



EDITORIAL

by James Buckley

Welcome To The Orient-Express



El Encanto was still a construction site when Shirley and Jim Sherwood donned reflective vests and hard hats to admire the expansive view from the newly expanded dining room patio

Frank & Sheila McGinity hosted Orient-Express founder and El Encanto restorer Jim Sherwood and his wife, Dr. Shirley Sherwood, at their Montecito home recently. Jim is now chairman emeritus of the train and hotel chain he founded and that singlehandedly redefined elegant travel. As part of their visit, the McGinitys also hosted a private dinner party for a small group of people at Birnam Wood to introduce the Sherwoods to some of their friends. About twenty of us were regaled by both Jim Sherwood and his wife, who is a force in her own right; she was one of ten people on a team that worked with Sir James Black to develop and bring to market Tagamet, one of the best selling drugs ever. Mr. Black went on to win a Nobel Prize in Medicine for that work.

Jim Sherwood and Frank McGinity served in the U.S. Navy and were stationed together in Yokosuka, Japan in 1958, which is where Jim first became interested in and learned about transport issues, military sea transport in the first instance. Because of that experience, and upon resigning his commission from the U.S. Navy, Jim moved to New York City and before long founded Sea Containers, Ltd.

After being introduced at Birnam Wood by Frank McGinity, Sherwood recounted how he came up with the idea of Sea Containers. "In the navy," he said, "I had some experience dealing with the military sea transportation services in the Philippines, which could be described as 'running guns to Indonesia.' In those days," he explained, "the U.S. government was supporting Sukarno." He went on to add that the U.S. feared a Communist takeover of the region and believed that Sukarno was the best chance of defeating that attempt.

After military service, Sherwood went to work for a U.S. commercial shipping company and was stationed in France for the company. During his tenure with them, he says he "could see that the way the cargo was being handled and shipped was out of date." All cargo in those days was laden by hand. Ships would come into port and it would take a week or so to unload the cargo and another week to load the ship again for a return trip. "It required huge amounts of labor," Jim observed. "It was the most inefficient method of operating," he continued, "and I thought we could develop a concept of using containers that could speed up the shipping operations."

Jim says he wasn't the first person to come up with the idea, and credits "a fellow named Malcolm McClain, a big trucking man in North Carolina" for innovating the idea and who came up with the first proper container ship, "but I was involved in a similar type of activity based in Europe."

Jim started the containerization operation for the shipping company he was working for and it became a very successful operation. Then he thought to himself that he could set up a company that would own the containers and he could supply them to shipping lines all over the world. "So, I got together with a couple of my classmates (from Yale, from which he graduated), "and we pooled our resources... I didn't have the money, but they did... and started this company called Sea Containers in 1965" (with \$100,000, reportedly). He and his former classmates bought a number of containers and were able to lease them out; Sea Containers Ltd prospered and went public in 1969.

Dr. Sherwood's Legacy

Shirley, a longtime collector of botanic paintings (she has a degree in botany), is one of the foremost collectors of contemporary botanic art in the world; she now has a famous museum-gallery in Kew Gardens, London, called The Shirley

EDITORIAL Page 28 ▶



CLINK YOUR CHAMPAGNE GLASSES
IN STYLE AT THE MOST SPECTACULAR
NEW YEAR'S EVE PARTY
OF THEM ALL!!

5-5:30 SEATING
5 COURSE MEAL \$165
WITH WINE PAIRING \$220

8-8:30 SEATING
7 COURSE MEAL \$245
WITH WINE PAIRING \$345

DISC JOCKEY DANCING

SAN YSIDRO RANCH

805-565-1724

"Passion for Purple"

Lana Marmé
Fine Apparel & Footwear
1485 EAST VALLEY ROAD
MONTECITO, CA 93108
(805)969-6962

Model: Leslie Haight Dress: Joseph Ribkoff Hat: Something Special Photographer: David Palermo

Sherwood Gallery of Botanical Art. Her collection has traveled all over the world including at the Smithsonian in Washington, D.C.

