

InterContinental Hotels Group signs deal to develop 12 Holiday Inn Express properties in Saudi Arabia

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InterContinental Hotels Group (IHG) has signed an exclusive franchise development agreement with Siraj Capital Ltd (SIRAJ) to develop the Holiday Inn Express brand in Saudi Arabia. A total of 12 new properties are set to open within five years.

The agreement was signed at the Jeddah office of Siraj Capital Ltd by John Bamsey, Chief Operating Officer, IHG, Middle East & Africa and Ibrahim Mardam-Bey, Chief Executive Officer of Siraj Capital Ltd.

The Saudi Arabian deal follows the official opening of the Dubai Internet City property in November. IHG is opening on average two Holiday Inn Express hotels every week around the world.

Siraj Capital Ltd is acting on behalf of Rahala LLC, a Saudi Arabian limited liability company, under formation, which will be the asset owner of Holiday Inn Express in Saudi Arabia. The deal was brokered by Hospitality Management Services (HMS), which will operate the individual properties.

Speaking at the signing, Bamsey said: 'The rapid global expansion of the Holiday Inn Express brand will now be reflected in Saudi Arabia thanks to the robust agreement we have signed with our partners Siraj Capital Ltd and Hospitality Management Services. We are currently witnessing a growing demand for limited service hotels in the Kingdom where budget-conscious travellers seeking satisfactory levels of amenities and service currently turn to more expensive accommodation options.'

'With Holiday Inn Express we will address this issue by offering competitive pricing, quality accommodation and the assurance that an international brand brings. All hotels will provide the essentials, such as a complimentary breakfast, a power shower, workstations and a great night's sleep.' added Bamsey. 'It is an ideal time to be investing in the burgeoning Saudi Arabian market, where the tourism sector is expected to grow by 12.6% in 2007 and by 6.1% per year between 2008 and 2017.'*

Siraj Capital Ltd is an investment company specialising in developing, sponsoring, seeding and launching innovative investment funds and investment opportunities in the Gulf Cooperation Council (GCC) and the Middle East and North Africa region (MENA).

Commenting on the agreement with IHG, Dr Ghassan Al Sulaiman, Siraj Capital Ltd Chairman, said: 'We are thrilled to be working with IHG on this industry-leading development plan. Set to be located in Saudi Arabia's major commercial cities and in future commercial hubs, the hotels will cater for a new breed of traveller looking for value for money and essential services by offering a 'Great Breakfast', a mini-gym, an 'Express Communications Centre' equipped with extensive business facilities and a restaurant, known as the 'Great Room'.'

In October 2007, IHG announced a worldwide re-launch of the Holiday Inn brand family, which comprises Holiday Inn, Express by Holiday Inn and Holiday Inn Express. All Holiday Inn hotels are required to implement the relaunch programme to create a more contemporary brand image, increase quality and drive consistency. The relaunch will result in all Express by Holiday Inn hotels being known as Holiday Inn Express globally, as well a new service promise, a redesigned welcome experience and refreshed guestrooms.

Developed by InterContinental Hotels Group, Holiday Inn Express is the world's largest limited service brand and is growing rapidly. Globally, there are more than 1,700 Express by Holiday Inn properties with over 150,000 rooms offering comfort, value and convenience to international business and leisure travellers.

*Figures taken from the World Travel and Tourism Council (WTTC)

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