

SENWIGGRIE *with*



cover story



**A family-run hotel
management company
has produced some
real winners for Choice**

BY ROB HEYMAN

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No one can deny that these are better times for the lodging industry. After the economic downturn in the aftermath of 9/11, when travel came to near standstill, the industry has returned to sturdier ground. People are traveling again and revenues are up. But better business has brought with it an unfortunate downside—expenses are also up. And as the guests' expectation for better services and amenities continues to grow, so too will the cost of running a hotel.

Probably, no company understands the challenges faced by property owners better than Jackson Hospitality Services, Inc. (JHS), a Birmingham, Ala.,-based hotel development and management company that oversees lodging properties throughout the United States, including several Choice brand properties.

"The cost of running a hotel has become more expensive," says Neal Jackson, CHA, a vice president for JHS who runs the company with his brother, Cory Jr., and their father, Cory Sr. "The customers are demanding a higher level of amenities and services. I remember the days when there was a debate to get HBO in a guestroom. And then of course you had to have it. This also ex-

tends to everything from the breakfast to bedding."

To help its hotels save money, JHS became one of the first management companies to sign on to Choice's new hotel insurance program offered through Arthur J. Gallagher Risk Management Services and Argonaut Great Central. The program, which was launched this year, is aimed at offering value, flexibility and dependability to franchisees, whose existing policies may have subjected them to a host of financial difficulties, the most relentless of which has been soaring premiums. In the past five years alone, hotel insurance costs have doubled, equaling as much as 3 to 4 percent of total revenue for many properties.

Available exclusively through Arthur J. Gallagher Risk Management Services, the program offers complete coverage that meets or exceeds Choice's minimum insurance requirements, including general liability, property coverage, hired and non-owned autos, all excess limits required by Choice, and workers' compensation. The program also offers excellent customer service, an exclusive program dedicated solely to Choice franchisees and improved value-added consultation

services, such as loss control, claim management and premium-lowering tools and guidance.

Jackson says he couldn't be happier with the decision to join the insurance program.

"I think the habit is, you go into an insurance program and you're comfortable with it and you never really look at it again. Last year, [Director of Operations] Ben Koopman researched [the program] and worked with Arthur J. Gallagher for several months and developed a fantastic program. The more we learned about it, the better we liked it," Jackson says. "It's tailor-made to the hotel industry. The rates are extremely competitive."

"Almost all of our hotels saved money. The one that didn't, Arthur J. Gallagher informed us that the hotel was under-insured," he adds. "We informed the owners and said, 'Look, you're not going to save any money—that's the bad news. The good news is, your hotel is now properly insured.'"

Jackson says the insurance program has also been a great marketing tool for the management company.

The newly renovated lobby in the Comfort Inn & Suites in Birmingham, Ala.





The Comfort Inn & Suites in Birmingham, Ala., is a Platinum Award-winner for Choice Hotels.



Swimming pool at the Birmingham Comfort Inn & Suites

"I'm also the lead generator for our management company, so I'm always looking for ways to sell our services and say, 'Jackson Hospitality Services has professionally managed hotels for many years...and, oh by the way, we also have this fantastic insurance umbrella.' I knew it was very good for us and our properties, and I use that as a selling technique to add hotels to our management portfolio," he explains.

The success of three of its Choice hotels no doubt also serves as an effective selling point for JHS. Its Comfort Inn & Suites ho-

tels in Birmingham, Decatur and Tuscaloosa, Ala., are all 2006 Platinum Award winners. The Decatur hotel was also named Best of Brand for 2006.

Jackson says the achievements are a credit to the managers of those hotels.

"We have three excellent managers who've been with us for many years, and they have pride in their properties," he says. "They come around the front desk and talk to the guest, and they focus on every aspect of customer satisfaction.

"We're very proud of our past Gold awards.

When we found out we were eligible in 2006 for Platinum, we were just astounded," Jackson says. "And to have one of the awards being Best of Brand was icing on the cake for our management team. We try to give our managers as much support as we can. It was very flattering to be honored by our guests and Choice Hotels International in this manner."

Founded in 1977 by Cory Jackson Sr., JHS has remained a family operation, offering what it calls "turnkey, worry-free management" for hotel owners, helping to ensure that each property operates in an efficient and effective manner while constantly monitoring bottom line results. At the core of JHS has been a conscious effort to provide "service through integrity."

"Growing up, I'd always hear through conferences and other associates that Jackson Hospitality Services always had a lot of integrity, not only with the employees but also with the hotel owners," explains Neal Jackson, who joined the company in 1989 after graduating from the University of Alabama. "They could always count on JHS, if we said we were going to do something, it was done 100 percent. JHS has clients who have been with us for over 15 years. We enjoy great references for current clients as well as past.

"It's those long-term relationships and the integrity of the company [that makes] people feel very confident recommending JHS, working with JHS, and I believe it's that integrity that's made the company last [for

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more than] 25 years.”

Jackson says he's found no problem working with his brother and father.

“I hear that it's difficult for a lot of families to work together. My father was very smart; he pointed my brother, Cory Jr., and I in opposite directions in the company,” he explains. “Everybody has different talents. I like sales and marketing. My brother focuses more on construction and renovations. Now, Ben Koopman is in charge of operations, so we each have a different field that we're focused on. The talents are aligned with the area of fo-

a very nice level, to the point they knew me on a first-name basis. They asked my input on certain programs. It was nice to have that feeling where they wanted to know my opinion. When they roll out programs at convention, I may not have come up with the program, but I may have given them some thoughts and suggestions that hopefully made the program better.”

Jackson says he's also grateful to former Franchise Services Director Craig Mustard for his assistance on the three Alabama

source Choice had. He gave us tons of attention. From the success of our first hotel, JHS decided to do three others.”

To have a successful hotel, Jackson says, it's not only important to be enthusiastic and able to meet or exceed the brand standards, but it's also necessary to regard the property as an investment. He says it's this type of guidance that JHS offers to its hotels and owners.

“There are so many mistakes that people can make in developing and running hotels. We don't want to do it [in a cheap



The breakfast area in the Birmingham Comfort Inn & Suites, offering the new Comfort Sunshine™ Breakfast.

cus that we have within the company.”

As vice chairman for Region 2 on the Choice Hotel Owners Council, Jackson said he was given the chance to offer his input on new and developing programs for Choice franchisees, an experience he found very rewarding.

“[On the council] I got to know a lot of people in the corporate offices of Choice on

Choice properties. Mustard has since been promoted to director for Brand Operations Full Service Division.

“I called him a lot because I knew he was a great source of information,” Jackson says. “One day he showed me his cell phone and said, ‘Neal, under the call report, it says Neal Jackson, Neal Jackson, Neal Jackson.’ He laughed and said, ‘I appreciate the questions. I don't get a lot of people asking me this many questions.’ Craig really helped me with every re-

manner], and we don't want to do it to cut corners. We like to do things well-rounded,” Jackson says.

“I spent two years on the Choice Owners Council, and I really enjoyed the experience because the programs that Choice rolled out, I got to preview them first,” he explains. “I learned about those programs, I was able to give input on them and I was able to clearly explain that to the managers and make sure our hotels and our region's hotels benefited. I think very highly of the [council].” ★