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Hotel companies band together to share security information

By Jeri Clausing

As the Egyptian uprising unfolded last month, the security chief of one of the world's largest hotel companies convened a predawn conference call with that country's hotel managers to figure out if they needed to evacuate guests, and if so, whether they should try for the airport or make their way overland to Israel.

It turns out no evacuation was immediately necessary, but the call would be just the first of many in which the security chief, who asked that he not be identified in this article, organized the hotels to prepare for the worst.

"Operationally, we have made some adjustments and are being very selective about whom we allow to register into our hotels," the security official said in an email Jan. 31. "We are preparing for the worst -- an 'Armageddon' plan, if you will -- in the event we have to fully evacuate and abandon our hotels. We have also established a 'crisis command center' for our hotels at a hotel in Cairo located some distance from the epicenter of the demonstrations. We have to closely monitor our food, staples and water supply. We are now good for at least five days, depending on occupancy and future availability of supplies."

The bottom line, he said, was that "at this time, we are still operating our hotels in Cairo, and throughout the region, at a heightened level of security. We have yet to hear of any significant event in which any Western hotel or its guests have been specifically targeted by the demonstrators or the government. The flow of information is constant."

One reason the information flow was so constant, he said, is that the security directors of the world's biggest hotel companies have established a network that enables broad information sharing among competitors on a day-to-day basis and constant communication during crises.

The Hotel Security Working Group is supported and nurtured by the State Department. Security officials for the various hotel companies agree that it has tremendously improved all their security systems and responses.

"We've been doing a lot of benchmarking against each other," said Alan Orlob, vice president of global safety and security for Marriott and founder of the Hotel Security Working Group, which was formed about three years ago in collaboration with the State Department's Overseas Security Advisory Council. "Because in this type of an environment, we can't be competitive when it comes to security. We have to share information, best practices, so that we



can learn from each other. ... And as [terrorist] attacks have happened, we have all put in a lot more security."

A public-private partnership

While hotel companies generally remain tight-lipped about their security procedures and responses to crises, they opened up a bit last month when discussing the Hotel Security Working Group.

The Overseas Security Advisory Council is a joint venture between the government and the private sector that, according to its website, was established in 1985 following a meeting between a handful of CEOs from prominent American companies and then-Secretary of State George Shultz. Its mission is to promote information sharing between the government and the private sector.

"The subsequent establishment of the Overseas Security Advisory Council has developed into an enormously successful joint venture," the website says, noting that today, members of more than 7,500 U.S. companies, educational institutions, faith-based institutions and nongovernmental organizations are OSAC constituents.

"OSAC provides a forum for sharing best practices and provides the tools needed to cope with today's ever-changing challenges and security-related issues abroad," the website says.



The 2008 attacks at the Taj Mahal and other hotels in Mumbai spurred training efforts there.

While hotel industry security executives have long worked together through groups like the American Hotel & Lodging Association, the Hospitality Law Association and the International Hotel & Restaurant Association, Orlob said he proposed the creation of the Hotel Security Working Group about three years ago after the International Hotel & Restaurant Association disbanded its terrorism subcommittee, which he had been chairing.

"I felt there was a continuing need, so I reached out to the security directors from all the major hotel companies," he said in a telephone interview just before he left for Egypt. "Then I went to the State Department to see if they would sponsor our group. I wanted to have our first meeting at OSAC, so they sponsored our first meeting. We met, and we started talking about the fact that there are threats all around the world and we are all being targeted, so we need to share information, whether it's intelligence, hotels being targeted or best practices."

The working group is composed of the senior security executives from large hotel companies, including Marriott, Hyatt, Hilton, Rezidor, Disney, Starwood and InterContinental Hotels Group, who meet semiannually with OSAC officials. The working group members and OSAC communicate almost daily, sharing information relevant to hotel security and geopolitical threats. The majority of the members are former senior-level government security or intelligence agency officers. Orlob, for example, has a background with Special Forces.

Orlob said he was not aware of any other groups in the travel sector having formed a working group as the hotels have done. But that doesn't mean other travel companies aren't OSAC members. United Airlines, for example, is listed on the OSAC website as a member organization.

Peter Ford, OSAC's executive director, said the advisory council "is currently in the planning stages of creating a working group for its airline constituents. Several of the major international carriers have expressed an interest in starting a group to facilitate information sharing and assist with benchmarking practices."

In addition to providing intelligence about what is going on around the world, Orlob said, OSAC also helps with training.

After the 2008 attacks in Mumbai in which terrorists took over two hotels, OSAC held training for security directors in India, he said. Last year in Doha, Qatar, he added, they helped train security directors from the Middle East. And this year, a meeting is scheduled to take place in Istanbul.

"That's the training piece of it," Orlob said. "But we have also been doing a lot of benchmarking against each other. ... We have to share information, we have to share best practices, so that we can learn from each other."

