

LODGING

Get It To Go

FIND THE RIGHT FOOD AND BEVERAGE OUTLET AND STIR UP A RECIPE FOR SUCCESS

PHILLY FARE

The Rittenhouse Hotel in Philadelphia, an independently owned and run treasure in the heart of one of the city's most beloved corners, opened a French restaurant, Lacroix, in 2002.

Since its opening the restaurant has been acclaimed in more than a dozen publications like *Esquire*, *Conde Nast Traveler*, and *Philadelphia* magazine.

The restaurant is known around town and among travelers for its delicate and elegant menu with the likes of slow roast sable fish and ravioli of escargot. With such success, it seems that the hotel would have no need to outsource any of its food and beverage operations. But, while the hotel takes great pride in its celebrated restaurant, Lacroix is only part of the equation.

In 2000, the hotel decided it wanted a first-rate steakhouse, and decided to look to the experts to do the job right. David G. Benton, vice president and general manager of The Rittenhouse, says they chose Smith & Wollensky to occupy the space facing Rittenhouse Square. "We thought the best steakhouse was Smith & Wollensky," he ex-

plains. "They bring a very high quality image and a brand that is very well known. Many of our guests come from New York and Chicago where they have operations. We thought they would be a great addition to the cuisine that we serve here."

So far, the two restaurants have created a great synergy, he says. The room service menu, which is available to guests and 150 condo residents above the hotel, features Smith & Wollensky offerings, which is beneficial to the hotel and the restaurant.

Pat English, a management partner of Smith & Wollensky and general manager of the Philadelphia location, says the relationship is mutually beneficial because both the restaurant and the hotel are associating themselves with a highly respected name. "We have their built-in clientele, and they get a restaurant that people know and enjoy," English offers.

However, he says that for Smith & Wollensky, a chain of 11 restaurants that had never shared space with a hotel, it's taken some getting used to.

"The hotel is our landlord, and they're here every day. It took a little while getting used to their schedule of maintenance and repair that we were used to doing ourselves," English says. "We made a slew of changes to the design of the existing restaurant [before we moved in]. The restaurant that was here before, you had to come from the hotel—we have our entrance on the street so we bring our own identity."

Many hotel operators say that bringing in an outside restaurateur can mean reassigning much-needed staff members to other duties, as well as fewer headaches and higher visibility for the hotel. Benton points to Las Vegas as a city filled with hotels that typically turn to outside vendors for a recognizable name and expertise.

For hotels like MGM Grand that operate 5,000 guestrooms and a theme park, leasing space to names like Emeril Legasse and Wolfgang Puck is not a bad idea. New York-based Ark Restaurants runs eight restaurants in Las Vegas, each one inside a hotel and casino.

The Las Vegas operations include three restaurants within the New York, New York Hotel & Casino Resort and operation of the resort's room service and banquet facilities; employee dining room and eight food court concepts; four restaurants and bars within the Venetian Casino Resort, as well as four food court concepts. The company also owns and operates one restaurant within the Forum Shops at Caesar's Shopping Center and one restaurant at the Neonopolis Center at Fremont Street.

IN THIS ISSUE

6 Room Tax Woes 26 Secondary Markets 47 The Lowdown on Franchising