

# LODGING

## CELEBRATING INDEPENDENCE

THE POWER OF  
UNBRANDED  
PROPERTIES

**+20**  
SOFT BRANDS  
WITH RAPIDLY  
GROWING  
PORTFOLIOS

**BITCOIN &  
BLOCKCHAIN**  
WHAT HOTELIERS  
NEED TO KNOW ABOUT  
CRYPTOCURRENCY

**CLOSE  
TO HOME**  
HOW HOTELS  
BENEFIT FROM  
PROVIDING  
EMPLOYEE HOUSING

**PAYROLL  
PRESSURE**  
RISING LABOR-  
RELATED COSTS

**JIM MERKEL**  
CEO, ROCKBRIDGE

# GOING SOLO

Why a branded property might drop its flag

Not every independent hotel was born that way. There are many, many independent properties out there that started their lives as branded hotels. After all, franchise agreements, while they can be lengthy, do eventually end. When they do, hoteliers are faced with a choice—pursue another brand, or go solo.

Bob Van Ness, executive vice president for the Americas at Preferred Hotels & Resorts, has seen his fair share of “deflaggings.” In fact, Preferred has welcomed more than 30 deflagged hotels into its portfolio over the past four years. Van Ness says that independence has become very appealing to hoteliers with a creative bent who want to create a hospitality experience outside the constraints of a brand. “Many entrepreneurs are interested in the independent market because it gives them a chance to be creative and operate the property to their liking with fewer restrictions. They have control.”

He adds that independent hotels are currently experiencing strong performance because people are looking for independent, unique experiences. “I think those experiences have become

more important than the brand,” Van Ness says. “When you look back to when brands were introduced in the hotel industry, it was about safety, security, and cleanliness. But the internet has changed all of that. We have review sites, we have the ability to check things out on our own, and that’s giving consumers confidence to stay at these properties that otherwise would be unknown entities.”

Despite the segment’s current strength, going independent isn’t a decision that should be taken lightly. Hoteliers must assess their desire to be independent against other factors, such as if their market can support an independent property like a branded one. They should also consider whether they have enough hospitality experience to run a property without the support of a brand. Van Ness says that hoteliers going independent for the first time may want to consider working with a management company to ensure that operations run smoothly, at least initially. “There are so many decisions to be made without brand standards. This involves being more involved and engaged in the business. You can’t be an absentee owner with an independent hotel,” he notes. “Hoteliers also need to figure out what exactly they want to create, how to

manage business levels, and establish the hotel’s identity. With a brand, that identity is created for you.”

Another piece of the puzzle that newly independent hotels may not have considered is choosing vendors. “With a brand, the vendors are pre-vetted. When you’re on your own, you need to do a straightforward assessment of the quality of each vendor that you partner with. Granted, if you’re deflagging, you’ll likely have ongoing



relationships with vendors, but if you’re looking for someone new, you should do some research before making a decision,” Van Ness says.

According to Van Ness, accountability is the biggest change when deflagging. Owners may not have considered various operations that brands were completing for them. For some, this rebuilding and customization is exciting; for others, it’s the biggest challenge. This is why many hotels that go independent may partner with a collection or soft brand. “Companies like Preferred help hoteliers think through the process and contemplate decisions they might not have considered when going into the process. With help, these properties can hit the ground running and position themselves to be as effective and as profitable as possible after a major change.”

Beyond increased flexibility and control, the benefits of deflagging can also include a boost in profitability. Owners can develop the culture of their hotels and determine who their target customers will be based on their knowledge of an area. By catering directly to the customers that a specific neighborhood attracts, independent hoteliers have lots of opportunities to grow revenue and improve profitability.





