

## CASE STUDY

LODGING DIVISION

# THE ST. JAMES HOTEL

### OPPORTUNITY:

Restore the profitability to this cornerstone property of the charming river town of Red Wing, Minnesota, and reposition and prepare the hotel for the future. MHC was asked to assess the food and beverage and hotel operations to make the property profitable and properly market it.

### SOLUTION:

After evaluating the operations, MHC found the food and beverage operation contributing 60% of the revenue and the lodging operation only contributing 40%. Additionally the property experienced high volume, but misaligned resources had caused brand dilution in the eyes of the market and annual financial losses. MHC developed a strategy to reorganize the revenue mix with an emphasis on the guest room and to re-introduce The St. James Hotel to the target market.

### THE RESULT:

Through MHC's strategy, leadership, and direction, The St. James Hotel experienced a significant increase in GOP in less than three years. The property was once again recognized as a destination hotel where guests found quality service, appealing accommodations, and an exceptional dining experience.

