

Sustainable Hospitality

Triple Bottom Line strategy in the Hotel Industry

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Sustainable Development

1987 – Brundtland Commission

« Development that meets the needs of the present without compromising the ability of future generations to meet their own needs »

Why Sustainable Development in the Hotel Industry?

- **Hotels consume a lot of energy**
 - **USA: fourth largest energy bill behind retail, office and education (Source: EPA)**
- **Hotels create a lot of waste**
- **Hotels are a key component of their local community**

Potential impact of Hoteliers

- **Highly visible position in the community**
- **How we can make a difference:**
 - **250,000 customers a year in a 700 room hotel**
 - **50,000 customers in F&B outlets**

What should the aim of hoteliers
be today?

To become

Citizen Hoteliers

Triple Bottom Line

John Elkington, *Cannibals with forks*, 1997

- Economic Prosperity (Profit)
- Social Responsibility (People)
- Environmental Protection (Planet)

SD implementation process

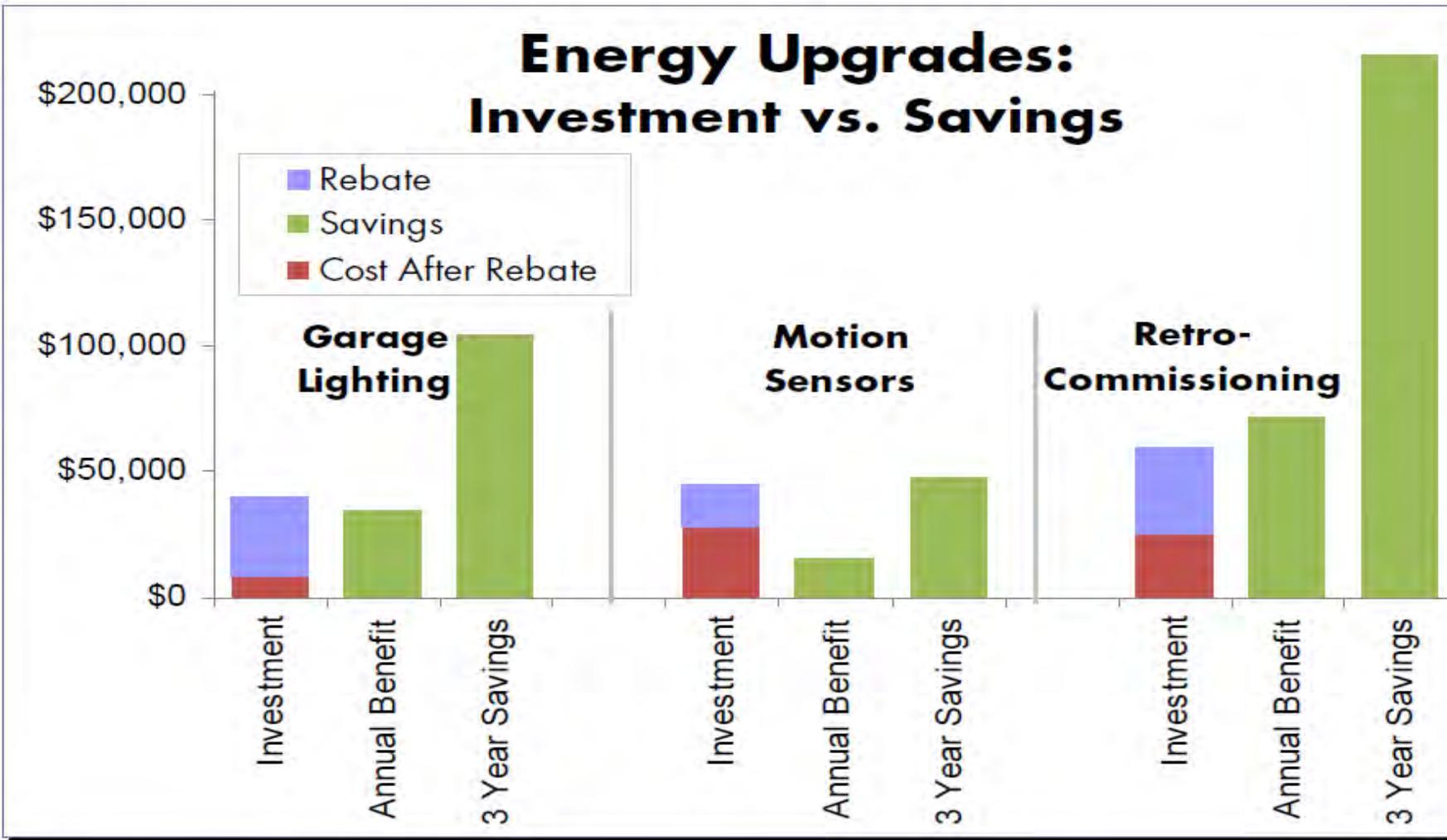
- **Commitment from the top**
- Education of Managers and staff
- Champion, SD committees
- Branding the SD strategy
- SD Mission Statement
- **Five Year Roadmap**
- Reporting
- Certifications
- Standard Operating Procedures
- Employee recognition
- Communication

SD initiatives

- **Project Blue** (Anacostia River, Water Wells, Ethiopia school)
- **Project Green** (Green Engage, 100% wind energy, Waste Management, Pershing Park adoption, Cherry tree planting)
- **Project Health** (weight, exercise, smoking)
- **Project Educate** (school adoption)
- **Project Care** (community service, charity events)
- **Project Purchase** (organic, local, seasonal, eco-friendly)
- **Sustainable Meetings**
- **Project Communicate** (SD report, Going to green guide, SD TV channel, PR)