## THE BRANDS

THE BRANDS	GENERAL INFORMATION	FEES
 <p><b>ASCEND HOTEL COLLECTION</b></p> <p>Ascend Hotel Collection is a membership of upscale, independent hotels designed for travelers pursuing distinct experiences in unforgettable surroundings. Ideal for owners seeking freedom and control over their property's operations and design, Ascend delivers increased exposure and reservation potential with support from innovative global lodging leader Choice Hotels.</p> <p><b>PROPERTY PICTURED:</b> Hotel Petaluma, Petaluma, Calif.</p>	<ul style="list-style-type: none"> <li>● <b>Brand Launched:</b> 2008</li> <li>● <b>Competitive Set:</b> Autograph Collection, Curio Collection, Tapestry Collection, Tribute Portfolio, The Unbound Collection, Independent Hotels</li> <li>● <b>Target Customer:</b> Travelers pursuing distinct experiences in unforgettable surroundings</li> <li>● <b>U.S. Properties/Number of Rooms:</b> 163/13,239</li> <li>● <b>In the Global Pipeline:</b> 51</li> </ul>	<ul style="list-style-type: none"> <li>● <b>Initial:</b> \$375/room; \$40,000 minimum application fee</li> <li>● <b>Royalty:</b> 5% GRR</li> <li>● <b>System:</b> 2.5% GRR</li> </ul>
 <p><b>AUTOGRAPH COLLECTION</b></p> <p>Each Autograph hotel is "exactly like nothing else," offering a multitude of unique stories, authentic experiences, and great design. Launched in 2009, the soft brand includes 80 U.S. properties with 18,562 total rooms. As the brand's global roster grows, Marriott has started to categorize each hotel by experience (sporting adventure, natural retreat, historic exploration, etc.), as well as location.</p> <p><b>PROPERTY PICTURED:</b> The Envoy Hotel, Boston, Mass.</p>	<ul style="list-style-type: none"> <li>● <b>Brand Launched:</b> 2009</li> <li>● <b>Competitive Set:</b> Preferred Hotels &amp; Resorts, Leading Hotels of the World, Curio Collection by Hilton, Kimpton</li> <li>● <b>Target Customer:</b> The individualist—Guests who forge their own path, fiercely shunning convention and rejecting the predictable. They see travel as an opportunity to break from routine and open the mind.</li> <li>● <b>U.S. Properties/Number of Rooms:</b> 80/18,562</li> <li>● <b>In the Global Pipeline:</b> 83</li> </ul>	<ul style="list-style-type: none"> <li>● <b>Application:</b> \$75,000 or \$300 per guestroom (whichever is greater)</li> <li>● <b>Franchise/Royalty:</b> 5% GRS</li> <li>● <b>Marketing:</b> 1.5% GRS</li> </ul>
 <p><b>BW PREMIER COLLECTION</b></p> <p>In late 2015, Best Western announced its first soft brand offering, the BW Premier Collection. Hotels within the BW Premier Collection will not be part of the official Best Western membership, but will be listed and can be booked on the Best Western website. Guests are able to earn and redeem Best Western Rewards points at all BW Premier Collection hotels.</p> <p><b>PROPERTY PICTURED:</b> The Florida Hotel &amp; Conference Center, Orlando, Fla.</p>	<ul style="list-style-type: none"> <li>● <b>Brand Launched:</b> Late 2015</li> <li>● <b>Competitive Set:</b> Moxy, Autograph Collection, Luxury Collection, Preferred Hotel Group, Hotels of the World, Tapestry Collection</li> <li>● <b>Target Customer:</b> Guests seeking unique and local hotel experiences around the world</li> <li>● <b>U.S. Properties/Number of Rooms:</b> 22/7,143</li> <li>● <b>In the Global Pipeline:</b> 25</li> </ul>	<ul style="list-style-type: none"> <li>● <b>Application:</b> \$4,000</li> <li>● <b>First Year:</b> \$25,000 for up to 200 rooms</li> <li>● <b>Annual Fee:</b> \$25,000. Only charged to hotels that execute an agreement under the percentage of net room revenue delivered through Best Western reservation systems.</li> <li>● <b>Reservation Fee:</b> Varies depending upon the individual hotel</li> </ul>
 <p><b>BW SIGNATURE COLLECTION</b></p> <p>Best Western's third soft brand, BW Signature Collection, offers a soft brand option for upper-midscale hotels. The first two hotels to join the BW Signature Collection were the Killington Mountain Lodge in Killington, Vt. (pictured), and Brooklyn Way Hotel in Brooklyn, N.Y. Once on board, hotels in the BW Signature Collection have access to Best Western's revenue management systems, tradeshow and sales support, marketing programs, loyalty program, global reservation system, and more.</p> <p><b>PROPERTY PICTURED:</b> Killington Mountain Lodge, Killington, Vt.</p>	<ul style="list-style-type: none"> <li>● <b>Brand Launched:</b> Late 2017</li> <li>● <b>Competitive Set:</b> Ascend Collection, TRYP by Wyndham, Trademark Hotel Collection</li> <li>● <b>Target Customer:</b> Guests seeking a unique and memorable stay at an outstanding value</li> <li>● <b>U.S. Properties/Number of Rooms:</b> 2/201</li> <li>● <b>In the Global Pipeline:</b> 8</li> </ul>	<ul style="list-style-type: none"> <li>● <b>Application:</b> \$4,000.</li> <li>● <b>Initial:</b> \$25,000.</li> <li>● <b>Royalty:</b> 5% monthly GRR (includes sales, marketing, and technology fees)</li> </ul>

