

A Decade on the Rock: Chateau on the Lake

Chateau on the Lake celebrates 10 years on Table Rock Lake; John Q. Hammons reflects

By Tiffany Kelley - 6/11/2007

Springfield Business Journal Staff

In the late 1950s, John Q. Hammons and a friend took a Jeep ride up to the top of a mountain overlooking Table Rock Lake near Branson. The budding hotel developer was immediately struck by the location's beauty and vowed to one day build a grand resort and spa at the site.

But it wasn't until 1997 that Hammons' vision became a reality with the opening of Chateau on the Lake Resort, Spa and Convention Center – an opening that had finally happened despite a few obstacles.

The most critical problem Hammons faced was obtaining financing.

"No bank wanted to touch it," Hammons recalls. "They thought I was crazy to build that kind of a hotel with that cost in Branson."

Without a loan, Hammons initially invested a sizable portion of his own money in order to get the \$62 million construction project under way, and the first order of business was to blast away nearly 55 feet of solid rock along the hillside to make a foothold for the hotel.

"We lost money the first four years the Chateau was open," Hammons says from his Springfield office.

Since then the 10-story, 301-room resort has experienced an average 3 percent to 4 percent increase in sales each year, according to Hammons, who declined to disclose figures.

The resort is celebrating its 10th year by offering guests 10 themed "escape packages."

Among the Chateau's amenities are 43,500 square feet of convention and meeting space, four restaurants, two lounges, a private theater, and a full-service marina.

In 2006, the resort built the \$7 million Spa Chateau, which added 14,000 square feet and 10 treatment rooms.

Stephen Marshall, general manager and vice president of Chateau on the Lake, said consumer trends guided the decision to enhance the spa.

"It has become an expectation within the resort business to offer a world-class spa," he says. "New people are staying here because of the spa, and revenues have been increasing on a monthly basis since its opening."

According to Marshall, approximately 60 percent of the Chateau's guests are Missouri residents, while the majority of other visitors come from Arkansas, Oklahoma, Kansas and Illinois.

Notable guests include real estate developer Donald Trump, journalist Walter Cronkite, actor Dennis Weaver and baseball icon Buck O'Neil.

Regarding group events, the Chateau will be facing new competition this year with the August opening of the 220,000-square-foot Branson Convention Center with an adjoining Hilton Hotel.

When asked his opinion about how this new space might affect Chateau's business, Hammons responds, "I think at first it might be tested, but I know it won't damage us."

Hammons feels that the Chateau's resort location on Table Rock Lake will continue to make it a destination for many groups despite the addition of the Branson Convention Center.

Lynn Berry, director of public relations for the Branson Lakes Area Chamber of Commerce, says the Chateau plays an important role in the area's tourism industry.

"The Chateau on the Lake is the only AAA four-diamond resort in southwest Missouri," she says, "and it has added so much to the economy and the choices people have here in Branson."

Hammons is hopes to duplicate the Chateau's success with a similar resort at Lake of the Ozarks in Osage Beach. The structure will have more than 100,000 square feet of convention and meeting space.

Groundbreaking is planned for October, Hammons says, and the scheduled opening date is March 10, 2010.

Chateau on the Lake Resort, Spa & Convention Center

Owner: John Q. Hammons Hotels & Resorts

Founded: 1997

Address: 415 N. State Hwy 265, Branson, MO 65616

Phone: (417) 334-1161 or (888) 333-LAKE

Fax: (417) 339-5566

Web site: www.chateauonthelake.com

Amenities: 301 guest rooms, 43,500 square feet of convention/meeting space, banquet and catering services, Spa Chateau, indoor/outdoor pools and hot tubs, tennis courts, nature trails, laundry service, room service, gift shop

Employees: 250-plus

Hammons' Hotel History

John Q. Hammons entered the hotel industry in 1958, joining with Roy E. Winegardner to form Winegardner & Hammons Inc. in Cincinnati. The duo first purchased 10 Holiday Inn franchises from founder Kemmons Wilson. In 1969, Hammons formed John Q. Hammons Hotels in Springfield. Hammons has developed 186 hotel properties in 40 states. His company now manages 65 hotels in 23 states and has around \$300 million invested in several hotels under construction.