Filed by Choice Hotels International, Inc.
Pursuant to Rule 425 under the Securities Act of 1933
and deemed filed pursuant to Rule 14a-12
under the Securities Exchange Act of 1934
Subject Company: Wyndham Hotels & Resorts, Inc.
(Commission File No. 001-38432)

Choice Hotels International, Inc. ("Choice") is using or making available the following communications through the website www.CreateValueWithChoice.com (the "microsite"), a website maintained by Choice providing information relating to the proposal Choice has made to acquire Wyndham Hotels & Resorts, Inc. ("Wyndham"):

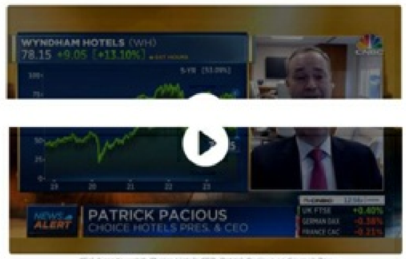
Exhibit 1:	New page added to the microsite entitled "Combination Support"
Exhibit 1.1:	Transcript of CNBC interview linked in the Combination Support page of the microsite
Exhibit 1.2:	Transcript of Yahoo! Finance interview linked in the Combination Support page of the microsite
Exhibit 1.3:	Copy of Wall Street Journal article dated October 17, 2023, linked in the Combination Support page of the microsite
Exhibit 1.4:	Copy of Reuters article dated October 17, 2023, linked in the Combination Support page of the microsite
Exhibit 1.5:	Copy of Breakingviews article dated October 18, 2023, linked in the Combination Support page of the microsite
Exhibit 1.6:	Copy of The Points Guy article dated October 17, 2023, linked in the Combination Support page of the microsite

Support for a Choice-Wyndham Combination

OCTOBER 17, 2023

CNBC

Choice Hotels CEO Patrick Pacious joined Becky Quick on CNBC to discuss our value-creating proposal to acquire Wyndham Hotels & Resorts and the compelling benefits for both companies' stakeholders.



Click here to watch Choice Hotels CEO, Patrick Pacious on Squawk Box

Need Help?

OCTOBER 19, 2023

YAHOO! FINANCE

Choice Hotels CEO Patrick Pacious spoke with Brian Sozzi on Yahoo Finance about the shareholder- and franchisee-friendly proposal to combine with Wyndham Hotels & Resorts.

Click here to watch Choice Hotels CEO, Patrick Pacious on Yahoo! Finance

Need Help?

Analysts

OCTOBER 17, 2023

"Strategically, we continue to believe a merger makes long-term sense..."

"The ball is in Wyndham's court now; management needs to outline a stand-alone path to ~$90/share, in our opinion."

Michael J. Bellisario and Daniel Hogan
BAIRD

OCTOBER 18, 2023

"...[t]he math works and would be materially accretive to Choice at a premium above WH's current price."

Shaun C. Kelley, Dany Asad and Julie Hoover
BANK OF AMERICA

OCTOBER 17, 2023

Historically, major transactions (e.g. Marriott-Starwood, Accor-FRHI) have led to material SG&A savings as well as commission savings for owners from OTA renegotiations.

Jamie Rollo, Stephen W Grambling, Ed Young and James S Harden
MORGAN STANLEY

OCTOBER 17, 2023

"We think narrow-moat Choice's hostile bid for narrow-moat Wyndham would, if completed, make a combined entity more competitive than each of them is on a stand-alone basis as scale entices both third-party owners and travelers to join operator ecosystems in the hotel industry."

"From a regulatory standpoint, we think the deal is likely to clear. The combined company's 4% revenue share would still trail Hilton's 6% and Marriott's 9%. And while the merged entity would have the leading presence in budget hotels, it would just be on equal footing with Hilton and Marriott in midscale, and still in a nascent position in the upscale and luxury segments."

Dan Wasiolek
MORNINGSTAR

OCTOBER 17, 2023

"In an offer we find attractive to WH shareholders, CHH announced a proposal to acquire WH for $90/share (55% cash, 45% CHH stock)."

"While the size of the combined company could bring some regulatory scrutiny, we note the Marriott-Starwood deal faced few obstacles from US regulators under the Obama administration. Further, since then, the vacation rental industry has continued to grow and has increased what can be used to define the market size."

Ian Zaffino and Isaac Sellhausen
OPPENHEIMER

Need Help?

Note: Permission to use quoted material neither sought nor obtained.

Media

OCTOBER 17, 2023

"Choice is no stranger to mergers and acquisitions."

"A merger of the two companies would also position the combined company to compete against much larger lodging rivals Marriott and Hilton, which cater more to higher-end travelers."

View Article

Lauren Thomas and Will Feuer
THE WALL STREET JOURNAL

OCTOBER 18, 2023

"Combining the two companies makes strategic sense: both focus on the mid-tier to discount hotel segments, where occupancy rates were less brutally hit by the pandemic than more upscale peers. Each also serves similar types of franchisees and can unite to cut costs and possibly lift revenue."

View Article

Jonathan Guilford
BREAKINGVIEWS

OCTOBER 17, 2023

"A potential combination would marry Choice Hotels' brands such as Econo Lodge, Quality Inn and Clarion with Wyndham's Days Inn and Travelodge, offering inflation-hit customers a wide choice of affordable hotels."

