

“2nd South American Hotel & Tourism Investment Conference”

**IN 2010 SOUTH AMERICA WILL ATTRACT THE GREATEST VOLUME OF INVESTMENTS
IN HOTELS AND TOURISM IN THE WORLD**

The 2nd South American Hotel & Tourism Investment Conference, organized by the consulting firm HVS Buenos Aires in Rio de Janeiro, gathered the world key players of the hotel and tourism industry.

Buenos Aires, September 18th, 2009. – The 2nd South American Hotel & Tourism Investment Conference (SAHIC), which took place in **September 14 – 15** at the Hotel Sofitel, Copacabana, Rio de Janeiro – Brazil, gathered 297 participants from different countries such as Argentina, Brazil, Chile, Peru, Colombia, Mexico, Uruguay, Spain, Greece and the USA.

After two days of general and break out sessions, all conclusions headed the same direction: in 2010, South America will attract the greatest volume of investments in hotels and tourism in the world; and Brazil will be the country of the region which will receive the greatest volume of investments mainly from international groups. The main reason is Brazil’s performance in the world financial crisis, considered to be very good by the specialists invited to the event, as well as the performance of economies like the ones in Peru and Colombia, and the well known performance of Chile throughout time.

“One year later, the crisis acquired a huge dimension. In 2008, we didn’t know if the crisis was going to be over, but now we are certain that South America is not at risk compared to Europe and the USA. Brazil, especially, shows clear signs of a very strong economy, with a promising future, which makes it very attractive for investors from all over the world”, stated Arturo García Rosa, President of SAHIC and President of HVS Buenos Aires, the consulting firm that organized the conference for the second consecutive year. Besides, he added that “contrasting with what we see in the big world markets, the region will receive new and important investments”.

During this meeting, important characters from the industry and executives from the most important international groups discussed the course of hospitality and tourism in 14 sessions and exchanged experiences about topics of the current times. At the opening, the President and Founder of HVS Global Hospitality Services, **Steve Rushmore**, stated with optimism “in the 2011, after five years of negative demand, the hotel industry will show a slight improvement. We have to pay attention, since the current business opportunities, which privilege the acquisition of existing properties, which have a revenue from two to five years”.

Important hotel groups, such as Accor, Hilton, Marriot, RCI and Intercontinental confirm the intentions. The flag of Ibis, from Accor, pretends to invest mainly in new businesses in Brazil; and also in Argentina, Chile, Peru and Colombia, according to Roland de Bonadona, CEO of the brand for South America and Central America. “I can see that there’s still more to explore in Brazil. It shows a potential in the segments in which we are working, but the burden of taxation is not very convenient. However, there are good financing conditions”. At the same time, the President for Latin America of RCI, firm specialized in timeshares, Ricardo Montaudón, stated, “the country is the main character”.

The CEO of Meridia Capital, an investment fund of € 150 million destined to hotels, **Javier Faus**, announced more plans for the region. In six months they will buy a hotel in Rio de Janeiro, which would be the second one in Brazil, since the first acquisition was the Intercontinental São Paulo, in August this year. And in October they will buy a new place in Mexico.

The future of the luxury market was also discussed in one of the sessions of the first day by representatives from The Leading Hoteles of the World, Fasano and Marriott. They all agreed on the concern of not making concessions and lowering prices, and reinforce the idea of the unique and exclusive experience of the guest.

This year the event launched the SAHIC Awards in order to distinguish those who contributed to the development of tourism in the continent. The CEO of Territoria Chile, **Francisco Rencoret**, won the award for Best New Hotel or Mixed Use Development; **Roland de Bonadona**, the one for Personality; and the award for Best Developer was for the owner of the Alvear Palace Hotel in Buenos Aires, Liao Liao Hotel & Resort in Bariloche and Galerías Pacífico in Buenos Aires, **David Sutton**. The Argentinean businessman announced he is investing US\$ 90 million in two hotels in the city of Buenos Aires, the Alvear Puerto Mader and the Alvear Plaza San Martín, both of them five-star-hotels. The former will have, apart from 150 rooms, 40 residences; the latter will be focused on corporate tourism. In addition to these initiatives, he is negotiating with a local group for investing in a new hotel in Bariloche.

To conclude, Arturo García Rosa highlighted that “it was exciting to see the participation of the greatest players of the industry. Our expectations have been exceeded in this second edition of the conference. Without doubt, the quality of the presentations has been another key point”. He also remarked the interest of the attendees in new investment opportunities in South America.

In 2010, the third edition of SAHIC is going to be in September 27 – 28.

More information: www.sahic.com

About HVS:

HVS Global Hospitality Services is the leading global consulting firm dedicated to the hospitality, tourism and leisure industries. Founded in 1980 by Steve Rushmore, HVS currently has 30 offices strategically located across the globe.

HVS Argentina was formerly RHC - Hospitality Consulting, founded in 1995 by Arturo García Rosa. Ever since, HVS has been actively operating in the regional markets – mainly in Colombia, Peru, Chile, Argentina, Uruguay, Panama, Costa Rica and Ecuador- offering a wide range of services both to the hotel and real estate industry and tourist destinations.

The Argentine team at HVS Buenos Aires, led by Graciana García Iribarne, is formed by highly experienced professionals whose track records are known to the industry. A qualified team of Economists, Experts in Hotel Management, Marketing, Human Resources, Tourism and Demographics, just to name a few, have had a chance to participate in the successful development of numerous projects in Latin America.

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