

Strategy, Organization and Capital

in the Hospitality Industry

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About Us

WHO WE ARE

Roundhill Hospitality is a professional services firm dedicated to providing advisory and support services in the hospitality and leisure industries. Principals of the firm have extensive industry experience built up over the last thirty years and have established a position of prominence in consulting to a broad array of clients around the world.

Our consulting work involves a number of areas including strategy, market analysis, customer relationship management, distribution, organization, asset management, growth and development, capital and property markets and litigation support.

MISSION STATEMENT

Roundhill Hospitality provides advisory and support services to organizations and individuals with interests in hospitality and leisure. It is dedicated to delivering consistent, timely and outstanding service to great clients around the world.

As an industry-oriented firm, Roundhill Hospitality is dedicated to high-quality, client-focused work. Its leadership is recognized not only by industry associations and academic organizations, but also by its client base, which has included most of the leading organizations in the sector.

Roundhill Hospitality's base is in New York, but its reach is truly global. The firm's relationships extend to numerous countries around the world in a client and alliance network that has been built over many years. These relationships provide the firm with both global support and local knowledge.

Roundhill Hospitality's work is also built on extensive research into the key defining trends and best practices in the industry. This work, recognized as some of the most comprehensive in the sector, provides the firm with a strategic foundation that is unparalleled.

Working with organizations both large and small that operate with a variety of products and services in a range of markets, provides Roundhill Hospitality with invaluable context within which to conduct its work.





About Us

ROGER S. CLINE — SELECTED EXPERIENCE

Roger S. Cline is Chairman and CEO of Roundhill Hospitality, a professional services firm dedicated to providing advisory and support services in the hospitality and leisure industries.

He has extensive experience in the hospitality and leisure sectors in marketing, operations, finance and development. Educated at London's Westminster Hotel School and Columbia University's Graduate Business School in New York, his early training commenced at the Ritz Hotel in Paris and The Waldorf Astoria Hotel in New York.

His consulting career commenced in 1970 at Pannell Kerr Forster where he became a partner in 1979 and the firm's National Director of Management Advisory Services. His experience included market and economic feasibility studies, strategic planning, merger and acquisition consulting and market planning in the international hotel industry.

From 1982 to 1990, Mr. Cline was Senior Vice President, Development at Omni Hotels and led the growth of the company from a small regional group called Dunfey Hotels into a large international hotel chain. During this period, his responsibilities included the financing and development of new hotel development, acquisitions and sales of existing hotels, mergers and acquisitions, management contract

and franchising programs and long range planning. Mr. Cline joined Hospitality Valuation Services in 1990 as its Executive Vice President and founded HVS Financial Services, an investment banking firm specializing in the hospitality sector.



From 1993 to 2002, Mr. Cline was Director of Hospitality Consulting Services at Andersen. He is founder and co-Chair of the New York Hospitality Council, a member of the Executive Committee of the Advisory Board of New York University's Center for Hospitality, Travel and Tourism; a member of the Advisory Board of Cornell University's Center for Hospitality Research; a member of the AH&LA technology standards

oversight committee and its Millennium Committee, Managing Editor of the Hospitality and Leisure Executive Report and a frequent writer and speaker on issues concerning the hospitality and leisure industries.

Mr. Cline founded and managed the global research program "Hospitality 2000" in conjunction with New York University and Hospitality Finance and Technology Professionals (HFTP), entitled "Hospitality 2000" which focused on defining the key issues of significance for the hospitality industry as relates to strategy, people, technology, capital and e-Business. In August 2000, Mr. Cline was recognized in the American Hotel and Motel Association's 75 Profiles in Leadership inaugural list as an industry leader and luminary. As a member of the planning committee for the World Economic Forum's hospitality and tourism program in Davos, Switzerland, Mr. Cline has also helped define the industry's global agenda. Mr. Cline has led numerous major consulting engagements in the hospitality sector for organizations both large and small in the private and public sectors.



About Us Experience

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Strategic Planning and Organizational Integration

- Strategic plans and organizational reviews for a variety of hospitality and leisure companies including:
 - Marriott International
 - Hilton Hotels Corporation
 - Leading Hotels of the World
 - Ian Schrager Hotels
 - Colonial Williamsburg
 - Starwood Hotels & Resorts
- Author of:
 - Strategic Alliance Partnering in Hospitality



- The Hotel Organization of the Future
- Hospitality Adjusts to Globalization
- From Physical Assets to Customer Equity
- Up at Night — Hospitality's Stay Awake Issues
- Hospitality 2000 — A View to the Next Millennium
- Post Merger Integration in the Hospitality Industry
- Coordination of the pre-merger organizational planning for a major international hospitality company.
- Customer relationship management system strategy for major international hotel group.