867+

COMBINED, THE  
20 SOFT BRANDS  
IN THIS GUIDE HAVE  
MORE THAN 867  
PROPERTIES IN THE  
GLOBAL PIPELINE.



## THE BRANDS



## CURIO COLLECTION BY HILTON

Launched in June 2014, Curio Collection by Hilton is an upper-upscale, global portfolio of more than 50 one-of-a-kind hotels and resorts handpicked for their unique character. Curio Collection properties appeal to travelers seeking unexpected and authentic experiences, and offers access to Hilton's award-winning guest loyalty program, Hilton Honors.

## PROPERTY PICTURED:

LondonHouse Chicago, Chicago, Ill.



## HISTORIC HOTELS OF AMERICA

Founded in 1989 by the National Trust for Historic Preservation, Historic Hotels of America recognizes and celebrates historical properties in the United States with properties that have faithfully maintained their authenticity, sense of place, and architectural integrity. To be selected for membership, a hotel must be at least 50 years old, been designated by the U.S. Secretary of the Interior as a National Historic Landmark, or listed in or eligible for listing in the National Register of Historic Places.

**PROPERTY PICTURED:** The Omni Homestead Resort (1766) Hot Springs, Va.



## IBC HOSPITALITY

The InnDependent Boutique Collection, or IBC, is currently one of the largest independent global hotel networks. IBC hoteliers enjoy a technology platform with distribution and brand-like benefits that enable independent hotels to reclaim their revenue and guest data by providing a "one-stop shop" with a suite of hotel services and software, the InnCentives guest loyalty program, a preferred partner network, and more. Guests can shop globally for independent and soft brand hotels with add-on activities, cars, and cancellation protection.

**PROPERTY PICTURED:** The Edgewater, Madison, Wisc.



## INTERCONTINENTAL ALLIANCE RESORTS

IHG launched InterContinental Alliance Resorts in 2010 when it signed an agreement with the Las Vegas Sands Corp. under which IHG would provide access to its marketing programs and distribution channels to the Sands' two mega-resorts: The Venetian and The Palazzo. High on the list of those marketing programs was IHG's loyalty program—now known as IHG Rewards Club—which allows Sands guests to earn and redeem points for their stays.

## PROPERTY PICTURED:

The Venetian, Las Vegas, Nev.



