

Bouncing back

Hotels & Leisure



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The hotels & leisure sector has been hard hit by the global pandemic. The restrictions and lockdowns have caused dramatic transformation of demand for hotels, restaurants, leisure and tourism and many businesses in the sector to shut their doors, with their future anything from certain. However, as some businesses faltered, others managed to restructure or diversify to generate enough revenue to continue operating.

Even before the pandemic, the hotels and leisure sector was undergoing a major transformation by implementing innovative technology, improving reputation management and personalising client experience. Businesses are embracing technology to increase efficiency, reducing processes, managing data and enhancing the customer journey.

There is an opportunity, while recovering from the pandemic, for the sector to make some positive changes that will benefit not only its employees and customers but communities and the environment. At CMS, we want to be part of that change.

At CMS, we will be part of the recovery, and part of the change. Whether you are an owner, investor, lender or operator, CMS has the proven track record to help you; whether you are consolidating or expanding, acquiring or restructuring, reinforcing your defences or seeking new opportunities. We can also help you negotiate – or renegotiate – financing or raise new equity capital. However unprecedented the times may be, we are still here as legal advisers and business partners, helping you mitigate risk, benefit from innovation and find new ways to succeed.



The full menu

CMS has hotels & leisure specialists in every field of law. We understand how the sector is operated, owned, branded, financed and developed, giving you real opinions and pragmatic solutions.

We can help you with employment issues and protect your brand and reputation just as much as we can advise on your environmental impact or restructuring to make your business fit for the future.



First class expertise

As Europe's leading law firm for the hotel industry, we have been ranked 'top tier' by Legal 500 since 2004. We advise on more hotel transactions than any other law firm.

component parts of the sector to help our clients recognise, protect and optimise their opportunities in a particularly challenging market.

We also have a proven track record across esports & games, gambling, gyms, leisure, restaurants, sport, bars and travel. This means we understand the intricacies of all the

Because we advise every type of participant in the sector, we take a holistic view to anticipate challenges and mitigate risks.



Five-star footprint

From Dubai to Amsterdam, Vienna to Rio, Lima to Singapore, our lawyers are where you need them. We can mobilise our sector

experts across CMS's 70+ offices globally to solve local issues or co-ordinate multi-jurisdictional transactions.

Case studies

A European first for DTGO

DTGO's first European transaction involved the acquisition of 17 hotels in the UK, which operate under the IHG, Hilton and Marriott brands.

CMS advised DTGO on all aspects of the heavily negotiated auction process and the detailed transaction mechanics.

This was an extremely complex and challenging transaction that required a careful balance of all the stakeholders and component businesses.

- The deal structure required negotiations with all three hotel brands.
- Finance was provided by senior and mezzanine financing arranged by Goldman Sachs.
- The mezzanine facility was syndicated to several Apollo funds.
- The senior facility was subject to a commercial mortgage-backed security.
- A Thai bond provided the equity.

Long-term success in the competitive socialising sector

Social Entertainment Ventures Limited (SEV) is one of the leading businesses in the competitive socialising sector. It provides an opportunity for people to having fun with friends, meet new people in an exciting way and whilst food and beverage is critical, it is not the only thing that makes a night out memorable.

SEV has launched a range of entertainment options, including the corporate ten pin bowling concept "All Star Lanes", a ping pong based concept called "Bounce", a darts concept called "Flight Club", an indoor and tech inspired golfing concept called "Puttshack" and a bingo concept called "Hijingo".

CMS has been working with SEV for over two years as it has rolled out concepts in big venues quickly in the UK and US on short timetables. We advise SEV on:

- Raising equity and debt capital.
- Financing structures.
- Licence and management agreements.
- Corporate law advice.
- Dispute management.
- Intellectual property.

CMS Hotels & Leisure at a glance

» **Acted on more hotels & leisure deals than any other law firm in Europe**

(Mergermarket European Leisure (hotels) – M&A 2015-2021)

» **The only law firm ranked top tier for hotels in Chambers and Legal 500**

90

Partners

300

Over 300 lawyers worldwide



Top tier in Legal 500 since 2004

At the forefront of the eSports revolution

Our track record

Accor

On the disposal of 16 Mövenpick hotels in Germany, Switzerland and the Netherlands, on increasing the shareholding in 25hours Hotels and on the management agreements for a portfolio of six hotels across the UK under the Mercure brand.

Credit Suisse fund

On the sale of a hotel portfolio in the Swiss alps including the InterContinental in Davos and several properties in Zermatt.

Schroders Real Estate

On the GBP 170m acquisition and leaseback of the Sofitel London Gatwick Hotel, on the asset management and shareholder agreements on the Sheraton Warsaw and a portfolio of three hotels at Disneyland Paris.

Sun Dreams

On the cross-border merger of the Chilean gaming and hospitality company and the Latin America business of the South African Sun International.