Market, Economic Analysis and Property Appraisal

- Market and economic feasibility studies for over 1,000 hospitality and leisure projects conducted throughout the Americas, Europe, Africa, Asia-Pacific.
- Market planning — analysis and preparation of corporate marketing plans and market overview studies.
- Market research for civic and convention centers, performing arts and theme park projects.
- Development of tourism master plans for several governments (Haiti, Nicaragua, Ivory Coast) funded by the World Bank and related international financial agencies.
- Hotel property valuations for various property types throughout the United States and large portfolios of hotel and gaming properties in Europe and the U.S.
- Comprehensive due diligence for hospitality property and corporate acquisitions and mergers.

Litigation Support

- Expert witness, arbitration and mediation services for litigation within the hospitality industry.

Growth and Development

- Managed growth and development for a major hotel chain.
- Responsible for management contract negotiations, the launch of a franchise business, the acquisition and disposition of real estate, mergers and acquisitions, joint ventures and strategic alliances.
- Extensive advisory services on hotel management contracts for both owners and operators.
- Author of White Paper on hotel management contracts for the World Tourism Organization.
- Capital markets advisory including the disposition of individual hotel property and portfolios of property as well as capital raising for hospitality companies.

Technology / E-Commerce

- Technology strategy project for major US hospitality company.
- Member of Technology Standards oversight committee of the American Hotel and Motel Association.
- Author of Investing in Technology for Competitive Advantage — The Challenge Facing the Hospitality Industry.
- Project Director, Hospitality eBusiness: The Future — a global survey of eBusiness practices in the hospitality industry.
- Frequent speaker at HITEC — the international hospitality industry's leading technology convention and exposition.



Publications

- Managing Editor, The Host Report
- Managing Editor, The Hospitality Executive Report
- Frequent contributor to national press and hotel trade publications on hotel industry matters
- Author of:
 - The Outlook for Hotel Lending
 - The Hotel Organization of the Future
 - Hospitality Adjusts to Globalization
 - Public Market Financing of the Hospitality Industry
 - Brand Marketing in the Hospitality Industry
 - Hospitality 2000: A View to the Next Millennium
 - Investing in Technology for Competitive Advantage
 - Hospitality Investment: The View from Wall Street
 - Hospitality 2000 — A Business Model
 - Consolidation in the US Hospitality Industry... The Urge to Merge
 - Hospitality 2000: The People
 - Creating Enterprise Value Around the Customer...A Strategy for the Hospitality Industry
 - The Leader's Forum...Senior Management's Perspective on Hospitality Issues
 - Hotel REITs...Promise and Peril
 - US Hotel Capital Markets
 - Hospitality 2000: The Technology

Publications (con't)

- Hospitality 2000: The Capital
- e-Commerce: The Pace Picks Up
- Hospitality eBusiness: The Future
- Strategic Alliance Partnering in Hospitality
- How and When will Recovery Begin — The Outlook for the U.S. Hospitality Sector
- Up at Night — Hospitality's Stay Awake Issues
- Leveraging the Customer Asset in Today's Hospitality Industry
- Brand Marketing in the Hospitality — Art or Science?
- The Opportunities in Customer Relationship Management — Can the Hospitality Industry Respond?
- Hospitality 2000: The Technology — Building Customer Relationships
- Private Capital — Looking for Returns in Hospitality

Memberships

- Executive Committee of the Industry Advisory Board, New York University.
- Advisory Board, Cornell University's Center for Hospitality Research.
- Chairman, The New York Hospitality Council
- Member, American Hotel and Motel Association Millennium and Hospitality Technology Standards Taskforces

Teaching and Lecture Engagements

Asian-American Hotel Owners Association
 American Institute of Real Estate Appraisers
 British Association of Hotel Accountants
 Hospitality Financial and Technology Professionals
 Caribbean Hotel & Tourism Investment Conference
 Caribbean Hotel Association
 Cornell University
 Georgia State University
 HITEC
 International Association of World Trade Centers
 Leading Hotels of the World Annual Meeting
 Marriott International Franchise Technology Conference
 The Monte Carlo Investment Forum
 NACORE
 New School for Social Research
 New York University Center for Hospitality
 New York University Hospitality Investment Conference
 Practicing Law Institute
 Resort Hotel Association
 Swiss Deluxe Hotels Online Marketing Conference
 Travel Outlook Forum
 Turnberry CEO Conference
 University of California (Berkeley)
 Fisher Real Estate Institute
 University of California at Los Angeles
 University of Massachusetts
 Urban Land Institute





