

FINANCIAL POST

Monday, January 14, 2008

Novice Quebec hoteliers pounce on untapped market

30% Occupancy

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Published: Monday, January 14, 2008

MONTREAL - Eric Paquette and Jean-Francois Caron could be seen as a pair of aspiring Donald Trumps --Quebec-style.

The business partners, in their mid-thirties, have launched an independent chain of hotels, with the first of five planned for the next five years inaugurated in their hometown of St-Eustache, Que., last fall.

Imperial Hotel & Suites was founded two years ago to provide rapidly growing regions, including St-Eustache, with quality hotels that meet the needs of area businesses while also offering social activities for workers and their families, they said.

Mr. Paquette noted there are as many as 1,000 businesses in the St-Eustache vicinity and Imperial aims to specialize in attracting small conferences and business meetings.

The only other competition in St-Eustache are the 42-room Motel Auberge St-Eustache down the street and 22-room L'Oasis de l'ile auberge/spa.

Imperial's goal is to build a new hotel a year into 2011; the \$10-million flagship St-Eustache establishment officially opened Nov. 15. with an occupancy rate of about 30%.

That four-storey hotel will serve as the model in design and image for the next four facilities. It features 63 rooms, nine suites, and conference rooms that can accommodate up to 300 people.

"We modelled it after boutique hotels, but with mid-level pricing of \$109 to \$189 a night," Mr. Paquette said.

He and Mr. Caron are doing market research in target locations such as the Laurentians (where both live), the north, south and west shores of Mont-real as well as the Gatineau, Que., region for their expansion.

"It would have been easier to join an existing [chain], but we wanted our own banner and full control," Mr. Paquette said.

"There are big barriers to financing a hotel development, but we did it with 90% of our own money, a bank loan and some risk capital," he said.

Most of that money came from selling their shares almost two years ago in Reseau Selection, a network of nursing and personal-care facilities across the province. They were among six people who in 1998 became promoters, developers and managers of that company. Mr. Caron was vice-president of marketing and Mr. Paquette vice-president of development at Reseau Selection.

They first teamed up in 1995, when they were 21 years old, creating Hebergement Conseil, a Laval, Que.-based consulting firm for seniors' residences, which they still own.

Running care facilities is similar to operating hotels in that they both fall under the hospitality category, Mr. Paquette said.

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