

Hospitality industry is hopeful

Operators see positive signs

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Trip by trip, Augusta's hospitality and leisure industry is clawing its way back from the worst economic downturn since the Great Depression.

The sector was damaged as cash-strapped consumers postponed vacations and cut back on splurges, such as event catering, during the recession. Employment is edging upward, and while business is still down in some instances, area travel agencies, caterers and hotels are reporting a brighter economic forecast.

"We still have been pretty busy, but it's more of a roller coaster effect now," said Robert Williams, the owner of Roux's Catering in Augusta. "People are still holding events. Brides are still getting married. Those things are still going on, just not necessarily to the extent they were."

Despite the recession, Augusta-area employment in the sector has increased slightly since the pre-recession boom, improving by about 4 percent -- or 800 jobs -- between July 2007 and July of this year.

The hospitality and leisure industry includes areas such as recreation, arts and entertainment, accommodations and food services.

Revenue from hotel and motel occupancy taxes is expected to increase 3 percent to 5 percent this year, said Peggy Seigler, the vice president of sales and marketing for the Augusta Convention and Visitors Bureau.

"I really think sometimes people don't realize we are a destination and how important that visitor is," she said. "They support thousands of jobs, and without them there would be a big (budget) hole."

The new nuclear project at Plant Vogtle and the military community at Fort Gordon have helped buoy the hotel industry in the area, said Kiran Shah, who owns a Comfort Inn & Suites and Quality Inn in Augusta.

He estimated that occupancy rates are still down between 10 percent and 15 percent compared with last year but said he hopes the outlook will improve by the second quarter of 2011.

Fall and winter are usually slow times of year for the hotel industry, and Shah said he will be compensating by offering reduced packages.

"We are definitely not going up on the rates," he said.

Jugal Purohit, who owns five area hotels, including a Ramada Inn & Suites and Staybridge Suites, said his occupancy and revenue are up -- but he has slashed room rates to attract travelers.

He said subcontractors at Fort Gordon and Plant Vogtle who stay in hotels have helped keep occupancy numbers up.

Business travel was not hurt by the poor economy as much as personal travel, said Patty Font, the owner of Augusta Travel Agency.

The recession did cause pent-up demand for vacations, she said.

"That is your leisure; that is your fun money," Font said. "That's the first that goes if money is tight is your vacation. You cut out the frills stuff, but you can only do that for so long. People want to have fun."

Coleen Cook, the owner of Going Places Travel in Augusta, said people are starting to plan their trips further in advance.

"This year has been very good, and it looks even better for next year," Cook said. "We are getting more early bookings, which is good because the tendency a few years ago was

people were traveling but they were waiting for the last minute."

Some people still are cutting trips a little shorter than before, she said.

Williams said one big indication to him that the economic climate is improving is the interest he has received in next year's Masters Tournament for catering.

"Masters 2011 has gotten more calls and interest at this point than in three or four years," Williams said.

"There is at least a little bit of hope on the horizon that these corporations are looking forward to putting these packages together," Williams said.

Cindy Crawford, who owns Cindy's Catering in Augusta, said she is already booking events through August of next year and sees business returning closer to normal.

"I think it's going to take time. I don't think it's going to be back to the way it was," she said. "In some respects I think that is better for the economy that people are more conscious of their spending. I think things are slowly but surely improving."