## L.E. HOTELS &amp; THE LUXE COLLECTION

L.E. Hotels has independently owned and operated properties throughout the world. Hotels in the collection benefit from reservations and marketing services designed to increase visibility and sales. L.E. Hotels recently introduced the Luxe Collection to single out hotels that are highly ranked by guests for quality of service. The brand is rapidly growing its portfolio, with 67 total properties in the global pipeline.

## PROPERTY PICTURED:

Lotte New York Palace Hotel, New York, N.Y.

## GENERAL INFORMATION

- **Brand Launched:** 2014
- **Competitive Set:** Tribute Portfolio, Autograph Collection by Marriott, Unbound by Hyatt
- **Target Customer:** Travelers seeking one-of-a-kind discoveries and authentic experiences
- **U.S. Properties/Number of Rooms:** 32/8,569
- **In the Global Pipeline:** 68

## FEES

- **Application:** \$75,000, plus \$400 for each additional guestroom over 250
- **PIP:** Case-by-case basis
- **Initial:** \$75,000
- **Royalty:** 5% monthly GRS
- **Marketing:** Part of franchise fee
- **Reservation:** Fee % varies by distribution program

- **Brand Launched:** 1989
- **Competitive Set:** None—Historic Hotels of America is the only official program of the National Trust for Historic Preservation for recognizing and celebrating historic hotels
- **Target Customer:** Heritage and cultural leisure travelers, from millennials to seniors
- **U.S. Properties/Number of Rooms:** 310/100,000
- **In the U.S. Pipeline:** More than 100

- **Application:** \$500
- **Initial:** \$4,500
- **Annual Royalty:** \$8,500
- **Annual Marketing:** \$8,500
- **Reservation:** 12% bookings
- **Membership/Quality Assurance:** \$750/year

- **Brand Launched:** 2008
- **Target Customer:** Independent hoteliers as well as business and leisure travelers seeking local lodging and authentic experiences on a global scale
- **U.S. Properties:** 1,200

- Not disclosed. Visit [www.ibchospitality.com](http://www.ibchospitality.com) for more information.

- **Brand Launched:** 2010
- **Competitive Set:** Fairmont, Grand Hyatt, JW Marriott, Westin, W Hotels
- **Target Customer:** Business and leisure travelers
- **U.S. Properties/Number of Rooms:** 2/7,092

- Not disclosed

- **Brand Launched:** 1999
- **Competitive Set:** Preferred Hotels & Resorts, Leading Hotels of the World, Design Hotels, Small Luxury Hotels of the World
- **Target Customer:** Leisure, corporate, and group travelers; travel agents, group/event/meeting planners, and corporate travel teams; and independent boutique and lifestyle hoteliers in the upscale, upper-upscale, and luxury segments
- **U.S. Properties/Number of Rooms:** 25/4,271
- **In the Global Pipeline:** 46

- **Initial:** \$3,500
- **Reservation, Sales & Marketing:** Starts at \$40/room/month. Includes all reservations fees except voice.

