

Deloitte.



Did London Hoteliers win gold? The 30th Olympic Games



Contents

Welcome	1
You need to be in it to win it	2
Did London's hoteliers reach the podium?	3
So were there any other medal winners?	7
Will the flame burn eternal?	9
Passing the torch to Rio	10
Will the Games inspire UK hotel performance in the future?	11
About us	13
Contact us	14

Welcome

The London 2012 Olympic and Paralympic Games proved to be not only a major sporting occasion but also a significant success for the organisers and the country on an international stage. From Danny Boyle's quirky, eclectic opening ceremony to the Festival of the Flame closing, the Games showcased all that Britain has to offer, delighting international visitors and capturing the spirit of the nation.

Overcoming initial, and perhaps inevitable, concerns and scepticism around investment, security, transport and infrastructure (and everything else that goes into delivering an event of this magnitude), the Games were executed with tremendous success with the UK and the watching world swept up in the extraordinary excitement and spectacle the Games engendered.

In this report we discuss the immediate impact of the Games on London's hospitality and leisure sector, contrast the experience of prior host cities and provide some considerations for Rio's hoteliers as they prepare for the Games in 2016.



You need to be in it to win it

In contrast to recent host cities, London is an established international destination with a broad visitor base and mature tourist proposition. In an average year, the city welcomes some 15m international visitors. Since 2006, London's 1,200 strong hotel market has boasted annual occupancy of 80% and above, demonstrating the city's popularity and wide appeal. In contrast to other recent hosts the benefit of the Games to a city that is already so well established on the world map may not be as apparent.

It's an expensive proposition from the outset, so what might be the overriding motivation in aiming to host the Games? Whilst the appreciation and celebration of sporting achievement on a world stage is a widely recognised and unifying feature, a host city can expect a mixture of additional tangible and intangible benefits.

Tangible and intangible benefits:



The 1992 **Barcelona Games** acted as a catalyst to investment in major infrastructure and regeneration of the city's port and seafront, providing momentum to the development of the city as a leading destination for corporate and leisure visitation which followed. Investment in public transport and the city's housing stock was also given a significant boost.



The **Atlanta Games** in 1996 served to breathe life into many of the city's forgotten and rundown neighbourhoods. Public venues such as Centennial Olympic Park remain to this day, having transformed an area of slums, car parks and derelict warehouses. The success of the Olympic legacy and associated regeneration can be quantified by the 5.5m residents now living in the Atlanta metro-area – up more than 50% since 1996.



In 2000, **Sydney** re-invented the Games with a truly show-stopping performance that took full advantage of the city's natural beauty and sent a message that Australia was somewhere to visit and do business with.



In 2004, **Athens** took the opportunity to dramatically improve the city's infrastructure, delivering a new airport and underground system and reminding the world that this was where the Games began.



Beijing upped the ante still further with a £25bn investment in infrastructure and facilities. Their hosting of the 2008 Games announced to the world that China was truly a global power, and showcased the diverse culture of the nation.

The prospect of London as host city clearly suggested a different dynamic from the outset. As an established global destination with a developed transport and visitor infrastructure, the hosting of the Games was underpinned by a strong historical and cultural appreciation for sporting competition combined with a compelling case for the regeneration of a large swathe of East London.

From the outset the organising committee sought to differentiate the bid; a key objective was 'to inspire a generation'. London learned from the experience of prior hosts; building relatively few bespoke showpiece arenas; maximising the use of existing venues (such as Wembley Stadium, ExCeL, and Earls Court as well as other venues across the UK); and incorporating facilities that are designed to be repurposed after the Games to provide a sustainable legacy. Unlike Beijing where capital investment was seemingly endless, London's budget was constrained. It is hoped that the plan to recycle and repurpose facilities and venues will ensure that not only is the next generation inspired by the sporting successes, but they are also left with a sustainable sporting legacy. Central to the bid was the clear intent to avoid criticism that has beset many host cities following the Games.

We now look back on an event that was both exceptional and successfully executed. In addition, and perhaps fortuitously, the Games followed the Queen's Diamond Jubilee which had centred the world's attention on the country and saw London take centre stage. One must therefore suppose that both events have not only improved the nation's profile globally, but also renewed appreciation for the UK, its culture and the appeal of London as a destination. There can be little argument that 2012 was a great year for London. The true impact of these events in coming years remains to be seen but can only be positive as 'brand London' has been firmly imprinted in the minds of millions around the world.

Did London's hoteliers reach the podium?

It's fair to say that hotel performance in 2012 was one of mixed fortunes. In the year to July, London-wide occupancy was 79%, down 3%, contributing to a marginal decline in revenue per available room (revPAR) relative to the same period as 2011.

