

GLOBAL HOTEL ALLIANCE CEOS COMMIT TO CHARTER OF JOINT ACTIVITIES TO TACKLE RECESSION; STRONGER TIES WILL HELP ALLIANCE MEMBERS REDUCE COSTS AND SECURE MARKET SHARE

Geneva, 25th February 2009. During its recent CEO Committee meeting in Bangalore, the CEOs of the Global Hotel Alliance (GHA) member brands committed to a ten-point charter of joint activities aimed at alleviating the effects of the global economic downturn on their 180 luxury hotels.

Determined to leverage maximum value from their alliance during these testing times, GHA's member CEOs spent two days discussing how they could work even closer together to drive down costs and grow market share wherever possible. The resulting charter is a dynamic list of "cost down" and "revenue up" activities that the GHA CEOs hope will help their hotels through 2009 and beyond.

The "cost down" commitments are:

- A. To combine central systems technology (CRS and CRM), share resources in these areas, and reduce licence, maintenance and support fees through a volume purchasing deal with partner, Micros-Fidelio
- B. To continue to drive down distribution costs. In particular, to get GDS/ADS pricing to wholesale levels through a renewed CRS contract with Micros-Fidelio
- C. To develop stronger relationships with on-line travel agencies ("OTAs") and major credit card companies in return for reduced commissions
- D. To create a Purchasing Committee to combine purchasing and procurement efforts in all areas of the business

The "revenue-up" commitments are:

- A. The launch of a GHA loyalty programme before the end of 2009, which will offer customers personalised recognition and benefits and unique local experiences across all GHA's hotels
- B. To broaden GHA's corporate contracting activities with key accounts
- C. To negotiate GHA preferred agreements with the major travel-agent consortia
- D. To launch a new GHA web-site in 2009 that enables cross-selling of all brands via one dynamic portal, using a common CRS
- E. To continue to grow the GHA partnership network, with a focus on airline, credit-card and retail partners
- F. To combine trade shows, sales road-shows and press events in all major markets

GHA's CEO Chris Hartley, says that despite the clouds on the horizon, the meeting was a positive forum, with CEOs taking a hands-on approach and showing a determination to explore every opportunity. "At times like this you might expect differences of opinion between eleven companies on what to do, because markets are often affected differently; but this crisis is so global in its nature, that the CEOs were unanimous on nearly every topic."

GHA expects to grow further this year, and its member CEOs all believe that bringing on board more luxury brands from markets where there are gaps in the alliance's coverage, will make GHA even stronger. "This is the perfect time for independent brands to be talking to us" said Reto Wittwer, Kempinski's CEO. "GHA's business model has served us well during the good times, but it's during the tough times that it can deliver most value".

About Global Hotel Alliance

Based on the airline alliance model, Global Hotel Alliance is the world's largest alliance of independent hotel brands. It uses a common technology platform to drive incremental revenues and create cost savings for its members, while offering enhanced recognition and service to customers across all brands. GHA currently comprises of Anantara, Cham, Dusit, Kempinski, Landis, Leela, Marco Polo, Omni, Pan Pacific, Parkroyal and The Doyle Collection encompassing 180 upscale and luxury hotels with over 46,000 rooms across 43 different countries.

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