

Chapter Fourteen

CATERING TO THE CONFERENCE CROWD

“BACK IN THE late eighties I had the sales manager for Rolls Royce come in for a site inspection and we’re walking through the hotel, and he turns to me and says, ‘Don, you know,’ he says, ‘I’ve enjoyed your resort and what you’ve shown me, but this place reminds me of the Queen Mother.’ And I said why, and he says, ‘She’s a gracious lady, but she has a few varicose veins.’ And we never did get that conference.” — Don Oxner, Director of Sales, 1985-1993

WHEN JIM FRISE came back to the Algonquin in 1985, he saw that the first wave of the province’s renovations had already begun to look a little tired. He persuaded them to purchase Fort Tipperary for possible use as a small conference or meeting facility, but, except for some cosmetic upgrades such as the installation of television sets in all guest rooms in 1987, the complexion of the hotel remained almost unchanged.

It became increasingly apparent that if the Algonquin was going to finally begin turning a significant profit, it would have to target the conference and meeting market more aggressively and make the necessary changes to accommodate it. The market was there. In 1988 group business expanded by thirty-nine percent. Over a hundred conferences and meetings constituted forty-four percent of the Algonquin’s business that year. At the same time, though, there was little room for future growth. In 1989 room occupancy was seventy-five percent. In the next year it went up to almost eighty percent. In 1989 twenty-nine groups representing 4,200 room nights were turned down.

It was obvious that existing facilities were woefully inadequate. The majority of large groups re-

quired the largest conference room, the Casino, along with the largest banquet room, the Passamaquoddy Dining Room, and several small function areas. The Casino itself had only 2,500 square feet of floor space and limited audio-visual capability and food service. Its separation from the hotel made moving guests over and back in inclement weather a dreary procedure. At 4,500 square feet, the Passamaquoddy Dining Room was a good size, but obstructing pillars reduced seating space to 275 and made craning of the neck an essential part of the Algonquin conference experience. The main lobby could be used for receptions but that created disruptions for other guests. In short, accommodating one large group was difficult, and accommodating more than one was impossible. At least twelve large national and international groups would come to the Algonquin if sufficient space were available. Some of these used only CP resorts and were a natural market. Groups in the US, for example, had run out of affordable space and were looking to the Maritimes as an economical alternative. The Algonquin was still the only major resort in the Maritimes and, if it were upgraded, it would have a good shot at snagging some of these groups.

Perhaps moved by the spirit of the hundredth anniversary in 1989, the province and CP decided to follow the recommendations of a study commissioned the previous year to upgrade the hotel and capture this burgeoning conference market. A triangular, 5,000 square-foot, three-level addition, invisible from the front of the hotel, would be built between the main and the kitchen wings. The lowest level would be the conference section and the next level a banquet hall with direct access from the kitchen and dining room. The entire addition indoors would be winterized with self-contained heating and air conditioning. On the top floor would be a roof patio. Architects Four of Moncton designed the facility.

The new conference center was the first part of a two-phase plan which would also include a new guest room wing for conference guests. The total cost of \$11.3 million would also include a major upgrade to Fort Tipperary to enable it to handle smaller meetings. In the winter of 1990, construction began on the conference center, to be completed in the summer of 1991.

