

David Elton - Chief Executive Officer, Leonardo

In the early and mid nineties, David Elton's was probably one of the most recognisable faces within the Hospitality Industry. He was born to be one of life's natural leaders and 'front men' - tall, dark hair, classical featured, well spoken with the gift of casual confidence that sets others at ease. He is also very English in character - well presented, socially very able, and I can imagine with a calm, understated manner under pressure. He is one of those characters who could keep perspective in even the 'tightest' of corners.

In those days, he was a fast track, high-flying, hotel sales and marketing executive. He was the Chairman and face of the Acorn club when it was first founded, chairing the committee for over seven years. He seemed destined for great things.

However, recently, someone had asked me that old telling question of 'whatever happened to David Elton?' It struck my curiosity. I personally knew where David had moved onto but I found it 'interesting' how David, like many others, was viewed to be lost once they left the direct confines of the sector. I thought that it would be interesting to see how he viewed those past times and also his own career.

David smiles as I recount to him the conversation. "I haven't disappeared - just taken my career in a different direction!"

Getting noticed...

David is now the Chief Executive Officer for Leonardo Media, who he joined in 2001. Leonardo is the market leader in travel content management, e-marketing and distribution. The company offers electronic solutions, which are designed to simplify the management and optimisation of the Internet's media content, the creation and delivery of e-marketing promotions and e-brochures. Their client list includes many of the major hotel groups, tourism boards and destinations worldwide. Partners include such major names as: Intercontinental Hotels, Rosewood, Carlson Hotels Worldwide, Le Meridien, Starwood, Jumeirah, Conrad, Peninsula, Mandarin Oriental, Raffles/Swissotel, Hyatt, Oberoi Hotels and Resorts, Leading Hotels of the World, Small Luxury Hotels and

Preferred Hotels and Resorts.

David firstly came to everyone's attention as the youngest Sales and Marketing Director of Grosvenor House when it was the flagship within the Forte Empire, winning an Acorn in 1987. His career continued to blossom in the nineties, becoming Ritz-Carlton's Sales and Marketing Director for Europe, Middle-East and Africa. In late 1997, David joined Starwood Hotels and Resorts as a Vice-President. He was a recognised major international player in the Industry. So why leave?

"We all set ourselves landmarks in our career and I was just coming up to my 40th birthday and felt that after 20 years in the business, it was the right time to broaden my horizons and experience into the actuality of running a business. I had been a specialist sales and marketing professional and this gave me the opportunity of founding a business - Leonardo - almost from scratch. It has been a real challenge and a struggle at times but we have come through. We now manage over 60,000 hotels images and deliver their content to the major on-line travel sites."

Leonardo is a business of the modern business era. Originally backed in 1996 by the Ha'aretz Newspaper Group with the aim of serving the travel industry, the concept was to develop solutions and services that would support rich content and distribution across the entire travel distribution chain. One has to remember that this was quite a radical idea at the time and there was suspicion and uncertainty as to how e-commerce would develop. The excitement over the potential of the Internet really started in 1998. At the end of 1999, the company received further funding from a group of prominent investors, which included ABN AMRO Bank, Intel and GE Giza Capital Fund. It has also developed strong partnerships/alliances with global players such as Intel, IBM, Kodak, Microsoft and Oracle to ensure delivery of optimum products and services.

"Traditionally, the Travel Industry had relied on print brochures, slides, photos and CD-Roms as a way of distributing content," commented David. "These were often costly, labour intensive and increasingly hampered by the growth in travel

booking channels over the past decade. It became more and more difficult to reach all your relevant business partners effectively."

Ahead of our time...

"Our goal was to use e-technology to change the situation - we developed a central repository of high quality travel industry images that are stored and accessed, digitally online - 24/7. Around this central repository, Leonardo has developed a comprehensive range of digital content, management and e-marketing solutions for the travel Industry. Today, our solutions power the 4 Global Distribution Services (GDS's) with visual content, both industry switches (Pegasus and WizCom) and many of the key Internet travel channels eg Opodo, Yahoo!, Lodging.com, and Orbitz. Using Leonardo's proprietary technology customers are able to dramatically cut their printing, reproduction and distribution costs. Content is delivered electronically which means that customers get an instant, broad reach to their audience. In turn, users have instant access to online image and marketing materials anytime, anywhere."

Leonardo's range of services vary from image management solutions through to developing marketing solutions such as online press material management, online portal for e-marketing materials, distribution of marketing information via e-mail, and the development of online, feature-rich brochures with hyperlinks.

So, how has he found the process of building a business?