Factors which contributed to softening performance early in the year included a difficult global economic backdrop, the strengthening of sterling against the Euro; the impact of the Jubilee celebrations, a sustained period of poor weather and the early timing of Ramadan.

Whilst many expected that Games-related demand would underpin a record year for the city's hotels, there were a number of important factors to consider – some of which became more apparent as the year wore on.

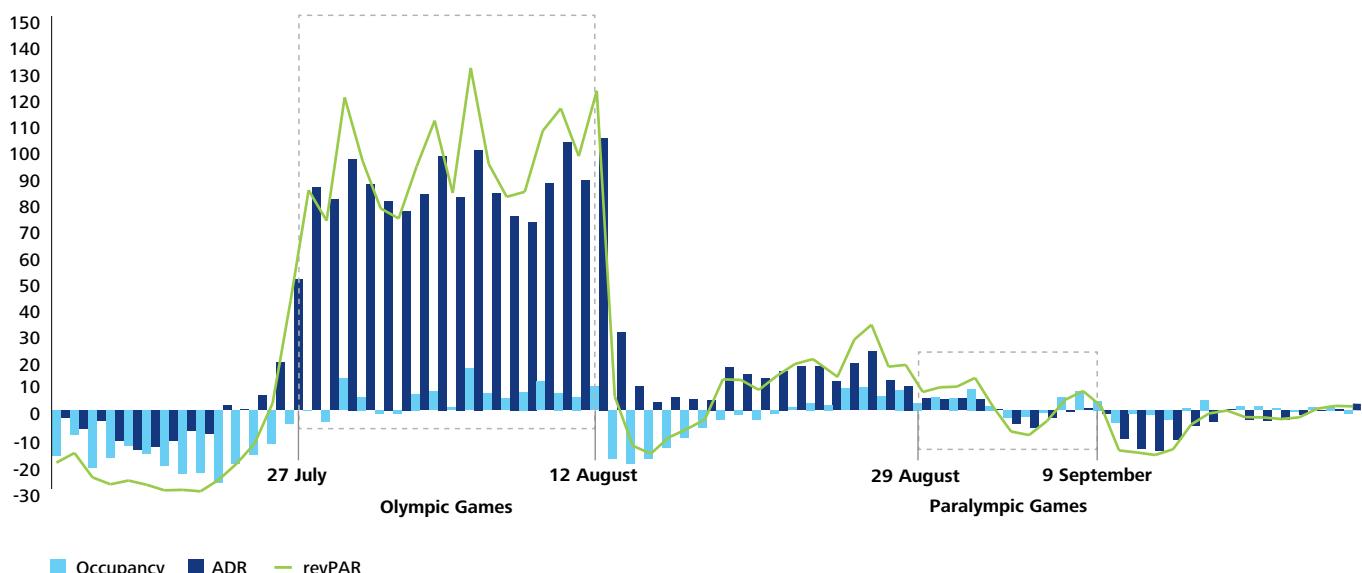
The Games occurred during a traditionally strong demand period and therefore any upside was likely to manifest itself primarily by way of increased average room rates (ADR). Booking patterns suggested that the corporate and event segments were diverting activity around the Games to avoid premium pricing. Concern and an expectation of an overcrowded and congested city meant that other segments were similarly diverted away from London and around the event. This behaviour was born out most clearly by hotel performance immediately preceding the Games, as discussed later.

During the Games period (27 July to 12 August), London experienced market occupancy of 89%. As predicted, and given the high occupancy typical of the market at this time of year, the improvement on prior period revPAR was delivered almost entirely through ADR (86%) driving revPAR growth of 95%. The impact of the Paralympic Games was far less pronounced, with occupancy up 3% to 88% for the 12-day period. ADR remained flat.

The increased room rates achieved during the Games appear to have delivered a significant boost to the fortunes of London's hotels in 2012. The benefit of block bookings from the International Olympic Committee (IOC), national committees, sponsors, media and other corporate activity enabled the city's hoteliers to manage their room inventories and drive significant pricing increases.

IHG reported hotel occupancy of over 90% across its London estate.¹

Figure 1. Daily performance (July – September, 2012)



Source: STR Global

Examination of performance data for a wider period (1 July to 15 September) encompassing the run-up to the event through to the end of the Paralympic Games allows us to make some interesting observations:



The overall market experienced a revPAR uplift of 13% over this 77-day period, 1 July to 15 September, which, whilst a positive result, is a far cry from the lofty results achieved during the Olympic Games themselves. Occupancy was in fact 4% down on the same period in 2011, consistent with the experience of the first half of the year.

