

Hotel Electronic Distribution Network Association

San Francisco Networking Event

August 11, 2005

Sir Francis Drake Hotel

WELCOME!

Tiffany Topcik
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Relations*
ABC Corporate Services

Noreen Henry
*Dir, Global Acct &
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Travelocity

Jimmy Suh
*VP, Revenue Management
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Kimpton Hotels



Agenda

1. **Welcome to HEDNA – Organizational Overview and Code of Conducts**
2. **Individual Introductions**
3. **Market and Distribution Trends-Str & TravelCLICK**
4. **GDS Tutorial by Sabre Travel Network**
5. **Networking Lunch**
6. **Distribution Trends by Sabre/Travelocity**
7. **TravelSearch Presentation by SideStep**
8. **HEDNA Collaboration Committees**
9. **Closing Statements**

HEDNA's Mission

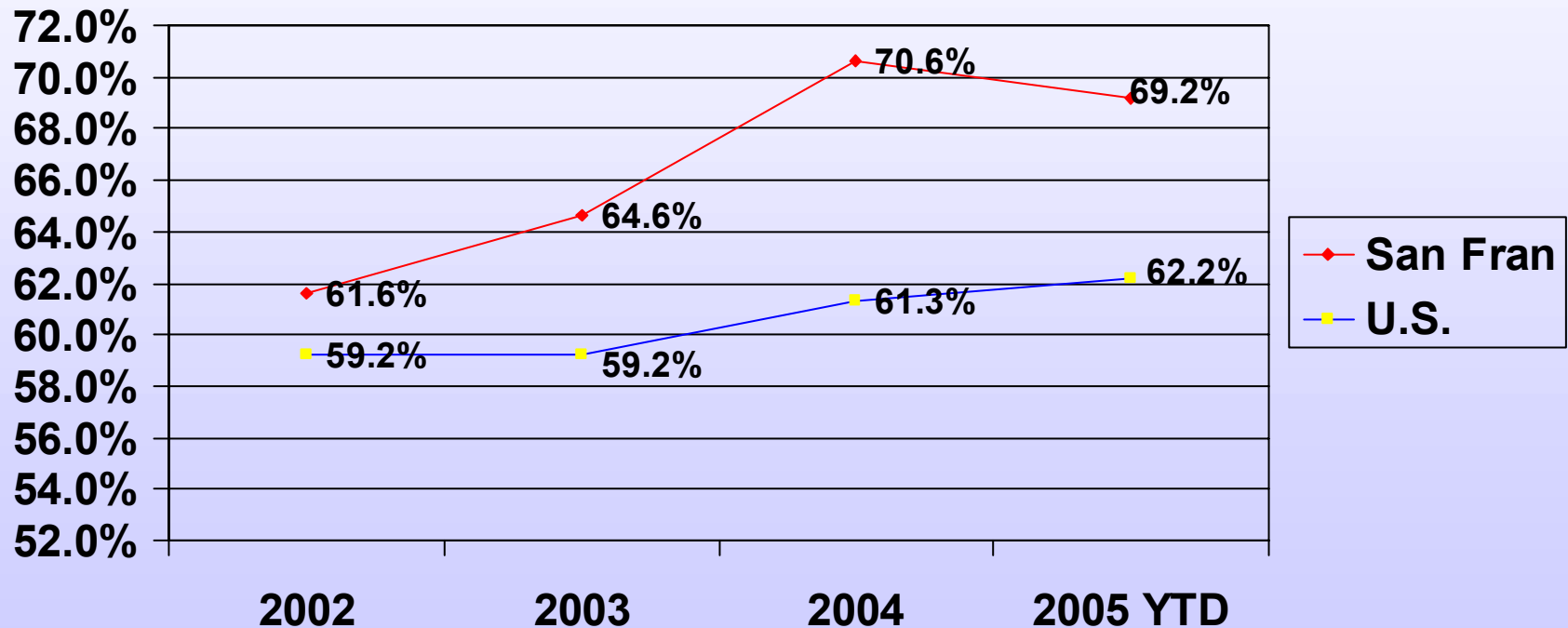
To increase hotel industry revenues and profitability from electronic distribution channels and to be the foremost travel industry association advancing hotel electronic distribution



