



# HOSPITALITY INDUSTRY

## MINIMIZING THE RISK FACED BY THE HOSPITALITY INDUSTRY

The hospitality business is a massive industry which is experiencing rapid growth. Franchising of hotels and motels are appealing because branding is essential to success, particularly in a day and age when the internet has become crucial for travelers seeking lodging. In the absence of sight or guidance from a professional advisor, it is the brand name travelers look for, trusting that it represents reputation, class, quality, and standards. Franchisors are at greater risk, as they must trust their reputation to someone else.

It is not surprising that more than half of the top ten risks associated with this industry are related to concerns regarding reputational damage, whether it is through franchisee misrepresentation, embezzlement, or fraud. The hospitality business also faces challenges from today's interconnected corporate environment as non-property damage risks - including cyber and geo-political disruption - can impact a company's balance sheet and reputation. Conducting proper pre-acquisition due diligence prior to acquiring or investing in a property or entering into a partnership is critical in order to protect market share and brand reputation.

Industry studies prove that loss of reputation results in business interruption and loss of revenue. In fact, over 60% of economic loss can be traced to loss of reputation followed by business interruption. A company's risk management plan must reflect this reality as the root cause of many losses can often be traced back to the planning phase. Initiating a solid due diligence and risk management plan early on can help manage these risks. Implementing a proper framework that will provide transparency can help avoid costly endeavors that may tarnish a brand and disrupt business continuity.

## ODIN ENTERPRISES' VALUE BASED SOLUTIONS FOR THE HOSPITALITY INDUSTRY:

- Management of the due diligence process
- Select and pre-screen franchise candidates and determine their interest, restrictions, reputation, business history, financial capability, and/or network
- Transaction and partnership structuring and execution
- Coordinate information dissemination, site visits and management presentations
- Global reach and local insight in hard-to-penetrate markets
- Timely, relevant, and actionable solutions
- Cost effective, customized, and scalable solutions

## ODIN ENTERPRISES : UNLOCKING THE POWER OF INFORMATION

Odin Enterprises is committed to being your partner to protect your reputation. We have the resources to provide sustainable, reliable, timely and most importantly, actionable solutions at a fraction of the cost of expanding your internal team. We leverage internal industry, sector, and regional expertise, in order to understand your franchising concerns and to help avoid pitfalls. We have personnel who can integrate and penetrate into hard to reach markets by leveraging Human Intelligence and an extensive and fully vetted proprietary network of global sources so you can be confident in site choice or new partnerships prior to acquisitions or new investments.

## SERVICES

The broad categories of services provided to minimize client risks and maximize awareness for the hospitality industry include:

### DUE DILIGENCE

- Partner/Franchisee Vetting
- Bribery and Corruption
- Forensics Accounting
- Investigative Due Diligence
- Reputational Assessments
- Compliance Investigations
- Divisional Audits

### RISK ADVISORY

- Market Landscaping, Entry & Exit Strategies
- Competitive Intelligence
- Industry Risk Assessments
- Crisis/Terrorist/Political Risk Assessments and Tracking
- Employee, Vendor, and Partner Vetting
- Proprietary Hedge Fund Research
- M&A Due Diligence
- Brand Name Monitoring and Sentiment Analysis

### FRAUD INVESTIGATIONS

- Insider Trading
- Fraud
- Embezzlement and Extortion
- Asset Tracing
- Funds Disbursement Monitoring

[www.odinenterprises.net](http://www.odinenterprises.net)

For further information, please contact us at 678-906-4100 or email at [info@odinenterprises.net](mailto:info@odinenterprises.net)

**MAXIMIZE AWARENESS & MINIMIZE RISK**