



OWNER EQUITY BY CHAD CRANDELL

Chad Crandell, CHMWarwick, managing director and CEO, CHMWarnick, Beverly, Massachusetts

Cotton-headed ninny muggins

(The views and opinions expressed in this blog are strictly those of the author.)

This past week I got burned. Not your run of the mill “slight,” but a good old-fashioned screwing over of epic proportions, from someone I knew and for the most part, trusted. I’ll be honest, it stung. My initial reaction was to give said perp the benefit of the doubt, and chalk it up to being a Cotton-Headed Ninny Muggins (“Elf” movie reference – possibly the best Jewish-produced Christmas movie of all times). Meaning, I thought he was just being an idiot. But, then I learned that was not the case. He had intentionally put his own interests above mine, even crossing an ethical boundary in my mind, burning many bridges along the way.

This experience was a painful reminder that even people like me, who get paid to look out for others, can themselves be blind-sighted by the actions of others – including “friends.” Hospitality by nature is a “friendly” industry, fueled by a work hard/play hard mentality. On most days, I believe we are some of the luckiest professionals in the world. This, coupled with the fact that many of us have worked together for over 30 years, makes it very collegiate and yes, “friendly” environment. However, business is business, and friendship can cloud judgement. I am a huge proponent of liking who you do business with, but you must also make sure you have people paid to watch your back. Whether it be the attorneys, advisors or asset managers, you want to make sure you have people on your side to make sure all the i’s are dotted and the t’s are crossed.

This experience also re-enforced my conviction in what I do every day (other than not screw over my friends). By trade, I represent the interests and preserve the rights of the hotel ownership community...otherwise known as “hotel asset management”. The very nature of being a hotel owner – assuming all of the risk financially, while relinquishing nearly all control to third-parties – can leave

even the most experienced and savvy investors feeling vulnerable and even outright “duped” at times. Hotel owners rely on many different entities to achieve desired returns. From brand and operators who run their hotels, to the attorneys and advisors who guide them, there are a host of issues and operational complexities that hotel owners must balance and navigate every changing day. This industry is not in perfect equilibrium, and balance is something that only comes from hard work and continual education, and even then is never guaranteed. Imagine what can happen when you let go of the reins completely?

Through this blog – Owner’s Equity - I hope to bring to light owner issues, whether commenting on current news or reflecting on experiences in my own practice, so that we all may feel a bit more protected from all the cotton-headed ninny muggins out there. I look forward to sharing my perspective – the owner’s perspective – in the pursuit of enhancing the collective voice of hotel owners, and all who support them.

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