- The city's luxury hotels fared particularly well during the two weeks of the Olympic Games. Occupancy increased by 23% to 91% whilst ADR was up from £221 to a staggering £441.
- At the other end of the spectrum, London's midscale and economy hotels saw ADR increase by 67% to £110. Occupancy declined 12%.



Hotels in central areas, west and north of London fared best, with revPAR gains of 15 to 25% which represented a significant improvement over the wider market. The improvement was far less pronounced in secondary and peripheral market areas.



Airport markets reflected a different picture altogether, Heathrow saw a 9% short-fall in occupancy and more limited rate growth, leading to a revPAR decline of 5%. Gatwick fared somewhat better with occupancy up 1% and ADR 5% leading to revPAR up 6%.



Reflective of the shift in visitor profile and displacement of traditional demand segments, the two-week period prior to the Olympic Games will have had revenue managers on alert with double-digit occupancy declines. Whilst ADR held, occupancy was down by 16% consistently across the city. Perhaps predictably, the Docklands/Greenwich area was an exception seeing lowest occupancy decline (11%) combined with a trend-breaking 11% increase in ADR likely to have been driven by media, support and preparation activity in advance of the event. Heathrow and Gatwick saw occupancy down 14% and 1% respectively.



In the two-week period during the Olympic Games, a significant variation in performance by location was also apparent. Central London hotels saw significantly stronger occupancy in the West End, Knightsbridge, and Victoria areas. Hotels in peripheral locations (particularly outer and south of London) suffered occupancy declines. Hotels in the West End and to the west and north of London experienced ADR increases of over 90% relative to 86% for the market as a whole.



In the two weeks post the Olympic Games, occupancy fell dramatically for peripheral locations and markets east and south of the city. Whilst the overall market indicated a 5% occupancy decline, the Docklands/Greenwich, south and outer London market areas saw a double-digit decline. Occupancy appeared to quickly return to prior year levels, however, significant ADR growth continued in the central locations of the West End, Knightsbridge and Kensington.

In summary it was the substantial ADR increases achieved throughout the two-week period of the Olympic Games that underwrote the positive performance over the wider period.

Occupancy was in fact generally below 2011 throughout, with the exception of a moderate increase during the two weeks of the Olympic Games. A significant increase in the city's hotel stock will have been a contributing factor – particularly in peripheral and secondary locations.

Figure 2. Entire 77-day period (1 July – 15 September)

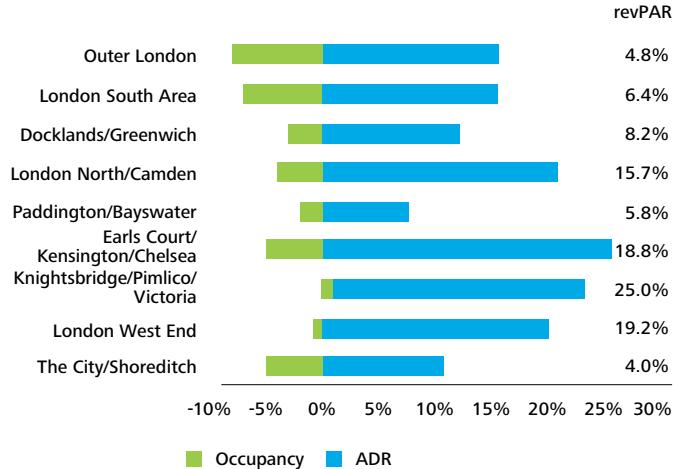


Figure 3. Two weeks prior (13 – 26 July)

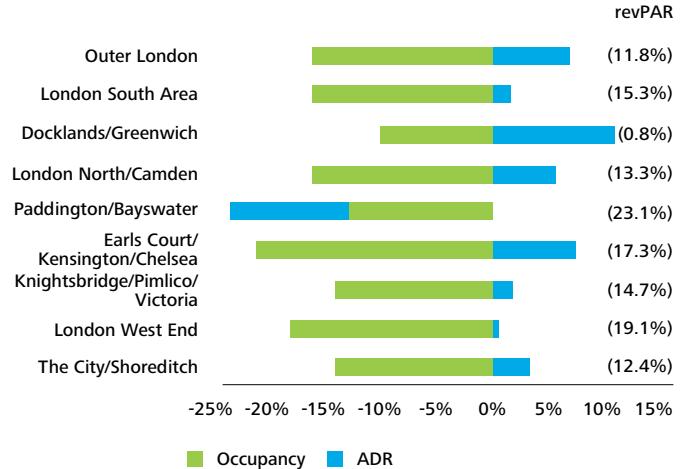


Figure 4. Two weeks during (27 July – 12 August)