San Francisco Market Performance

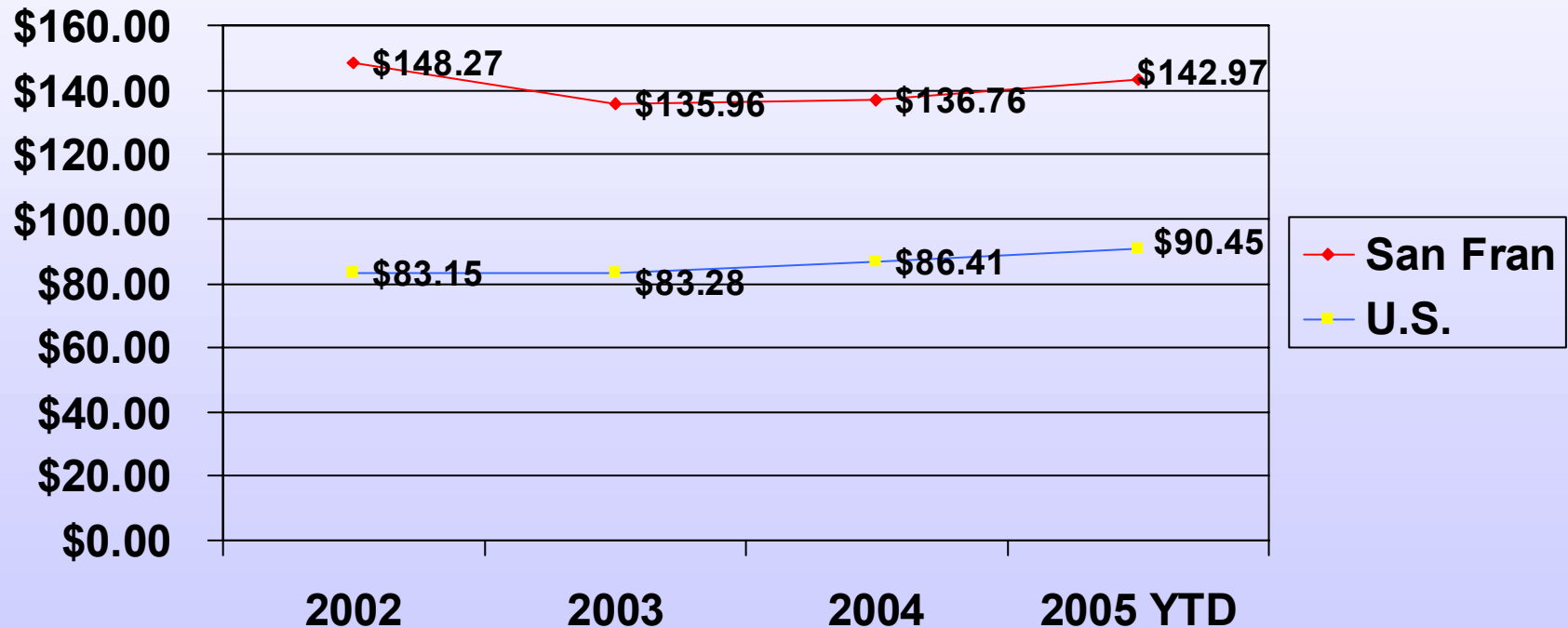
San Francisco vs. US Lodging

Occupancy



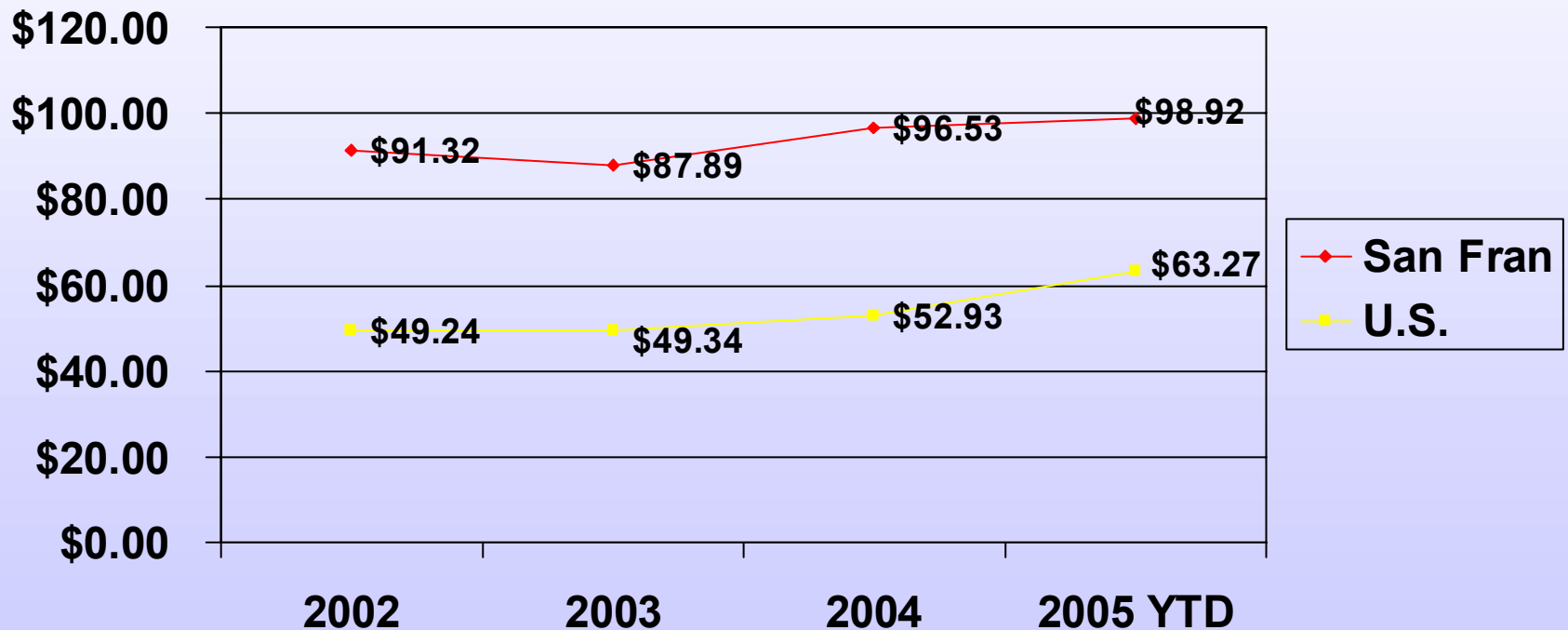
San Francisco vs. US Lodging

Average Daily Rate

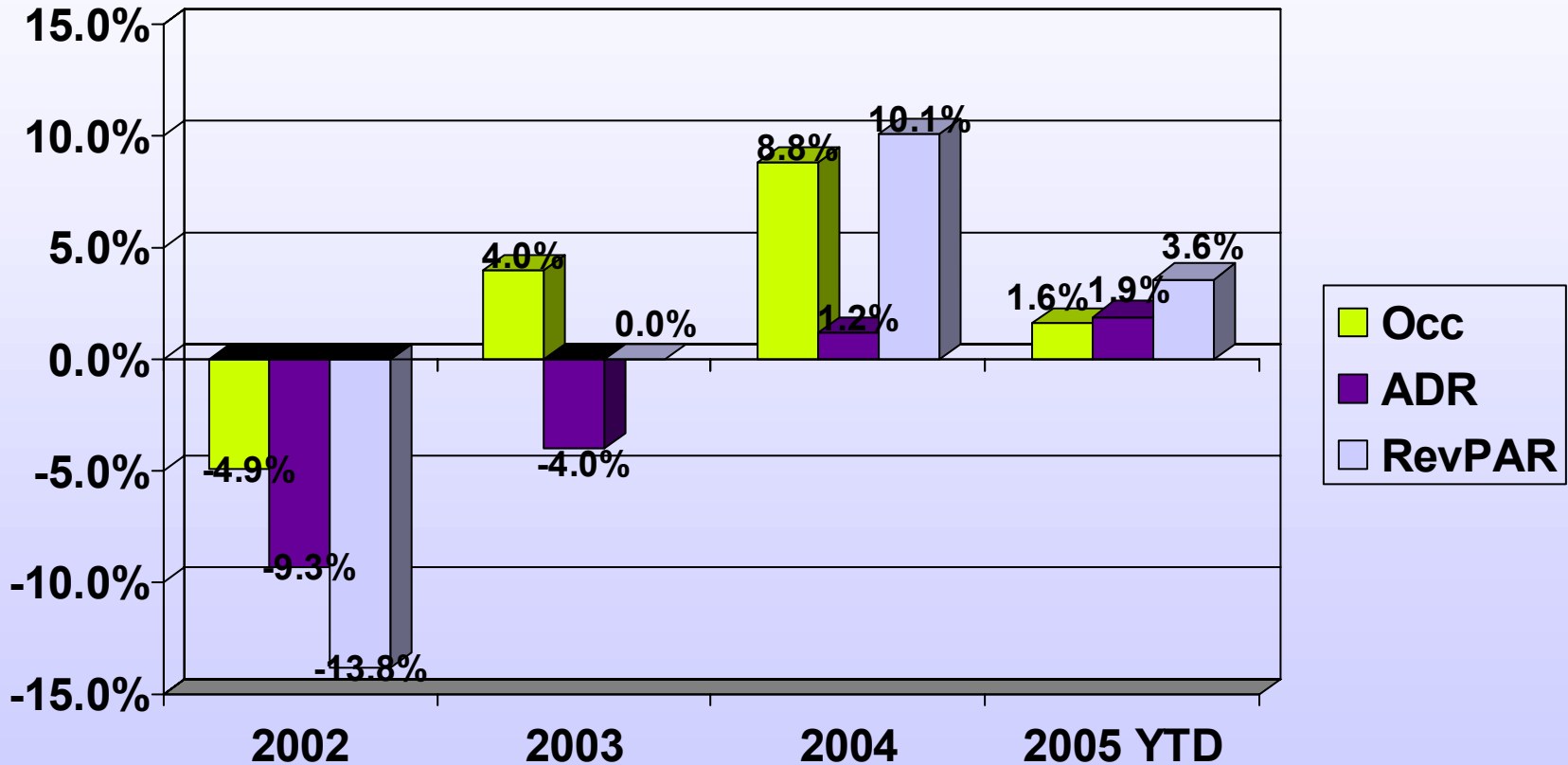


San Francisco vs. US Lodging

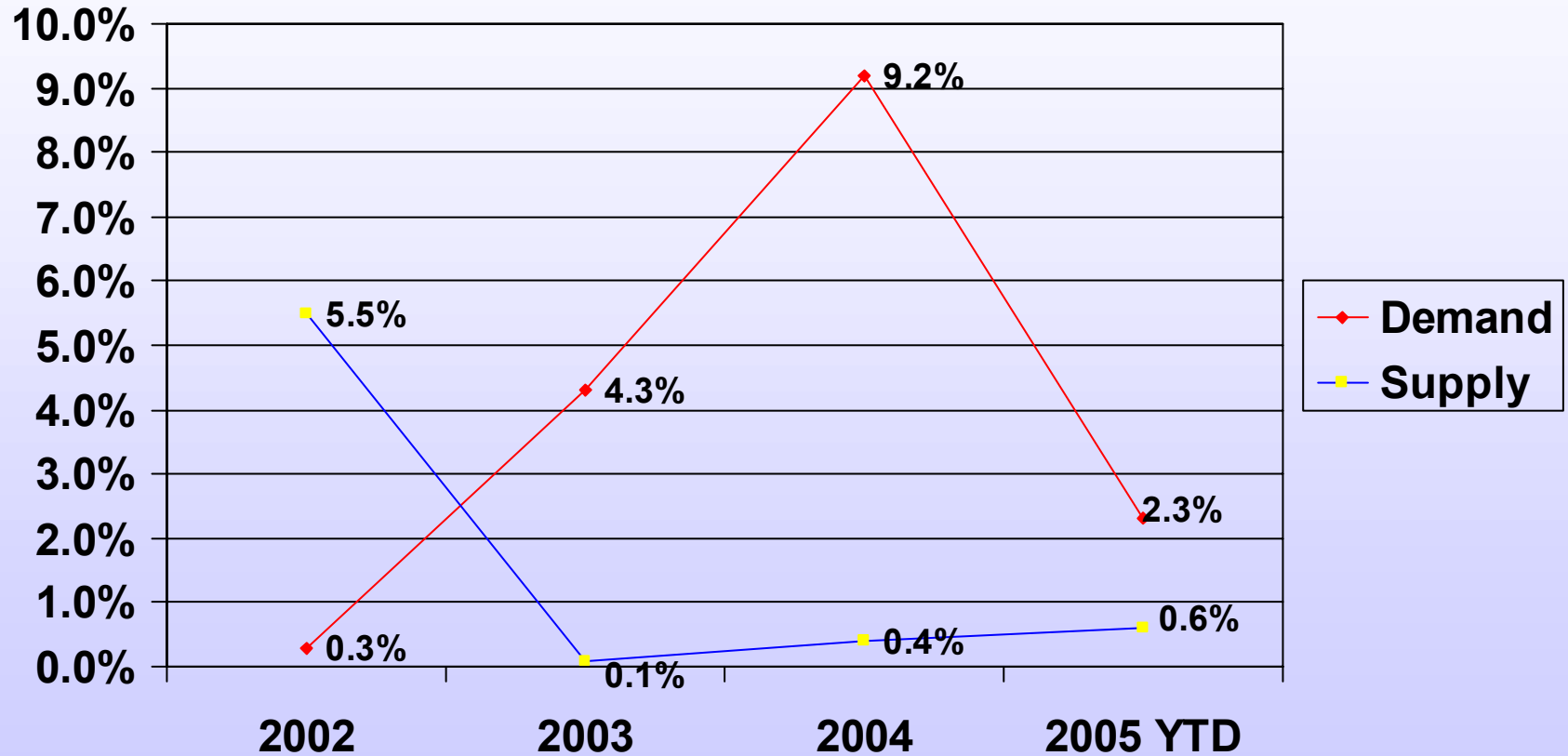
RevPAR



San Francisco Percentage Changes YOY



San Francisco Demand vs. Supply



San Francisco Market Trends

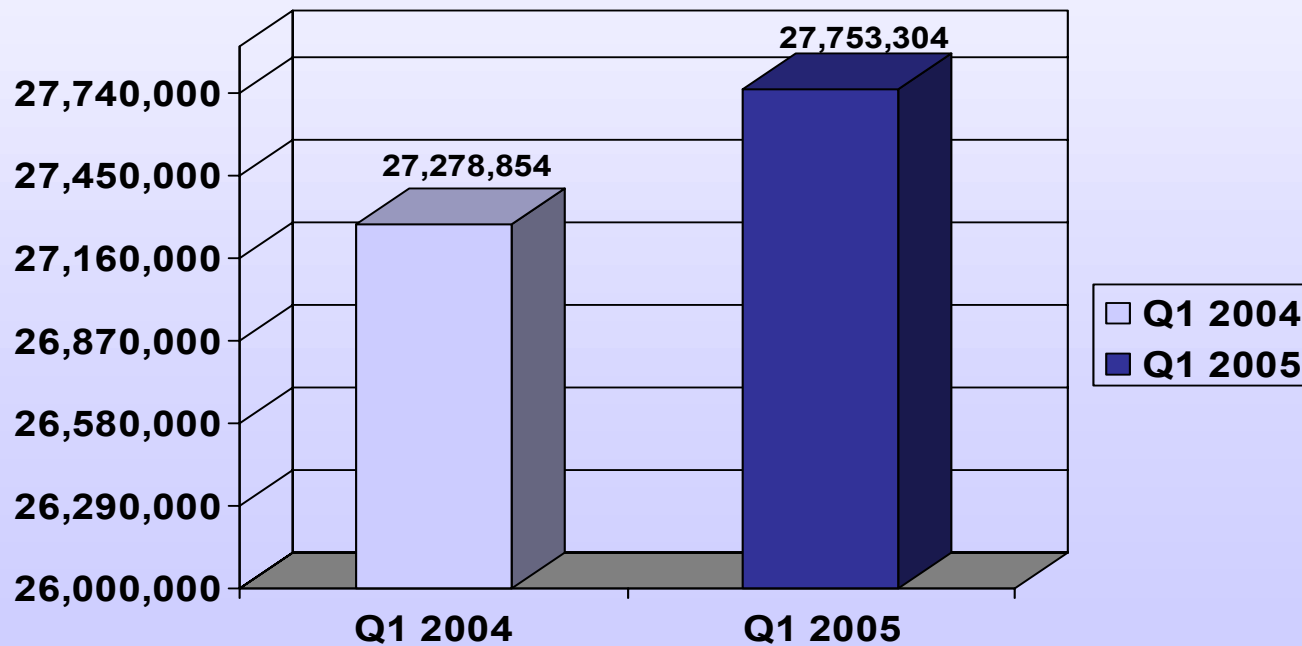
courtesy of



Q1 2005 Total Room Nights – Worldwide

Hotels Worldwide experienced an increase of **1.2%** in room nights over Q1 2004

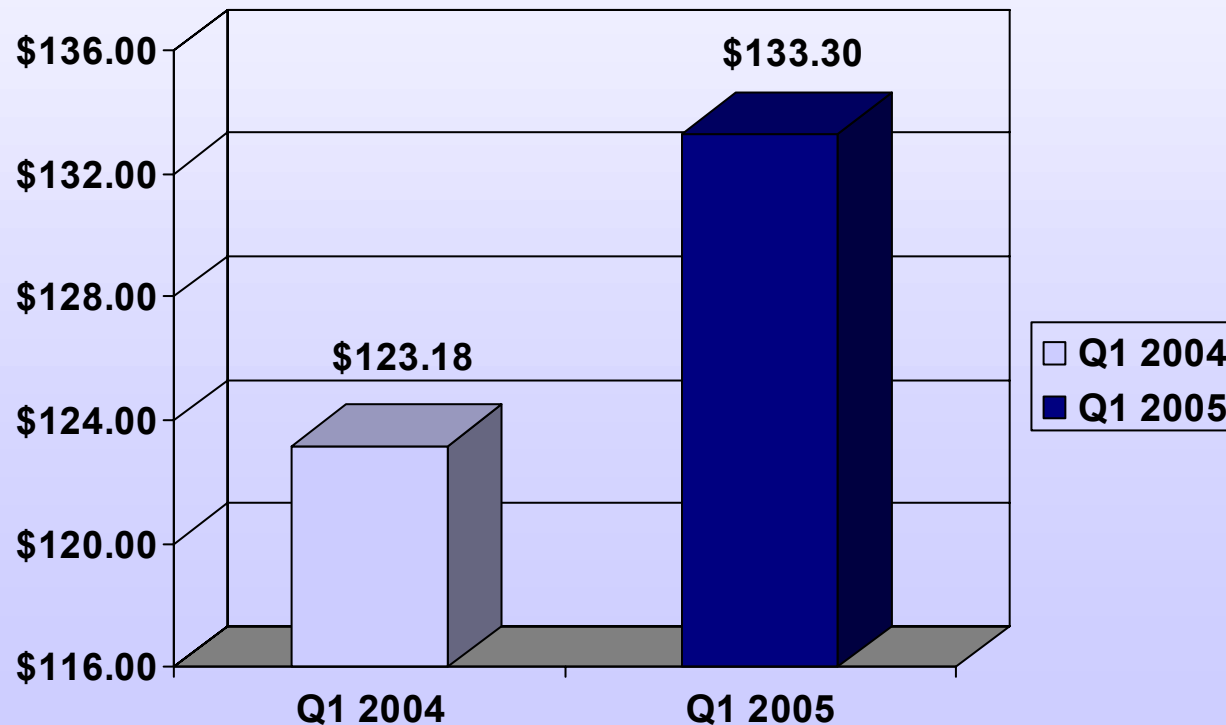