Energy management

InterContinental Hotel San Francisco



Examples of Double Bottom Line

- **InterContinental Barclay, New York**

- 2010: Replacement of incandescent bulbs by CFLs (Compact Fluorescent Lights)
 - Light bulbs cost: \$34,000
 - Electricity savings: \$148,000
 - Labor cost savings: \$ 13,000
- 100% Wind energy. Cost of \$52,000 in 2006 at the Willard; \$6,000 today at the Barclay

- **Crowne Plaza Times Square, New York**

- 2010: Replacement of 3300 incandescent bulbs (40W) from the façade billboard by LEDs (Light Emitting Diodes, 8W)
 - Cost of \$40,000
 - Rebate from Con Edison: \$ 13,200
 - \$120,000 Savings the first year
 - Réduction of labor cost to replace bulbs: \$20,000

Improvement of hotel profitability

New York Palace, 1000 rooms

- Microturbines with heat exchangers
- Supply 43% of the heating needs of the hotel and 15% of its air condition needs
- Compensate 42% of the hotel electricity needs
- \$840K annual savings (21% of current energy expenses)

ESCO (Energy Service Companies)

- Johnson Control; Schneider; Siemens.

The best profitability starts with Revenue!

- Willard InterContinental
 - Additional \$1M revenue in 2009

IHG STRATEGY – THE WHEEL



IHG Green Engage

SCOPE

- One of the four quadrants that everyone is measured on
- Integrate existing Global sustainability metrics such as LEED, BREEAM and Green Globe
- Point system for new build and existing hotels around several categories: Site, Water, Products & Materials, Waste, Building envelope, Mechanical, Electrical, Operations & Management
- Three levels of certification:
 - Level 1: fundamental actions (location, energy/water consumption, recycling, staff education, ...)
 - Level 2: improved sustainability (waste stream audit, room energy management, ...)
 - Level 3: further options for improvement (community service, guest education, F&B products, ...)

OBJECTIVES

- Reduce carbon footprint of largest hotel company in the world and save money to the hotels ownerships
- Benchmark hotels results
- Develop best practices within and across all brands

Sustainability in Food & Beverage

- **Big Rocks**

- Water management (communication with all stakeholders, access rights, distribution, sewage)
- Biodiversity conservation (respect and protect the ecosystems)
- Sustainable agriculture
- Sustainable construction and equipment
- Food supply-chain practices
- Use of renewable energy
- Local employment
- Certifications, (ISO 22000, HACCP, LEED, ISO 14001)
- Education, Training of employees
- Education of public (week of taste)

- **Operations**

- Sustainable operations (based on Triple Bottom Line)
- Supply chain to be as sustainable as possible (eco-friendly, reduction of packaging, transportation)
- Menu: organic, seasonal, local, sustainable + no endangered species, organic wines
- Promotion of local dishes, (Creation of local dishes if non existant)
- Employment of local employees
- Waste, grease, waste water management, recycling
- Support of local culture

Slow Food movement

- Founded in 1989 to counter the rise of fast food and fast life, and the disappearance of local food traditions
- Linking the pleasure of good food with a commitment to communities and the environment
- Belief that everyone has a fundamental right to the pleasure of good food and consequently the responsibility to protect the heritage of food, tradition and culture that make this pleasure possible
- Three interconnected principles:
 - **GOOD.** a fresh and flavorsome seasonal diet that satisfies the senses and is part of local culture
 - **CLEAN.** food production and consumption that does not harm the environment, animal welfare or human health
 - **FAIR.** accessible prices for consumers and fair conditions and pay for small-scale producers

Opportunities for Retail industry

- **Economic Prosperity**
- Energy management (CFLs, LEDs, motion sensors)
- Waste management process (recycling), Water management
- Retrofit of buildings to develop energy savings
- **Social Responsibility**
- Training and employment opportunities for local residents
- Encourage employees to eat better, exercise and quit smoking
- Sell local products (*purchasing guidelines or charter*)
- Support local charities geared towards Health, Homeless, Education, Culture, Clean water access and Sanitation
- **Environmental Protection**
- Building
 - Get a sustainability certification
 - Cogeneration of electricity, Low flow water equipment, Waste water management
 - Energy Star equipment
- Operations
 - Go as paperless as possible, use post consumer recycled paper
 - Encourage tourists to buy rechargeable batteries and Go Green
 - Use of sustainable products (cleaning supplies, etc.)
 - Encourage supply chain to go green (reduce delivery pollution, packaging)

Global Sustainable Tourism Council (GSTC)

- Founding members: UNEP, UNWTO, UN Foundation, Sabre, IH&RA, Rainforest, etc.

One Standard

- A common set of guidelines, created by experts, groups and companies from around the world
- A universal, minimum definition of sustainability that can easily expand to address local conditions and industry sectors
- Serving as a guideline for organizations of all sizes to establish sustainability programs
- “Certifying the certifiers” by creating a baseline for accreditation standards

Global Benefits

- Preserve destinations and our cultural heritage
- Revitalize local economies and communities
- Alleviate global poverty
- Create a globally accepted, actionable definition of sustainable tourism
- Increase trust and value for certification programs
- Influence consumer demand and confidence
- Increase market potential for the sustainable tourism businesses and product

4 Pillars, 37 criteria

- Effective sustainability planning
- Maximizing social and economic benefits to the local community
- Reduction of negative impacts to cultural heritage
- Reduction of negative impacts to environmental heritage



TRAVEL FOREVER
GLOBAL SUSTAINABLE TOURISM COUNCIL

THANK YOU !