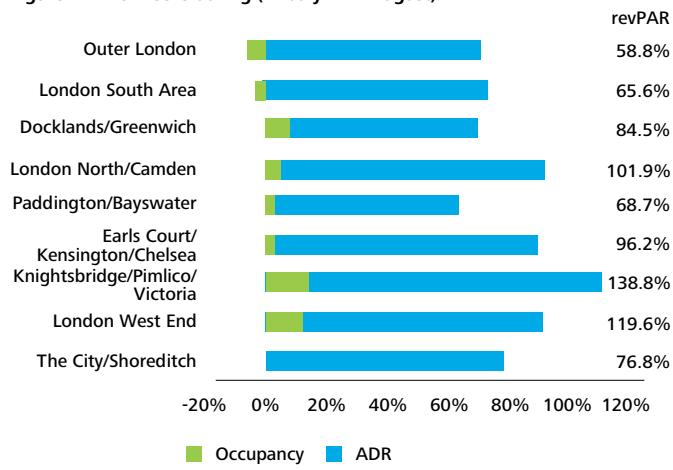
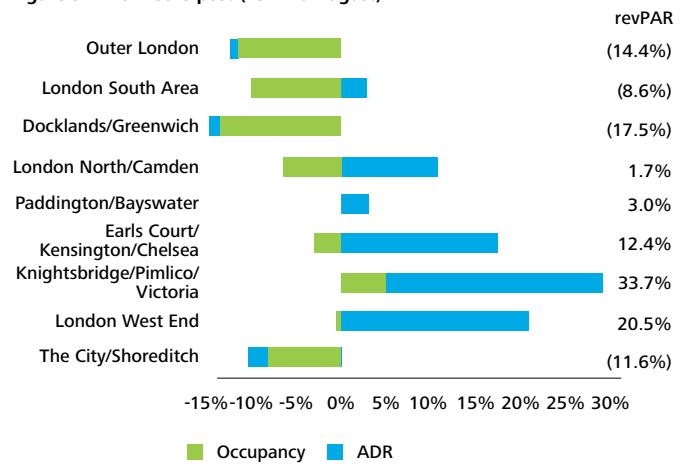


Figure 5. Two weeks post (13 – 26 August)

