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Smallest Room for Your Money

By MELANIE GRAYCE WEST

One of the biggest hotel openings this year will be for one with the smallest rooms. Yotel, a European company known for its pod-like rooms, will open its first U.S. outpost with the Yotel Times Square West this spring.

The company aims to become the iPod of hotels, merging high design with user friendliness in a small package.

Gone are big rooms, bulky furniture, a minibar, room service and the front desk. Yotel's overnight experience is stripped down to a 170-square-foot room, a shower, an adjustable bed, a continental breakfast from a shared pantry and an automatic check-in kiosk.

"The idea is whether we've got 1,710 or 170 square feet, the same luxury element is there, it's just fit for purpose," said Gerard Greene, Yotel's chief executive.

The hotel is part of Related Cos.' new 60-story complex that will also include housing, retail and performance space for Signature Theatre Co. The \$300 million Yotel, at 42nd Street and 10th Avenue, takes aim at corporate and leisure travelers who might otherwise stay at budget hotels or one of the high-design, stylish hotels created by hoteliers like Ian Schrager.

"They made a lot of money and it was clearly, exceptionally successful," said Mr. Greene of the Hudson and Paramount hotels, two Midtown boutique hotels that are both inspirations for him and direct competitors. "But I just think that we're trying to move the game to something better."

A standard Yotel room will go for \$200 to \$225 a night. Last year, the city's average daily rate was \$255, according to NYC & Company, the city's marketing and tourism agency.

There are about 30 hotels under construction in the city, most with fewer than 200 rooms. Yotel is among the most ambitious at 669 rooms on 27 floors. In the past three years, New York's hotel capacity has increased 18% to about 86,000 hotel rooms, with an average occupancy rate of 85% in 2010, NYC & Company says. The city leads the nation in expected room supply for projects under construction, according to Smith Travel Research.

Despite the number of projects in the city and an occupancy and daily room rate that is still rebounding from the recession, Mr. Greene believes that



Yotel CEO Gerard Greene, below. Above, a 'cabin' room at the Times Square hotel, which opens in April.



Natalie Keyssar for The Wall Street Journal (2)

the Times Square location is a safe bet. Yotel will open April 15.

The company opened its first pod hotels at London's Gatwick and Heathrow airports in 2007, followed by another in 2008 at Amsterdam's Schiphol airport. Combined, those hotels have just 135 rooms. The New York expansion represents a major step forward for the company, which has its sights set on more locations in New York, other major U.S. cities and airports, London, Dubai and Abu Dhabi.

During a recent walk-through, the 39-year-old Mr. Greene, iPad in hand, showed off one of three 1,000-square-foot penthouse suites with panoramic views of New York. There will be a dining-room table that converts to a pool table. The living area will have purple carpeting and a giant white leather sofa. Inside one of two bedrooms will be mirrored walls and a circular, rotating bed.

Mr. Greene knows the room is

a little over the top. "If you're going to build a hotel you're going to go for it," he said.

More modest but futuristic-looking rooms comprise the majority of the hotel. There's no closet, just shelving, hanging rods and under-bed storage. A glass wall separates the bathroom from the bedroom and a small desk area. A motorized queen-size bed slides up to create more walking room.

If the original three Yotels were designed to mimic posh first-class airplane travel, these rooms more closely resemble a bedroom on a yacht. Everything has a designated use, compelling guests to keep a tidy bunk.

In an effort to appeal to business travelers, tourists and corporate-event planners, the sprawling fourth-floor lobby is segmented into flexible working spaces. Guests will go to "mission control" for concierge services. The "studio" room will double as a yoga room, meeting

space, movie theater and bar overflow. There is a lounge area with "cabins" for daytime business meetings and evening private parties. An outside terrace will have inflatable cabana houses, tables and seating.

Yotel's restaurant, called DohYo, is modeled after a Japanese sumo-wrestling ring, with hydraulic tables that drop into the floor to create an open area after dinner. A food and beverage partner will be finalized in the next month.

Roughly 150 crew and cabin attendants, as Yotel calls them, will be hired starting in February and an additional 80 or so will be needed for the restaurant operations. They will wear zippy, modern gray uniforms designed by Mr. Greene, with sneakers.

Yotel also has a giant robot bellhop called Yobot. It's a robot designed for manufacturing cars, but will instead heft luggage and show off retail products from the hotel's adjacent "pop-up" store. Yobot is a very big toy and, because of cost, won't be a fixture at every hotel. Mr. Greene declined to comment on Yobot's price tag.

He was, however, eager to offer a ride. "It can lift you up," exclaimed Mr. Greene. "We are very serious, but at the same time, we want to have some fun as well," he said.

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