

Hoteliers bring passion, skills to philanthropy

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Current and former hotel company executives are doing good in their communities and around the world. But they agreed it's more than the right thing to do; it also makes good business sense.



By [Robert McCune](#)

rmccune@hotelnewsnow.com

[@HNN_Robert](#)

Editor's note: This is the first installment of a two-part series on the state of philanthropy in the hotel industry. Today's story looks at the impact that hoteliers are having on their communities and around the world. [Part two](#): How they are inspiring their teams and using their connections within the hotel industry to make a difference.

GLOBAL REPORT—Harris Rosen believes his template for philanthropy can change the world so dramatically that “we would not recognize ourselves at all.”

It's already done so for Rosen's corner of the world, in central Florida, where the president and COO of Rosen Hotels & Resorts started the Harris Rosen Foundation 25 years ago.

At the heart of what the foundation does is education. In 1994, the foundation adopted an under-served community in central Florida called Tangelo Park, started a preschool program, and pledged to pay tuition in full for any high school graduate who is accepted to a community, trade or four-year public college in Florida.

As a result, Tangelo Park's high school graduation rate doubled, from about 50% to 100%; crime in the neighborhood plunged 64%; and families living there stayed, according to Rosen. It's been such a success that last year, the Tangelo Park Program was expanded to another central Florida neighborhood, Parramore, which Rosen said is about six times the size of Tangelo Park.

"I don't know how many more communities like this we have in America, but if every one of them had a [Tangelo Park Program](#), it would change America relatively quickly, and so much that we wouldn't recognize ourselves," Rosen said.

"It would create hundreds of thousands of new high school and college graduates. The economy would expand greatly. Crime down 64%—do that nationally and how many billions of dollars would we save as a society? Just in incarcerations alone, it would be hundreds of millions of dollars. If every underserved community would have this program, we would not recognize ourselves at all. And we can do it; that's the crazy thing. The template is easy."

Setting examples

Rosen wishes other companies and wealthy individuals would wake up, realize as he did that they've been blessed, and decide to replicate his program in the under-served communities across the U.S.

"What drives us crazy, those of us who have been involved from the beginning, is why haven't others decided to replicate this?" he said. "It doesn't cost Uncle Sam a penny. It's time for the private sector to stand up and be counted and say 'We love America; we're grateful that we've been able to do well for ourselves. ... Now it's time to give back a bit.'"

Rosen admits that his company is unique in that it's small, private and not beholden to shareholders or a board of directors, which gives it more freedom to do "what we think is right."

But he also sees great examples of, and potential for, philanthropy in the hotel industry. "I know that hospitality is a very generous industry ... Whenever there's a need, hospitality is where it comes from. I'm very proud of our industry in that regard."

Those examples are set on a global scale by companies like Hilton, which this year kicks off its annual Global Week of Service on Monday, 16 October; nationally by people like Gary Mendell, who left the hotel company he founded to start Shatterproof, to fight the stigma and ease the struggles of addiction; and in local communities by groups from firms like CHMWarnick and Rockbridge, which lace up their shoes and run or bike for charities they're passionate about.

- [Opinion: Hotel companies do well by doing good, writes Chris Green, principal and COO of Chesapeake Hospitality](#)

"The hospitality industry has a huge footprint globally, and I do believe that there are opportunities to support the industry while also giving back," said Ken Wilson, managing director and co-chairman at CHMWarnick, who recently rode in Pan-Mass Challenge, a charitable bike ride across Massachusetts that benefits the Dana-Farber Cancer Institute.

"As a group, we have built houses (Habitat for Humanity), cleaned and maintained historic sites (Thatcher Island, Appleton Farm and Castle Hill), cooked for local shelters (Lifebridge), and literally put 'heads in beds,' raising money to purchase beds for children in need (A Bed For Every Child), all through active participation and sweat equity."

Jim Merkel, CEO of Rockbridge, doesn't see giving back "as a hospitality issue," he said. Rockbridge, a hotel investment firm based in Columbus, Ohio, for six years has hosted [Rock the Road Experience \(RTRX\)](#), a leadership and innovation event that donates all proceeds to Pelotonia, a three-day cycling event benefitting research at The Ohio State University Comprehensive Cancer Center – Arthur G. James Cancer Hospital (or The James, as it is commonly known).

Merkel said he started RTRX after hearing a talk by Dr. Michael Caligiuri, CEO of The James, and realizing that "I'm not going to cure cancer, this guy is going to cure cancer ... but I can raise money (to help)."

As part of RTRX, Rockbridge recruits its own team members and others from the hotel industry to ride for Pelotonia. Sponsorships, entry fees, donations and other fundraising from RTRX riders reached \$1 million this year, and \$3.2 million total in the six years since the event's inception. Merkel hopes RTRX will be for leadership, innovation and philanthropy what SXSW in Austin, Texas, is for the arts.

"I think there's a basic human need for meaning and purpose, and I think you're seeing that across all industry and social enterprises, where people are building businesses based on giving back and helping a certain cause," he said.

