

Holiday Inn Club Vacations, Inc.

Planning for “what ifs” paid dividends when COVID-19 hit vacation industry

THE CHALLENGE

In March 2020, the resort industry came to a grinding halt. Companies ceased business travel, large events were called off, families canceled vacations and the world started to go into lockdown. With millions of cancellations and empty hotel rooms, the resort and hospitality world faced unprecedented challenges and the tough decisions that came with it. However, the treasury team, lead by Sasha De Gracia, Director Finance - Treasury Services, Holiday Inn Vacation Clubs was prepared.

Given the nature of its industry, the company had the following objectives - Holiday Inn Club Vacations needed a flexible, and highly integratable digital solution that would help them:

- **Property acquisition:** to enable this to happen, the CFO and executive team needed a precise and real-time picture of the cash and liquidity positions.
- **Long-term project budgeting and funding:** it is necessary to routinely invest in property enhancements and upgrade projects. The company manages numerous long-term, phased, multi-million-dollar development projects across all properties.
- **Bank relationship and services optimization:** given the highly acquisitive strategy, banking relationships must be managed holistically across entities and properties. Relationships must be streamlined to negotiate the best terms.
- **General financial visibility and stamina:** during times of crisis, financial stamina and endurance is most critical. Visibility and a precise pulse on liquidity is vital.

SOLUTION HIGHLIGHTS:

- Automated data feeds from banks to aggregate balance and transaction data in real time.
- Eliminated contract redundancies and reduce/improve bank fee spend
- Established automated credit line and revolver balance tracking to improve short-term liquidity using virtual accounts.
- Automated reconciliation and developed data-driven forecasts to understand liquidity requirements and anticipate shortfalls.

PROJECT HIGHLIGHTS:

- By improving bank relationship leverage, the team has made considerable savings in annual fees.
- By automating credit line and revolver balance management and reconciliation, the team has realized an impressive first-year saving.

AWARD RECOGNITION:

- TreasuryXpress and Holiday Inn Club Vacations were awarded “Best Crisis Management Solution” by Treasury Today’s Adam Smith Awards in 2020.
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