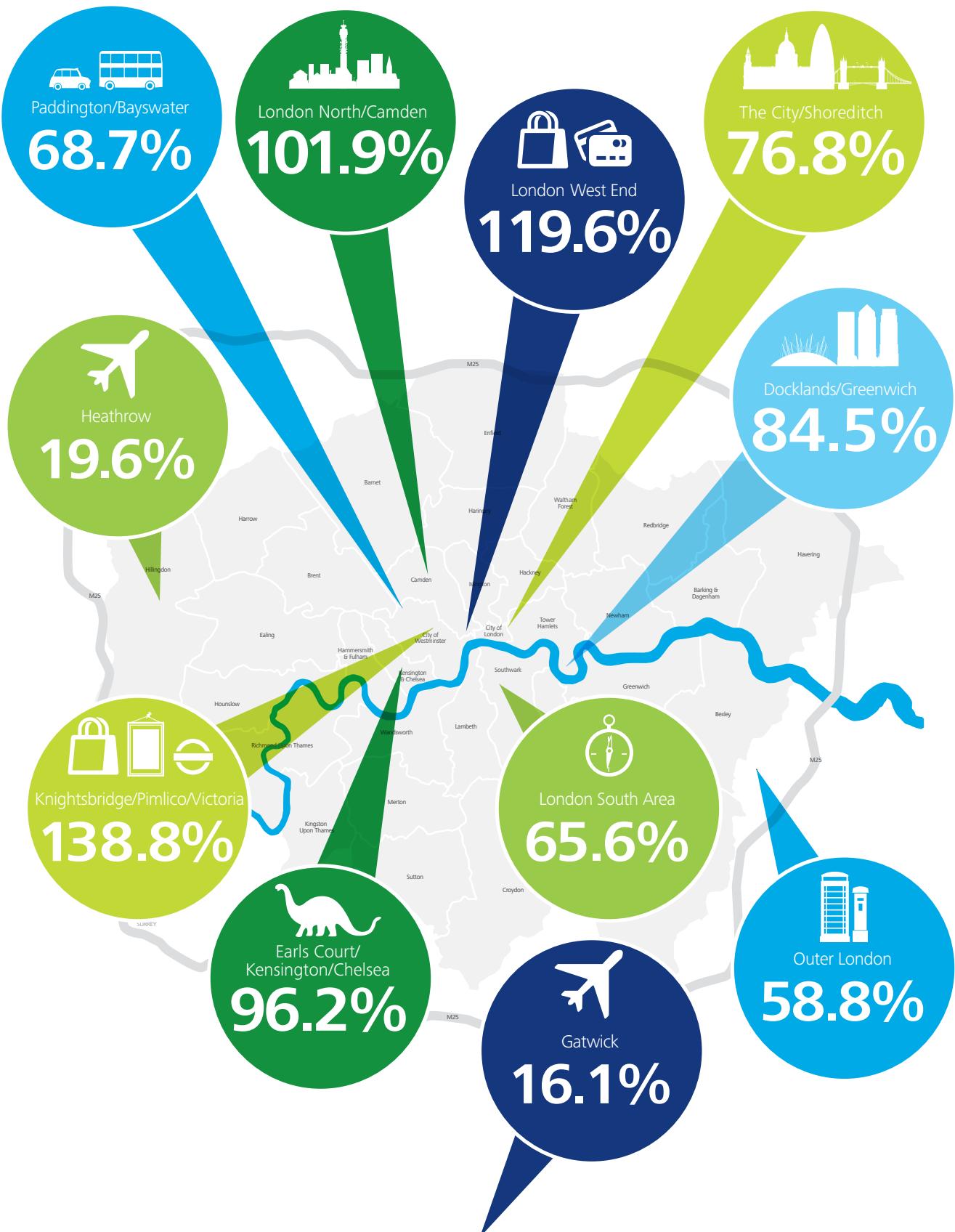


Source: STR Global

Premier Inn reported a jump in Q2 earnings on the back of the Olympics, stating that “the Olympics provided a modest benefit, primarily through increased room rate, with occupancy slightly down on last year. We could have made more money in the short-term but we believe that the Premier Inn brand and its perception for great value-for-money are far more important.”²

Andy Harrison, Chief Executive, Whitbread

revPAR uplifts reported during the Olympic Games period



Source: STR Global (Data from the Olympic Games period 27 July to 12 August)

So were there any other medal winners?

The hotel sector is only one component of the city's visitor and leisure offering. The supporting visitor infrastructure and amenities such as transport, attractions, retail, bars and restaurants are key potential beneficiaries of increased visitation. The impact of the Olympic Games was widely anticipated not least by those hoping to capitalise on the potential surge of visitors in the capital. So how did the industry fare?

Tourism: Figures from the International Passenger Survey (IPS) revealed a continued upward trend in visitors over the last 18 months corroborating predictions that 2012 will see a circa 5% rise in visitor numbers.

The Office of National Statistics (ONS) reported a 4% decline in visitors to the UK between July to September compared with 2011, but associated spending was 6% higher. During this period an estimated 680,000 of the total visits to the UK were either for an Olympic or Paralympic-based purpose or involved attendance at a ticketed event. Earnings from visits to the UK in 2012 year-to-September are £14.3bn, 5% higher than in 2011.

Outbound, UK residents made more visits abroad during the July to September 2012 period than a year earlier, up 1% and associated spending was 7% higher. During 2012 year-to-September, UK residents made an estimated 45.3m visits abroad, unchanged from 2011 and have spent £26.5bn on visits, an increase of 5%.

Airports: Passengers carried through BAA's five UK airports, including Heathrow and Stansted were down by 4% and 2% respectively in July and August. Heathrow recorded declines in both months, with the reduction more pronounced during the Games period, suggesting UK passengers stayed at home in addition to non-Olympic visitors choosing to defer their journeys.³

Gatwick saw passenger numbers remain flat in July and marginally increase in August (0.2%) over the previous year. There was however, an increase in activity following the closing ceremony and this continued into September.⁴ London City Airport recorded declining passenger numbers for both July and August, down 7% and 2% respectively.⁵

Transport: Press coverage prior to the Games questioned the ability of London's infrastructure to cope with the increased volume. Some £6.5bn was invested in transport infrastructure improvements, which contributed to the ability to accommodate record numbers of people using the transport network. The inclusion of public transport with all competition tickets also helped to fuel this increased demand.



- Tube travel up by 18% during the Paralympic period compared to the previous year. 62m journeys made on the Tube over the Olympic period, up 30% on normal levels.



- Record numbers were also recorded on the Docklands Light Railway.



- Barclays cycle hire scheme recorded 1m hires in July/August.



- The Emirates cable car hit 1m passengers.



- Vehicle traffic was down 15% during the Games, with vehicles avoiding central London.

Source: London & Partners

Greene King reported the Olympics had a minimal net impact on overall retail performance. In London, the City and the West End were generally quiet while in the suburbs... trading was noticeably stronger.⁶

Regular visitors to London were encouraged to find alternative routes to work avoiding peak periods and times. London's major rail hubs were converted to accommodate 'one way' traffic at certain times of the day. Many workers were encouraged to work from home and avoid the city entirely. By all accounts the infrastructure coped well and contributed to a successful Games.

