properties; independent properties; and boutique-style hotels. Most of the hotels under the company’s management range from 120 to 400 rooms. What kind of properties is HP Hotels in the market for ideally? Hotels defined as “premium select-service brands and compact full-service brands,” Oswald explained.

Last year, HP Hotels managed 38 properties, an increase of more than 15% from the year prior. Total number of rooms managed hit 4,902 in 2016, a year-over-year gain of 27%. The company currently manages 38 properties and has ownership stake in one.

Included in HP Hotels’ portfolio are 16 hotels where it is providing support for other management companies, a service it began providing about five years

ago. “That segment of our business has gradually grown,” he said. “It’s those cases where you have a smaller company that has five or six hotels, and it realizes it needs to layer additional subject-matter expertise.” Due to the management company’s size, it may not be able to hire, for example,

stronger human resources support. “We’re able to go in and give them access to that strength in subject matter that they otherwise wouldn’t be able to afford,” he continued, noting HP Hotels’ commitment to growing this business in 2017. HP offers operations and management; sales and marketing; revenue management; human resources; financial and planning; and development and acquisitions.

The company has quite a bit in the pipeline for this year. “In the pipeline we’ve got a couple of new-builds, select-service hotels,” Oswald said. “We’ve got a Marriott full-service project that we’re working on. We’ve got a couple of deals with Hyatt that are in the works, and we expect to be taking over a Sheraton this upcoming month.”

A few states HP Hotels has its eyes on: California, Louisiana and Ohio. “It’s more client driven than market-driven,” he said; however he did acknowledge market strength. One of HP Hotels’ goals is shifting from being a regional operator to national operator.

Speaking on the market landscape this year, the management company’s newly tapped leader believes there will be more mergers and acquisitions. “Management companies are always seeking new talent,” Oswald explained. “They’re seeking efficiencies in operations, and you need to be of a certain scale in order for it to really work well.”

HP Hotels isn’t against considering an acquisition “if the right opportunity presented itself,” he admitted, noting, however, this isn’t something he’s foreseeing right now. The right opportunity for the management company would have strategic advantages.

Moving up in rank will require an investment in HP Hotels’ team, especially with regard to the continuation of education and development. “We like people who are innovators, like tenacity,” Oswald said. “We want to find people who won’t take ‘no’ for an answer, and then we’re going to hang on to them. No job is beneath us, so we’re going to be empathetic. We’re always going to recognize and reward success. It’s going to be a meritocracy, and I think that’s what’s going to help lead us to the next level.” **HB**

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**HP Hotels**  
Hoover, AL

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| gross annual revenue (end of '16)..... | <b>\$128.2M</b> |
| # of hotels (end of '16).....          | <b>38</b>       |
| # of rooms (end of '16).....           | <b>4,902</b>    |



**Charles Oswald**  
HP Hotels