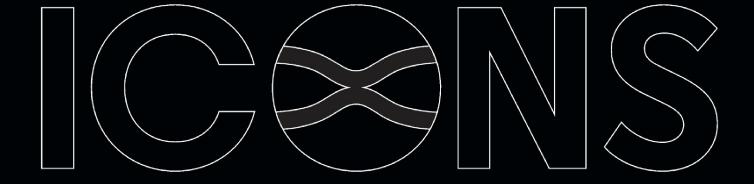
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### THE NEW



ISSUE

**CURATED BY JASON POMERANC** 





## ian schrager

### Founder lan Schrager Company

Visionary Ian Schrager needs little introduction. After creating Studio 54, one of the most famous nightclubs in history, he forever changed the industry with the invention of the design-forward boutique hotel concept, first with Morgans Hotel (in New York) in 1984, then the Royalton and Hudson in New York, the Delano in South Beach, the Sanderson in London, the Mondrian in New York and Los Angeles, and others under Morgans Hotel Group, which he exited in 2005. For his second act, he opened New York's Gramercy Park Hotel, launched lifestyle collection EDITION Hotels with Marriott (three are open and 12 in the works) and his personal, more affordable brand PUBLIC (the first debuted in Chicago), and is now further expanding his empire with luxury residential. His greatest talent—besides a passionate attention to detail—is the art of reinvention. Schrager sat down in his New York office with our guest editor Jason Pomeranc to discuss his storied career, the threat of and solution to Airbnb, and why almost 40 years later, he still loves pulling a rabbit out of a hat.





Photos of Ian and Jason by JEFFREY MOSIER; other images courtesy of ISC







After graduating from law school at St. John's University in New York, you and your business partner, the late Steve Rubell, who you met during school at Syracuse University, opened Enchanted Gardens in Queens, After that came Studio 54 in 1977, which immediately became a celebrity haunt. Did you have any inkling it was going to become the phenomenon it was?

We wanted to do the best club in the world. It was a very young industry at that time so there was one lighting guy, one sound guy, and they were told by all the other nightclub guys at the time not to work with us. All the clubs for straight people were pick up places, and the gay clubs were all for serious dancing. Every week there was a new ultimate nightclub opening up but for people who looked like vampires during the day.

Because these typical nightclub people couldn't work with us, we were forced to go out of the industry. That was a seminal event. It gave us the impetus. We worked with really brilliant people. The place was a spectacle and just took off.

### The idea of the velvet rope didn't really exist in the same way before Studio 54. Was that a strategy or an accident?

It was a strategy. Part of it was we were in the middle of Times Square and we wanted to keep the street people out. We also tried to exercise the same judgment one does at home; you sit somebody talkative next to somebody not so talkative so it's a good dinner party. It's okay to do that in a private domain. When you do it in a public venue, it's politically incorrect. People got pissed off. But we were trying to get a good mix. It was an impulsive, quick decision so a lot of mistakes happened, but it was the idea of creating diversity-not just a bunch of rich people, but also a hairdresser in jeans and no shirt dancing with a fancy woman with diamonds and a gown. It creates an energy.

I know with each individual project, there's one thing that resonates with you, something that made it worth it.

### Is there a moment there you hold onto?

I haven't talked about it for 30 years; I'm just now feeling comfortable. I am doing a book on it and a movie. The night we opened, I left after the night turned the corner and Steve stayed later-we used to say I left too early, Steve stayed too late. I got a phone call first thing in the morning that we were on the cover of the New York Post, which is unheard of for a nightclub.

After that you opened Palladium in 1985 in New York, designed by Arata Isozaki. Bringing in an interesting designer for a project is almost mandatory now, but at that time it wasn't. How did the process go?

Dealing with someone that lives thousands of miles away was very difficult. Andrée Putman [who designed Morgans] had never done a hotel before and Isozaki had never done a nightclub. But I had seen his work, and it resonated with me. I called him up—it was the middle of the night in Tokyo-and asked him if he wanted to do it. I thought a nightclub was more about architecture than anything else because it really has no product other than the space you create. He sent me two models within a week

Studio 54 cost \$400,000. The budget [for Palladium was \$3 million, and it wound up costing \$10 million. I didn't really want to do





it; Steve wanted to do it more. I agreed because we were building our first hotel, and it would be good to have money coming in. But it wasn't the same thrill for me even though it was a bigger achievement technology wise.