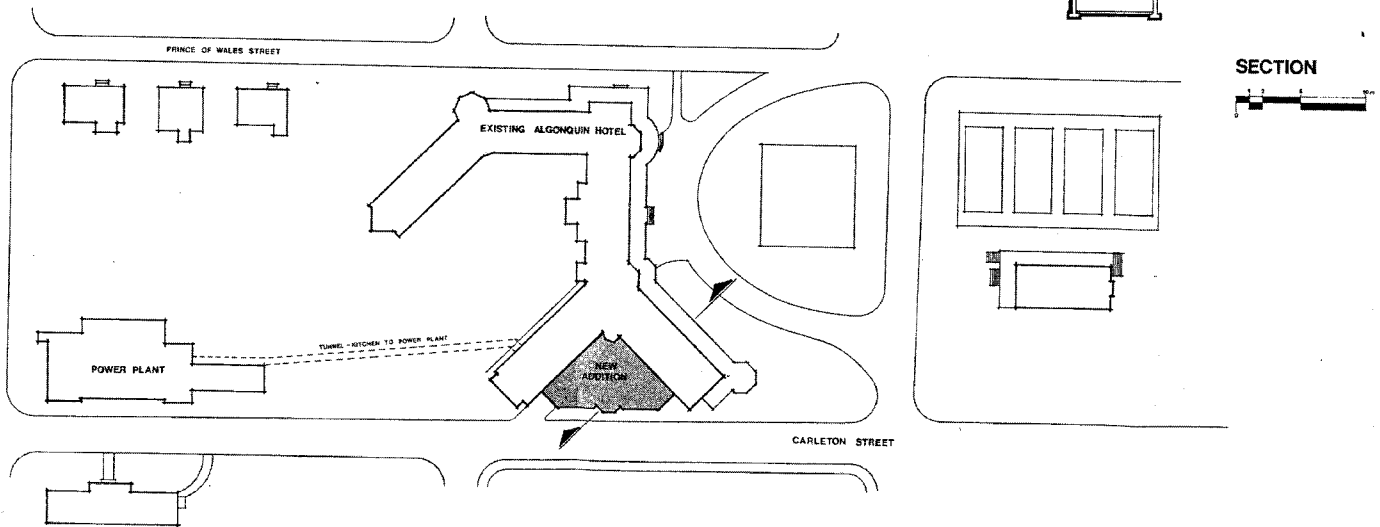
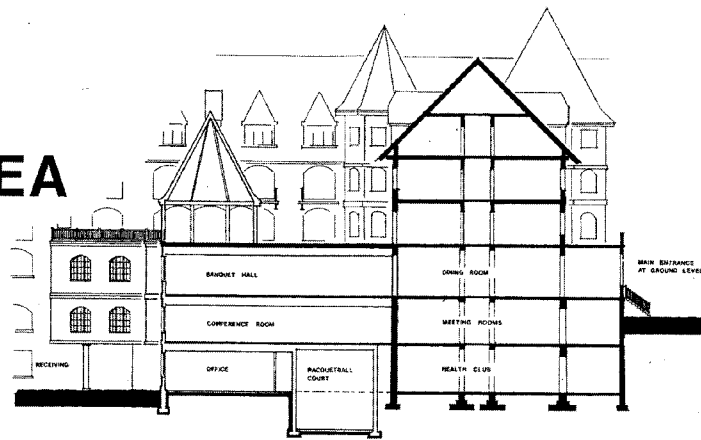
ALMOST IMMEDIATELY, CONTROVERSY arose over the proposed new guest room wing, to be located on the north side of Prince of Wales Street, a residential zone. In order for construction to proceed, two lots had to be rezoned from single and two-family residential to tourist-commercial. Though the Chamber of Commerce and the town in general backed the plan, it was opposed by a small but vocal group of residents, including the Vaughans, Flemers, Hosmers, and Van Fleets. Lady Beaverbrook, in a celebrated remark, described the proposed wing as “aesthetically appalling.” Murray Vaughan’s solicitor wrote to Premier McKenna, threatening that,



Part of the conference campaign, 1988. Don Oxner, Unidentified Individual, Kirsten Rouse, Jim Frise. FAIRMONT ALGONQUIN



RENOVATIONS ALGONQUIN HOTEL ST. ANDREWS BY THE SEA NEW BRUNSWICK



should the addition go ahead as planned, there could be significant losses to other provincial institutions which were unable to effectively finance themselves.

The addition would be several hundred yards away from the homes of the people complaining. It was not really visible from their locations but was apparently too close for comfort. Ironically, some of the complainants were the people who had created Algonquin Properties to save the hotel, and the purpose of the addition was to enable the hotel to turn a profit and secure its financial future.

To be fair, no one opposed the addition per se, only its location. The argument was quite logically made by the cottagers that it might be built on the hotel side of Prince of Wales. That, however, would certainly have created problems. The Painter Wing was unheated in the winter, and the new addition would have to be connected to it. This wing ran at an angle from the hotel, and adding onto it would have looked distinctly bizarre. It was an index of how much the town feared or respected the cottagers that they even seriously considered putting the addition behind the Casino, forgetting that one purpose of the addition was to avoid having to go outdoors to attend a conference.

Attention was paid to the argument that the new wing would erode the "small town" character of St. Andrews. This would, of course, happen no

Conference addition plan.

ARCHITECTS FOUR

matter where the wing was located; the addition was only a tiny alteration of an already altered landscape. The character of the town had been changing ever since the large hotels had begun operating.