Sharing skills, more

At Hilton, philanthropy is divided into four areas—donation, volunteering, disaster response and action grants—but the underpinning philosophy is “sharing our skills,” said Max Verstraete, VP of corporate responsibility.

“The most valuable asset we have that we can give our communities is our hospitality skills,” he said. For example, he said, a hotel culinary team may go to a local food bank or soup kitchen and help them with recipes and “how they’re sourcing their food so they’re efficient and saving money where they can be.” Another example might be a hotel’s housekeeping team sharing cleaning techniques with a local shelter, he said.

“We have our global celebration every year, that’s coming up, called our Global Week of Service. That week, we take a moment to celebrate all of this community engagement that happens around the world all year long, and we go out and do something in our communities at the same time,” Verstraete said.

“To give an idea of the scope of that, last year we had events going on in 93 countries, with more than 290,000 volunteers across 4,200 community projects. We’ve been doing that for years now, and have logged close to 1 million volunteer hours. Leaders get involved, from CEOs to area presidents. It’s an exciting time, and requires a lot of work.”

At Australia-based hotel operator Mantra Group, philanthropy is driven by a corporate emphasis on four cornerstones of social responsibility—community, environment, marketplace and workplace, said Cherie McGill, executive director of human resources.

“The fundraising efforts from our team members are a true reflection of our long-standing commitment to make a difference in the community,” she said.

That includes volunteering and fundraising to help reef preservation efforts by Citizens of the Great Barrier Reef; supporting the Luke Batty Foundation, which advocates against domestic violence; and donating gifts to refugees and crisis accommodation centers across Australia as part of the company’s Christmas Giving campaign.

In response to natural disasters, hotel companies and their teams often are at the forefront of relief efforts.

More than 100 team members and executives from Crescent Hotels & Resorts joined assembly lines on 4 October to package 10,000 donated meals for distribution to victims of recent hurricanes as part of Rise Against Hunger in Texas. A similar effort is planned next month in Virginia.

Mike Metcalf, COO at [Crescent](#), said the company “believes in the sense of community and social responsibility” and was “honored to partner with Rise Against Hunger to assist those in need.”

- [Click here for more examples](#) of how hotel companies have helped out during and after recent hurricanes; and read [Hotel News Now Editor-in-Chief Stephanie Ricca’s take on it here](#).

Results and rewards

For the industry’s passionate champions of causes, the greatest reward is pride in seeing the difference they are making.

[Shatterproof](#)’s Mendell, since founding the organization in 2013, has seen results—not just in dollars raised for research into drug and alcohol treatment, but also in legislation.

Following the loss of his son Brian to addiction, he set out to create a well-founded organization to lead the fight—something he said did not exist before Shatterproof.

“After (Brian) passed away, I started giving thought to how to help others. What I saw was that I had no idea when he was alive how pervasive the disease was around the country. Twenty-five million people in the U.S. are addicted to either alcohol or drugs. Simple math is that’s one in 10 above the age of 12. ... One-quarter of American families have someone who is addicted. If you look at the number of deaths, 400 people are dying every single day. Addiction is the third largest cause of death in the country,” he said.

“What really hit me hard was, I learned there was this body of knowledge that existed—research that could have prevented Brian and hundreds of youths like him from ever becoming addicted, proven research that could have proved successful in treatment, all sitting in medical journals and not being implemented across the country. I asked myself why, and saw two reasons: Shame and stigma. Because of the stigma, one-quarter of those 25 million people do not seek treatment, because they don’t want their families and friends and coworkers to find out about it. Also because of the stigma, many doctors don’t want to treat it—there’s not enough research, and on and on.”

In the spring of 2012, he left his position as CEO at HEI Hotels, where he was a founder, and the hotel industry to concentrate on Shatterproof. In the years since, the organization has successfully advocated to get legislation passed in 14 states to improve prescribing practices and ensure health care providers and patients have what they need, from tools to support to insurance, to win the battle with addiction.

Shatterproof has expanded into federal advocacy, Mendell said, and is on track to launch new support group programs for families and companies, as well as a task force “to fundamentally change the way treatment for addiction is delivered in this country.”

As for the man behind the Tangelo Park Program, what makes Harris Rosen most proud is simple:

“The event I look forward to every year, and where I really feel pride and so pleased is ... Every year, we have a preschool graduation—that is two-, three- and some four-year-olds graduating and moving on to public school. They have their caps and gowns. I attend all of the preschool graduations. My job is to congratulate them, give them their diplomas and move the tassel from one side of their cap to the other. That is the most wonderful event of the year, and when I feel the most pride,” Rosen said.

“It’s just the beginning. Every year, at the beginning of the year and at graduation, I give a talk in which I tell the moms and dads and grandparents: ‘Get used to this. Your child will graduate from preschool, from elementary school, from middle school, from high school, from college and, hopefully, one day if they choose from grad school. Get used to caps and gowns.’”