The two were married in 1977 and began traveling together. After she and her husband became involved in reviving the Orient-Express, she wrote a book about it: *The Return Of The World's Most Celebrated Train*; it has been in print since 1983 and has subsequently sold over 500,000 copies in hard back and has been translated into five languages.

The Brand New El Encanto

The Sherwoods weren't just visiting with the McGinitys however. They were here for more serious business: the upcoming opening of their latest hotel treasure, El Encanto, at the top of Santa Barbara's Riviera.

Sherwood purchased El Encanto in 2004, and expressed amazement that it's been eight years and "the place is still not open," adding though that "you all know how difficult it is to get permission to do anything in Santa Barbara." He said too that one of the reasons it does take so long to get things done is that in order for him to do *anything* he has to go through at least ten different bodies.

But, El Encanto is finally, mercifully, almost ready to accept paying guests. A "soft" opening had been planned for January or February of 2013, but March is now the target date, with a full public opening planned for May or June.

Jim recalled what he was told by the Planning Commission and the Architectural Review Committee: "We could tear down the existing main building and replace it," he said, "but it would have to have the same footprint as the existing hotel." In order, for example, to create a larger banqueting area, his crew had to dig into the hillside rather than expand the footprint. "But we now have space for weddings and events," he says.

Sherwood became interested in El Encanto when someone from the Bank of America in San Francisco contacted him and indicated that the owner, Eric Friden, was interested in selling the property. "I wanted to get more balance in our portfolio and felt we were under-represented in the West Coast of the United States," Sherwood recalls, so he came to Santa Barbara with his wife and stayed at El Encanto and opened up negotiations with Friden.

"I've always found in some of these dealings in hotels that are privately owned that the owners don't really want to sell," Jim says, suggesting that may have been the case with Friden, who disappeared without warning in the middle of their negotiations.

"Nobody knew where he went, including the manager," Sherwood says. "I don't know exactly what the situation was," he adds, "but Eric apparently had an investment in Palm Springs that was giving him problems. He was called away to Palm Springs without any notification to us. I took it that he had changed his mind."

The Sherwoods continued on to Tahiti and never heard from Eric. Then, a few weeks later Friden died as a result of a polo accident. When Sherwood heard about it, he contacted Friden's son and told him that he had had discussions with his father and that if he indeed wanted to sell, that he, Sherwood, was interested in purchasing the historic hotel and its grounds. Sherwood didn't hear anything for awhile, but when he did, the two eventually made a deal for \$26 million.

Sherwood originally guessed it may take ten million dollars to spruce up the property, but he was wrong by a factor of seven. Costs have soared to over \$90 million. "By the time we are through, it'll cost a million dollars a room," Sherwood says. The price, which seems high by normal standards, is apparently not uncommon for prized properties.

"The Santa Ysidro Ranch," Sherwood relates, "cost \$2 million a room some years ago." **Ty Warner** was reportedly offered \$900 million for the Four Seasons in New York, which would come out to \$2.4 million per room.

The sale closed in November 2004 and work on the project began seriously in 2006. Then along came the 2008 financial crisis. "We had paid \$26 million, had already put another \$25 million into it and when the crisis came we didn't know what to do. The bank decided it wasn't lending any money to anybody for anything. So, we stopped work until about eighteen months ago when the banks decided they could lend money again."

A History with Santa Barbara

Jim Sherwood's uncle was U.S. Navy Vice Admiral William A. Glassford. He was commander in chief of the Yangtze River Patrol in the 1920s and commanded a fleet in the South Pacific in World War II. After his military service, he retired to Montecito.