Total Room Nights
Q1 2005 vs. Q1 2004



Q1 2005 Total ADR – Worldwide

ADR for Hotels Worldwide increased 7.5% over Q1 2004

Total ADR
Q1 2005 vs. Q1 2004



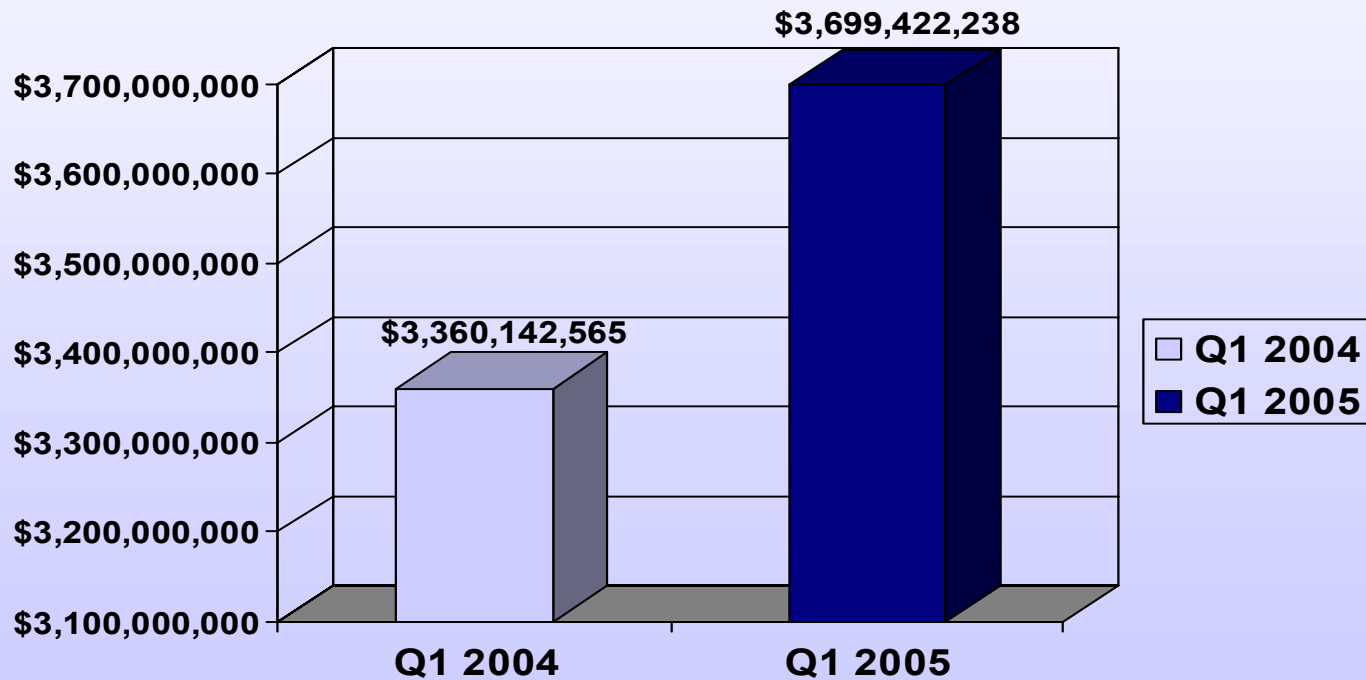
Based on data from TravelCLICK's Proprietary Database



Q1 2005 Total Revenue – Worldwide

Revenue for Hotels Worldwide increased 8.8% over Q1 2004

Total Revenue
Q1 2005 vs. Q1 2004



Based on data from TravelCLICK's Proprietary Database



Q1 2005

Top Worldwide Destination Markets

The top 15 Worldwide Destination Markets in room nights for total GDS and Pegasus third-party powered websites were:

Q1 2005 Top 15 Worldwide Cities	Room Nights	% Change Over Q1 2004	ADR	% Change Over Q1 2004
NEW YORK	1,222,031	1.6%	\$208.77	10.4%
LOS ANGELES	1,029,939	-3.8%	\$135.92	8.2%
SAN FRANCISCO/OAKLAND/SAN JOSE	892,989	0.9%	\$137.52	3.7%
WASHINGTON/BALTIMORE	866,124	0.7%	\$157.88	11.2%
LONDON	737,731	5.0%	\$242.70	8.1%
CHICAGO	648,869	-0.4%	\$122.57	4.5%
DALLAS	554,746	5.3%	\$106.23	3.6%
ATLANTA	509,791	-0.1%	\$111.50	5.8%
ORLANDO	460,098	9.3%	\$115.70	11.5%
LAS VEGAS	425,807	-5.1%	\$168.65	17.8%
HOUSTON	414,524	3.7%	\$110.63	0.6%
BOSTON	394,358	0.8%	\$137.68	4.5%
PHOENIX	372,930	1.4%	\$131.73	7.8%
SEATTLE	337,737	4.9%	\$118.88	3.1%
PARIS	323,272	-0.2%	\$212.08	9.3%