If anyone had a legitimate complaint, it was Jim Stewart, a native of Scotland and a much-decorated veteran of World War II who had retired to the town some years before. He was justifiably horrified to discover that the addition would effectively put up a huge concrete wall almost at his front door and all but cut him off from the street. At many town council meetings, Stewart was a vocal opponent of the addition. He argued, not without force, that by-laws were there for a reason and should not be thrown away every time they got in the province's way.

The controversy, probably the most acrimonious in the history of town-cottager-hotel relations, continued through the spring of 1991 and acquired a notoriety in the press. A cartoon in the *St. Croix Courier* depicted Stewart as Everyman standing firm against the Expansion as a slaying ogre, with the province in its pocket and making it abundantly clear that he was unworried by any objections its opponent might care to raise. Frise attempted to mollify the complainants, stating that the project was good for the town and that in all its dealings so far the Algonquin had always shown itself to be fair.



IN AUGUST 1991 the conference facility opened. It was very functional and featured a gazebo-topped roof garden for outdoor receptions and barbecues. When CP had rebuilt the Algonquin after the 1914 fire it had converted the covered pagoda where the orchestra played on sunny afternoons, and guests would gather to read, rock, and look out over the bay to a glassed-in octagonal sitting area. The roof garden supplemented the front veranda in bringing back some of the outdoor feel of the old hotel.

As planned, the new structure also brought business. An operational highlight of 1991 was the Canadian Security and Intelligence Service (CSIS) conference. CSIS, the FBI, and Interpol were there, and it was an odd conference, the only one the hotel has ever hosted in which management was unsure of the real names of the guests. It was probably the only one, too, in which the site inspector raised the possibility of tearing out walls if anything untoward was found. There were a couple of motor coach tours in at the time, and they found the guns, the earphones, and the talking into hands most diverting. The code name for the conference was Pillar and delegates wore a pin with a pillar on it. It was the first time this conference had been held in a public setting. CSIS liked the venue because it was easy to isolate

The proposed addition aroused a minor storm of controversy.

DAVE STEVENS

THE ALGONQUIN

the conference from the rest of the hotel. Two whole wings had been sealed off for the event.

Several high-profile conferences attracted senior people in industry and commerce who arrived in Saint John by private jet with entourages and bodyguards.

In the fall of 1991 a deal was made between the hotel and the New Brunswick Community College's Food and Beverage Program. The Algonquin had been a partner in the NBCC Food and Beverage Program since the program's inception in the early 1980s. Now, the college would use the Algonquin and Fort Tipperary, particularly the kitchen facilities, as a part of its campus during winter. The dining room would open for one week in January so the students could practice their skills on real clients. This has now become an Algonquin tradition, and the feasts have been well attended by the townspeople.

Another plus for 1991 was recognition of the Algonquin by the Canadian Travel and Tourism Industry Association as Canada's Resort of the Year. "This award reflects the consistent commitment from the owners of the Algonquin—the Province of New Brunswick—to ensure that its potential as a major tourism generator is realized," said Frise on accepting the award at a black tie gala in Vancouver's Trade and Convention Centre. "This latest recognition further strengthens our position as Atlantic Canada's premier resort."



LILA HAUGHN

NOT EVERYONE WAS impressed. The debate over the new conference facilities became more acrimonious in 1991 with the election of the Confederation of Regions Party (CoR) as New Brunswick's official opposition. It had a right-wing, pro-business agenda, and its leader, Danny Cameron, made it clear that especially in the midst of recession, he had no use for government throwing money away on what he called money-losing propositions like the Algonquin. "Even circuses get rid of non-performing elephants," said Cameron, "and this one wouldn't even make it to a sideshow. The Algonquin is 103 years old, considerably beyond its prime, and should have been written down to \$1 on the province's books as a basket case." He then cited figures to show that between 1973 and 1990 the hotel had lost \$8.5 million. For Cameron, this money would have been better spent on income assistance, hospital beds, and salaries. As a businessman, he said he would find a way out. This presumably meant that he would sell the hotel, though since he had also stated that no one would want to buy it, there was the sense that, under his guidance, the hotel would probably be closed.