Strategy

Market and
Economic
Analysis

Customer
Relationship
Management

Distribution

Organization

Asset
Management

Growth and
Development

Capital and
Property
Markets

Litigation
Support

Our Services

Strategy

Roundhill Hospitality provides a variety of services concerning strategy ranging from the facilitation of a strategic planning session to the development of a comprehensive strategic plan. The firm draws upon its experience in strategy work undertaken for numerous organizations in the sector and builds on a foundation of original market research including the groundbreaking global research study: Hospitality 2000: A View of the New Millennium, data gathering, opinion surveys, analysis, evaluation and consensus building.

In the planning process, Roundhill Hospitality encourages strategic thinking — the combining of hard data with soft information such as personal and collective experience and intuition. The intent is to clarify the mission, vision and values, identify the sources of competitive advantage and articulate the strategic objectives and supporting actions. The strategy then becomes the basis for organizational adjustment as appropriate and an operating plan and capital budget. Our philosophy is to focus the strategic plan on the issues not the numbers.

Market and Economic Analysis

Roundhill Hospitality conducts market and economic analysis within the hospitality and leisure sectors in a variety of contexts. From market studies for new product development or the acquisition of existing property to due diligence work on portfolios of hotel property; from financial modeling and forecasting to valuation of property and purchase price allocations.

Economic models are built using classical approaches to hotel property analysis and valuation and benchmark analysis is used to provide the foundation for much of this work. In addition to maintaining an extensive library of benchmark data, Roundhill Hospitality maintains alliances with most of the relevant sources of industry information. Such information includes market trends data, operating statistics, financial performance, and property transactional data, all of which are integrated into our work.

Market research studies are also conducted for new product and service investigations and for brand positioning evaluations.

Customer Relationship Management

The typical hospitality business has many customer touch-points (the hotel, the central reservation system's call centers, the website, the sales office, global distribution systems), some of which the company doesn't always control or where there is little deployment of technology to capture customer information. These are challenges that must be addressed and factored into the CRM planning process.

Roundhill Hospitality's CRM practice is focused on responding to a variety of issues including: how should CRM fit into overall strategy? what are the key elements of a successful CRM system? what is the business case for CRM? what is the process for design and development of a CRM system? how will CRM improve the productivity of sales and marketing people and marketing expenditures? how should customer loyalty be measured? do loyalty programs improve customer loyalty? what is the ROI on such programs? how can market research be improved and integrated into a CRM system? how can multiple customer touch-points be integrated?



Our Services

continued

Distribution

Roundhill Hospitality's distribution agenda is focused on addressing the following issues for its clients: how are the distribution channels in the travel, tourism and hospitality sectors changing? does the organization have the right distribution relationships in place? where should it be looking for new and more productive ones? what should the role of electronic



distribution be in the overall sales and marketing strategy? how can the cost of distribution be reduced? have the opportunities on the Internet been optimized? does the organization have the right metrics in place to measure results? is there a clear Internet strategy? how should yield management be integrated into the distribution system? how is competitive advantage gained through strategic alliances?

Organization

In syncing up the organization to whatever the strategy is, there are a number of issues related to human capital that frequently require addressing. Roundhill Hospitality's organizational work is oriented to responding to these including: how can human capital be managed more strategically? does the organization's human capital strategy, organization and culture foster the development and retention of the best people? how should executive talent be developed? is the compensation program designed to attract and retain the best and the brightest? how to mitigate the high costs of employee turnover? how to encourage employee loyalty? how to adequately measure employee satisfaction? is the culture supporting or hindering growth? how might the culture be changed, if necessary?

In addition to the above issues relating to human capital, Roundhill Hospitality provides organizational design services and organizational benchmarking against best practices.

Asset Management

In our asset management services, Roundhill Hospitality provides a comprehensive on-going review of property, portfolio and corporate operations.

At the outset of such engagements, the firm develops a thorough understanding of the scope of operations through a review and evaluation of business and marketing plans, organization charts, operating manuals and financial reports. Interviews are conducted with key department heads at both the corporate and property level to gain a thorough understanding of the business model, how it functions and the key issues being faced both from a short and long term perspective.