### I assume the scene had changed a bit.

The scene was different, but people always want to socialize, always want to dance. You have to find the right medium. A great nightclub can always work because we're social beings. And even more so because of everyone on the internet now-people crave more than ever that limited time of socializing, which is why community offices and living are happening.

### Back then there were 5-Star hotels and budget hotels. There wasn't this hybrid of lifestyle. Was that something you always wanted to do or did the opportunity breed the idea?

There's story one and story two. Story two is when we sold Studio 54, the guy couldn't pay the promissory notes, and we traded for his interest in a hotel. But the real thing is the hotel is a hospitality business, and it is a logical progression. If you're in the nightclub business, the bar business, the restaurant business, or the hotel business, it's all the same kind of goalsthere is a connection. But I also got sucked into the competition going on between Donald Trump and Harry Helmsley. Trump was opening the Grand Hyatt, and Helmsley was opening the Palace [both in New York]. They were playing up the older titan versus the new titan of real estate, and I got sucked into that thinking we could do something better.

### After working with Putman for Morgans, you started a long relationship with Philippe Starck as your main designer. How did you find him?

Just like Isozaki, I saw his work published. It was a French brassiere reinvented with bathrooms that nobody knew how to use. I thought a guy like that could rethink a hotel. He and I got along very, very well. He was iconoclastic and undisciplined. He had no formal training but was brilliant. The stuff we





did together was iconic, witty, and irreverent; you had to do that to get noticed in the sea of sameness.

### The areas you opened your hotels in were still a bit off the beaten path.

You can open a distinctive product on any side of the tracks; people will go. You know that better than anybody else.

### I try at least. You created social environments by doing restaurants with Jeffrey Chodorow or bars with Rande Gerber. That energy didn't exist in hotels at the time.

It's supposed to be more than just a place to sleep. The social fabric of the city was manifested at hotels throughout the world from the Roman times. It seemed like a common sense idea: Why not go to a hotel where the coolest bar is in the lobby? Now it's more competitive so you've got to offer something even a bit more distinct.

### After you sold Morgans Hotel Group, were you concerned your new wave-Gramercy Park in New York, PUBLIC in Chicago and soon New York, and the EDITION brand with Marriott—was breaking away from your formula? Did you think you could only capture lightning in a bottle so many times?

The only formula was no formula. What was difficult about the Gramercy was a different aesthetic-it became more of an intellectual process rather than instinctive. There was a rationality involved. I was doing something that wasn't my normal aesthetic. To that extent, it was a very difficult project. But the second I can't pull a rabbit out of a hat, I would stop.

### Did you see something in Julian Schnabel, the artist who designed the Gramercy, that you saw in Starck?

I had known Julian, his home, and the store he had done. He had this attitude about everything. He was a better fit. The idea for the Gramercy was a bohemian kind of place



that felt quirky and individualized like the way an artist's studio feels; they're all stylish but different depending on the artist. I knew people wouldn't expect that from me, which is why I wanted to do it. I wasn't going to get the world excited about doing another hotel with Philippe.

### Has the guest become more demanding or more educated, since they seem to want a 5-Star experience in a cooler setting?

Yes, but you can have casual and still have luxury. You can have a modern luxury that's suitable for a different kind of person than our parents. When I originally did hotels, people had to sacrifice things to stay in the coolest place in town. Now the idea is you don't have to sacrifice anything because there are other products, there are other alternatives; you've got to keep moving and add a layer. It's about having great service in an unpretentious, modern way.

### Are PUBLIC and EDITION competitors?

No. PUBLIC is a luxury hotel, but it's affordable. EDITION is a luxury hotel that's more expensive. Why not have a luxury hotel that is cool and gives you the exciting entertainment

that you want without sacrificing anything? I think there's a void below the typical boutique lifestyle hotel [that offers] the same sophisticated experience, the same food and beverage, the same everything, but it's cheaper. There's an opportunity above boutique lifestyle and in boutique lifestyle as well.

The boutiques are all starting to look alike again but in different colors. It's a bad thing. That's what happened 30 years ago, which was my opportunity, and it's happening again.

### You've worked with some of the most accomplished designers. Coming from the nightclub world and an unconventional hotel structure, you have more patience to run through the creative process with them without confrontation, whereas traditional real estate people tend to butt heads.

