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**HERSHA HOSPITALITY MANAGEMENT TEAMS WITH PROFITSWORD
TO PROVIDE BUSINESS INTELLIGENCE SOFTWARE TO ITS PORTFOLIO**

HARRISBURG, PA – *May 16, 2008* – Hersha Hospitality Management, a leading hotel ownership and management company, has teamed with ProfitSword, LLC, an innovator in web-based intelligence tools for the hospitality industry, to provide business intelligence services to 67 of Hersha’s properties. The move will enable property managers to gather, interpret and share detailed financial and statistical information with the corporate office and each other in real-time.

Beginning in August 2007, Hersha began using ProfitSword’s ProfitSage Financial Suite as its business intelligence tool. The web-based ProfitSage software consists of six modules that interface with the PMS, back office accounting, point of sale, sales automation and payroll systems in order to warehouse critical operational data. The information is then used within the different modules to produce revenue reports, detailed forecasts, line-by-line budgets and hundreds of customized reports. ProfitSage also interfaces with Smith Travel reporting to provide comprehensive comparisons to the competitive set.

“ProfitSage provides us with more timely, accurate and accessible management information in both single property and roll-up formats for property managers, corporate staff and owners,” says Mitch Youngerman, Director of Business Systems for Hersha. “The interfacing of PMS data and ‘flash’ reporting of daily revenue and operating statistics has improved management practices and created a new level of accountability. Streamlining weekly and monthly financial reporting by eliminating the re-keying of data with interfaces to our current sales, reservations and back office systems saves significant time and reduces manual intervention and human error. Forecasting and budgeting processes are much easier and more accurate with the increase in the amount of comparative and historical data available.”

ProfitSage provides modules for daily income journals, forecasting, budgeting, accounts payable, purchasing and business planning. Each module interfaces with the others, and since the entire system is web-based, users can view information in real time. This empowers managers with information to make solid decisions that will positively impact the profitability of the hotel. And because the program is custom designed around a company’s chart of accounts – or general ledger, owners, corporate and regional managers can use it to generate consistent, standardized reports across a variety of brands and property types.

“The hotels and the corporate office have hundreds of customized, informative reports and graphs at their fingertips,” says Tili Findley, president of ProfitSword. “Likewise, data is presented in standard industry



formats and consistent with general accounting principles so that reports are consistent across hotel brands. This has been increasingly important at the corporate and ownership levels that are involved in multi-brand management.”

Hersha began the migration to ProfitSage in August and completed the implementation in the Spring. Youngerman recognized an immediate positive impact at the properties. “We informed our general managers last summer of our intentions to install ProfitSage in phases over the second half of the year,” he says. “They were so excited that they didn’t want to wait. When the field supports a project of this magnitude, it is sure to succeed. With assistance from the team at ProfitSword, we are realizing positive results on the bottom line and our technology investment is proving a fast return. An intangible benefit is the increased communication, with all field and corporate staff sharing the same real-time operational data.”

“We strongly believe our investments in this type of technology will help us achieve our goals, not only for the next year, but for many years to come,” says Tom Reese, president, chief operating officer of Hersha Hospitality Management. “As fast as things change these days, it is important to give the hotel managers a tool that can provide information instantly so they can get back to managing people and not the process.”

About ProfitSword

Founded in 2001, ProfitSword is an innovator in business intelligence software for the hospitality industry. ProfitSage provides seamless integration of data and real-time information to enhance hotel managers’ decision-making process. ProfitSword is headquartered in Orlando, Fla. For additional information on the company and its products, contact Colin Findley at (407) 909-8822.

About Hersha Hospitality Management

Hersha Hospitality Management is recognized nationally for its growth and prime hotel locations, as well as awarded “the fastest growing company in central Pennsylvania” by the *Central Penn Business Journal*. HHM is a hotel management company providing operations and development services to upscale and mid-scale hotels with strong, national franchise affiliations, as well as its new Independent Collection of Hotels in the northeastern United States. The company currently provides turnkey hotel management services and asset management services to more than 55 hotels in high-barrier entry and top markets in the nation, including metro Boston, Connecticut, New York City, New Jersey, Philadelphia, and metro Washington, D.C. For more information, please visit www.hershahotels.com or contact Craig A. Stechman, Vice President, Sales & Marketing at Hersha Hospitality Management at 717-412-5508.