Jim grew up in Kentucky as Jim's father was employed by the Atomic Energy Commission in 1947 to document the development of the atomic bomb. "My father came [to California] and dragged me along to Berkeley," Jim recalls, "and we spent three delightful years there. I would come down every summer to Santa Barbara to visit my aunt Henrietta, and uncle William, who lived in Montecito, so that was my first contact with Santa



(from left) Jim and Shirley Sherwood were house guests of Frank McGinity during their stay in Montecito to inspect their company's newest hotel: El Encanto

Barbara; I've been in love with it ever since. Interestingly," he notes, "it hasn't changed all that much since then." He says he occasionally came to Santa Barbara in connection with his navy duties in 1957 and '58 as well.

By 1976, with the success of Sea Containers, Ltd., he thought to himself that he had all his eggs in one (Container) basket and that he and his company ought to diversify.

"We were operating in eighty countries," he says, "and I wondered what business we could upload alongside our container business without getting into a conflict with our customers." He thought maybe hotels would be the answer. "So in 1976," he recalls, "we made the plunge and bought our first hotel – the Hotel Cipriano, in Venice." The purchase price was 900,000 British Pounds. "We still own it," he says with a big grin.

From that modest beginning, his company went on a buying binge, picking up other once famous and elegant hotels such as the Grand Hotel Europe in St Petersburg, Hotel Ritz Madrid, Mount Nelson Hotel in Cape Town, Copacabana Palace in Rio de Janeiro and Maroma Resort and Spa on Mexico's Riviera Maya. The company now also operates six luxury tourist trains, two river cruise operations and the '21' Club, one of New York's most iconic restaurants and watering holes (it was a speakeasy during the Roaring 'Twenties).

Reviving The Orient-Express

"The old Orient-Express [train] stopped operating in 1977, and by then it was rundown and a bit shabby," Sherwood recalls. One thing he noticed, however, was the amount of publicity its demise had created. He surmised that if there was so much publicity surrounding the old train's death, and if he "bought up the old first-class cars and restored them and started to run them again, primarily on the route from London-Paris to Venice (where, coincidentally his Hotel Cipriano was ready and wait-

ing), maybe we could attract people for the fun and the experience of riding in these original cars."

He guessed correctly. He re-introduced the Orient-Express using the original cars, all spiffed up and ready for their second century of use to great acclaim. That was thirty years ago and, according to Sherwood, "it is more successful than ever."

As the hotel and leisure business became bigger than marine shipping, the two companies were split in 2000. The shipping company was recently sold to Chinese interests for two billion dollars. Orient-Express now has about fifty properties under its imprimatur.

On Site At El Encanto

As the evening ended, Jim Sherwood revealed to the small gathering at Birnam Wood that he and Shirley would visit the site the following Monday and invited this *Montecito Journal* editor to come along with them on the walk-around.

Construction is ongoing and in full force as we arrive for our site visit headed up by project manager **James Jones**. There is little doubt that this 7½-acre property is about to reclaim its place as a jewel of the Central Coast. Jones confirms our observation: "We're polishing the jewel and adding the finishing touches," he says as we settle down in one of the cottages to inspect the elaborate blueprints and plans.

The cottages (there are 92 "keys" in all) feature wide verandas and inviting patios, high ceilings inside, wrought iron fixtures, large windows, and many have views of the Channel Islands and the ocean. The one- and two-bedroom cottages have small kitchens complete with microwave ovens, refrigerator, ceramic sink, coffee maker, and fireplaces. Rooms are double-walled and virtually sound-proof. Heating and cooling equipment is centrally located on the property and when one turns the heat or air-conditioning on inside a room there is absolutely no sound to be heard.

The newer Spanish Colonial Revival cottages dominate the southeast and northeast portion of the property; the older Craftsman cottages (some of which have been moved) are clustered in the center and at the north end. All the rooms are connected via brick pathways and footpaths surrounded by an abundance of stately palm trees, drowsy oaks, elaborate eucalyptus, delicate but gnarled olive trees and other flora highlighted by subtle lighting in the early evening and night; waterfalls and streams stealthily announce their presence with the sound of running water, making the walk from one's room to the main hotel building or nearby pool – among barrel-tiled roofs, copper gutters with glimmers of greenish patina, and ocean views – a rural adventure in the middle of an urban island.

