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## Lodging Firms in the New Millennium

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## Editor's Note...

### Lodging Firms in the New Millennium

The transition from the wayside inns of early 1900s to the sophisticated mega hotels and casinos of late 1990s has been a remarkable journey for the lodging industry. The gradual yet healthy evolution of lodging, dining, and entertainment facilities on floatels and cruise liners worldwide has also been equally noteworthy. In line with such evolutionary trends, the new millennium sees prospects for expansion of the lodging industry into yet another dimension—space. The concept of space tourism and space hotels has grown into a serious proposition in the late 1990s and 2000. For instance, the October 1997 general assembly of the World Tourism Organization identified near-space tourism as an important trend that will shape the tourism industry in the 21<sup>st</sup> century. Likewise, the 1998 joint study of NASA and the U.S. Space Transportation Association (STA) emphasized that space tourism was a realistic possibility, and that it would grow significantly in the 21<sup>st</sup> century. Private lodging companies today are taking a serious look at the possibility of orbiting hotels and such other investment projects that could turn space into the final frontier for the lodging industry. In September 1999, Hilton Hotels Inc. officially disclosed its intentions of exploring the feasibility of a space hotel. Robert Bigelow, owner of Las Vegas-based Budget Suites of America lodging chain, also announced a commitment of \$500 million towards promoting space tourism. In the mean while, companies such as Incredible Adventures and Space Adventures Limited are already advertising flights that can take allocentric tourists 15 miles above the earth, where the sky turns into deep midnight blue and where tourists can get a glimpse of the curvature of the earth. Rumor goes that orbiting hotels could become a reality within the first half of the 21<sup>st</sup> century. Whether space becomes the final frontier for the lodging industry within the next 50 years or later, the financial implications of space tourism—cost per key of Zero-G orbiting hotels, operating costs, average price per trip, insurance expenses for the lodging firms, and such other factors—should certainly be important issues for tomorrow's hospitality financial managers as well as for tomorrow's investors and lending institutions.