

Hospitality

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Property Management Systems

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Editor's Note:

Today's HTA looks at **Property Management Systems** and includes a leading article by Accuvia's consultants in which they discuss the current state of the PMS industry and look at how the major developers have enhanced their PMS offerings in the past twelve months.

'From our perspective, customers are leading the way towards continued involvement with the web, and I don't see that changing any time soon.' Warren Dehan, **NORTHWIND-Maestro PMS**

We also offer you insight from a selection of PMS vendors, both in the US and the UK, as well as two Exclusive Interviews; one with Manfred Osthuus of **protel hotelsoftware**, and the other with Steve Woodward of **Centrada Solutions**. All our featured vendors focus on the trends they're seeing in the PMS space, and on past and future development of their offerings.

Our research into this topic demonstrates that the underlying trend in this space is evidently how the PMS and its associated, integrated applications are increasingly moving online, and how this offers a host of new possibilities for both hoteliers and guests. Key words in this PMS issue include: **Integration**, **Collaboration**, **ASP-based or SaaS PMS**, and **Channel Management**.

'It is our belief that in the very near future, virtually all applications, including PMSs, will be web-based. It is just a matter of time before all software is delivered through the web.'
Steve Woodward, **Centrada Solutions**

We hope you enjoy this issue and look forward to hearing from you regarding our next HTA topics: **Event/Meeting Management**, **In Room Telephones**, and **Revenue Management**.



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Send in your news for our next HTA:
Event & Meeting Management Systems
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Exclusive Interview

...with Centrada Solutions, LLC

CENTRADA



Steve Woodward, CHTP, is President and Founder of Centrada. He initially worked as a Civil Engineer; and in 1988 Steve joined Wyndham Hotels & Resorts, where he held various hotel management positions. In 1997, he began taking on operational responsibilities for Wyndham's Distribution Systems. Later, as VP of Distribution Technology, he was responsible for the standardization, training, installation, support, and maintenance of all of Wyndham International's Distribution Systems. In 2004 he left Wyndham to found Centrada.

Founded in 2005, Irving, Texas-based **Centrada Solutions** is a Hotel Technology Services company, and offers a hosted PMS, which is provided by **Novexys**, a Centrada subsidiary. Novexys focus on the software side of the group, whilst Centrada focuses on IT services and support. Centrada counts **Aimbridge Hospitality**, **Millennium Hotels**, and several new **aloft** hotels amongst its over 200 hotel customers.

We spoke to Steve Woodward, President, who said Novexys PMS was initially developed three years ago for Aimbridge Hospitality's **Phoenix Inns**, and the solution is now available to all Centrada clients. He said the company is thinking about also developing a hosted POS solution, as many hotel customers with integrated retail businesses have requested this.

Woodward believes SaaS and ITaaS (IT as a Service) are becoming popular, as they allow hotels to have the most current software at all times, hosted and maintained by knowledgeable professionals without the cost of purchasing it themselves. 'Service is the way to go, as opposed to buying software and hardware. No new hardware is required with Novexys PMS, as long as customers have existing hardware running supported **Microsoft** operating systems,' he said.

Most installations are completed remotely, and take less than four weeks from initial consultation to going live with Novexys solutions. Some have gone live in less than two weeks. All are subscription-based, and prices depend on the number of rooms in a property. There is an up-front configuration fee, but clients have nothing to purchase, no licencing fees, and no software / hardware costs. According to Woodward, training takes just 2 – 4 hours.

Centrada is starting to work on direct connections with other applications, such as **SynXis**' CRS, and Woodward envisions more integration is yet to come. He said it would be easier to connect with other hosted applications, such as **HotSauce**, who provide ASP-based Workflow Management software, as they have the infrastructure in place.

The company has recently streamlined installations and focused on

their green strategy. Woodward told how Novexys is dedicated to providing a service that helps hotels reduce clients' overall impact on the environment, and the key developments pursued this year are: No Travel Installs, No New Hardware Requirements, and a Green Linen Change Program. He adds that guest privacy and Credit Card security continue to be a focus of all PMS companies, and that Novexys have enhanced their offering by including strong access control measures through user-based rights; strong encryption protocols; and firewall restricted access to the data.

In the next few years, he foresees a push towards lower cost solutions. 'The hotel industry has flattened out in the last 4-6 months, and all indications are that we will not see the unprecedented growth in RevPar and profits that have been typical for the last 6-7 years.' He thinks hotels will be looking for ways to tighten their belts in order to maintain profits.

We then discuss whether older properties are looking at more integrated systems. Woodward feels that they are most definitely looking to upgrade their PMS. 'Many are in a situation where their current vendors will be discontinuing support in the next 12-18 months due to outdated software or non-compliance to PCI requirements,' he said. 'This is the perfect time for them to consider a product that gives them the functionality they need to compete with other hotels.' Enhanced RM features, connectivity to a range of third-party systems, PCI compliance, and centralized CRM abilities are just a few functions not available in older systems, he added.

We talk acquisitions vs in-house development. 'Acquisitions are not what we do. We do, however, partner with key strategic vendors for services,' noted Woodward. For example, Centrada partner with **Control** due to their expertise in consolidating property interfaces, and with **Southern DataComm**, who provide PCI compliance for all payments processed through their interface. 'Our business philosophy is to partner with best of breed service providers instead of trying to re-create what's already been installed and tested. This keeps our costs down and service fees to our clients low.'

Finally, Woodward said: 'It is our belief that in the very near future, virtually all applications, including PMSs, will be web-based. It is just a matter of time before all software is delivered through the web.' And it's not just hotel operators who will benefit from this new platform. It will also make it easy for hotel customers to make and change their reservations and customer profiles in real time, and check in / check out via cell phone and PDA. 'Web-based applications are designed from the ground up to provide these types of connectivity for the customer,' he explained.