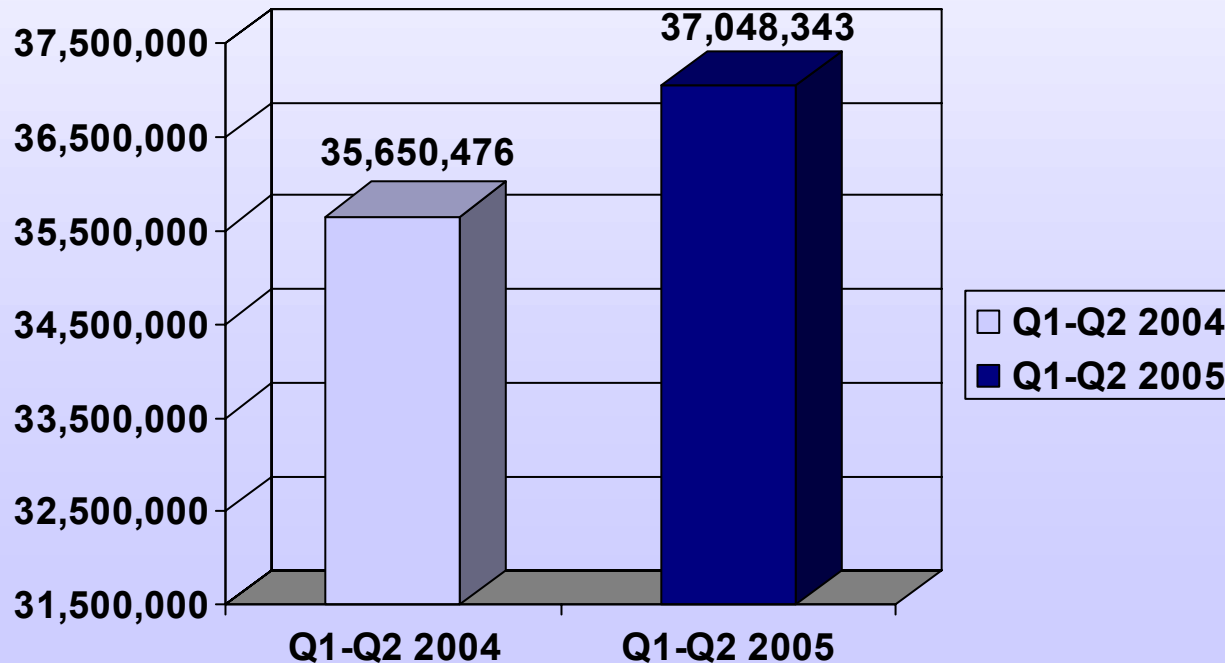
Based on data from TravelCLICK's Proprietary Database



Q1-Q2 2005 Total Room Nights – US

US Hotels experienced an increase of **3.9%** in room nights over the first half of 2004

Total Room Nights
Q1-Q2 2005 vs. Q1-Q2 2004



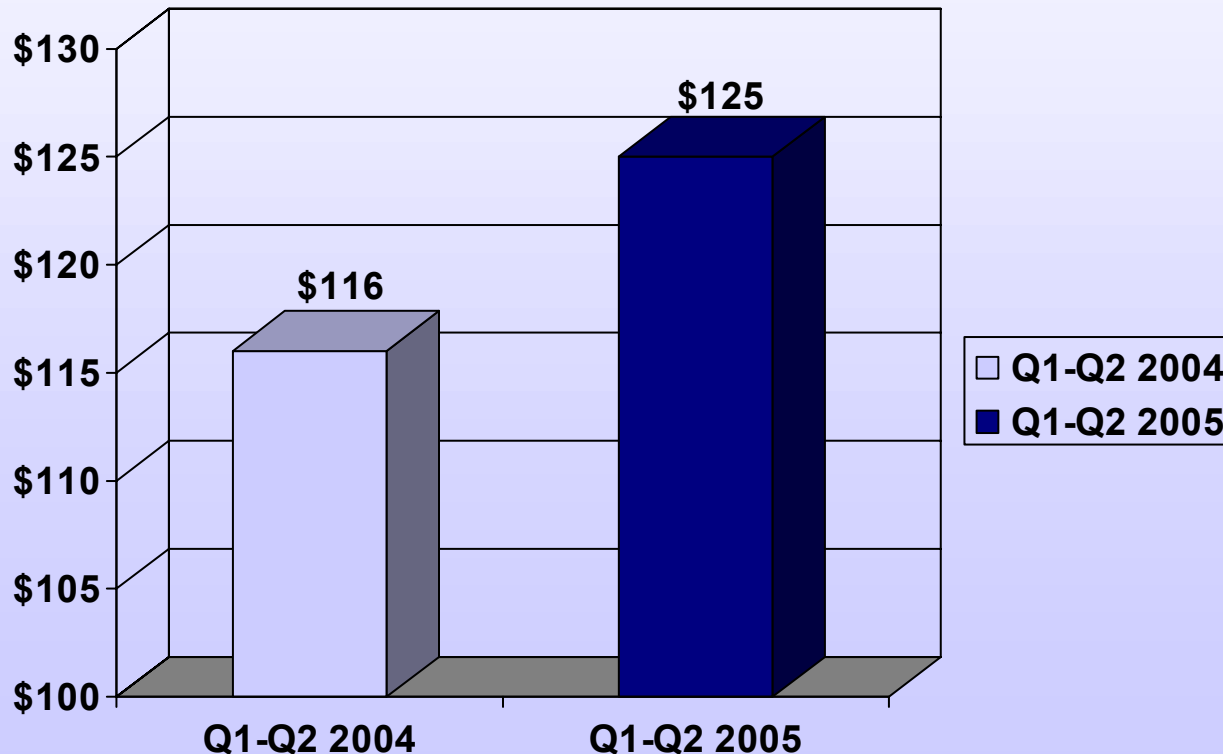
Based on data from TravelCLICK's Proprietary Database