Ferré Hotels

On the acquisition, from the LFPI Group, of Alliance Hôtels Développement and Alliance Holding and, indirectly, of a portfolio of 12 hotels located in Paris and the Paris region.

Turkish Tourism Group

On the acquisition of the “right of construction” in the city of Antalya for the building and operating a five-star hotel.

VR meine Raiffeisenbank eG

On the acquisition of the hotel business “Malerwinkel” at Chiemsee in Germany.

Social Entertainment Ventures Ltd

On a second fundraising involving the negotiation of a USD 16m round of USD denominated subordinated convertible loan notes subscribed by investors based in the US, BVI and UK.

Owner of Hilton in Cape Town

On the shareholder funding arrangements, the structuring and the early settlement and redemption of debt and equity instrument obligations.

Iberostar

On the Thomas Cook insolvency with a claim of approximately EUR 40m.

Advance/Newhouse Partnership

On the acquisition of Stage Entertainment, one of the world’s largest theatre producers and owners, from CVC Capital Partners and Joop van den Ende. The transaction included advice from over 100 CMS lawyers across the UK, Netherlands, Germany, Spain, Italy, Russia and France.

All England Lawn Tennis Ground

On its acquisition of The Wimbledon Park Golf Club for a total consideration of approximately GBP 65m.

Henderson Park

On the first acquisition of a group of companies owning the trading business and assets and properties for a portfolio of 12 franchised Doubletree by Hilton hotels in England, Scotland and Ireland from AroundTown S.A and LRC Group as well as the senior debt financing with Apollo. Acquisition of the business and assets (other than the trading name) of Amaris Hospitality, which they have renamed to Klarent Hospitality, from LRC Group.

Fortress Investment Group

On the strategic acquisition of Punch Pubs operating over 1,300 pubs across the UK.

Garden Capital Group

An entity controlled by the Dijkstra family, on its sale of a majority stake in the Dutch hotel group Eden Hotels to an affiliate of KSL Capital Partners (KSL).

Helping you rebound and remodel

2022 will see lasting changes to the hotels & leisure sector and the businesses that adapt will succeed. As well as providing market-leading advice, CMS can deliver the best value through bespoke CMS-developed tech and industry-standard AI. Here are just a few examples of how we use technology to deliver for our clients.

Delivering cost and time savings via AI

Due diligence, data and contract analysis can be time-consuming and complex. We use AI tools to review large volumes of information quickly and cost-effectively. The software enables us to cluster, compare, analyse and visualise data from multiple sources and search thousands of documents accurately. It delivers time and cost savings every time.

Speeding up document generation

CMS has created suites of template documents for transactional use, dramatically increasing the speed of contract production and passing on time and cost savings to our clients.

Data Breach Assistant

Many sporting bodies, hospitality businesses and membership-based leisure organisations hold significant amounts of personal data and, for most businesses, the question is not if you will experience a breach, but when it will happen. The CMS Breach Assistant is the ultimate guide to dealing with a data breach. Our clients can use this app to understand the priority actions you should take when faced with a breach, and contact CMS data breach response lawyers at the touch of a button. Find out more at breachassistant.com

Keeping you up to date

We invest in, and prioritise, knowing what is new, what is coming and how fresh technologies will impact the work our clients do. This knowledge is incorporated into every piece of advice. Keeping you up to date is also a top priority. Below is just a small selection of the regular analysis we can share with you.

Hotel Jargon Buster

This is a comprehensive list of the most current terms in the hotel industry. The easy-to-use format allows you to look up terms easily and quickly and can be a useful resource in your day-to-day work.



Focused legal analysis, commentary and insights

The CMS Law-Now subscription service delivers legal updates relevant to your world directly to your inbox. Over 8,000 people have already subscribed to our updates on the sector and you can subscribe at cms-lawnow.com/sector/hotels-leisure.

At the right events

ExpoReal, CMS Hotel Owners Conference, International Hotel Investment Forum, Asia Pacific Hotel Investment Conference, South American Hotel Investment Forum, Saudi Hotel Investment Conference. The CMS team is present at all the major sector events and sponsors some of the largest international conferences, pulling together the most important players of the market.

» The team has deep experience in hotel transactions. They are definitely experts in their field.

Chambers & Partners

» The team stands out as number one; others may be good but they are not CMS.

Chambers & Partners

» CMS provides a seamless service for cross border projects – and that's exactly what we want.

Client Feedback

Staff

> 8,000

Lawyers

> 5,000

Partners

> 1,100

52 new partners in 2021, taking the total to over 1,100

Operating in

75 cities

Across

45 countries

EUR 1.475bn

turnover for 2020

19 Practice and Sector Groups working across offices

Top rankings in M&A league tables by deal count

(Bloomberg, Mergermarket and Thomson Reuters)

>> #1 Germany, DACH, Austria

>> #2 Europe, UK, Switzerland, Benelux





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