		GENERAL INFORMATION	FEES
	<h3>THE LEADING HOTELS OF THE WORLD</h3> <p>In business since 1928, Leading Hotels of the World today represents more than 375 properties across 75 countries. The Leaders Club loyalty program provides guests with a range of benefits from room upgrades and the opportunity to earn free nights to airport transfers and daily breakfasts. Leading Hotels of the World has approximately 20 hotels in the global pipeline.</p> <p><b>PROPERTY PICTURED:</b> JK Place Capri, Capri, Italy</p>	<ul style="list-style-type: none"><li>● <b>Brand Launched:</b> 1928</li><li>● <b>Competitive Set:</b> Independent, luxury collection hotel brands</li><li>● <b>Target Customer:</b> Curious travelers and frequent luxury travelers</li><li>● <b>U.S. Properties/Number of Rooms:</b> 38/10,100+</li><li>● <b>In the Global Pipeline:</b> Approximately 20</li></ul>	<ul style="list-style-type: none"><li>● Not disclosed</li></ul>
	<h3>THE LUXURY COLLECTION</h3> <p>Founded in 1994 and now under the Marriott umbrella, the Luxury Collection has 106 properties around the world. Though the collection has only been around for a little more than 20 years, many of the Luxury Collection properties are more than a century old, bringing an authenticity to guests' stays. The carefully curated brand is growing at a sustainable pace, with 25 properties in its global pipeline.</p> <p><b>PROPERTY PICTURED:</b> Hotel Marqués De Riscal, Alava, Spain</p>	<ul style="list-style-type: none"><li>● <b>Brand Launched:</b> 1994</li><li>● <b>Competitive Set:</b> Leading Hotels of the World, Rosewood, Curio, Waldorf Astoria</li><li>● <b>Target Customer:</b> Global Explorers &amp; Collectors—adventurous, sophisticated, and charismatic travelers receptive to new and unknown experiences. They prefer first-person recommendations and self-directed exploring over traditional tourist routes.</li><li>● <b>U.S. Properties/Number of Rooms:</b> 17/4,977</li><li>● <b>In the Global Pipeline:</b> 25</li></ul>	<ul style="list-style-type: none"><li>● <b>Application:</b> \$85,000 plus \$300/room in excess of 200 rooms</li><li>● <b>Franchise/Royalty:</b> 5% GRS</li><li>● <b>Marketing:</b> 1% GRS (capped at \$450k/year)</li></ul>
	<h3>BY MAGNUSON WORLDWIDE</h3> <p>Founded in 2003, Magnuson Hotels has become one of the fastest-growing hotel brands, marketing more than 1,000 hotels across six countries and three continents. The By Magnuson collection allows a property to keep its original name but reap expanded benefits from association with the Magnuson Brand. All Magnuson Hotels are individually owned and operated, and aim to create a welcoming and personal guest experience at great value.</p> <p><b>PROPERTY PICTURED:</b> Great National Abbey Court Hotel &amp; Spa, Nenagh, Ireland.</p>	<ul style="list-style-type: none"><li>● <b>Brand Launched:</b> 2018</li><li>● <b>Competitive Set:</b> Midscale to upper-midscale</li><li>● <b>Target Customer:</b> All-inclusive leisure and corporate travelers seeking modern and clean facilities in the economy market</li><li>● <b>U.S. Properties/Number of Rooms:</b> 1,048/99,007</li><li>● <b>In the Global Pipeline:</b> 246</li></ul>	<ul style="list-style-type: none"><li>● 2.5% GRR plus set-up fee</li></ul>

## WHAT IS THE ROLE OF SOCIAL MEDIA IN THE SOFT BRAND SEGMENT?



"Our key social audience includes independent travelers in search of original and local experiences. By sharing user-generated content

at our hotels through our own social channels, we can evangelize our core brand message and personality through their experiences in an authentic way."

### JENNA HACKETT

Global Head  
Tapestry Collection by Hilton

## HOW DO YOU ENSURE ALL OF THE HOTELS IN YOUR SOFT BRAND COLLECTION FORM A COHESIVE UNIT?



"Hotel owners with properties that sit between the upscale and luxury space seeking to join a soft brand collection will find that

it offers them the ability to access Hilton, while allowing their hotels to maintain their independent spirit, thanks to more flexible standards than a traditional brand."

### MARK NOGAL

Global Head  
Curio Collection by Hilton



"All of the nearly 70 Trademark Collection by Wyndham hotels around the world have 3 staples: character, charm, and individuality. By

bolstering our collection in destinations with signature style and partnering with like-minded entrepreneurial hoteliers passionate about upholding their hotels' charm, we're preserving the integrity of Trademark's originality."