Q1-Q2 2005 Total ADR – US

ADR for US Hotels increased 7.2% over Q1-Q2 2004

Total ADR
Q1-Q2 2005 vs. Q1-Q2 2004

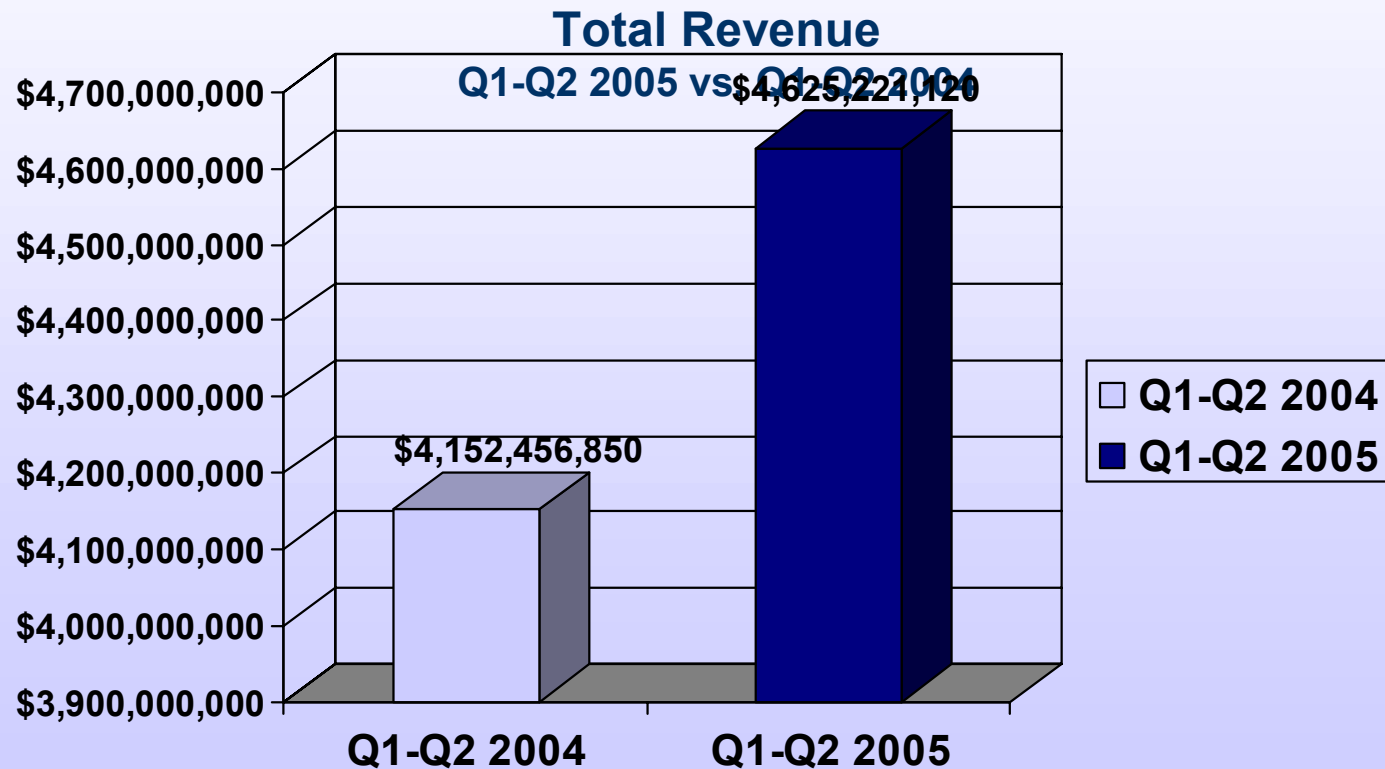


Based on data from TravelCLICK's Proprietary Database



Q1-Q2 2005 Total Revenue – US

Revenue for US Hotels increased 11.4% over Q1-Q2 2004



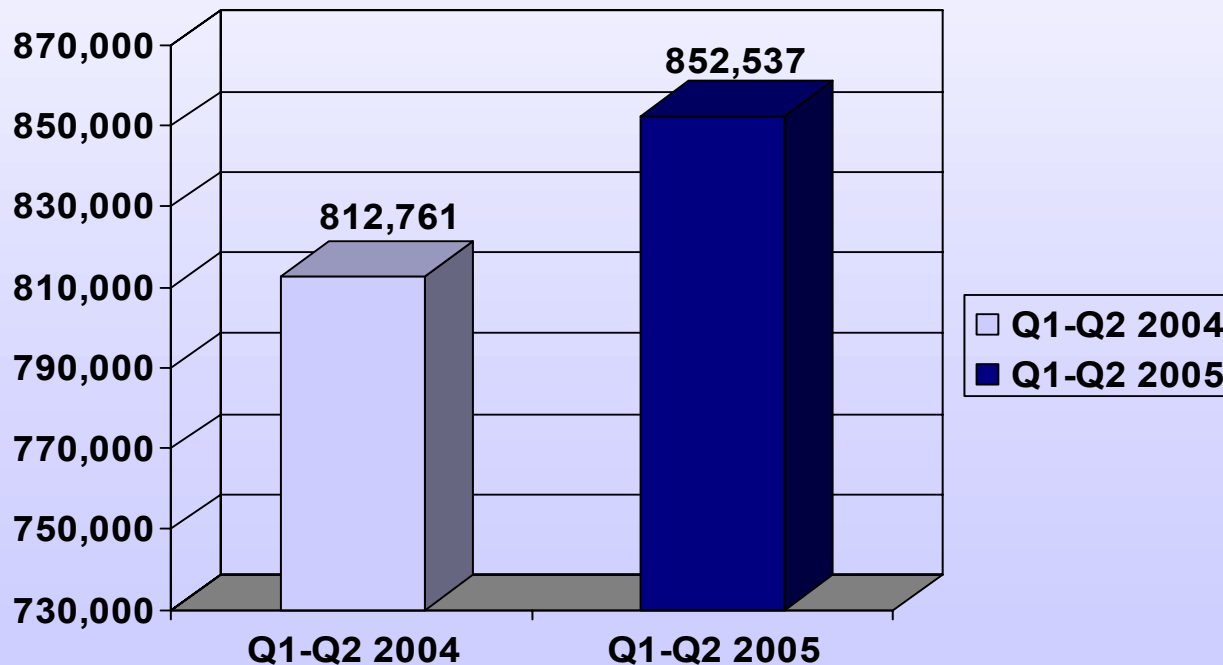
Based on data from TravelCLICK's Proprietary Database



Q1-Q2 2005 Total Room Nights – San Francisco

San Francisco Hotels experienced an increase of **4.9%** in room nights over the first half of 2004

Total Room Nights
Q1-Q2 2005 vs. Q1-Q2 2004



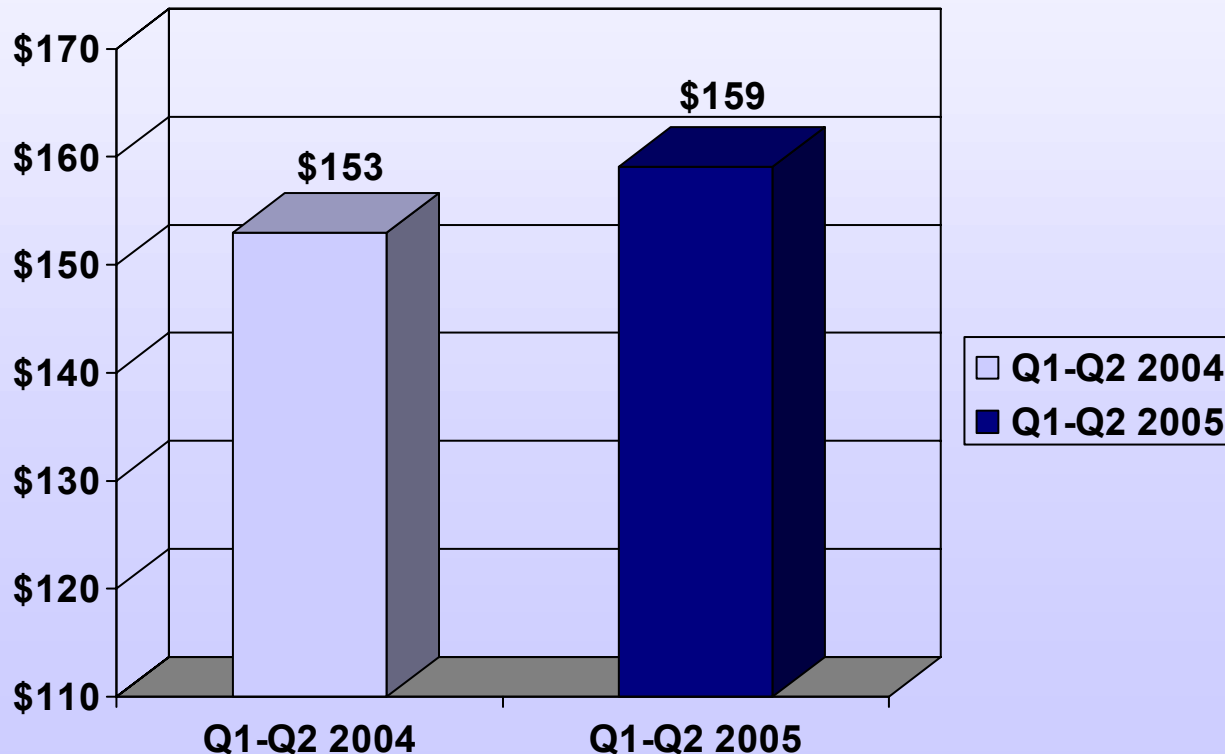
Based on data from TravelCLICK's Proprietary Database