"It has been a painful process as we were slightly ahead of our time. The business was founded in the late nineties before web had taken off and so we had all the key challenges of the dot com evolution. The primary founding principle was, was there a real pan-industry need for better content, and consistent presentation. However, it was the web that has really enabled us to mature and develop with 9/11 probably proving to be a positive catalyst. It made the Hotel groups take the web far more seriously as it provided them with a cost effective mechanism to promote to customers and intermediaries at a time when all traditional marketing

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costs were being massively cut. Travel is the largest and fastest growing business sector on the web and e-commerce is the fastest growing segment within this. Content is crucial to the growth of the e-commerce segment and we sit in the middle. We are a new breed of media company enabling suppliers to explore new and measurable ways to distribute and communicate to their customers.

There is a remarkably high level of ignorance in the Industry as to how the web works. A lot of knowledge is held by a very small number of people. I am hardly a 'techie' myself but once one gets past the threat of learning something new, it opens a new world. I find that often the board directors understand exactly what we are offering far better than the middle managers. Because of this it is important to use the perspective that senior directors have of a business to understand exactly what real value we bring to the table.

Looking back...

When I look back to the eighties and nineties, it is amazing just how few senior marketing executives really understood their marketing and distribution processes. Quite often marketing strategies were not really co-ordinated and structured with 'silos' costing thousands of euros existing throughout all organisations and incapable of inter-communicating. I believe that we are adding real value now by resolving this issue and changing the way you can market and distribute Hotel product - we are raising the bar of marketing in general and that is exciting!"

Was it what he expected? I ask. David gently laughs. "It was a rough ride for a while and you learn a lot about yourself. The hardest part? Cash-flow!!! Facing the reality of business and the bottom line that if we did not make money we could not pay the salaries - it was the Directors that were not paid and that can hurt and it did happen! It certainly teaches one to focus and appreciate. It is also different to the world that I had come from where I doubt that many 'Corporate employees' ever have to think where their monthly salary comes from. However we did get through that phase, we learnt the lessons and do not ever want to go back there!"

Has it changed you? I enquire.

"I do not take anything for granted anymore. I am more focused on who I see and how I spend the time I have available. It has made me more demanding on both myself and those that work for the business.

With any small business, there needs to be a single vision, that

Leading a New Breed of Company

“ WE CAN OFFER BETTER MANAGEMENT, BETTER CONSISTENCY, BETTER IMPACT, LEADING TO BETTER RESULTS AND ACHIEVING THIS AT A FRACTION OF THE COST ”



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everyone buys into and no compromising. It is not always easy to achieve and you do have to 'tweak' as you go but consistency delivers a more credible and honest product."

I wondered if he found it strange that he was not seen as being part of the mainstream hospitality sector anymore?

"No - but I think I am very much part of the mainstream!!! Life just changes. I had a really marvellous time in the Hotel sector, travelling the world and working with (and staying in!) some of the best hotels on offer. I still feel that I am very much in the industry! Similarly, the Acorn Club was good fun - it was fascinating seeing the different levels of people that became Acorn winners and observing how they all interacted. It was a great time in my life. But it moves on and when I left, Business Age Magazine did a 40 under 40 list which I also became part of and consequently met a whole new range of people from a vast range of industries.

What I love about my job is seeing the industry from a different perspective - one of Leonardo's key strengths is our neutrality so we represent all types of hotel - large, small, and specialist. We can bring a different perspective to advising our customers and partners and because of our neutrality we gain a unique insight into the thought processes and strategies of our customers.

As a result of this position we have made a real difference to the industry and to the key players we work with

and as the hotel groups gain ever greater knowledge and understanding of the web, then we will be able to go to another level with them.

What I do notice very acutely about the industry today is the 'middle management paralysis' that seems to now exist in a lot of companies and causes incredible bureaucracy and at times, prevents sound business strategy being executed.

There is so much wasted time and investment today. When you see such sound logic in outsourcing specialist needs to companies like ourselves it is frustrating that it takes so long for companies to 'get it'!. We can offer better management, better consistency, better impact, leading to better results and achieving this at a fraction of the cost of doing it internally - it is really that simple!

It just takes time and a lot of patience! It really is a re-education process."

I wondered what David's future plans were?

"To continue building the business and get it to a point where we can exit effectively. I believe that Leonardo is the market leader in our field and we want to grow and provide hotels with the best e-commerce products and distribution solutions.

Am I thinking about the AIM market? Maybe, one day. I am always thinking about all possible options - you never know what is around the corner..."

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59-66 Greenfield Road
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Tel: 020 7375 1079
Fax: 020 7375 3032