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## Marriott International Inc. Q1 2009 Earnings Call Transcript

### Question-and-Answer Session

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#### Operator

(Operator Instructions) We'll hear first from C. Patrick Scholes – Friedman, Billings, Ramsey & Co.

#### C. Patrick Scholes – Friedman, Billings, Ramsey & Co.

I have two questions here. In your press release you mentioned that your strong brands continue to drive significant ramp up premiums compared to the competitors, what is your RevPAR index at currently. I think the last I recall it was at about 115%, and has that, how has that been trending over the last several quarters?

#### Arne M. Sorenson

Obviously the indexes are calculated by brand and I think generally we're in the 113 or 114 at the lowest and about high 120s I would guess for the highest established brand. The data is a little hard to get currently so we have not seen anything for March yet.

I think all we've got is through February year end, and generally we're seeing what we would expect which is that the Marriott brand which tends to benefit in weaker times is continuing to take share, solidly benefited probably a bit by group, a bit by the importance of the brand and a weaker demand environment and that sort of strength.

And we're seeing in Courtyard Inn, Residence Inn greater strength in the newer franchise portfolio and relatively weaker performance in the managed portfolio, by and large driven by product quality and new competition in those markets, with still though sort of category killing RevPAR premiums in those brands.

#### C. Patrick Scholes – Friedman, Billings, Ramsey & Co.

Okay, thank you and just another question here, do you feel now that you have any better sense of visibility today than you did during the last time you reported earnings and then could I also get some early sense of how first quarter 2010 group bookings are faring as far as volume and pricing.

#### Arne M. Sorenson

Yes, I think the short answer is yes, we feel like we've got a measure of greater confidence in being able to predict at least the next way out in the future, thirty to ninety days. There is still enormous uncertainty in the market compared to what we're used to, but as we look back at our accuracy in forecasting we're seeing greater accuracy in terms of our internal looks over the last quarter really.

You could hear in the prepared remarks we are optimistic with some data to support it but it's hardly unequivocal that we've kind of bottomed in the demand perspective. I think it is quite conceivable that we'll look back and see the second quarter of 2009 as being the low point in terms of year-over-year RevPAR performance.

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