

GERMANY

Local development

Location

Nettersheim

Programming period

2014 – 2020

Priority

P6 – Social inclusion & local development

Measure

M19 – LEADER/CLLD

Funding (EUR)

Total budget 40 334
RDP support 26 217
Private 14 117

Project duration

2016 – 2019

Project promoter

District of Euskirchen

Contact

gath@naturpark-eifel.de

Website

www.leader-eifel.de/de/aktuelle_projekte/Leitprojekte/Unternehmensnachfolge-in-Hotel-und-Gastgewerbe.html

An initiative to sensitise companies in the Northern Eifel region to the problem of management succession at an early stage.

Summary

Hotels and restaurants are the backbone of rural tourism in the Northern Eifel region. However, demographic change is hitting the industry hard. Business owners need to work on succession planning to enable their hotels and restaurants to continue after their retirement and to retain jobs and apprenticeships. Given that the topic of succession is a very sensitive one for the "old owners", many suppress or postpone it for years until it is too late.

The project "Company succession in the hotel and hospitality sector in the Northern Eifel region" developed specialised advisory and support services for the sector, in order to assist hotels and restaurants in the Northern Eifel region to stay in business. This benefits both the tourism industry and the local population.



Results

The project is still in progress. As of June 2019, more than 30 companies have made use of the consultation offers. At least seven of these have improved their economic performance.

Four buildings found new owners via the initiative's website.

The number of guests and overnight stays in the Northern Eifel has risen significantly in recent years. Compared to 2011, the number of day tourists rose by 89%. The number of overnight stays by 31% (2017). In total: 1.3 million overnight stays and 10 million day tourists per year.

A second Eifel follow-up day was organised for the hospitality industry focusing on protection and maintenance of (historical) buildings by the tourism and gastronomic industry - 90 guests attended.

Context

In the Northern Eifel region, many hotel and restaurant owners are in search of committed successors. Experience has shown that "old owners" decide to resolve the issue of succession much too late and are often surprised at how much time and complex effort the succession process requires. Should the search fail, businesses risk having to close down, while jobs and opportunities for apprenticeships are lost. Against the backdrop of demographic change, the number of businesses affected in the Northern Eifel region will rise significantly. Tourism, which plays a vital economic role for the region, might be weakened significantly.

Objectives

In May 2017 and in cooperation with the Nordeifel Tourismus GmbH, economic development agents in the district of Euskirchen started a LEADER project which aims to make hotels, guesthouses and restaurants in the region aware of the problem at an early stage.

Counselling and service offerings will assist hotels, guesthouses and restaurants to present themselves to potential successors in a targeted manner and to make this complex process of succession more effective and legally safe.

Activities

The project kicked off in May 2017. The project office now identifies companies in the region where a generation change is due to take place and gets in touch with the owners. A specially-developed guide is used during on-site appointments to take stock and analyse strengths and weaknesses of candidates. Companies concerned can then make use of a multi-stage consulting offer, e.g. to prepare a professional report.

In autumn 2017, the brochure "Investing in Stars" was produced to present the Northern Eifel as an attractive hotel location. This promotional tool is designed to attract regional and national investors and operators.

In February 2018, the first Eifel follow-up day for the hospitality industry took place. Around 120 current business owners and potential successors learned about key aspects of company handovers.

In 2019, a second Eifel follow-up day for the hospitality industry focused on the protection and maintenance of (historical) buildings within the tourism and gastronomic industry - 90 guests attended.

Main results

The project is still in progress. As of June 2019, more than 30 companies had made use of the consulting service. At least seven of these have improved their turnover thanks to the project.

The project's website lists businesses for which investors and operators are needed. As of June 2019, four of these have found new owners via the website: www.nachfolge-gastgewerbe-eifel.de/objekte/

The number of guests and overnight stays in the Northern Eifel has risen significantly in recent years. This is partly due to investment in tourism infrastructure. Compared to 2011, the number of day tourists rose by 89%, and the number of overnight stays by 31% (2017). In total, there are about 1.3 million overnight stays and 10 million day tourists per year.

The intensive support for succession planning and handover helps ensure the continuation of businesses in the hospitality sector, along with the related jobs. It also means there are opportunities for practical training and apprenticeships in the region.

The materials, seminars, consultations and services designed by the project, will be offered to all interested businesses in the hotel and hospitality sector. The companies concerned will thus be able to deal with the issue of "business succession" at an early stage - even if the problem will only arise in a few years' time. The project is thus making an important contribution to ensuring the continued existence of these companies and to the preservation of the gastronomic infrastructure in the area which also benefits the local population.

It is aimed to continue the project even when the LEADER-period and support has ended.

Key lessons

n/a

Additional sources of information

www.nachfolge-gastgewerbe-eifel.de