

COVER STORY

AMBITIOUS OPTIMIST

A conversation with
Greg Mount, CEO
and president of RLH
Corporation

By **SANJAY MUNDRA**, CEO OF SVN HOTELS





When the California-born Greg Mount first got into the hospitality industry, it was a far cry from the success he sees today.

RLH Corporation (RLHC) is primarily engaged in franchising, ownership, and operation of hotels. Under Mount's leadership, since 2014, RLHC has launched new brands, acquired others, and done quite a bit in between.

I recently sat down with Greg to learn the keys to his success.

Sanjay Mundra: How did you first get into the hospitality industry and how long ago was that?

Greg Mount: While I was going to school, I worked in a hotel in the food and beverage area. I worked my way up and was an

assistant beverage manager at a hotel. That was probably close to 30 years ago. Then I was able to take an opportunity to work for Marriott, and I have never looked back.

Mount continued to work for Marriott in various operational roles over the course of eight years before moving on to Interstate Hotels & Resorts. He is grateful for his time at Marriott, as it allowed him to learn all the nuances of the hotel industry and what it takes to deliver a good guest experience.

Sanjay Mundra: You've obviously come a long way in your over three decades in this business. Can you talk a little bit about different environments you have been through? What have been the different environments you have worked in and how did that make you grow and mature in this industry over the last 30 years?

Greg Mount: Marriott is a fantastic organization, and—for me—was really a great way to get an education, learn the industry, and understand the things that are important. I began to understand what it takes to deliver a great guest experience.

My transition to Interstate Hotels & Resorts provided an opportunity to take all the technical skills I had learned with Marriott and apply them in a meaningful way. Interstate was a fraction of its current size when I started in 1990, and now it is the largest third-party-management company.

The ever-ambitious Mount stayed with Interstate for almost a decade, working his way up from director of operations, through a number of general manager assignments, before moving over into their third-party development group. Thanks to his time at both Marriott and Interstate, Mount considered

GREG MOUNT'S PATH TO SUCCESS



HOTEL RL



himself to be well versed in operations and development—two skills necessary for his continued success.

Sanjay Mundra: What has RLHC been doing the past four years and how has your management style influenced the company overall?

Greg Mount: We've really transitioned over the last four years. Cleaning up our balance sheets, bringing in additional brands, and building a technology platform that is really based on what's occurring now and where we see things going in the future. When I started this assignment a little over four years ago, I had taken over a 40-year-old company that had only 55 hotels in eight states—with the bulk of its EBITDA being generated through its own real estate.

Even though Mount is far from where he started in the hospitality industry, he's never forgotten what it was like in those early days.



Sanjay Mundra: What’s a moment during your early years that you’ve kept with you as you’ve progressed in your hospitality career?

Greg Mount: Early in my career—during my Marriott days—I always remember Bill Marriott coming in, walking the hotel, speaking with the employees, and knowing everyone’s name. I think that set a tone for me from a career standpoint: the importance of people and treating them with the respect and dignity they deserve. I thought it was exceptional for a person of that ilk and responsibility to take the time to learn a person’s name and then remember them when he came back through.

Bill Marriott would continue to influence Mount even after he had moved on to other companies. During his time at Starwood, he stressed to his hotel managers the importance of getting to know their staff. His idea was that the hospitality industry is first and foremost a people business—both in the customers and the people who serve them. Ultimately, it was

important for these managers to be respectful, connected, and to actively listen to what everyone in the hotel had to say.

Mount has carried this philosophy everywhere he’s been and continues to practice it at RLHC. Even with all the new growth RLHC is seeing, Mount and his company still plan to retain the small-franchise feel they had before Mount took over.

Sanjay Mundra: What’s something you’d like customers, potential franchisees, current franchisees and everyone else to know about Greg Mount and RLHC?

Greg Mount: For me, it’s important that we haven’t gotten too big—and never will be too big—for me to pick up the phone and speak to a franchisee. At the end of the day, our customers are the reason we’re here and the reason we’re successful. For me, it’s all about the customer; it’s all about the owner and understanding that this is where it all starts.

RLHC’s approach to franchising is a little different from the norm. Many bigger companies ask their potential franchisees to go through a series of renovations that could possibly exceed the capabilities of the market and, at the same time, are trying to add new brands in order to extract more revenue in those same markets. This can lead to commoditization.

Sanjay Mundra: How is RLHC different from other companies out there?

Greg Mount: We take a little bit of a different approach. We focus on not adding too many brands and making sure that the brands we do have fit the segments. RLHC also works toward delivering demand in a meaningful way at a cost that is less expensive than franchisees might see with other major brands in the U.S.

Currently, RLHC has 11 brands total but by the end of the year will pare down to nine to better focus on conversion brands and creating



hello
rewards

RLH CORPORATION BRANDS

- Hotel RL
- Red Lion Hotels
- Red Lion Inn & Suites
- Lexington
- Settle Inn Extended Stay
- Signature Inn
- GuestHouse
- Jameson Inn
- America's Best Value Inn
- Canada's Best Value Inn
- Country Hearth Inn & Suites



GuestHouse



JAMESON INN



price value. Mount knows that some franchise locations are in wonderful and desirable areas but have been under-branded or under-capitalized. With fewer brand offerings, RLHC can turn their attention toward those franchise locations and help reposition those assets.

Sanjay Mundra: How would you describe what RLHC is doing with their brands right now?

Greg Mount: With the new signature brand that we just rolled out recently, that brand's focus is on looking at those 30 or 35-year-old exterior corridor hotels in great locations and really kind of re-gentrifying them. We want to bring them back and create more of an independent feel to these hotels.

This course of action has Mount very optimistic about the future of RLHC and its brands.

We just put up for sale a large portion of our remaining joint venture. Naturally, the next step for us is to become kind of asset-light



and really more of a pure franchise company. That's really going to be our focus. We really want to grow our franchising system not only organically but by also making corporate acquisitions of other regional brands that are facing immense challenges as they relate to their resources and capabilities.

One such challenge many hoteliers and management companies are facing is the ever-changing digital space. With web browsing becoming more and more personalized, the hotel industry will start to become a different, and even more competitive, world.

Sanjay Mundra: Obviously in your three decades with the hospitality industry you've seen many changes. How do you see the hospitality industry changing in the future and where do you see it going?

Greg Mount: Companies like the Googles of the world have been amassing information on every person that has a Gmail account. Right now, if you go somewhere like TripAdvisor,

Expedia, or any of those sites, they give you a list of 100 hotels when you put your location and dates in. What companies like Google are going to do is give you a more personalized output based on your preferences and what they know about you.

Large data companies, like Google, are learning to take the data they've amassed from users and provide offerings that align more with a user's lifestyle and preferences versus the traditional scattering of prices and locations.

It's going to be more of a science than it has ever been before.

Big things are coming down the pipeline for RLHC and it's soon-to-be nine brands. This once-localized hotel company has turned into a major player in the hospitality industry with more than 1,100 locations under Mount's leadership. But, no matter how big RLHC gets, Mount and his team will always stay true to their people-centric roots.

My executives and I will always make sure we take the time to actively listen to anybody who is reaching out to us. **ht**

ABOUT THE AUTHOR

Sanjay Mundra is CEO of SVN Hotels, an international hotel brokerage firm headquartered in Raleigh, NC, and created by Sperry Van Ness International Corporation, a commercial real estate brand which generates more than \$10 billion in transaction volume. Mundra has been involved in the hospitality business for more than 30 years.