### GREG GIORDANO

Vice President, Brand Operations  
Trademark Collection by Wyndham



## THE BRANDS

THE BRANDS	GENERAL INFORMATION	FEES
 <p><b>PREFERRED HOTELS &amp; RESORTS</b></p> <p>Lunched 50 years ago, Preferred Hotels &amp; Resorts provides marketing and distribution support to 700 luxury hotels and resorts around the world. Hotel members are aligned with one of six distinct collections—Legend, LVX, Lifestyle, Connect, and Preferred Residences. In the United States, the portfolio ranges from The Montage Beverly Hills to The Sherry Netherland in New York.</p> <p><b>PROPERTY PICTURED:</b> ARC The.Hotel, Washington, D.C.</p>	<ul style="list-style-type: none"> <li>● <b>Brand Launched:</b> 1968</li> <li>● <b>Competitive Set:</b> Leading Hotels of the World, The Luxury Collection, Autograph Collection</li> <li>● <b>Target Customer:</b> High-end transient leisure, corporate, association, and group segments who seek a one-of-a-kind hotel experience that delivers the authenticity of a destination</li> <li>● <b>U.S. Properties/Number of Rooms:</b> 232/57,329</li> <li>● <b>In the Global Pipeline:</b> 90+</li> </ul>	<ul style="list-style-type: none"> <li>● <b>Implementation:</b> \$100/room</li> <li>● <b>Membership:</b> \$200-\$350/room annually</li> <li>● <b>Marketing:</b> \$15,000-\$20,000 annually</li> <li>● <b>Reservations:</b> Varies by channel</li> <li>● <b>PIPs:</b> None</li> </ul>
 <p><b>THE RED COLLECTION</b></p> <p>In September of last year, Red Roof launched the company's first soft brand, The Red Collection. Red Roof is looking to curate a portfolio of upscale-economy to midscale hotels that are hyper-local and draw inspiration from the vibe and culture of the city centers in which they are located. The first Red Collection hotel will be the St. Clair Hotel in Chicago, due to open later this year.</p> <p><b>PROPERTY PICTURED:</b> The St. Clair Hotel, Chicago, Ill.</p>	<ul style="list-style-type: none"> <li>● <b>Brand Launched:</b> 2017</li> <li>● <b>Competitive Set:</b> Autograph Collection, Curio Collection by Hilton, Tribute Portfolio, BW Premier Collection</li> <li>● <b>Target Customer:</b> Travelers looking for modern, accessible and affordable properties with enhanced amenities in the hearts of cities they love, prime locations near the things they love to do.</li> <li>● <b>U.S. Properties/Number of Rooms:</b> 2 properties/200+ rooms in the pipeline</li> </ul>	<ul style="list-style-type: none"> <li>● <b>Application:</b> \$5,000</li> <li>● <b>Initial:</b> \$30,000</li> <li>● <b>Royalty:</b> 4%</li> <li>● <b>Marketing/Res:</b> 4%</li> <li>● <b>RediCard Member Program:</b> 4%</li> <li>● <b>Estimated Investment Range:</b> \$736,600 - \$1,722,000</li> </ul>