Restaurants: In general terms restaurateurs felt that they did not benefit from the trade boost anticipated. The British Hospitality Association reported trade dropped by 40% on average at many of its members' city restaurants.⁷

Restaurants in the West End and City areas reported sales declines of up to 70%. This was in part due to workers, residents and non-Olympic visitors heeding travel advice to stay away from potentially busy areas. Restaurants away from Olympic venues suffered with declining rather than enhanced trade.⁸

Pubs: As the Games began, signs pointed to the pub sector suffering the same fate as the city's restaurants, with customers avoiding central London. During the second week however sales improved, with 60% of UK pubs surveyed by the Association of Multiple Retailers reporting an upturn in trade. This was in stark contrast to the first week, where 75% of operators reported that like-for-like sales were down on the previous year.

Attractions: London's museums, galleries and other attractions reported a 30-35% drop in visitor numbers during the two weeks of the Olympic Games compared to the previous year. The Association of Leading Visitor Attractions (whose members include the British Museum, the Tower of London and the Science Museum), attempted to attract additional tourists using adverts that concentrated on reduced queues.

Retail: For the retail sector the prospect of the Games, along with other events in 2012, provided a glimmer of hope that recession-weary consumers would be encouraged into a more positive frame of mind. Unfortunately this did not transpire.

ONS retail figures for the period suggested a disappointing summer, well below expectations. The Confederation of British Industry (CBI) reported retail sales in August fell to their lowest level in four months. September showed slight improvements on spend although the prospects for the rest of 2012 remained bleak as confidence collapsed at the fastest rate in three years.⁹

In a Deloitte survey of national retailers, 49% said that London 2012 had resulted in an increase in demand, whilst 33% reported a decline. Whilst this suggests a net benefit, at least for the sample group, it falls short of the expectations retailers had when surveyed at the start of the year. In January, 84% were expecting a boost in demand from the Games, compared with just 2% fearing a decrease.

The Westfield Stratford City shopping centre, adjacent to the Olympic park recorded c. 5.5m visits in the two weeks, giving the Westfield Group unprecedented exposure.¹⁰

Will the flame burn eternal?

The experience of previous Games indicates that the post-Olympic Games period is likely to prove positive for London's hotel and leisure sector. All host cities over the last 20 years have emphasised the importance of leaving a sustainable legacy. So what can the UK learn?

Key elements of the London 2012 bid have been achieved, with the regeneration of East London and the building of the Olympic Park (to be renamed Queen Elizabeth Olympic Park in 2013). The conversion of venues to alternative uses, the addition of residential communities and transport infrastructure improvements have so far been successfully implemented.

The hotel industry's legacy is one of opportunity. The opportunity to capitalise on the success of this great event, the international exposure, the powerful marketing images of London and the UK that were beamed across the globe and were watched by millions of viewers. These positive images should lead to increasing and broadened visitation to London.

The skill and efficiency with which the Olympic and Paralympic Games programme was delivered has provided a reputational boost to British business, while publicity surrounding the Games is having a marked impact on overseas consumer attitudes to the UK, especially in India and China.

British business has a limited window to make the most of the international opportunities arising from London 2012, before the focus will inevitably start to shift towards emerging markets such as Brazil, Russia and the Middle East as hosts of the forthcoming Olympic and Paralympic Games and World Cups.¹¹

Year	City	Negative	Positive
1992	Barcelona	No real after-Games plan in place. Influx of new supply left hotels with low occupancy.	Turisme de Barcelona was formed in order to promote Barcelona as a tourism destination. Barcelona is now world-leading tourism & MICE destination.
1996	Atlanta	Criticised for over-commercialisation, and inefficiency, and marred by the Centennial Olympic Park bombing.	Provided the city with many modern infrastructure improvements. Metro area population increase.
2000	Sydney	Costly – negative economic impact assessed at AUD\$2.1bn.	Olympic Park was converted into commercial and sports park. Environmental legacy was particularly important with remediation and restoration of a badly degraded area into an urban parkland.
2004	Athens	Many of the venues built for the Games have fallen into disrepair. Many feel the impact of hosting the Games in 2004 has had a part to play in Greece's poor economic performance today.	Improved transport infrastructure.
2008	Beijing	Many of the specially constructed facilities are underused or deserted.	Sent a strong message that China was a major international player.

Source: Deloitte research/IOC



A survey of 6,000 consumers by Deloitte found that 80% of respondents from China and India are more likely to want to visit Britain in light of the publicity surrounding the Games. Given the UK economy's growth prospects, it is important for UK businesses to develop relationships with overseas customers, particularly from markets such as India and China. Retailers and hospitality operators in the UK who understand the shifting global demographics will reap the rewards.

Passing the torch to Rio

So now it's all over, what advice might London offer Rio ahead of 2016?