No automobiles intrude upon this reverie, as all are parked in one of the two underground parking areas, each accommodating up to fifty cars. All parking is done via valet service along perimeter roads.

Breakfast, lunch, or dinner on one's private patio with a glorious view of the ocean and the Channel Islands is on tap as a pleasant alternative for many guests.

Cottages don't sport numbers; they have names such as the Wishing Well, Honeysuckle, Camellia, Ivy, Pepper Tree, Palm, Olive Tree, etc.

Architecture and plantings have combined to give the entire property a contiguous feel. There is no delineation between old and new, or at least it is very difficult to ascertain where one ends and the other begins.

Jones gives high marks to **Courtney Miller**, who heads up the Katie O'Reilly Rogers landscaping team.

The lily pond, where generations of Santa Barbarans merged to marry in years past, has been brought back to its former glory. All its iconic brick pillars remain in place, and all the bricks are original and exactly in keeping with the original plans; the only new ones may be under the surface, as the pillars required a structural

retro-fitting with support connections column to column to meet current anti-earthquake standards.

Paths around the lily pond are made of compacted soil, have a class-two base, and are semi-permeable for drainage. The pond has been completely resurfaced with a durable liner and all mechanical systems are hidden on the coping end of the brick.

The large old growth wisteria many have fond memories of is still there and has been completely retained. All during construction the plant and its heavy above-ground roots were supported by scaffolding; cages were assembled around it as outriggers held everything in place before being disassembled.

The antique clamshells are still used, as is the small ornamental chandelier outside; reclaimed boulders from the site have been sliced to make a bridge walkway. Planters are used as privacy screens around the rooms and cottage patios.

Structures have been cantered to afford unobstructed view corridors predominantly on the south ocean-facing side of most of the buildings. The builders took full advantage of the topography of the site. "There was a lot of thought process that went into orientation," says Jones.

"These are not just rows of buildings," he adds. "The buildings have been placed in such a way that the pathways meander through the property and between the cottages and other buildings. You don't feel you are invading other people's privacy by strolling the grounds; you feel very invited to do so."

As for the main hotel building, El Encanto can now hold events for up to 220 people comfortably. As previously mentioned, one of the ways they were able to do that was by digging into the hillside to expand the ballroom's size, as keeping the same building footprint was a strict requirement.

The new 4,500-sq-ft modern spa has seven treatment rooms including a couples room, a wet treatment room

EDITORIAL Page 33 ▶



Red Studio
is Happy to
welcome
Adele

Please call to schedule
your appointment

805.969.6963



Full Service Beauty
Hair • Nails • Skin Care
www.redstudionet.com

1272 Coast Village Road
Montecito



21st
Mistletoe Ball

Saturday, December 1st, 2012 • 6 PM
Four Seasons Biltmore Hotel

Honoring the community of
The Borgata

Please join us for a night evening of fine dining,
entertainment and dancing to benefit

Catholic Charities of Santa Barbara

in its mission to help prevent hunger and homelessness of
the most vulnerable families in our community

Individual Tickets: \$275 each • Table of 8: \$2,000
Seating is limited so please reserve by November 15, 2012

For information call Geof Whittaker
(805) 965-7045 ext. 109
or email: gwhittaker@ccharities.org



JARROTT & Co.

REAL ESTATE INVESTMENTS

SPECIALIZING IN
1031 TAX-DEFERRED
EXCHANGES

AND

TRIPLE NET LEASED
MANAGEMENT FREE
INVESTMENT PROPERTIES
WITH NATIONAL TENANTS

CALL

Len Jarrott, MBA, CCIM
805-569-5999

<http://www.jarrott.com>

DIVORCE

Thinking about divorce? Want a
fair resolution without conflict?

Tired of the legal hassle?

I can help. I can work with you or
both of you to get it done quickly
and ensure your privacy.