Each engagement is customized for the particular goals and objectives of the client. For illustrative purposes, the scope of a typical property-level operational review might include: a review and evaluation of business strategy and organization, people, process and technology, financial performance and benchmarking, the marketing plan and operating budget, key performance indicators, staffing guidelines and productivity measures, the use of technology and the capital plan. The review might go on to produce facilities recommendations, a business plan and financial and economic modeling and forecasting. Asset management engagements might range from specific projects to on-going monthly or quarterly reviews.



Growth and Development

Roundhill Hospitality provides a variety of services relative to growth and development. They range from the development of a growth strategy and the design of an organization to support it, to review of development, management contract, joint venture and franchising programs.

Roundhill Hospitality also provides advisory services in the identification of new growth opportunities such as property or corporate acquisitions, the preparation of due diligence materials, the negotiation and structuring of specific transactions to assistance with closings.

Capital and Property Markets

Roundhill Hospitality provides advisory services to hospitality organizations in a variety of capital market contexts drawing upon its experience in numerous hospitality transactions and building upon its deep industry knowledge founded in the ground-breaking research into the sourcing and use of capital in the hospitality sector — Hospitality 2000: The Capital. In accessing the capital markets, we assist clients with the following: identifying and contacting prospective investors and lenders; developing a growth strategy; evaluating alternative capital sources; analyzing pricing, underwriting criteria and structural issues; preparing a confidential information memorandum; supervising due diligence; negotiating and closing a transaction.

Litigation Support

Roundhill Hospitality provides litigation support (both arbitration and expert testimony) on a variety of matters within the context of the hospitality industry including: operational matters, owner / operator relationships, management and franchise agreement issues, franchising, market analysis and valuation.





Thought Leadership

SOLID FOUNDATION FOR CONSULTING

The following publication titles present a profile of thought leadership. These in-depth assessments of issues confronting the hospitality and leisure sectors are derived from research, dialogue and analysis and provide a solid foundation for Roundhill Hospitality's consulting services.

