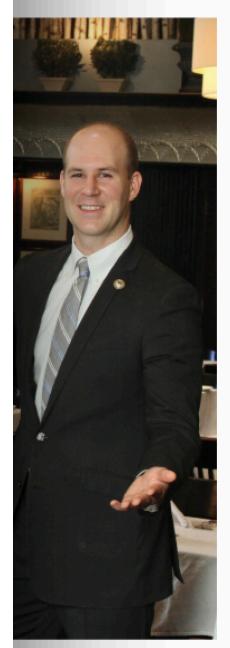




President and owner Ken Weber (middle) now runs the business with his sons, Brion (left) and Michael (right)





Family Loyalty

WEBER'S RESTAURANT AND HOTEL DEFIES THE ODDS, MAINTAINING A STRONG SUCCESSION PLAN FOR THE PAST 80 YEARS.

y father, Herman Weber, began his career in the hospitality industry in the 1930s as a dishwasher at a local restaurant. He had planned to use the money he saved to buy a car, but instead leased a bankrupt diner that had come onto the market. At only 25 years old, Weber was in business for himself.

More than 75 years later, my father's legacy lives on at Weber's Restaurant and Hotel in Ann Arbor, Mich., the establishment my parents founded in 1937. It was first an eatery before a hotel, which was recently ranked among the best hotels in the country by CollegeRank.net and the world by Expedia.com. Today, I serve as president, and two of my sons, Michael and Brian Weber, are vice presidents of the hotel and restaurant, respectively.

My sister and I growing up heard about the daily happenings at Weber's while we sat around the family dinner table every night. We were at the restaurant constantly, getting to know the staff and later working there ourselves. As I grew up and started my own family, I knew my future was the family business, as did my sons.

After graduating from Michigan
State University's School of Hospitality
Business, I felt that for myself – and
later for Michael and Brian – that it was
imperative we be comfortable in the
industry outside of Weber's. Each one of

us individually ventured out of Michigan – from Chicago to California – to work in top-notch restaurant and hospitality establishments. Doing so provided us with tremendous educational opportunities and varying views of the industry.

Working outside of Weber's reaffirmed our pride in the company and its brand philosophy of always being a high-quality, forward-moving landmark destination in Ann Arbor. The culture at Weber's is focused on ensuring our employees are successful and happy in what they do. Doing so has provided consistency for us in the market, and made each member of our family and our employees proud to be a part of the company.

One thing in particular we have done for our employees is profit-sharing. This was something my father instituted in the 1960s at a time when this was unheard of in the industry. He gave people who were earning average salaries the opportunity to stay with Weber's, build a career and understand that when they retired, they would have benefits saved up in addition to social security. As a result, we have a strong employee base, many of whom have been with the company for decades.

IMPORTANCE OF FAMILY

Nowadays, family operated hotels are fewer and far between. The industry has moved more to real estate investment

SUCCESSION PLANS



Weber's Restaurant and Hotal remains successful by continuously reinvesting and making approachs to every room

trusts with absentee ownerships and limited trusts. In these instances, hotels are treated as investments and operate with the No. 1 priority of getting a return on that capital. The whole concept of hospitality is left to management companies.

Unfortunately, old-fashioned, family-run hospitality is struggling to compete with these big international money machines whose bottom line comes first. Thankfully, in Ann Arbor, the market caters to independent properties. We've seen national chains come and go, but dozens of independent and small franchised businesses have been very successful.

The city's culture supports local businesses more than the majority of other communities I've seen. Because of this support, Weber's has built very strong relationships over the decades. We show our pride in what we do by keeping the facility up-to-date and providing genuine hospitality to our guests. Providing that attentive service has given us the opportunity to compete in the upper tier of the marketplace against these large corporations.

INVESTING IN THE FUTURE

As hoteliers, we have developed our business over nearly eight decades. For us to remain viable for that length of time, we had to build a solid product that updated the hotel's facilities and replaced the front façade. A \$2 million renovation of all our guest rooms is to be completed in April. The renovation includes numerous technology-related updates, including rainfall showers and "musical mirrors."

The bathroom mirrors are equipped with a Bluetooth device to sync with guests' mobile phones, and the music comes through the Bose speakers in the ceiling. The mirror is used to control the on/off switch and volume. We feel making these updates to every room, not just the suites, was crucial because we are located in a prominent tech town. Looking forward, I do see even greater expansion in our future.

What I cannot stress enough is that to keep hospitality in the family, every member must operate with the mindset of having it stay that way. It is imperative that a succession plan be in place and that all involved have an incentive to improve the business.

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TO KEEP HOSPITALITY IN THE FAMILY, EVERY MEM-BER MUST BE ONBOARD.

Ken Weber

that we knew we could deliver upon. We had to constantly reinvest in Weber's to maintain a competitive edge. Our willingness to spend money is something that makes family run independents a success and some real estate investment trusts failures. For us and other family businesses, reinvestment comes first. It truly changes the mindset of how we operate.

In 2011, we completed a threeyear, \$4 million renovation project Ken Weber is the owner and president of Weber's, a restaurant and boutique hatel business in Ann Arbar, Mich., founded by his father in 1937. Following his graduation from Michigan State University, Weber worked with the Gilbert-Robinson company, which owned casual restaurants and bars, before returning to the family business. He now runs operations with two of his sans, Michael and Brian, who serve as vice presidents. Weber can be reached at kweber® webersing.com.