

Survival 2

THE PETER HOMBERG STORY

Anyone who's ever donned the moniker general manager knows inherently that there are days, sometimes even weeks and months that you simply have no choice but to cocoon into survival mode, seeing the worst, hoping for the best and doing all you can to ride out the storm.

This is generally true for all types of clubs but has been increasingly more difficult on the city club survivors. As most of us know, the city club mortality rate during the late 80s and 90s was devastating and while closing most commonly involved the "dining club", many fine old institutions saw the end of their days during these dark times.

In New York City alone, over 35 city clubs have vanished in the past 20 years. However, as we enter 2008 and look at city clubs today, for the most part what we see is nothing short of a renaissance. While there are still difficulties in the future, the path forward appears to be resting on strong management, quality facilities, strong traditions and the recognition that today's members have different wants and needs, and the attention to these needs is manifest to success.

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Cover Story By Rick Coyne | Cover and Cover Story Photos By Tommy Leonardi



PETER MCALLISTER HOMBERG (LEFT) WITH PENN CLUB IMMEDIATE PAST PRESIDENT JOHN C. HOVER, II AT THE ANNUAL ROBERT BURNS SUPPER, A TRADITION STARTED AT THE CLUB BY PETER HOMBERG.



Nowhere are these characteristics more prevalent than the Penn Club of New York City. Managed for the past 11 years by a third generation club manager, Peter Homberg, CCM, the Penn Club epitomizes today's city club environment with fine dining, casual dining, lodging, traditions and offering a home away from home for over 6000 Penn grads living and working in New York City, as well as non-residents who do business or entertain in the city.

Beginning his club career in 1965, Peter has remained firmly entrenched in the city and yacht club environ-

ment. Earning his MBA degree in 1991, Peter has embraced the traditions and social significance of the city Club and has been a strong supporter of blending the old with the new, building new traditions along the way.

Peter was elected to the Club Managers Association of America board in Atlanta in 2000, re-elected to the board in Miami in 2003, and was elected secretary-treasurer in Honolulu in 2006.

Peter then became CMAA's vice president in Anaheim last year, and now CMAA's newest president at the world conference in Orlando in 2008.

Supported by his wife Lynn and their wonderful family including Emma, 22, Ruth, 27, Pamela 43, and Douglas 44, Peter has long recognized the need to take personal and family time, a standing necessity with four lovely grandchildren ranging in age from 11 to 16.

Like so many successful general managers and business people, Peter clearly understands that creating harmonic balance in business and personal life is crucial for mental well being and success. This was never more important when potential tragedy struck the Homberg household in September 2000.

While survival in the private club industry has never been a widely discussed subject, whether from a career or individual club perspective it's something that many managers have faced.

However, Peter faced a new and different struggle for survival when he was diagnosed with prostate cancer in 2000 and again with bladder cancer in 2005.

Despite the uncertainty and fears that naturally manifested, Peter and his family, through their courage, support for one another and early diagnosis, prevailed through both illnesses and thankfully Peter is cancer free today. Indeed, one need only look at the cover of this magazine to see a man who is happy healthy and full of life.

Celebrating survival and to raise awareness of diagnosis and treatment options, Peter has become involved with the Lance Armstrong Foundation and has successfully completed two 75-mile bicycle rides in Austin and in Philadelphia, the former with Burt Ward, a past president of CMAA. Peter has personally raised over \$10,000 to support the foundation's awareness and research efforts. Anyone wishing to donate to the Lance Armstrong Foundation can contact Peter directly at the Penn Club.

When we finally caught up with Peter after some early discussions on this story, we decided that we would take the time to talk about the resurrection of the city club.

BoardRoom magazine: Peter, the city club environment has changed dramatically over the past 20 years. In fact, you mentioned that 35 luncheon or dining clubs have closed in New York City alone in the past 20 years. During this same period we have lost literally hundreds of city clubs around the country. What has been the cause and effect of these closures and how have you and others like you survived the carnage?

Peter Homberg: The causes for closures have been well documented. Among them are loss of business deductibility, public perception, changes in lifestyles, the maturation and retirement of our core membership base, competition from outside sources (steak houses, hotels, etc.) with "club level" services, and the fact



CANCER SURVIVOR PETER HOMBERG, CMAA PRESIDENT 2008 (LEFT) JOINED CMAA PAST PRESIDENT BURT WARD IN THE RUN FOR THE ROSES, AUSTIN, TX IN 2005. HOMBERG ALSO RODE THE LIVESTRONG CHALLENGE RIDE IN PHILADELPHIA, PA IN AUGUST, 2007, IN BOTH INSTANCES, COMPLETING THE 75 MILE RIDE. THROUGH SPONSORSHIP, HOMBERG WAS ABLE TO RAISE OVER \$10,000 TO SUPPORT THE LAF'S CANCER AWARENESS AND RESEARCH EFFORTS.



