Remembering John Fitts

By Dr. Richard Kelley

Many members of our ‘ohana were saddened this week to learn of the unexpected passing of a great friend and partner, John Fitts, at age 67. Our deepest condolences to his wife Toni, son John Bennett Fitts, and the rest of his family.

John had nearly half a century of experience in the lodging industry. May 2016 would have been his 50th anniversary as a hotelier. A graduate of University of Wisconsin, John began his career in Marriott Corporation’s Executive Training Program. Later he worked for Sheraton, Holiday Inns, Radisson Hotel Corporation and Omni/Dunfey Hotel Corporation. He earned over 62 national awards for marketing, including the Travel Industry Association’s prestigious Marketer of the Year Award. He authored numerous articles on hotel marketing and was a frequent speaker on lodging industry issues at institutions such as the University of Nevada, Las Vegas.

I first met John in 1988. It was a challenging time. Changes in tax laws had collapsed hundreds of savings and loan institutions across the U.S., putting thousands of homes and real estate projects into foreclosure.

However, the financial turmoil also created opportunities for many, including for Outrigger. We acquired the Prince Kuhio in late 1982. In 1988, the towering Waikiki Hobron and Maile Court hotels were in bankruptcy court and up for auction. My father, Outrigger co-founder Roy Kelley, and I decided to put bids in to buy these two properties at the auction, hoping we might get one of them.

For several weeks before this, at Roy’s request, the cashiers at the four hotels we owned at the time set aside every $100 bill they received, so Roy could appear at the auction ready to make a sizeable “cash on the barrelhead” deposit to secure a winning bid. He arrived at the auction with his jacket pockets bulging – practically overflowing – with banknotes bearing Ben Franklin’s portrait.

As luck would have it, our bids were accepted not for one, but for both properties. Suddenly we were faced with the challenge of bringing business not only to the struggling 627-room Prince Kuhio Hotel, but also staffing and operating the two additional 600-room hotels we had just acquired.
I was scrambling to put things together when John Fitts walked into my office and introduced himself as head of the management company that had been operating the Maile Court. “Do you need any help?” he asked. “I sure do,” I replied.

That was the birth of a great friendship, which led to the formation of a jointly owned hotel management company, Outrigger Lodging Services (OLS). It has been quite a ride.

Starting with an inventory of just four hotels, OLS has been the management company for a total of over 83 different properties, most of them in the western U.S. OLS has operated hotels with well-known brand names such as Hilton, Marriott, Sheraton, Doubletree, Best Western, Hampton Inn, Holiday Inn, etc. However, many have been one-of-a-kind boutique hotels with names such as Hotel Amarano, The Grafton on Sunset, Le Parc and Le Montrose.

John and I had hoped to purchase some of these OLS-managed properties below their future potential value. During the turmoil of the 80s, one target was the six-story AMFAC Hotel near San Francisco International Airport (SFO). We had it under contract and we were set to close on Friday, October 20, 1989. On Tuesday, October 17, at 5:04 p.m., just minutes before the Oakland Athletics and San Francisco Giants were set to begin the third game of the World Series at nearby Candlestick Park, a magnitude 6.9 earthquake centered nearby shook the ground for 15 seconds. A huge water storage tank sitting on the roof of the AMFAC Hotel became a gargantuan water bomb and crashed through the roof to the hotel’s ballroom six stories below. We cancelled the purchase contract.

In 1993, at age 60, I moved to Denver, Colorado, to begin a “partial retirement.” It didn’t quite work out that way, however. Driving to the brand new Denver International Airport, out in the country 25 miles from the city center, I looked at all the open fields along the Peña Boulevard airport connector and saw only a few hotels being built to serve the high volume of passengers projected to pass through the airport on their way to and from Denver. John and I convinced our companies and a few private investors to join us as we bought a piece of land and began the construction of the 157-room Hilton Garden Inn Denver Airport.

Several experienced businessmen and hoteliers turned down the opportunity to join in the investment, questioning the viability of a project located so far from the city. However, we forged ahead, and on a frigid February day in 1997, as an icy wind drove a light snow, John and I stood in an open field trying to penetrate the frozen ground with our shovels to mark the beginning of the project. Barely able to scrape the icy turf, we looked at each other thinking the same thought: “What the **** are we doing?”

Fortunately, it has all worked out even better than planned and now, nearly 17 years later, the property continues to do well and is a leader among the nearby hotels. Several of our employees there have been with us since day one, which is a tribute to John’s unique management style.

Wherever he went, John always focused on the many, many details needed to provide flawless hospitality to guests. He did this by personally visiting OLS-operated properties across the country from Hawai‘i to Florida. Visits were followed by memos, advice and praise, as appropriate. Whenever possible I joined John on some of these visits. In January 2015, he and I jointly presented bonus checks to key employees at a private dinner in Denver.

John’s staff at company headquarters in Encino, California, just north of Los Angeles, were particularly loyal. Chief Financial Officer Martti Mannoja, his assistant Julie Messa, and Senior VP of Hotel Operations Claudia Jackson have become close friends of mine over the years.

Last week, John was in the Bahamas enjoying a vacation with his wife Toni when he suddenly and unexpectedly passed away.

I am sure the entire Outrigger ‘ōhāna joins me in expressing our condolences to John’s family, his entire staff at OLS Hotel & Resorts, and his many friends and associates across the country and around the world. John had a full and meaningful life. I will miss him, and I know many others will too. Aloha, John!