

How Robert Risley brought his iconic Nova Scotia resort back from the ashes

After a fire destroyed White Point Beach Resort in 2011, Risley had to decide if it was worth rebuilding. Three years later, he's glad he did



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When the main lodge of his Nova Scotia resort burned to the ground, on Nov. 12, 2011, Robert Risley faced a dilemma: should he rebuild?

Risley bought the White Point Beach Resort nearly 30 years ago, when the former hunting and fishing retreat was worn down and unprofitable. He invested heavily in upgrades and benefited from a boost in U.S. visitors. Risley then enjoyed a run of profitable years before tourism declined after 9/11.

In 2011, as Risley looked at a pile of burnt rubble, Nova Scotia was certainly not experiencing bumper tourism numbers. Was it worth another round of investment to bring the oceanfront lodge back to life?

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“When I really got down to it there was only one option and that was to rebuild. There was too much at stake. We’ve always considered it to be a real icon of the province,” he said of the resort, which is 150 kilometres from Halifax, and is best known for its white sandy beach and the rabbits that roam free among the seaside cabins and cottages. “It was the right thing to do.”

Once he had decided to rebuild, he wanted a new lodge opened within one year of the fire. Insurance would cover much of the cost, but Risley would have to put up money, too. In a sense, he was returning to his early days as the resort’s owner.



He bought White Point in 1988 with two other investors. It was seasonal, wasn’t making money, and was “pretty rough,” — financially and physically. The group added a conference centre and kept the resort open year-round. But there was more to do, including a major renovation of the accommodations.

“We were having a pretty rough go at it,” recalled Risley, a long-time restaurateur who, since 1974, has owned and operated more than 15 Halifax restaurants. (He is also the older brother of John Risley, the billionaire founder of Clearwater Seafoods and Ocean Nutrition Canada.)

“It was pretty obvious that it was going to require an awful lot of attention and a lot more money to bring it up to any kind of acceptable standard,” Risley added. “So the other two partners dropped out and I just soldiered on.”

Business gradually improved and White Point became profitable. During the 1990s, 40 per cent of the resort’s high-season business flowed from U.S. visitors.

“Then Sept. 11 put an end to all that,” Risley said. “The U.S. market dried up overnight and we’ve never been able to get it back to more than 3 per cent or 4 per cent of our high-season business.”

The Great Recession certainly didn’t help. Then came the fire, which started in wiring installed in the original 1928 stone rubble foundation.

Risley’s initial feelings upon learning of the blaze: “Confusion. Sorrow.” Those feelings have long disappeared, however, and he is now buoyed by the resort’s rebound. He said 2014 was White Point’s best year since 1988, and the resort is again profitable.

The new lodge opened in November 2012 – 362 days after the fire, just beating his one-year rebuilding goal. “Virtually everybody told me it couldn’t be done,” he said. “But we persevered and found a way to do it.”



The resort opened to a full house, with guests attending Nova Scotia Music Week. Risley booked the convention guests despite not being certain he would be open.

In the end, the rebuild cost close to \$7 million. The fire, despite robbing the lodge of its history, allowed Risley to remedy some of the lodge's limitations, such as its low ceilings and antiquated kitchen. In other words, the blaze forced him to improve the business. "It might be a hard thing to say because obviously you never want something disastrous like that to happen, but when you look back it was obviously a very good thing," he concluded.

Such sentiments were unfathomable when long-time employees were watching the source of their livelihoods burn. Joanne Veinotte, a 12-year White Point veteran and the resort's current general manager, recalled that more than 100 people were put out of work. The question was: for how long? Rural Nova Scotia is not renowned for its employment options.

"It was heartbreaking to see them standing around and crying as the place burned down," she said, noting the scene fuelled Risley's "urgency."



"I truly believe there was no other person in this province that could have rebuilt this lodge so quickly," she added. "Robert is an engineer by trade and he's a detail person. His leadership made this happen."

"I don't think he even considered walking away from it."

With his resort back on solid ground, Risley is hesitant to draw broad lessons from his experience.

“That’s a bit of a tough one,” he admitted. “Most entrepreneurs only get involved with things that have a pretty good expectation of profit. And I’m not really sure that’s the motivation behind White Point. Would I advise an entrepreneur to get involved in the hotel business? No, absolutely not.

“It’s a labour of love.”

Source: Financial Post <http://business.financialpost.com/entrepreneur/how-robert-risley-brought-his-iconic-nova-scotia-resort-back-from-the-ashes>