This week, I was in Los Angeles to attend the Americas Lodging Investment Summit (ALIS) along with approximately 2,500 other attendees from 26 different countries. We heard excellent speeches, panel discussions and presentations from a wide variety of hoteliers, financiers and developers, but the hour that stands out most in my mind is the keynote speech delivered by basketball legend Earvin “Magic” Johnson.

This basketball Hall of Famer has an amazing record of achievements and records, including three National Basketball Association Most Valuable Player Awards, nine NBA Finals appearances and 12 All-Star games. In 1991, he tested positive for HIV and retired. Nevertheless, fans voted for him as a starter of the U.S. basketball “Dream Team” team that won the Olympic gold medal in 1992.

At ALIS, Magic spoke at length about basketball, not to tout his many achievements, but as a metaphor for achieving success, meaning and fulfillment in life.

On arrival at the Nokia Theater at LA Live in downtown Los Angeles, Magic did not go up on stage, but walked instead to the first row of the audience and stood about 15 feet from where I was seated. His focus was not so much on the lawyers, financiers, developers and hoteliers who were present but on the hotel and business school students who were doing volunteer work for ALIS in return for an opportunity to hear inspiring speakers – like Magic.

Magic quickly credited his parents for imbuing a strong work ethic in himself and his six siblings. (He grew up in Lansing, Mich., where his father worked on the assembly line for General Motors and his mother was a school custodian.)

“My school basketball team was going nowhere. Practice began at 4 p.m., so I decided I would arrive a couple of hours early to improve my skills. Then, I got one of my teammates to come in at 2 p.m. with me, or early Saturday morning. Then another joined me and another – even the coach. And, finally, we began to win!”

At that point, he walked up the aisle a few yards and focused on one of the students in the audience. Reading his nametag, Magic exclaimed, “John, do you understand? You’ve gotta work hard, more than hard, to stay ahead of your competition.” The student nodded in agreement and Magic grasped his hand to pull him up and out of his seat and said, “Well, good. Now let’s get a picture of the two of us!”

(ALIS organizer Jim Burba later told me Magic’s delivery of the bulk of his presentation off stage and in the middle of the audience was a complete surprise. The light technicians had set up spotlights in the venue’s overhead racks to cover the stage but not been advised they would need movable spotlights around the room to illuminate the speaker. Often, the huge figure of Magic Johnson dressed in a dark suit almost disappeared in the darkened room except when the flashguns went off as one student after another had his or her picture taken with this unforgettable icon.)

After Magic developed a number of life lessons through basketball stories, he talked about his business life. After retiring as a player, Magic was able to purchase an equity position in the LA Lakers’ ownership.

Looking around, Magic noted that there were hardly any Starbucks outlets in marginal urban areas with concentrations of minorities. So he went to Starbucks’ CEO Howard Schultz with the idea of jointly developing Starbucks outlets in these areas. Magic told him, “They’ll...
do just fine if you change the menu to feature more of what the folks who live in those areas like. And, do something with the music played in the stores. You’ve got to change that and get some music with a beat!”

Schultz listened and jointly he and Magic developed 125 Starbucks stores in places like Detroit, Washington, D.C., Harlem and the Crenshaw District of Los Angeles.Magic said he was proud to later point out to Schultz that those outlets had higher per capita sales than those in more affluent areas.

“Be prepared. Talk to your customers. Know your customers. Over-deliver. That’s how you succeed,” he emphasized. “Is that right, Mary?” he said as he turned to a young lady seated nearby. She nodded her head and Magic grabbed her hand saying, “Well then, let’s get a picture of the two of us.”

Magic has invested in a variety of commercial enterprises, including the Los Angeles Dodgers. He is also involved with ASPIRE, a new African-American television network; mixed-use real estate developments, many of which include hotels;

SodexoMAGIC, a nationwide institutional food service company; as well as a number of hotels in urban areas such as Houston and Washington, D.C.

The Magic Johnson Foundation has also been very active in the area of HIV and AIDS education and treatment.

Getting back to his educational messages to ALIS attendees, Johnson said, “On your first job, don’t be afraid to start low. Get your knowledge. Be the best in your job. You’ll advance quickly.”

“That’s how I’ve been successful. Today is a typical day. I started in the gym at 3:45 a.m. There were some meetings and I taped a show with Jay Leno. Now I am here talking to you. We’ll continue during the reception that follows. Then I have a business dinner. I’ll get some sleep and have a similar day tomorrow. Nobody’s gonna outwork me!”

Congratulations to fellow hotelier Earvin “Magic” Johnson for a great presentation at ALIS. I am sure you inspired many and the impact of your message will be seen in many ways in the years to come.