During a situation like the ongoing crisis in Egypt, Orlob said, the group is in constant communication.

"We don't talk, but we email a lot," he said. "So when this thing started in Egypt, we started emailing each other. We started sharing information as to what other hotels were doing, what they were going through, who their occupants are ... so we can understand what everyone else is doing. So if someone starts coming into, say, a Hilton hotel with bad intent, we know that's going on."

"Fortunately, as we've watched this situation evolve, none of the hotels have been affected by any bad measure," he said. "All of us have taken a lot of precautions, and quite frankly, every once in a while the news media would say a hotel had been entered, and then we would check with the hotel company and they would say, 'That's not true at all.' So we are getting factual information."

Thanks to OSAC, hoteliers also had advance indications of potential problems in Egypt.

"The intelligence sources we were looking at, when they started talking about what was going on in Tunisia, said that the next tripwire was going to be Egypt," Orlob said. "Because there were a lot of similarities there: an autocratic ruler who had been there for almost 30 years, 40% of the people living below the poverty level. There were a lot of similarities, so we started watching that very closely. I spoke to our insurers, I guess, a week [before the crisis in Cairo began] and told them our concern was Egypt."

A well-connected collaborator

Hotel security officials say OSAC does an exceptional job of communicating with hotels. Tom McElroy, who was director of security for Hilton when the OSAC working group was formed, explained what happens when the intelligence community identifies a threat against a hotel.

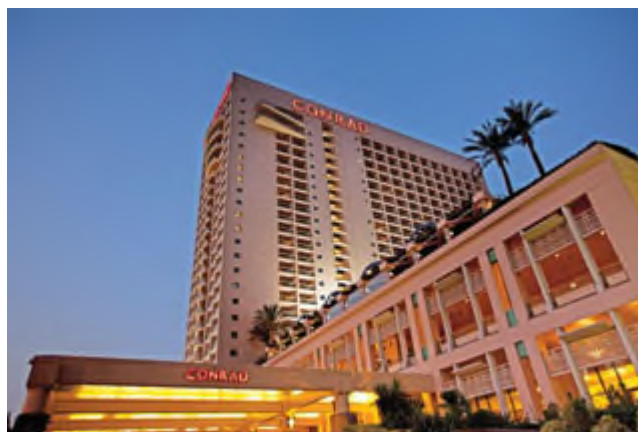
"Everyone would have started getting phone calls from what OSAC calls their regional analyst," said McElroy, who is now managing member of the Hospitality Security Consulting Group. "The regional analyst would have talked to their embassies in that city. They get back to D.C. The D.C. analyst calls the OSAC constituent affected by that regional. He'll say he's going to raise the alert level because uncollaborated information identified your asset."

The working group will probably never know the source of the intelligence that OSAC is sharing.

"They will never tell you, 'We learned the information from the CIA,' or 'We learned it from the FBI,'" McElroy said. "They are always going to just tell you it's uncorroborated information."

The information, he said, then goes back around: "Then you circle around and go back to that hotel ... and say, 'Hey, we have information regarding a threat against our hotel,'" he said. "More than likely, the regional security officer has already paid the hotel a visit, so it's kind of a 360 the way the State Department does things through OSAC."

With the security working group, Orlob said, that information gets shared not just with the targeted hotel but with all the hotels in the region.



The Conrad Cairo.

"We share threat information all the time, anytime there is as a threat against any hotel in any region of the world," he said, "so that all of us can take precautions. That [attacker] might be looking at the Hyatt hotel and decide their security is too difficult to penetrate and may shift to a softer target."

And while much of that sharing of information and intelligence has been prompted by attacks on Western hotels in terrorist hot spots, McElroy asserted that travelers are still safer in Western-brand properties than in mom-and-pop hotels.

"When you are looking at a major hotel -- a Hilton or Crowne Plaza or a Ritz-Carlton -- they are going to have an active interest in what goes on," he said. "You are looking at something less with a local no-name hotel. I'm just not that comfortable with everything from the fire protection to the security side of it [in a nonbranded hotel]."

When he was with Hilton, McElroy said, the Conrad Cairo was the "hotel of choice with anyone familiar with its security features. It has magnetometers, bomb-sniffing dogs, reinforced gates at the entrance, digital [closed-circuit] TV -- top-notch security. And you could go right down the street to another hotel, and it was wide open."

But like the behind-the-scenes collaboration by companies that are otherwise fierce competitors, not all security is obvious.

"Hotels are really cautious about how people perceive their hotel if they see a lot of security," McElroy said. "Whereas others get a level of comfort; they say, 'Wow, this company really takes security seriously.'"

"What I tell my clients is that security needs to be transparent," he said. "Guests need to have a comfort level. It's kind of like going to Disneyland or Disney World. There are always a couple of pair of security eyes watching you."

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