



BACKGROUND INFORMATION

Hotelships – Facts and Figures

The Beginning

More than 30 years ago, Max Bolton, Managing Director of Crossgates, stood in Frankfurt by the banks of the River Main, watching the ships cruise pass. A brief moment of respite as he was desperate to find rooms for a major UK Trade Fair client in an already over-crowded city. He had what turned out to be a brainwave. He chartered a river cruise ship, moored it in the heart of the city, sold it as a hotel and without knowing it at the time, created a new market. From small beginnings, the hotelship industry now brings cruise ships, working as hotels, to the Trade Fair Cities of Cologne, Düsseldorf and Frankfurt am Main. Indeed, for a major Fair up to 40 ships will sail in, moor up and accommodate the cities' guests.

The Growth

In the early days, a hotelship was not the first choice for Trade Fair exhibitors and visitors. As our industry developed, so did the quality and so did the recognition that hotelships offered high standards, convenient locations and good value for money. As one of the market leaders, Crossgates has repeat business levels in excess of 80%, an indication of how the ships have now become the first choice of guests. This would not have been achieved, however, without constant attention to quality. As the river cruise industry expanded, particularly on the US market, the demand for high quality ships increased. Ship builders and interior designers began to recognise the importance not only of technical improvements but of the comfort levels demanded by business. Allied to this, great attention has been devoted to service standards throughout - restaurant, bar and reception - in order to match the technical quality of the ships.

The Buyers

Guests on board range across the business spectrum – from the individual visitor with a small business to blue chip corporate exhibitors. Indeed, corporate industry was quick to recognise the advantages of being able to accommodate not only their own personnel but even their customers all together in a unique convenient location, exclusive to them, with easy in-house communication and budget control.

The Sellers

The two market leaders operating within the hotelship industry – Crossgates and Regis Hotelschiff GmbH – have the responsibility of chartering and delivering the ships to the customer in their city of choice and to ensure that standards remain consistently high. These companies have their own client list, both individual and corporate. Allied to this is a worldwide network of specialist business agents whose individual and corporate clients have access to the hotelships. Prominent in this area, for example, are companies such as Fairtours Business Express of Cologne and Pressplan Travel from the UK. Further, links have been established with the city Messe authorities



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and Tourist Offices to make the hotelships available to those who enquire. Generally the city authorities view the hotelships as responsible partners who help to keep Trade Fair guests within the city, rather than staying out of town. In excess of 85% of on-board guests are from outside Germany.

The Figures

Throughout the whole of the six month Trade Fair season hotelships provide in excess of 100,000 bed nights – a small but significant share of the overall accommodation mix (For example, the city of Berlin has a daily bed capacity in excess of 80,000). Turnover in this sector for 2007 was something over Euro 10,000,000 which will remain steady for 2008.

Further information:

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