



Q & A

BARRY STERNLICHT

With the debut of his 1 Hotels & Homes, the former CEO of Starwood Hotels & Resorts is back in the hotel-operations game—and he's going green. **BY AUSTIN MERRILL**

At one point during Barry Sternlicht's 10-year reign at the helm of Starwood Hotels & Resorts, he was overseeing 733 hotels, 231,000 rooms, 120,000 employees, and more than \$5 billion in revenue. But in 2004 the man revered for masterminding W Hotels and the Heavenly Bed bowed out of day-to-day hotel management to run his private equity firm, Starwood Capital, where he's been mostly working in real estate ever since.

In March, however, Sternlicht returns to hospitality operations with the launch of two Starwood Capital hotel brands: the über-swanky Baccarat Hotels + Residences (*baccaratresidencesny.com*), opening in New York, and the eco-friendly 1 Hotels & Homes (*1hotels.com*), debuting in South Beach, followed by a New York location in April. It's at the latter that Sternlicht is making a potentially industry-transforming big bet that a hotel brand can be serious about luxury and the environment alike. But will people pay good money to hang their jackets on recycled cardboard hangers? Here, Sternlicht tells DEPARTURES that the time is right.

What was your inspiration for the 1 Hotels?

I said, Well, what matters? I'm financially successful, but what could we do that would be more than a hotel brand, that could change the world? If we can show you that you can live green and live luxuriously, it will resonate in the marketplace and have a ripple effect beyond hotels. I like to say it's not a brand—it's a cause.

Green concepts are prolific. How will 1 stand out?

I've always cared about the environment. A lot of hotels call it "painting themselves green." But those are just cost-cutting measures. Telling you we'll replace your towels every five days—well, that's what you do after 9/11, right? Because your revenues have gone to crap, and you're trying to figure out clever

green building. I want this to be high-end, but it isn't going to be like the Baccarat. The reason is that there will be more 1 Hotels this way. There are more people who can spend \$250 to \$300 a night than people who can spend \$1,000. If I am trying to make a difference, I have to be able to take this to Chicago and New Orleans and Denver, where we're not going to get \$400 a night.



Rooms at the 1 Hotels & Homes in New York (top left and bottom right) and Miami (top right and bottom left).

ways to save money, and you don't want to wash the towels every day. But the towel wasn't organic cotton. I applaud hotels for even moving that way, but it's not us. We are going to be purebred from the ground up.

How large of an audience is there for this type of hotel?

There's a subset of people who will pay higher prices to live in a

If this is successful, won't that mean all hotels should live up to 1's eco-standards?

One hundred percent. There's no reason you need endless paper or bottled water. I'm good if everyone copies us. When I started W, everybody knew the Westin Heavenly Bed. I had them in the W Hotel first. I used W as an experimental ground for Westin. This would be the same kind

of thing. In European hotels, you have to put the key card in the door to activate the electricity and the heating. Would Americans accept that as luxury? Some say that's not luxury. I think it is participating in what we are trying to accomplish.

Are you worried that some of your 1 Hotel clientele might balk at things like a timer on the low-water shower?

Uh, yes. But it's a big world and there will be people who will appreciate it. We'll have some people who are loyalists, who want to be known as a guy who stays in the 1. Other people will be there because it was close to wherever they were going, but they won't care. You can't appeal to all people all the time.

In the Manhattan 1, there's wood on the walls that came from a former water tower on the roof and floorboards from upstate New York. If each hotel has locally sourced products, isn't scalability an issue?

That's my greatest challenge, bringing the cost down. But, look, this is my passion. This is a fun problem for me to solve. When I was 35, I did W. Now I'm in my 50s, and I wanted my kids to be proud of something I was doing.

How do you think the Airbnb phenomenon factors in, with more people wanting a home travel experience?

It raises the ante. The problem with the hotel industry is it didn't have to compete with new technology. You didn't worry

about a hotel in Japan because it wasn't putting your hotel in New York out of business. So the industry became not very innovative. That hurt the hotel industry, but it also gave rise to opportunities like 1.

It would be incredible if 1 could be profitable, therefore successful and sustainable.

Exactly right. That means it should expand and make a difference. It goes to the argument of the environment. There's no question our glaciers are melting. What there is a question about is, is this a normal cycle? And I say the argument's over. The world is warming. Fix the earth. Fix your environmental footprint. If you're wrong, what did you do? You didn't hurt anyone!

How does this influence the way you live your own life?

My favorite possession is my Tesla. We recycle. I haven't yet converted my house to low-voltage bulbs, but I should do that. I've given millions to environmental causes—the Rainforest Alliance, Natural Resources Defense Council, the Everglades Foundation. My kids do stuff for the environment—they care. If I do all this, too, they'll actually talk to me.

To switch gears, what is your favorite hotel, outside of the brands you have created?

I love the Adlon Kempinski, in Berlin, the Ciragan Palace Kempinski, in Istanbul, and most Aman resorts.

What annoys you in a room?

When things don't work properly—a burned-out lightbulb, a poor shower, bad pillows.

What are the most underrated amenities?

Great gyms and cosmetics. ♦