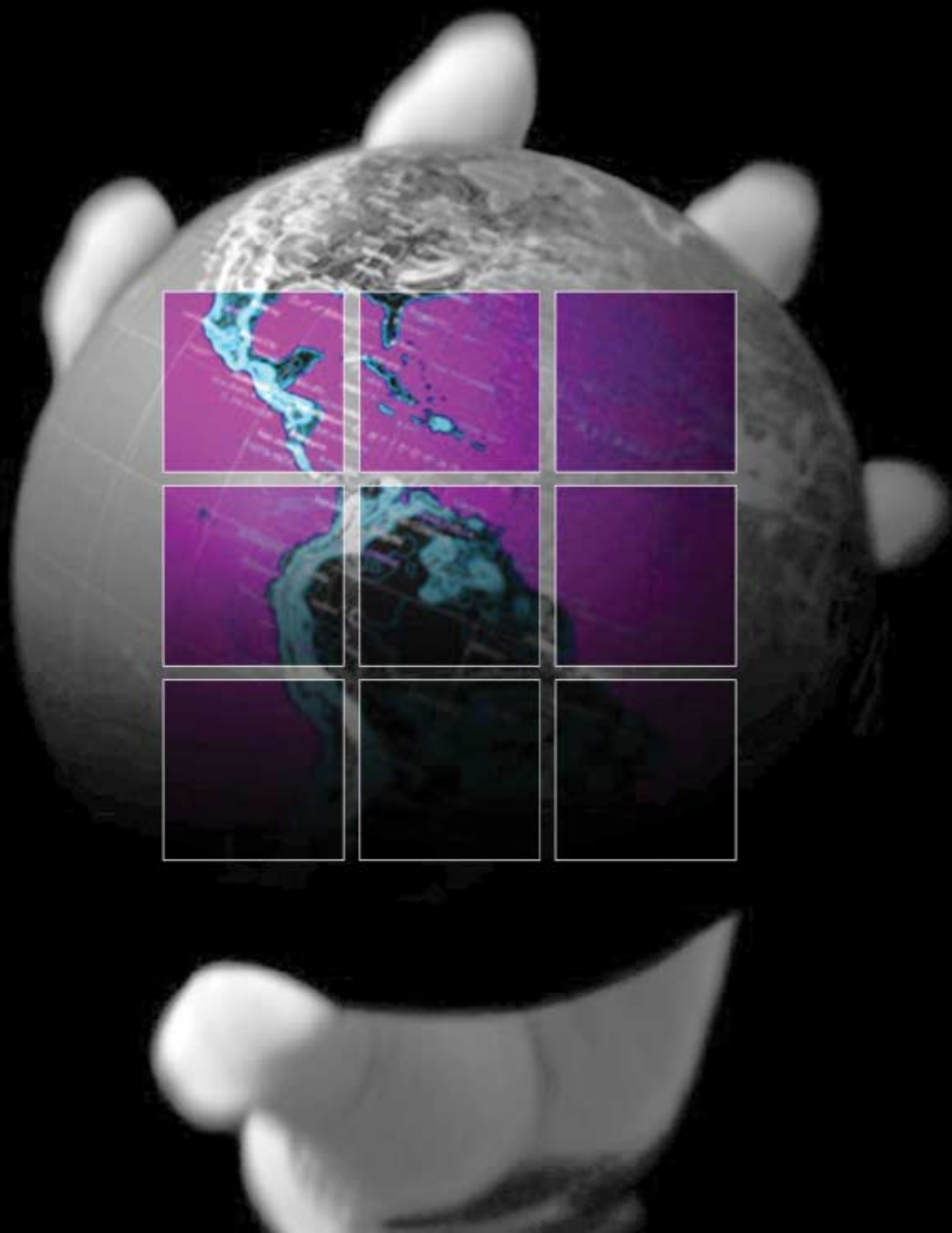


Hospitality 2000: A View to the Next Millennium
Hospitality Traditionalism in the New Economy
Hospitality Adjusts to Globalization
How and When will Recovery Begin
Brand Marketing in the Hospitality Industry
Investing in Technology for Competitive Advantage
Leveraging the Customer Asset in Today's Hospitality Industry
Hospitality 2000: The Technology
Hospitality 2000: The Technology — Building Customer Relationships
The Opportunities in Customer Relationship Management
Hospitality eBusiness in the New Economy
Hospitality e-Commerce
Hospitality eBusiness: The Future
The Hotel Organization of the Future
Post Merger Integration
Strategic Alliance Partnering in Hospitality
Hospitality 2000: A Business Model for the Next Millennium
Up at Night: Hospitality's "Stay Awake" Issues
U.S. Hotel Capital Markets: Will They Recover This Year?
Private Capital: Looking for Returns in Hospitality
Hospitality 2000: The Capital
Consolidation in the U.S. Hospitality Industry

The above articles can be viewed on our website at
www.roundhillhospitality.com/leadership.html.



www.roundhillhospitality.com



Clients

DIVERSE CLIENT EXPERIENCE

Abdul Latif Jameel Company
Accor International
Ampal Corporation
AT&T
Bank of Boston
Bechtel Corporation
Boston Properties
Caesars World Inc.
Canadian Pacific Hotels
Cendant
China Real Estate Development
Company
Choice Hotels International



ITT Sheraton Corporation
Japan Air Lines
KG Land
Kingdom Holdings
Leading Hotels of the World
Mandarin Oriental Hotel Group
Manhattan East Suite Hotels
Marcus Hotels
Marriott International
MGM Grand Hotel
Mitsui Fudosan
Nikko Hotels
Omni Hotels
Orient Express Hotels



Fairmont Hotels and Resorts
Fitzpatrick Hotels
Four Seasons Hotels & Resorts
Galadari Investments
Government of Benin
Government of Haiti
Government of Ivory Coast
Government of Nicaragua
Government of the Dominican
Republic

Outrigger Hotels and Resorts
Promus Hotel Corporation
Resort Quest International
Ripplewood Hotels
Ritz Carlton Hotel Company
Rockresorts
Shamas Group
Shaner Hotel Group
Six Continents
Starwood Capital
State of Pennsylvania
SunAmerica Investments
Swissotels

Ciga Hotels
Citicorp NA
City of Asheville, NC
City of Philadelphia
Colonial Williamsburg
Crown American
Crown Sterling Suites
Dan Hotels
Delta Hotels and Resorts
Doubletree Hotel Corp.

Great Eagle Hotels
Groupe Lucien Barriere
Grovesnor Properties
Hard Rock Hotels
Heritage Hotels
Hilton Hotels Corp.
Hilton International
Hyatt Hotels and Resorts
Ian Schrager Hotels
Inter-Continental Hotels
International Association of
Convention and Visitors Bureaus
Investment Corporation of Pakistan

Taipei Chamber of Commerce
Tokyo General Corporation
Tourism Vancouver
Trans International Airlines
Vollmer Group – Bechtel
World Tourism Organization

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