Rio currently has relatively few internationally-branded hotels and an overall accommodation supply that will need to be enhanced. There is justification in the form of increased demand for the World Cup in 2014, and the Games in 2016.



Some observations:

- Displacement is something to consider – in advance of the London 2012 Games, economists from Oxford Economics predicted London would lose £375m from tourism as visitors delayed plans to come to the city until the Games began.
- Notwithstanding the difficulties before the Games, Oxford Economics has estimated there will be £1.47bn over the 10 year period 2007-2017 in tourism gains for London.
- Hoteliers need to manage their relationships with existing customers and regular guests, balancing their needs with those of its potential Olympic Games customers.
- Some rooms blocked by IOC and other official bodies will likely be released back into the market; a strategy for selling last-minute rooms should be identified.
- Careful consideration of the pricing structure of hotel accommodation is important. The London Organising Committee of the Olympic and Paralympic Games (LOCOG) together with STR Global undertook three years' research into hotel pricing and demand in order to provide what it considered to be fairly-priced accommodation. The result of this was that whilst ADR increased during the Games period, it was more constrained than in previous cities, making the Games more affordable.
- Hoteliers need to be realistic about the number of international visitors expected. Experience has shown the potential number of visitors are often inflated. As a long-haul destination, Rio is especially dependent on airline pricing, air lift and availability of chartered flights.
- Visitors to a host city are there for the Games and thus retail and other spend may not be as strong as expected.

Will the Games inspire UK hotel performance in the future?

The challenge for London's hoteliers will be differentiating themselves in a competitive market on the back of the feel-good factor generated by the Games. The reality is that, after the strong performance during the period, it is back to business as usual and the overall economic climate remains challenging.

As IOC president Jacques Rogge said in his speech at the closing ceremony: "You have shown the world the best of British hospitality." Now the British hospitality industry must harness this and use it to benefit the future of the industry.

Hotel performance is partly dependent on economic factors both here and abroad. London's broad appeal has enabled it to remain resilient against a challenging economic backdrop.

Britain's struggling economy may receive a much-needed boost from the Games due to increased tourism and extra public spending. Economists have warned, however, that any benefit to the economy from increased spending is likely to be short-lived.

The outlook for travel is dependent on the UK economy, as it impacts business and leisure spending. Domestic business travel has been adversely affected and this is expected to continue in the near-term.

Many hospitality industry observers are warning of difficult trading conditions ahead as the focus moves away from the UK. There is growing concern that the poor economic outlook could contribute to a situation of 'Empty 2013', a potential year without the big tourist and sporting events of 2012.



"If we want the 'post-Olympic boom' to be a golden age for tourism – the time for patting ourselves on the back is over. We have a real opportunity within our grasp."

Grant Hearn, Chief Executive, Travelodge¹²

"London's revPAR is currently forecast to decline by 1% in 2013 before picking up again for 2014. In regional UK, despite almost flat demand growth forecast for 2013, revPAR is predicted to grow slightly in 2013."

Elizabeth Randall Winkle, Managing Director, STR Global

Notes

- 1 IHG – <http://www.ft.com/cms/s/0/cd131186-f801-11e1-828f-00144feabdc0.html#axzz25h2pldHA>
- 2 Premier Inn – <http://uk.finance.yahoo.com/news/1-whitbreads-premier-inn-scores-063349205.html>
- 3 BAA press release; July 2012 and August 2012 traffic figures – BAA's airports, August & September 2012
- 4 <http://www.mediacentre.gatwickairport.com/News/Passenger-numbers-stay-flat-at-Gatwick-in-July-787.aspx>
- 5 <http://www.londoncityairport.com/AboutAndCorporate/page/PassengerStatistics>
- 6 <http://www.greeneking.co.uk/index.asp?pageid=40&newsid=55>
- 7 <http://www.bighospitality.co.uk/Business/Tube-visits-to-West-End-stations-up-27-but-many-London-restaurants-still-not-gaining-from-2012-Olympics>
- 8 <http://www.bighospitality.co.uk/Business/London-2012-Olympics-fail-to-bring-gold-so-far-for-restaurants-but-pubs-fare-better>
- 9 <http://www.ons.gov.uk/ons/rel/rsi/retail-sales/august-2012/stb-rsi-august-2012.html>
- 10 Westfield – <http://www.telegraph.co.uk/finance/newsbysector/constructionandproperty/9476894/Stratford-City-shopping-centre-attracted-5.5m-visits-during-London-2012-Olympic-Games.html>
- 11 Deloitte press release, Limited window for UK business to benefit from Olympic legacy, says Deloitte; July 25, 2012
- 12 <http://www.thisismoney.co.uk/money/news/article-2210910/MONDAY-VIEW-Where-plans-post-Olympic-boom.html>

About us

Deloitte

Deloitte is one of the world's leading professional services organisations with more than 180,000 people in over 140 countries worldwide.