 <p><b>SMALL LUXURY HOTELS OF THE WORLD</b></p> <p>Founded in 1990, Small Luxury Hotels of the World represents more than 500 hotels worldwide in 82 countries. The portfolio ranges from hotels and resorts to country house hotels targeting affluent travelers. The brand's INVITED loyalty program, which relaunched in 2017, offers travelers more perks when they book with SLH.</p> <p><b>PROPERTY PICTURED:</b> 7 Secrets Resort, Lombok, Indonesia</p>	<ul style="list-style-type: none"> <li>● <b>Brand Launched:</b> 1990</li> <li>● <b>Competitive Set:</b> Leading Hotels of the World, Relais &amp; Chateaux, Design Hotels, Preferred Hotels &amp; Resorts</li> <li>● <b>Target Customer:</b> Modern luxury travelers</li> <li>● <b>U.S. Properties/Number of Rooms:</b> 19/1,505</li> </ul>	<ul style="list-style-type: none"> <li>● Not disclosed</li> </ul>
 <p><b>SURESTAY COLLECTION</b></p> <p>One of several brands introduced by Best Western in the last several years, SureStay was originally intended to be a white-label franchise separate from its parent company. Instead, SureStay became a part of Best Western and encompasses three sub-brands, including the SureStay Collection soft brand. SureStay hotels are not subject to PIPs, are free to use preferred vendors, and have a competitive fee structure.</p> <p><b>PROPERTY PICTURED:</b> Genetti Hotel, Williamsport, Pa.</p>	<ul style="list-style-type: none"> <li>● <b>Brand Launched:</b> 2017</li> <li>● <b>Competitive Set:</b> The Red Collection, independent economy hotels</li> <li>● <b>Target Customer:</b> Today's value traveler seeking a unique stay and experience</li> <li>● <b>U.S. Properties/Number of Rooms:</b> 2/280</li> <li>● <b>In the Global Pipeline:</b> 8</li> </ul>	<ul style="list-style-type: none"> <li>● <b>Application:</b> \$2,500</li> <li>● <b>Initial:</b> \$35,000</li> <li>● <b>Royalty:</b> 3% GRR</li> <li>● <b>Sales/Marketing:</b> 5% GRR</li> </ul>
 <p><b>TAPESTRY COLLECTION BY HILTON</b></p> <p>As Hilton's 14th brand and second collection brand, Tapestry Collection by Hilton is a portfolio of unique, upscale hotels that caters to guests seeking value in their independent hotel choices. Each Tapestry Collection by Hilton hotel maintains its individual spirit, while also being backed by the reassurance of the Hilton name and award-winning Hilton Honors program.</p> <p><b>PROPERTY PICTURED:</b> The Graham, Washington, D.C.</p>	<ul style="list-style-type: none"> <li>● <b>Brand Launched:</b> 2017</li> <li>● <b>Competitive Set:</b> Independent hotels, Tribute Portfolio, Ascend Hotel Collection</li> <li>● <b>Target Customer:</b> Travelers seeking value, comfort and familiarity in their independent upscale hotel choices</li> <li>● <b>U.S. Properties/Number of Rooms:</b> 6/729</li> <li>● <b>In the Global Pipeline:</b> 32</li> </ul>	<ul style="list-style-type: none"> <li>● <b>Application:</b> \$75,000 plus \$400 for each additional guestroom over 250</li> <li>● <b>PIP:</b> Case-by-case basis</li> <li>● <b>Initial:</b> \$75,000</li> <li>● <b>Royalty:</b> 5% GRR</li> <li>● <b>Marketing:</b> Part of franchise fee</li> <li>● <b>Reservation:</b> Fee % varies by distribution program</li> </ul>

