



Press release  
Paris, November 25<sup>th</sup>, 2010

## **Kyriad celebrates its 10<sup>th</sup> anniversary and the renewed confidence of most of its Franchisees.**

**For its 10<sup>th</sup> anniversary, the Kyriad brand is pleased to announce the renewal of the vast majority of its franchise contracts which expired in 2010. This exceptional vote of confidence reflects Louvre Hotels' success in launching a brand that has hit its mark with clients and Franchisees alike.**

### **Kyriad: a development gamble that paid off for Louvre Hotels**

*"Kyriad is a real success story. We wagered that 90% of a brand could be held by Franchisees. We believed it could work, and ten years later we are proud it has. Thanks to its strong identity and 76% global recognition rate<sup>1</sup>, the brand continues to grow, opening an average of 1200 rooms per year, and spearheading the Group's development in France." claims Joël Guiraud, VP Operations France – Franchise and Managed Hotels.*

The number three network on the 2-star segment behind Ibis and Campanile, Kyriad counts 220 hotels to date. Since the beginning of 2010, 20 new hotels have already integrated the network and negotiations are underway for over 1100 additional rooms. The brand has set an objective of 280 hotels for the year 2012.

### **2010, a pivotal year for the Kyriad brand**

A year when many franchise contracts reached their expiration dates, 2010 stands out by the renewal of 90% of them. This high renewal rate demonstrates the Kyriad Franchisees' brand loyalty, as well as the brand's strength in a highly competitive environment. This percentage refers to the base of hotels that meet the network's quality standards.

*"Louvre Hotels chose not to renew certain contracts that were up for renewal this year due to insufficient quality standards. Studies show that while clients are looking for hotels with their own personality, they also demand a homogenous level of comfort and service throughout a given network. Kyriad is the first budget brand in France to meet their expectations. This explains why 71% of 2-3-star hotel clients<sup>2</sup> applaud the brand's "More comfort, less conformism" positioning."*

(1) Source: IFOP – September 2010 – Hotel customers base

(2) Source: Harris Interactive – October 2010 – 2/3-star hotel customers base



## 2011: the brand takes on a new challenge

Starting January 1<sup>st</sup> 2011, the brand will put into place new norm-related specifications to anticipate market developments and new client expectations. This is an important challenge for network Franchisees who have been involved in this project since it was initiated by Louvre Hotels over 2 years ago.



Enjoying a 51% increase in revenue per room over the past ten years and sales of 260 million euros, Kyriad intends to leverage this new project to pursue its strategy of growth.

### Kyriad and Kyriad Prestige Fast Facts

With 240 hotels, Kyriad and Kyriad Prestige guarantee, since their founding in 2000 and 2003, the quality of a chain hotel combined with the charms of diversity through their franchise system.

Kyriad Prestige counts 14 hotels. These hotels enjoy the notoriety of the Kyriad network while offering additional services and amenities.

Both the Kyriad and Kyriad Prestige brands belong to Louvre Hotels, the 8<sup>th</sup> largest hotel group worldwide with over 1000 hotels in 42 countries. Their hotels range from 1 to 5 stars and include 7 brands: Première Classe, Campanile, Kyriad, Kyriad Prestige, Tulip Inn, Golden Tulip and Royal Tulip.

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