As a leading professional services provider to the international travel, hospitality and leisure industry, Deloitte acts for owners, operators, developers, lenders and investors.

Our clients have access to a fully integrated and sector-focused team working across corporate finance, audit, tax and consulting. Our experience and knowledge of the hotel industry and the business imperatives facing our clients enables us to provide real insight in a timely manner.

Today's challenges mean businesses must re-think their strategies; constantly innovate and deliver new products and services; and harness new technologies to deliver better value to the consumer.

Deloitte is at the forefront of providing solutions that maximise value for our clients and ensure competitive advantage in what is an increasingly fast-changing and often volatile market.

www.deloitte.co.uk/THL

STR Global

We are industry leading data providers. Our commitment to clients is to provide confidential, reliable, accurate and actionable data to assist in strategic and operational decisions. Our years of experience have enabled us to define and create standardized reports. However, we understand that some requests require customization and our extensive data warehouse enables us to cut and aggregate data to meet your specific needs. The innovative way we store, manage and process data allows us to produce real-time reports, historical trends or recreate the industry at a given point in time.

Covering hotel markets worldwide, our data has proven invaluable to hoteliers and non-hoteliers alike by helping them make more informed decisions.

Hotel Owners and Operators benefit from our benchmarking capabilities. Our core product, the STAR Report, provides property performance compared to its competitive aggregate and general market and allows you to follow trends in occupancy, average daily rate (ADR), and revenue per available room (RevPAR). Additional reports are available which track and inform changes in market dynamics covering top-line performance, supply, demand, industry forecasts, profitability, and segmentation data.

Developers, Investors, Consultants, Bankers, Suppliers, Destination Marketing Organisations and Analysts involved in the hotel industry benefit from our data insight into the industry. Our reports track top-line performance, segmentation, profitability, supply and demand across global markets covering historical trends to future performances.

STR Global has offices in London, Milan, Dubai, Mumbai, Singapore, Jakarta, Guangzhou, Beijing, Tokyo, Sydney, and Nashville (STR).

www.strglobal.com

Contact us

If you would like to discuss any of the content covered within this report or our services, please contact one of our specialists below:

Deloitte



Nick van Marken
Global Head – Advisory
Travel, Hospitality & Leisure
nvanmarken@deloitte.co.uk
+44 (0) 20 7007 3354



Martin Cairns
Senior Director – Advisory
Travel, Hospitality & Leisure
macairns@deloitte.co.uk
+44 (0) 20 7007 2010



Graham Pickett
Lead Partner
Travel, Hospitality & Leisure
gcpickett@deloitte.co.uk
+44 (0) 1293 761232



Tim Steel
Lead Audit Partner
Travel, Hospitality & Leisure
tdsteel@deloitte.co.uk
+44 (0) 20 7007 0898



Marvin Rust
Lead Tax Partner
Travel, Hospitality & Leisure
mrust@deloitte.co.uk
+44 (0) 20 7007 2125



Neil Jones
Lead Consulting Partner
Travel, Hospitality & Leisure
neijones@deloitte.co.uk
+44 (0) 121 695 5149

STR Global



Elizabeth Randall Winkle
Managing Director
ewinkle@strglobal.com
+44 (0) 20 7922 1968



Konstanze Auernheimer
Director of Marketing & Analysis
kauernheimer@strglobal.com
+44 (0) 20 7922 1961

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited ("DTTL"), a UK private company limited by guarantee, and its network of member firms, each of which is a legally separate and independent entity. Please see www.deloitte.co.uk/about for a detailed description of the legal structure of DTTL and its member firms.

Deloitte LLP is the United Kingdom member firm of DTTL.

This publication has been written in general terms and therefore cannot be relied on to cover specific situations; application of the principles set out will depend upon the particular circumstances involved and we recommend that you obtain professional advice before acting or refraining from acting on any of the contents of this publication. Deloitte LLP would be pleased to advise readers on how to apply the principles set out in this publication to their specific circumstances. Deloitte LLP accepts no duty of care or liability for any loss occasioned to any person acting or refraining from action as a result of any material in this publication.

© 2012 Deloitte LLP. All rights reserved.

Deloitte LLP is a limited liability partnership registered in England and Wales with registered number OC303675 and its registered office at 2 New Street Square, London EC4A 3BZ, United Kingdom. Tel: +44 (0) 20 7936 3000 Fax: +44 (0) 20 7583 1198.

Designed and produced by The Creative Studio at Deloitte, London. 24091A