		GENERAL INFORMATION	FEES
	<h3>TRADEMARK COLLECTION BY WYNDHAM</h3> <p>Launched in June of last year at the NYU International Hospitality Industry Investment Conference, Wyndham's Trademark Hotel Collection is the first soft brand targeted at upper-midscale and above properties. The brand's portfolio already includes more than 65 hotels with 45 more in the pipeline. Trademark Hotel Collection has recruited both new-build properties and existing hotels to its portfolio.</p> <p><b>PROPERTY PICTURED:</b> Ravel Hotel, Queens, N.Y.</p>	<ul style="list-style-type: none"><li>● <b>Brand Launched:</b> 2017</li><li>● <b>Competitive Set:</b> Trademark is a unique soft brand targeting upper-midscale and above independent hotels.</li><li>● <b>Target Customer:</b> Trademark is designed for the everyday traveler seeking truly unique hotel experiences—outside of the luxury options currently available to them—that allow them to experience the destination on their terms.</li><li>● <b>U.S. Properties/Number of Rooms:</b> 15/3,413</li><li>● <b>In the Global Pipeline:</b> 45</li></ul>	<ul style="list-style-type: none"><li>● Hotels will contribute a percentage of GRR to combined fees (6.5% total) following an initial affiliation fee.</li></ul>
	<h3>TRIBUTE PORTFOLIO</h3> <p>Tribute Portfolio hotels create an experience that is all about the guest. Established by Starwood Hotels &amp; Resorts and now owned by Marriott, this soft brand allows for distinct hotels in noteworthy locations. These independently owned hotels maintain their personality while accessing the benefits of the Starwood Preferred Guest loyalty program. Every Tribute Portfolio hotel thrives on style and superior service and celebrates individuality.</p> <p><b>PROPERTY PICTURED:</b> Apollo Hotel Amsterdam, Amsterdam, Netherlands</p>	<ul style="list-style-type: none"><li>● <b>Brand Launched:</b> 2015</li><li>● <b>Competitive Set:</b> Curio, Leading Hotels of the World, Preferred Hotels &amp; Resorts, Independent Hotels</li><li>● <b>Target Customer:</b> Modern mavericks— independent travelers who seek boutique hotels as a deliberate rejection of the mundane and consistent experiences offered by chain hotels</li><li>● <b>U.S. Properties/Number of Rooms:</b> 16/4,789</li><li>● <b>In the Global Pipeline:</b> 18</li></ul>	<ul style="list-style-type: none"><li>● <b>Application:</b> \$50,000 plus \$200/room in excess of 250 rooms</li><li>● <b>Franchise/Royalty:</b> 5% GRS</li><li>● <b>Marketing:</b> Included in program fee (hotels pay a program services contribution of 3.5% GRR, which covers marketing, sales, reservations, and other centralized services for the hotel)</li></ul>
	<h3>THE UNBOUND COLLECTION BY HYATT</h3> <p>The Unbound Collection by Hyatt aims to give guests the freedom to be extraordinary at unique properties all over the world. Launched in 2016, the collection already has several properties in its global and domestic portfolio, including the Royal Palms Resort and Spa in Pheonix, Arizona, the Driskill Hotel in Austin, Texas, and the Hôtel du Louvre in Paris, France.</p> <p><b>PROPERTY PICTURED:</b> Spirit Ridge, Osoyoos, British Columbia, Canada</p>	<ul style="list-style-type: none"><li>● <b>Brand Launched:</b> 2016</li><li>● <b>Competitive Set:</b> Autograph Collection, The Luxury Collection, Curio Collection, Tribute Portfolio</li><li>● <b>Target Customer:</b> Independent-minded leisure travelers</li><li>● <b>U.S. Properties/Number of Rooms:</b> 6/1,349</li></ul>	<ul style="list-style-type: none"><li>● Not disclosed</li></ul>

## WHAT'S NEXT FOR SOFT BRANDS?



"We found that travelers are looking for soft brands that offer easily accessible hotels in the hearts of popular cities. This demand gives

brands and franchisees the opportunity to diversify their offerings and develop alternative business opportunities for grown in high-demand locations. Many franchisees will enter center-city markets for the first time through soft brands."

### PHIL HUGH

Chief Development Officer  
The Red Collection by Red Roof



"Soft brands used to focus on traditional sales, reservation services, and email newsletters. Today's hotels need and expect

more. Soft brands must act as a central hub for distributing information—social media, photo and video content, and sophisticated digital marketing—while developing influencer relationships. Soft brands that succeed tell narratives that invite member hotels, professionals, and guests to participate."

### KERRY COOPER

Senior Vice President of Operations & Business Development  
The Luxe Collection by L.E. Hotels



"We see continued expansion in the soft brand market as evidenced by the number of legacy franchise brands that have

adapted their model for more independent hotels. The advent of new technology has changed the playing field for hotels, making the traditional brands increasingly less relevant. Travelers continue to seek more authentic and singular experiences."

### JONATHAN NEWBURY

Senior Vice President,  
Strategic Development  
Preferred Hotels & Resorts