

Travelodge in National Park drive

By Roland Gribben

BUDGET hotel group Travelodge is breaking new ground by targeting National Parks with plans to spend £135m developing 37 new hotels and creating 500 jobs.

The company's property team has been told to give priority to the search, with Aviemore in the Cairngorms, Betws-y-Coed in Snowdonia, Grasmere in the Lake District and Minehead in Exmoor being the favoured areas.

As more Britons choose to holiday at home and the number of visitors to Britain's 15 National Parks grows to 60m a year, Travelodge – which is owned by private-equity business Dubai International Capital – has been encouraged to focus on this market.

The new hotels will range from 30 rooms to over 100 rooms.

Travelodge, which claims to be the country's fastest-grow-



The Travelodge property team has been told to scout out potential sites in Betws-y-Coed in Snowdonia (left) and Grasmere in the Lake District

ing hotel chain, has made rapid inroads into the budget end of the market and the rate of expansion has raised concerns in some quarters that it is close to monopolising the sector.

It has shifted its expansion priorities from roadside locations to city centres after setting its sights on operating 1,100 hotels with 100,000 rooms by 2025. Currently, Travelodge has 475 hotels,

many of them leased, with 33,502 rooms and more than 6,000 staff.

Just under 20pc of the rooms in Travelodge's portfolio are in London, with 62pc in major cities and 20pc at either motorway or roadside locations. Last year, 13m people stayed at Travelodge hotels, an increase of 12pc on the 2009 level, the company said.

The search for sites has seen the company offer a £50,000

'bounty' to members of the public identifying locations suitable for hotels but so far no-one has met the terms and conditions tied to the offer. However, Travelodge said it had made some token payments.

Travelodge, formed by Trust House Forte in 1985, was sold to private equity group Permira in 2003 with 200 hotels. Three years later Dubai International, part of the massive Dubai Holding healthcare-to-finance group, bought the business.

It has been mopping up hotels from rivals to accelerate development. Last year it took over 52 hotels from Mitchell & Butlers, the pub chain.

The Travelodge parent is taking a cautious view about exporting the 'budget model' to other parts of Europe.

So far it has only made modest inroads in Ireland and Spain.