Q1-Q2 2005 Total ADR – San Francisco

ADR for San Francisco Hotels increased 4.0% over Q1-Q2 2004

Total ADR
Q1-Q2 2005 vs. Q1-Q2 2004



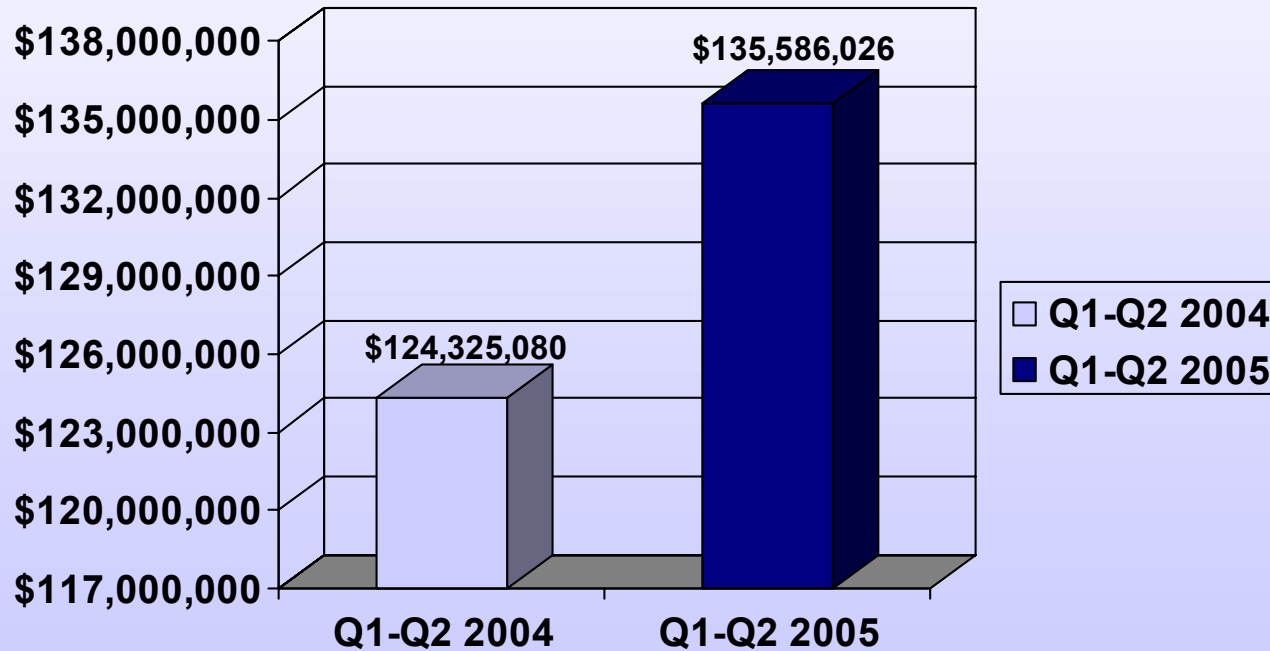
Based on data from TravelCLICK's Proprietary Database



Q1-Q2 2005 Total Revenue – San Francisco

Revenue for San Francisco Hotels increased **9.1%** over Q1-Q2 2004

Total Revenue
Q1-Q2 2005 vs. Q1-Q2 2004

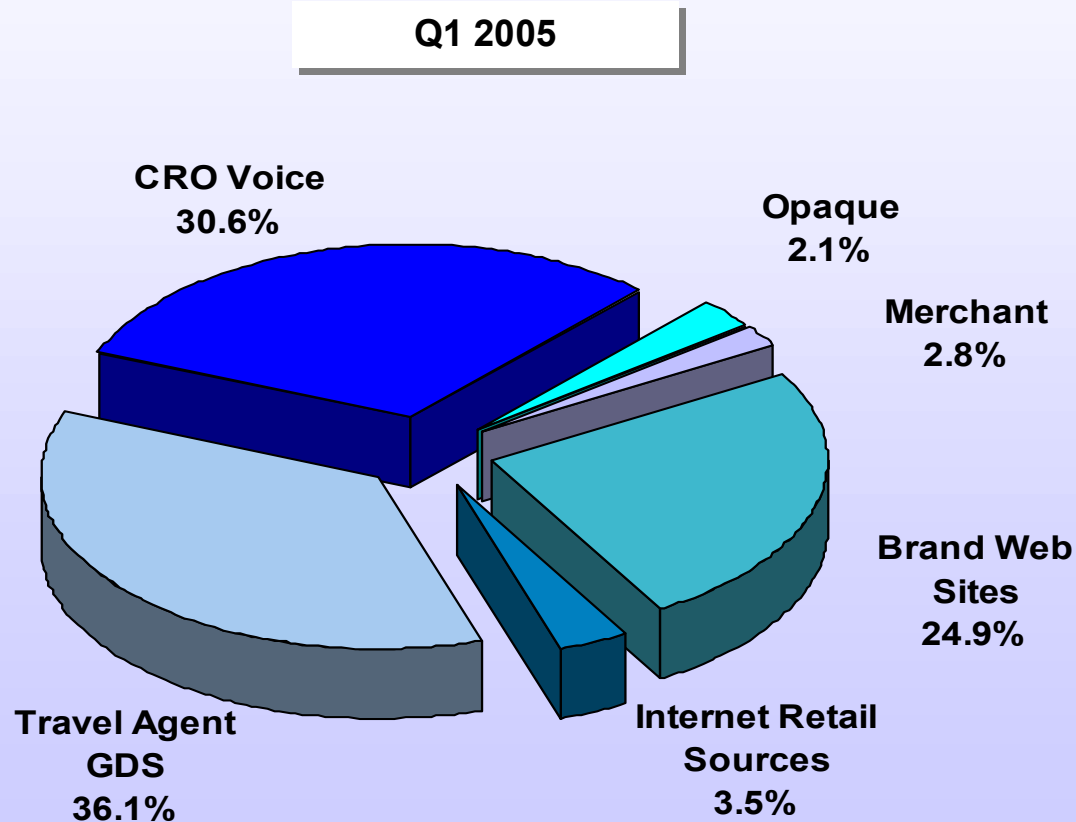


Based on data from TravelCLICK's Proprietary Database



Q1 2005 Share of CRO Reservations

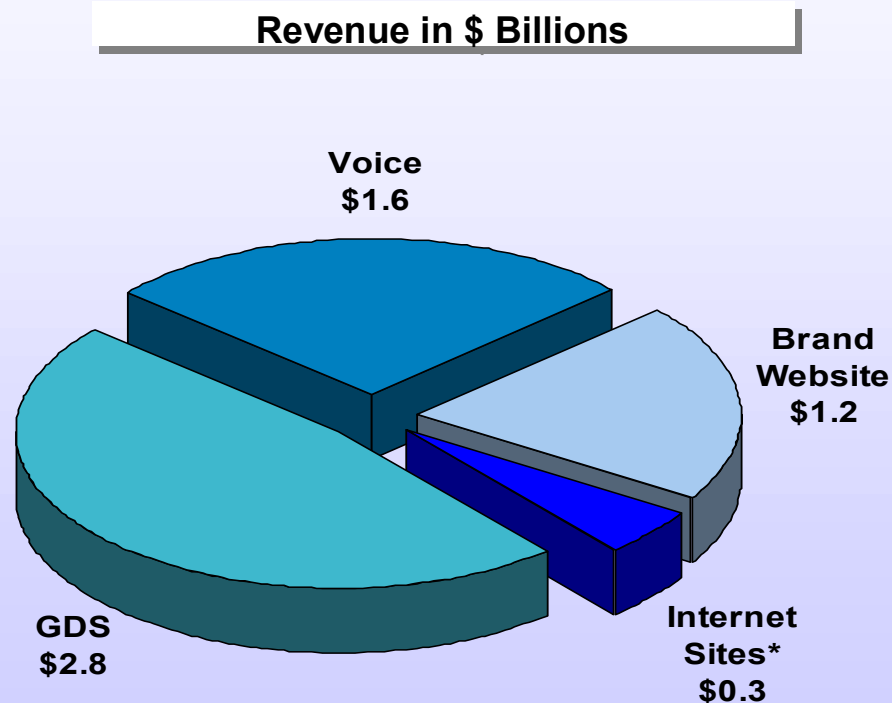
The Brand Website and Internet channels continued to increase their share of CRO reservations vs. 2004