PENN CLUB MEMBERS IN THEIR HIGHLAND ATTIRE AT THE BURNS SUPPER

that downtown clubs tend to be less convenient for leisure and family utilization.

The effect has been the loss of some very valuable historic sites. When clubs fold or consolidate, great blocks of history and tradition are either lost or diluted.

In terms of survival, city clubs today are not what they once were. We offer more services, better services and services, which compete with the marketplace - and our price points are generally below the competing markets. We are constantly looking for ways to expand our facilities to include more diversity. Spa and fitness programs come to mind immediately.

BR: What tangible benefits are there to membership in a city club for today's existing and potential new member and are the same issues affecting the city clubs, as they are today's country club?

PH: Certainly lodging comes into play here. We have reasonably priced bedrooms. City clubs have become more of a "home away from home" for the business-oriented member than many country clubs. For instance, members can use our business centers to access the Internet, do work, etc. when they are in the city but live outside. Our reciprocal relationships come in to play here as well.

In addition, city clubs generally offer a focused point of shared affiliation/interest. For instance, the Penn Club offers Penn alums a place in New York City where they can maintain their university ties, network with fellow alums, enjoy shared interests through our programs and activities, as well as enjoy facilities and services they can truly be proud of. It's also important to keep in mind that our dues and entry fees are considerably lower than most country clubs.

To a degree, the issues facing city clubs are now being faced by country clubs as well. I think we're all thinking "survival" now.

BR: What trends are you seeing and experiencing endemic exclusively to the city club and how must a city club position itself today in order to meet the ever changing demands of its members?

PH: There's a sense that we need be everything to everyone. The member who joins a city club will not join one for food, one for lodging, etc. We must have first class accommodations, great food, reasonably priced drinks and a full business center. We need to appeal to members on a level that makes us their only choice for club services.

BR: Considering the changes you have seen, what is your prediction for the future of the city club and as an industry what must we do to preserve this important institution?

PH: I'm optimistic about good times ahead for city clubs. While hotel room business remains strong, we will benefit. As long as our food and beverage outlets are great value and operate on a lesser margin we should benefit. I get the sense that the weaker clubs have unfortunately had to close, and we are now left

with the survivors. This is obviously true to varying degrees, depending on the locale. However, we're a tough and determined lot, and I see a lot of great people doing a lot of great things for their clubs. This equates to both near and long term successes.

BR: If you were mentoring a new general manager taking over their first city club position, how would you counsel them to succeed?

PH: Here are a few of the things that I try to do in my day to day activities that have worked for me that I would share with anyone coming into a city club management position.

1. Listen to the members. If a member takes the time to complain, listen and react regardless of the magnitude of the comment. Pleasing a member will go a long way with other members when they hear.

2. Hire the best staff you can find and equally importantly, get rid of the bad ones as soon as possible. Pay attention to them, compensate them fairly, give them the tools they need to succeed, and treat them as you expect to be treated.

3. Join CMAA. There is a wealth of information and support available that cannot be accessed anywhere else. Within our membership are colleagues who have a wealth of experience, and they are more than willing to share it with you. This mentoring/sharing philosophy is unique to our industry.

BR: Peter, what is your personal plan for success in this industry?

PH: No matter where you are in this industry today, you must remain constantly aware of your environment and the needs and wants of your members. I try to follow a simple six-point plan.

1. Know your target markets intimately.
2. Be ever vigilant in researching trends and changes, and be ready to react quickly.
3. Maintain an environment that cannot be duplicated elsewhere.
4. Create strong communications that keep both the professional and volunteer teams focused and on-target.
5. Build a strategic plan you are comfortable with, and monitor/update it annually.
6. Never let your guard down. Our clubs need to constantly be in the "survival mode."

FINAL COMMENTS

I have had the great pleasure to know Peter Homberg for many years and have always marveled at his zest for life and his great caring for all of those around him. Always with a smile, he has faced more challenges than most men, yet is humble and grateful for all that he has been given by his family and friends and for all the many club protégés that he credits for his success.

While this story focused on the renaissance of the city Club, we should also celebrate a Renaissance man, Peter Homberg.

Congratulations on your success and we will be watchful for more of your gracious leadership. All the best. **BR**