



Best Western Hotels & Resorts Acquires AutoClerk

By [Dorothy Creamer](#) - 08/22/2019

[Best Western Hotels & Resorts](#) has announced its acquisition of [AutoClerk Inc.](#), a property management system (PMS) company that has been in business for 30+ years. The sale, finalized on July 31, 2019, marks a major investment in Best Western's distribution strategy, at a time when the landscape has become increasingly complex. Current systems infrastructure complicates hotel ecosystems. One major issue is that PMS and central reservation systems (CRS) have separate databases that must be synchronized in order for hotels to create a single inventory with the same availability and rates.

For Best Western, ownership of AutoClerk offers a path toward achieving the vision of having a single inventory. According to David Kong, president & CEO, the acquisition is part of a longer-term plan that will perhaps allow an evolution to a single database shared between the CRS and the PMS. Kong views distribution as a core competency for the business and explains that the purchase of AutoClerk was the "missing piece" to complement Best Western's proprietary CRS.

"With the PMS, we've completed that entire value chain of Best Western owning the two-way connectivity between enterprise systems," Greg Adams, SVP and Chief Digital Officer, explains. "We have the CRS, we have a logic-layer made up of web services that we developed in-house and we own connections to other third party OTAs and work with them. The PMS was worth acquiring – it gives us a level of control so we can make sure that we are providing features and functionalities our hotels expect and deserve."



David Kong, President & CEO

“The PMS was worth acquiring – it gives us a level of control so we can make sure that we are providing features and functionalities our hotels expect and deserve.”

Greg Adams, SVP and Chief Digital Officer

being better able to take care of guests through better connectivity and reporting.

Kong told *HT* that simplifying practices is a driving factor behind the AutoClerk purchase – especially those related to revenue management and sales. He envisions streamlining disparate components to allow hotel management to focus on core success factors and

“The PMS is an important component of the distribution landscape,” Kong says. “Having a PMS systems that is in our control – we can ensure faster and more reliable connectivity. We pride ourselves in having the most reliable and fastest connection with GDS in the industry and likewise want to create that for the PMS and CRS.”

Kong illustrates the importance of amplifying reporting capabilities especially being that the PMS houses rich guest history. It is important to make sure insights are targeted and usable for hotels. Offering better reporting capabilities not only will simplify processes and increase productivity, but can also help hotels generate more business.

Prior to the acquisition, AutoClerk had been one of Best Western’s technology partners for about a decade. Adams reminds that Best Western is unique among hotel companies of its size in how many PMS partners it works with. According to Adams, Best Western currently has direct relationships with 17 different products -- a fact that Adams stresses will not change post-acquisition.

“The relationship we have with existing PMS partners remains unchanged for the most part,” Adams explains. “We recognize that AutoClerk – from a product offering standpoint – is focused in on North America and Best Western has hotels around the world. We will continue to make sure that the best PMS product for each region is available to our hotels.”

Adams acknowledges that the acquisition is not an attempt to make any Best Western hotels use a particular product. Rather the company will continue to allow its members to determine what products best fit its needs. Kong notes that AutoClerk is a system designed for small, medium hotels – what he feels is Best Western’s “sweet spot.”

“Having a PMS system that is in our control – we can ensure faster and more reliable connectivity. We pride ourselves in having the most reliable and fastest connection with GDS in the industry and likewise want to create that for the PMS and CRS.”

David Kong, President & CEO

“We want to be the best in that segment,” he says.

AutoClerk will continue to operate independently, providing 24-7 support to not only Best Western hotels, but the roughly 400 brands and independent hotels it services as well.

“I think a key benefit for all of AutoClerk’s clients will be the knowledge that Best Western operators have regarding what makes a PMS successful,” Adams says. “These will be features and functionalities that we will be able to offer to AutoClerk’s existing customers as well as Best Western.”

Kong echoes the sentiment that investment into the system will be a key benefit that the acquisition will offer to other AutoClerk users. “For them the better proposition will be the speed of development to what they need, as well as more robust and reliable infrastructure,” Kong says. “It will also ensure faster connections to however else they distribute inventory.”

Best Western will also bring to the partnership its hyper-focus on security, offering the resources and scrutiny necessary to keep up with ever-changing risks in that area.

Continuing to act as a separate company also eliminates concerns about data sharing as any proprietary strategy other users may have will remain a competitive advantage. As part of the commitment to maintaining an ethical shield, AutoClerk will retain a number of key people.



Greg Adams, SVP and Chief Digital Officer

The partnership with AutoClerk is intended to drive unique benefits to hotels and improve system performance. Beyond offering reports that hotels will find useful and be able to get to quickly, Kong identifies cloud migration as another key benefit. With Best Western’s established relationship with one of the largest cloud providers and AutoClerk’s existing cloud products, Kong believes that even with planned advancements, the relationships give Best Western a head start to achieve some quick wins.

“All these independent hotels are hungry for a better way of doing things,” Kong acknowledges. “They want to make more money – and find more efficient ways of doing business. We can help in these areas by how we connect them to the outside world, leveraging our knowledge and relationships in those areas.”