

# NEWS RELEASE

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## Scandic opens its first Swedish franchise hotel

*On 1 April 2008, the Quality Hotel in central Östersund will become Scandic Östersund City. This will be Scandic's first Swedish franchise hotel. The new Nordic focus on franchising is an expanded element of the strong growth strategy adopted by Scandic in 2007.*

Last year, Scandic set a new and very high target for its future growth in the Swedish and international markets. The aim is to go from the current 140 hotels to 200 in just a few years. Since October last year alone, nine new hotels have been announced, along with a new territory, Russia. A focus on franchising in the Nordic countries is seen as a quick and cost-effective part of the new growth strategy.

"Although we are already the leading hotel chain in the Nordic region, there are still a few blank spots on the Nordic map, and franchising can enable us to move into these areas more quickly," explains Frank Fiskers, Scandic's President & CEO. "We are expanding strongly ourselves, but we see franchising as a good addition to the mix. Östersund is the first franchisee in Sweden, and we are proud that the hotel wants to bear our name," he continues.

Scandic's new hotel in Östersund will be the fifth franchise hotel in the Nordic region. All the chain's franchise hotels follow the same, centrally-controlled, system, which guarantees that they all maintain the same high standard as the hotels within Scandic's own organisation.

"Central decision-making is beneficial not least to the franchisee, as everyone has the foundation on which to build within our strong organisation and the same successful brand behind them," concludes Frank Fiskers.

Scandic Östersund City is situated in central Östersund and has 126 hotel rooms, meeting rooms and restaurants. The hotel has just had a major refit, with every room gaining new textiles in earthy shades of brown, walnut and white. All the rooms now have a 32" LCD TV.

"I see Scandic's decision to focus on its Nordic franchise operations as an incredible opportunity for our hotel, as no other hotel chain has such a strong brand and well-established concept. I also have great faith in the new executive team. This move will be an automatic upgrade for our existing regulars," comments Joakim Wiklund, owner and general manager of the new Scandic Östersund City.

### **For more information, please contact:**

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Scandic is the leading hotel chain in the Nordics and with more than 140 hotels in operation and under development, consequently one of the largest hotel operators in Europe. With a keen focus on growth, we are actively pursuing opportunities to expand our network. A stay at Scandic is a step towards a more sustainable future – for our society and our environment. Nordic common sense. [www.scandichotels.com](http://www.scandichotels.com)

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