You have to have the patience for it. I couldn't work with Marriott with the same kind of designers I'm willing to work with on my own. The designers I work with at Marriott I have to push; the designers I work with on my own I have to hold back. They're not willing to deal with some of the unprofessional behavior you get, but that's what I like and what you like. They don't have the patience for it and rightly

so; they've got a big company and they can't afford the mistakes you and I can. But that's the strength of doing something new.

Bill Marriott used to say, 'I don't want to be the pioneer. You go in there and clear the land. When it's safe, we'll come in.' I like to be the pioneer clearing the land; it's a different mindset. But I always think there's an opportunity, like Steve Jobs would say, to do a better, unique product people will respond to.





### What has changed the industry most?

The business has changed because of social media and the efficiency of the price.

### There's real transparency in pricing. You can't fake it anymore.

No, and that's an issue for us. Airbnb is a big issue as well. Hotel people don't recognize Airbnb is coming for our children. Lifestyle

[hotels] are a distinctive product; it's the best way of competing with Airbnb, and it's the best way of competing with OTAs online travel agencies].

### Regarding F&B, over the years you've collaborated with extremely accomplished players. Did you ever want to bring that operation in-house?

Never. I don't want to have a manager competing with a guy who owns a restaurant and needs to make money to feed his family. When the industry took over the food, it became boring. I believe in going to third parties. There are some people that are able to pull it off, like Disney. They own everything. Whatever can add to the excitement and elevate the experience is a good thing.

### Who out there do you think is doing interesting things? Do you look at what's going on or do you put yourself in a tunnel and say, 'I do what I do?'

I do what I do, but I like knowing what's going on. The [design-driven] hostel is an interesting idea. I'm not sure about them yet but it's the same idea of a lifestyle hotel with the food and beverage and everything in the lobby. [The late] Alex Calderwood [of Ace Hotels] made a contribution. He activated the lobbies during the day where I had activated the lobbies during the night. That was an original contribution.

### You have branched out into the New York residential market, originally with 40 Bond and 50 Gramercy Park North, and next with 215 Chrystie and 160 Leroy opening next year. Do you find some of the same components as the hotel side but for sale?

It's a little bit different because when you do a hotel, you're creating a hotel that everybody has to respond to. When you do an apartment, you have to do an apartment that is a blank canvas that somebody can make what they want. And when you do a hotel and you finish building it, your work starts. When you finish an apartment, your work is done. But it's still trying to create an environment that when you walk in, it's special. There's something electric about it, there's some kind of visceral reaction. I enjoy doing that-I can't even describe it, but we all know it when we see it. There's no sure path to achieving it; it's an alchemy that happens. I still love it.

### How much is it a balance of your personal taste compared to what

### you're trying to predict the market's personal taste is?

It's all my taste. Anybody creative does what they like. Fashion designers design the clothes they like; movie directors do the films they like. And you're lucky when that also happens to resonate with people. Every one of the hotels I've ever done including the Gramercy would be a hotel I would stay in. It's all personal.

### Why did you pick Herzog & de Meuron to design most of your residential projects?

I love their work. It was so varied. They are probably the most brilliant people I ever worked with in the world in terms of intellect. It's a very intellectual thing for those guys. So it's been expansive. All the people I've worked with by the way have been expansive for me, so that's a collateral benefit you get.

### Do you think this trend of big name architects doing high-end residential buildings in New York (Zaha Hadid, Frank Gehry) is something now required if you want to do a luxury product—a branded experience?

That all happened because the economy was so strong. The prices were so high and developers thought-not because they love architecture-that the market was strong enough to support it. They're actually killing it because they're going through the flavor of the month. Most of the developers don't care what the building looks like, about doing something really special. They want to build it as cheap as possible. As soon as the economy gets tough, they won't be using them again. Especially in a city like New York because a lot of designers are chosen here because they know how to navigate the system politically; it's not just about great design.

### Is there a sector that is still out there for you, whether it is furniture, co-working spaces, something completely different?

I'm interested by the co-working space. That could lend itself to the next generation business hotel. I'm interested by the co-living space. Anything that is an environment, I'm interested in. I still love doing what I'm doing. I still love doing hotels. I'm enjoying working with Marriott, and I'm enjoying doing my own projects. If there was an opportunity to do a great co-living or co-working space, that would be exciting; that's going to be something that gets bigger and bigger.