Based on data from TravelCLICK's Proprietary Database

Q1 2005 Revenue from Channels

Brand websites and Internet channels contributed 25% of the total revenue booked by the CRO



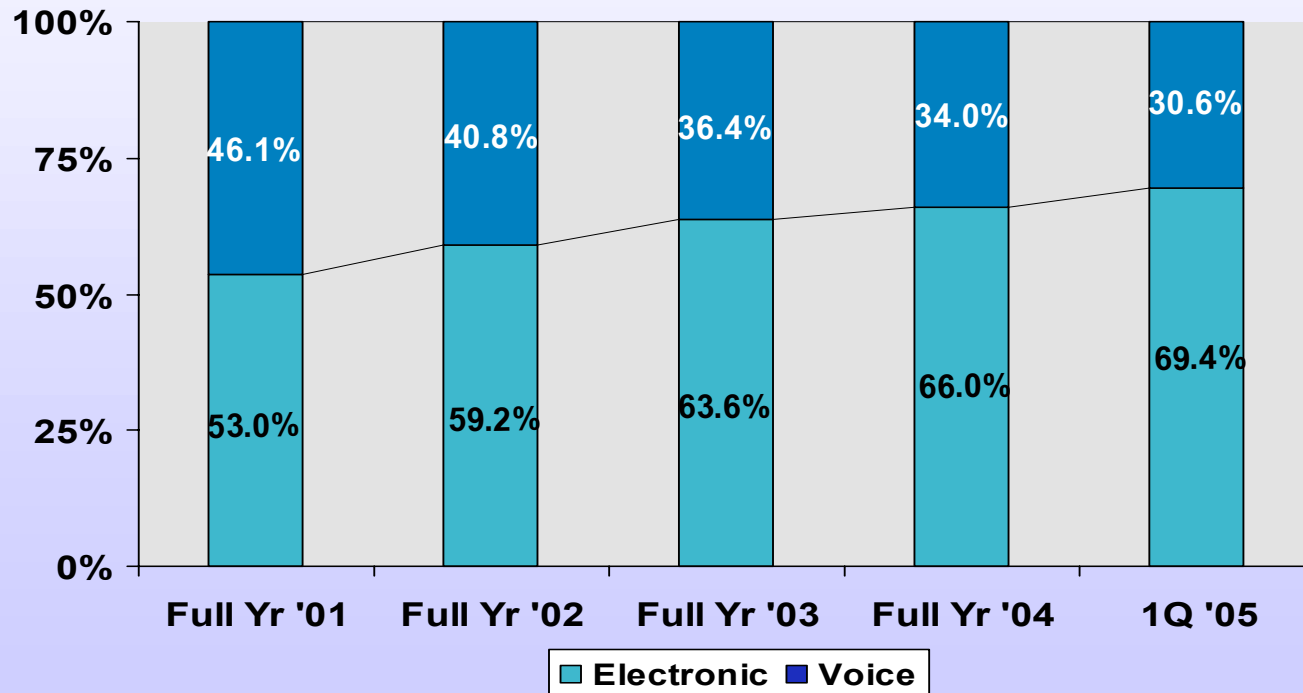
* Internet Sites revenue reflects Opaque and Merchant as Hotel's net rate

Based on data from TravelCLICK's Proprietary Database



Q1 2005 Composition of CRO Distribution

CRO distribution continued to shift to the more cost-efficient electronic channels

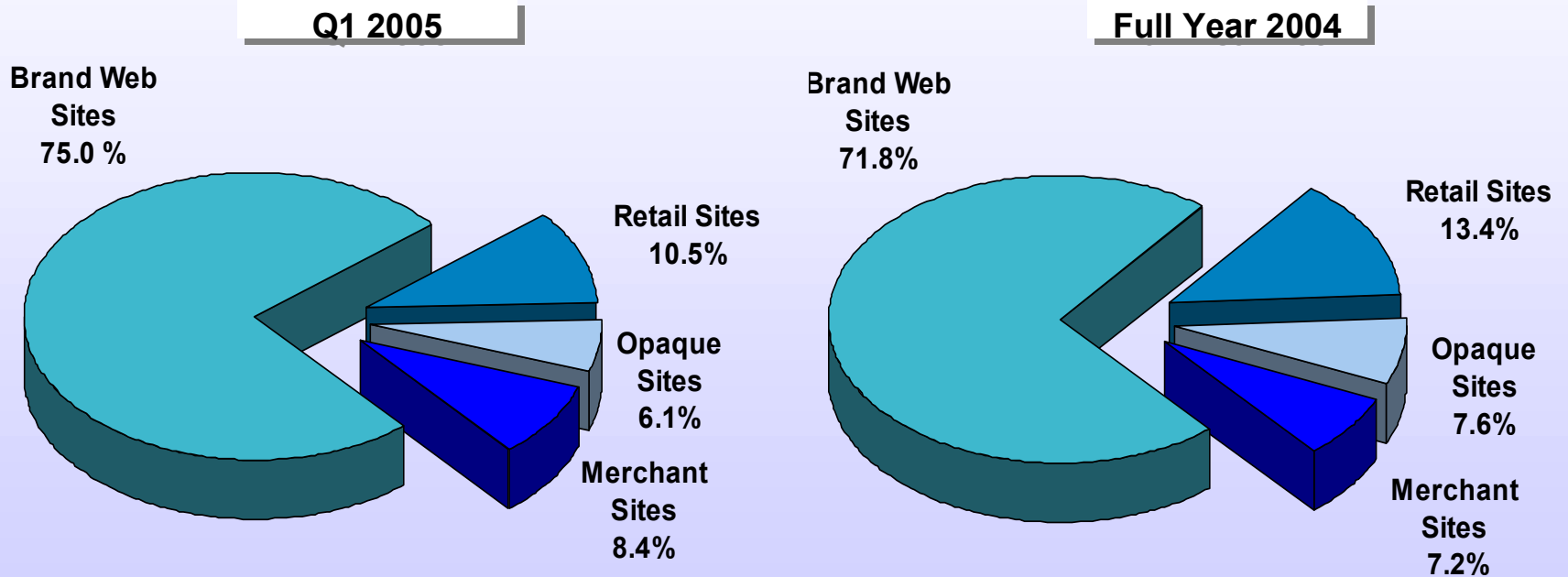


Based on data from TravelCLICK's Proprietary Database



Q1 2005 Sources of Internet Reservations*

The Brands' own websites strengthened their position as the leading source of Internet reservations



* Reflects reservations processed through a CRO. Hotels.com, property websites and other Internet reservations not booked through the CRO are not included

Q1 2005 Electronic Distribution Statistics

	1Q '05 Booking	% Growth over 1Q '04
Internet Total	7,285,739	20.4%
Brand Total	5,460,964	25.7%
Retail Total	775,076	-5.1%
<i>Expedia</i>	187,306	6.1%
<i>Travelocity</i>	112,537	1.2%
<i>Orbitz</i>	81,957	-29.3%
<i>TravelNow</i>	66,339	-15.1%
<i>USA Hotelguide</i>	16,610	-49.3%
<i>Other</i>	310,328	2.8%
Merchant Total	615,649	41.9%
<i>Expedia</i>	227,669	30.5%
<i>Hotels.com</i>	153,271	0.3%
<i>Travelocity</i>	132,568	81.8%
<i>Orbitz</i>	57,525	208.9%
<i>TravelWeb</i>	30,632	105.8%
<i>Lodging</i>	13,984	N/A
Opaque Total	434,051	-5.6%
<i>Priceline</i>	340,965	-3.7%
<i>Hotwire</i>	93,085	-11.9%
GDS Total	29,502,865	5.0%

Based on data from TravelCLICK's Proprietary Database

