

IHG announces agreement to create 20 new Express by Holiday Inn Hotels in Spain

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InterContinental Hotels Group (IHG), the owner of the Express by Holiday brand, has announced the signing of a 20-hotel franchise agreement with the British investment group Zinnia Hotels Properties Holdings.

The 20 new Express by Holiday Inn properties will be signed in the next five years, with an anticipated approximate total investment of 180 million euros by the investment group, effectively doubling IHG's concentration of Express by Holiday Inn branded hotels in Spain.

Kirk Kinsell, IHG's President EMEA, commented: "Following the recent announcement of the worldwide relaunch of Holiday Inn, this is an especially significant and exciting time for the Holiday Inn brand family. Express by Holiday Inn has proved a very strong performing brand since its 1991 launch, becoming the fastest growing hotel chain in history, and the relaunch will allow owners to generate an enhanced return on their investment."

"The increasing preference for our brands is driving signings' pace, which is why globally we are opening on average one hotel a day and signing two, and why we have a healthy development pipeline in Spain", continued Kinsell. "IHG remains focused on growth through making our brands the first choice for guests and hotel owners alike and, with franchising the largest part of our business - 86% of our hotels - we pride ourselves on having the industry's strongest operating system to continue driving demand for our brands."

IHG's portfolio within Spain currently includes 15 Express by Holiday Inn hotels, including a new property at Madrid Airport which was unveiled in September 2007. With six more hotels currently in the pipeline, the new agreement with Zinnia Hotels Properties is set to reinforce the brand's positioning as a fresh, clean, uncomplicated hotel choice offering comfort, convenience and good value to business and leisure travellers visiting key cities such as Algeciras, Barcelona, Bilbao, Logroño, Madrid, Oviedo, Seville and Vigo. Bilbao is expected to be the first of the 20 new-build properties to open in late 2009.

All Express by Holiday Inn hotels feature complimentary continental breakfast plus amenities such as power showers and workstations, while the brand was this year voted 'Best Budget Hotel Chain' in the Business Traveller Awards - the seventh time it has won the award since 2000.

Hylko Versteeg, IHG's Director of Development for Spain and Portugal, added: "While branded hotel rooms account for almost 40% of the total room supply in Spain, hotel franchising remains relatively in its infancy within this market, despite its success as a business model in other Spanish industries. As such, our franchise agreement with Zinnia Hotels reflects the forward-thinking approach to business demonstrated by our partners and we are confident that together we will be able to secure real growth for the brand in this growing market and together create great hotels that guests love."

Speaking of the agreement Alastair Catrell, CEO of Zinnia Hotels Properties, said: "The Express by Holiday Inn brand is amongst the fastest growing in the hotel sector and we are delighted to be working with the world's largest hotel group by number of rooms on such a significant programme for the Spanish market. Jean-Brice Raybaud will be Zinnia's representative in Spain, coordinating all activity connected with this development, and has already succeeded in securing an agreement with the Baika Group for the construction of these 20 new hotels on a turnkey basis. "

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