I am a retired Family Law Judge
pro-term and a Family law Attorney
with over 30 years experience.

Mediation or Representation

RICHARD DOLWIG

Attorney at Law

for brochure call: **637-7993**



Even as chairman emeritus, Jim Sherwood (center) knows what questions to ask reads detailed plans easily and expertly as El Encanto project manager James Jones looks on, ready to answer (right); Shirley Sherwood (left) studies botanical plans for the new hotel

and a relaxation area, along with, of course, separate men's and women's changing and dressing rooms.

Views from the main dining room and the expanded outdoor dining patio have been enhanced by an ingenious system of hedges that allow for lowering the surrounding protective fencing.

The new 25-ft x 57-foot pool measures over 9 feet at its deepest end.

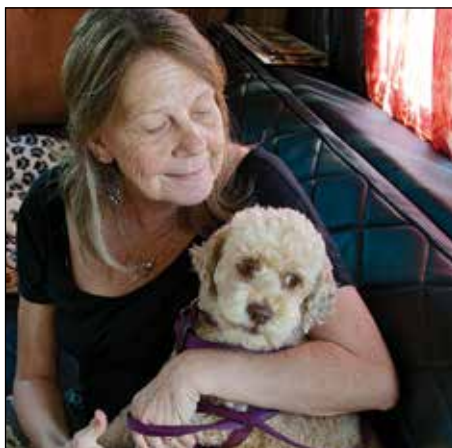
Jones reports that while no one has yet been hired, conversations are ongoing between them and a noted chef.

All in all, El Encanto's 92 rooms add an elegant and welcome dimension to Santa Barbara and Montecito as a destination.

We look forward to its Grand Re-Opening.



Actors & Others For Animals co-founder Diana Basehart, former U.S. Second Lady Tipper Gore, and Nell, a rescue dog (photo credit: Bill Allen)



Galín Dale and her poodle Emily are recipients of the Diana Basehart Foundation (photo: Tipper Gore)

A Final Note

If you have \$100 to spare, you couldn't do better spending that money by attending the upcoming Debut & Fundraiser for the Diana Basehart Foundation, committed to "Helping People & Their Pets Stay Together."

We've just about run out of space, but you should know that part-time Montecito resident **Tipper Gore** and retired editor-in-chief of *National Geographic* magazine **Bill Allen** have each donated one of their framed photographs up for sale to the highest bidder for this worthy cause. The event, hosted by **Nancy Koppelman**, will feature a silent auction, wine, appetizers, live music and special guest **Lydia Hiby**, a "world-renowned animal communicator."

If you cannot attend (the event takes place Saturday, December 1, from 3 to 6 pm at the Montecito home

of **Adam and Penelope Bianchi**), William Laman's Furniture, Garden & Antiques at 1496 East Valley Road will be donating a portion of sales on December 1 to the Foundation, so stop by before the event and peruse their offerings.

For more information, go to: www.basehart.org or call 805-222-4567. The cost to attend is \$100 and space is severely limited. RSVP required by November 30.

STEVENS & ASSOCIATES INSURANCE AGENCY, INC.

Specializing since 1984

RETIREE HEALTH INSURANCE

Medicare Supplements * Special Plans for ages 50+

"Personal one-on-one Service"

805-683-3636 or 1-888-467-4811

5266 Hollister Ave. Ste. B-214

Santa Barbara, Ca. 93111

www.retireeins.com

Ca. Lic. #0773817

salviati • rogaska • diane james
kim seybert • sferra • palacek



Season Of Celebrations LEGACY

1137 Coast Village Road Montecito, CA
www.legacy-montecito.com 805.845.3300

GAUTHIER
WEAR ART



SANTA BARBARA
921 State Street
805 335 2424

SCOTTSDALE
Marshall Way
480 941 1707

PHOENIX
Kierland Commons
480 443 4030

1 888 335 7900
www.jewelrybygauthier.com