The local reaction to Cameron's comments showed that the town, de-

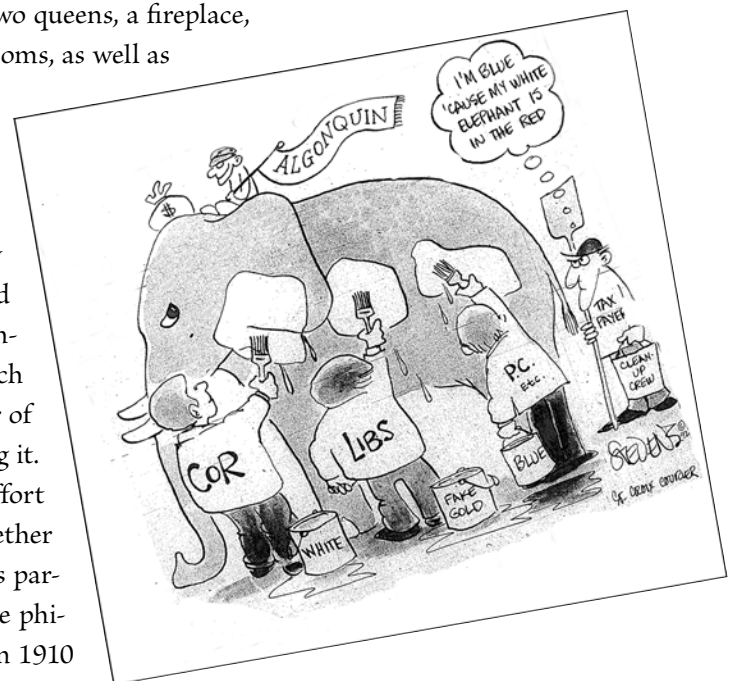
pendent so directly on the maintenance and expansion of the Algonquin, was diametrically opposed in its own business philosophy. Jeff Holmes, president of the St. Andrews Chamber of Commerce, called Cameron's remarks irresponsible and inappropriate, and repeated many of the arguments from the Toronto management consultants' report of 1973 to the province. He stated that the hotel supports the town and province as an employer, a taxpayer, and a tax collector, and that hotel business spills over immeasurably into the town, keeping alive various businesses that might otherwise fail. A private company would be unlikely be able to keep the hotel open in that the Algonquin had turned a profit in only in eight of the previous twelve years.

Despite widespread support in the town as a whole, resistance to the new wing continued to delay construction until the fall of 1992 after rezoning occurred. Several large groups, which book their conferences up to five years in advance, had had to cancel and the hotel had lost money. On June 9, 1993, the ribbon was cut, the champagne smashed, and the new wing was officially open. In terms of features, there was no comparison with the old hotel. The new wing offered 480 square feet of space per room, large by industry standards and huge by Algonquin standards, with double queens, kitchenettes, and climate control as standard equipment. On each floor there was one special suite of 550 square feet with a king and two queens, a fireplace, a wet bar, an octagonal sitting room and three bathrooms, as well as the best view. As a part of the opening ceremonies the Lila Suite recognized the faithful service of local resident Lila Haughn, secretary to every manager since 1952.

The new addition did not blend in seamlessly with the older building. It was painted beige instead of white, and it was plain by comparison, with nothing Tudor-looking about it. Architects Four's approach was that the design was to complement the character of the existing historic hotel without directly replicating it. The addition would stand out as an addition, and no effort would be made to mask its later construction. Whether this philosophy is a good one or executed well in this particular case is best left to the observer. It was not the philosophy that governed the CPR when it built wings in 1910 and 1912. They did stand out at the time, but CP had always planned to tear down the old wooden fire hazard that was the original hotel and integrate the wings stylistically with the new front.

Coinciding nicely with the opening of the new wing was a striking Canada Post commemorative stamp of five landmark railway hotels, the Algonquin among them. Its stamp shows the hotel from the classic angle,

A lot of people thought government shouldn't be in the hotel business, including CoR leader Danny Cameron. DAVE STEVENS



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Shaughnessy Room. FAIRMONT
ALGONQUIN

looking up from Carleton Street toward the main entrance. The startling brushed blue of the sky throws into relief the hotel's red roof, and the overall colour scheme of white and vivid green is dramatic. Unfortunately, the new stamp was a bit too late to include the new wing, which suited a few residents. The press release emphasized the hotel's dual character of traditional charm and high standards of comfort and convenience. The public presentation of the stamp took place on the Roof Garden on June 14. As the last word over the cottagers, Frise accurately stated, "The stamp spotlights the property's re-emergence as Atlantic Canada's premiere resort and its significance as part of our tourism package locally, provincially and nationally."

That was one of the last remarks Frise made on the Algonquin's behalf. In February 1994 he was given the opportunity to resign. The Mulroneys era was over, Jean Chrétien was newly elected prime minister, and the country was in the midst of a recession. Occupancy levels were down and, because