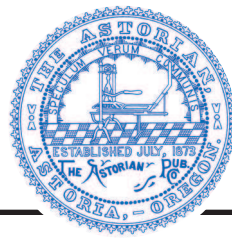


OPINION



THE DAILY ASTORIAN

editor@dailyastorian.com

Founded in 1873

KARI BORGEN
Publisher

JIM VAN NOSTRAND
Editor

JEREMY FELDMAN
Circulation Manager

JOHN D. BRUIJN
Production Manager

CARL EARL
Systems Manager

SOUTHERN EXPOSURE



The Hallmark Inn in Cannon Beach is considered 'closest to the Rock.'

Resorts owner shares vision for North Coast

Hallmark Inns & Resorts is an independent, family and employee-owned hospitality company with properties in Cannon Beach and Newport.

Most recently, Hallmark acquired the Whaler in Newport from founders John and JoAnne Clark.

In Cannon Beach, the Hallmark Inn is "the closest to Haystack Rock" and a mecca for visitors since 1948. Guest room renovations, launched last fall, will continue through May.

Overseeing this will be Ric Rabourn, recently promoted president and chief executive officer of Hallmark Inns & Resorts. We spoke with Rabourn about his newest venture in Newport, and what's coming up in Cannon Beach.



R.J. MARX

Q: What is your background?
Rabourn: I've lived in Oregon 19 years. Before that, all over western Washington. I grew up in the hotel business. My dad was in the hotel business. We kind of moved around.

I moved to Lake Oswego after 18 years as vice president of operations and general manager of the Newport resort, when I was promoted to the president/CEO position.

Q: Tell me about your properties.

Rabourn: We currently have three hotels. And we're getting ready to develop a hotel site in Bend.

Q: Will there be changes in Cannon Beach?

Rabourn: We're in the middle of a \$3 million renovation right now at the Cannon Beach property, which is a pretty much a floor-to-ceiling upgrade of the guest rooms.

Q: What kind of improvements are you making?

Rabourn: We are doing all new carpeting, flooring, furniture, all new wallpaper, painting. The bathrooms are all being updated with new LED-lit mirrors as well as quartz vanity tops. Woodcastle (based in Albany) is doing all the furniture for us. They bring all the raw logs from within 80 miles of Corvallis.

Q: Who is your demographic?

Rabourn: I would say upper-scale, primarily. The Cannon Beach market primarily is fairly upper-scale. Most of the guests are going to come from the Portland area and up into Washington. We have a lot of guests from Seattle.

Q: How does the Newport audience differ?

Rabourn: The Newport audience mainly pulls from Portland south, down the I-5 corridor and east as far as Bend.

Q: Do you have international visitors?



Newly renovated guest room at the Hallmark Inn in Cannon Beach.

Rabourn: We do. In Newport, we get a lot of group tours that come in. They tend to have a lot of international travelers with the group tours. In Cannon Beach, it's more individual travelers. We still get — especially in the summertime — quite a few travelers around the world.

Q: How do you approach the threat of a tsunami?

Rabourn: Our Newport property is high enough up that it's not considered to be in the tsunami zone. We still have all the tsunami preparedness information, as well as evacuation routes, posted in all the guest rooms.

Likewise in Cannon Beach as well, we have all the information there as well.

Q: Do guests feel more comfortable knowing the risk?

Rabourn: They don't really say a lot about it. The Japanese tsunami (of 2011) didn't end up hitting in Newport or Cannon Beach, but guests appreciated having the information. We actually had several guests, who decided, despite being told it wasn't coming, to hightail it to Corvallis at night.

Q: What are some of the special features of your Cannon Beach location?

Rabourn: The Cannon Beach location does have a full-service spa on-site. That's very popular. It's an amenity not

many places have. We do seasonally free bike rentals as well.

We do monthly specials at all the properties. Sometimes they're added value special — in Newport, it might be a bed and breakfast, in Cannon Beach, a spa treatment or discounted rate offer.

Q: Will you be involved in local land-use and planning matters?

Rabourn: As far as the local chamber of commerce related things, typically the general managers of the property are the ones attending those meetings. They'll let me know if there is anything bigger picture that's coming down the pike I should be aware of. I would certainly be attuned to that and get involved if applicable.

Q: Do you get involved with state lodging decisions?

Rabourn: We're members of the state lodging association and I will be attending some of those sessions.

Our role is to try to continue to provide a great lodging experience for visitors that are coming into town, as well as being a good member of the community. Mike Locke (Hallmark general manager) has been there since August. He's living in the area now and getting out and trying to meet as many people as possible.

Q: You are employee-owned?

Rabourn: A key feature of Hallmark

is we're one of the few hospitality companies that has an employee stock ownership program. We're presently 70 percent owned by family and 30 percent employees.

Q: Who is covered?

Rabourn: (Employees) top to bottom. The hourly cutoff is 30 hours, or anyone who works 1,000 hours per year or more is eligible for the employee stock option program, that's something provided at company costs. The employee doesn't pay anything.

Q: That's one way to get good employees on the coast.

Rabourn: It is. We offer a great benefits package including medical, dental, vision, as well as the 401K plans, discounts at our various properties.

Q: What percentage of your guests have pets?

Rabourn: In Cannon Beach, about 40 percent of our rooms are pet-friendly, and they tend to run pretty full. I'm not a scientific person, but I think 40 percent is pretty accurate.

We do \$20 per pet per night. That includes a pet basket that we put in the rooms. It has a sheet they can put out for the pet, as well as a water bowl, toys and treats.

R.J. Marx is editor of the Seaside Signal and Cannon Beach Gazette, and covers South County for The Daily Astorian.