View Article

Priyamvada C and Shivansh Tiwary
REUTERS

OCTOBER 17, 2023

"Choice and Wyndham joining forces makes sense in a world where companies like Hilton, Marriott, Hyatt and IHG Hotels & Resorts are all signaling in various ways a need to compete in more affordably priced territory."

View Article

Cameron Sperance
THE POINTS GUY

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INVESTOR RELATIONS

Choice Hotels International Inc.
Investor Relations
ir@choicehotels.com

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Becky:

Just out this morning. Choice Hotels making a hostile offer to buy Wyndham Hotels and Resorts, in a roughly $7.8 billion takeover that would combine two of the largest operators in the budget hotel space. Choice is offering $90 a share in cash and stock, and says that it took it's bid public after Wyndham's decision to disengage from talks, after six months of dialogue. Choice CEO, Patrick Pacious joins us right now, and Patrick, first of all, good morning.

Patrick Pacious:

Good morning, Becky. How are you?

Becky:

Good. Let's talk through what happened here. You've been speaking with Wyndham, and talking about a potential deal for six months, going back to April of this year. You started out at $80 a share in cash and stock, raised it up to $85 in cash and stock, and now have come up with what you say is your final and best offer at $90 a share. What happened, then they ghosted you?

Patrick Pacious:

Well, we engaged back, as you said, in April. We've had a good five, six months worth of dialogue, and then in early September we thought we had a really close agreement on the terms, and the consideration, and the price. For about a three-week period, we thought we were going to engage in a little bit of one way NDA, allowing them to diligence our company. Then at the end of September, about three weeks ago, they elected to disengage. What we really wanted to do was to have their shareholders take a look at the offer, and we're asking the Wyndham Board and management team to reengage with us, because we feel like this was a really compelling offer for their shareholders. We think it creates a leading hotel platform that really brings a lot of value to our franchisees, and to our guests, and we think it's a real opportunity for both sets of shareholders.

Becky:

In your release this morning, you say that they raised some questions about Choice stock. I guess this is a deal that's... what is it, 55/45 percent cash in stock, secondly, how you'd finance the cash portion of that. How would you finance that? You'd be issuing how much debt?

Patrick Pacious:

We've been in conversation with two [inaudible 00:02:11] banks and we feel really confident in our ability to finance the deal, at a 55% cash offer. We also wanted to provide the Wyndham shareholders with an opportunity to participate in the combined company on a go forward basis. I think it's important, Becky, to realize these are two really high free cash flow businesses, with a really high margin, which gives us the opportunity to de-lever pretty quickly. We've demonstrated that in the past. Our balance sheet today is only at a 2.6 times net leverage ratio today. We have a very healthy balance sheet, and so we believe that putting these two companies together will allow us to realize these synergies on a very quick path, and de-lever the company back to our normal target range.

Andrew:

Hey, Patrick, can we talk about the $90 a share price? The reason I raise it is clearly you went in at $80 when they were at... not an all time low, but clearly taking advantage of a particular moment in time, back in April when the stock had fallen quite... I don't know, that we'd call it dramatically, but it had fallen. But then by the way, it was back up at $80 over the summer practically. The question is that you say $90 is your final price. I think there's probably a lot of shareholders who've been in this stock, and including this Board, that's sitting there going, "$90 doesn't make sense."

Patrick Pacious:

Well, I think Andrew, it's important to note that there was a leak in the Wall Street Journal back around May 22nd, which really impacted the price of both company shares. But if you look back in the long-term, over the past five years since they've been a separate standalone company, we've had effectively a two times multiple advantage over their business. The shareholders have in their world and in our world, seen that difference in the gap of the earnings multiples that we've had. What we're offering is actually to pay them something very close to our historic multiple, not theirs. We feel like it's a very compelling offer for their shareholders, and we'd like them to reengage in a conversation with us to really open up the books a little bit, allow us to diligence each other, and see if we can get to a common understanding on price.

Becky:

Patrick, why do you think the talks fell apart? Why do you think they aren't speaking to you now?

Patrick Pacious:

That's a question for the Wyndham team really. I mean, I don't want to speculate, but we're well advised on what we think the opportunity here is, for both us and for them, for both our shareholders and our franchisees. We really feel like it's a really compelling time to do it. There's a lot of things that are happening in the hotel space right now, where costs for our franchisees are rising. By bringing the two companies together, we believe that through direct bookings, lower operating costs, and a much more robust rewards program, we have an opportunity to help our owners of our franchises really improve the value of their assets, and their return on investment.

Becky:

Patrick, I want to thank you for being with us this morning, jumping on the Zoom call to get us up to date, Patrick Pacious again with a hostile offer for Wyndham. Thanks for your time.

Brad:

Choice Hotels went public on Tuesday with its nearly $8 billion bid to buy Wyndham Hotels and Resorts after negotiations fell through previously. Wyndham’s board rejected the offer unanimously, calling it underwhelming. Yahoo Finance executive editor, Brian Sozzi, has the latest on this. Brian, take it away.

Brian Sozzi:

All right, thanks so much, Brad. Yes, joining us now is Choice Hotel’s president and CEO, Patrick Pacious. Patrick, great to see you here. So the vibe on the street a couple of days after you made this offer for larger rival, Wyndham, is that this is now a hostile situation. My question to you, do you see this as a hostile situation?

Patrick Pacious:

No, we don’t, Brian, and thanks for having us on. After six months of dialogue, we really thought we were making progress with the Wyndham team in the early part of September where we offered them to really come in and look at our books in a one-way NDA, which is pretty unique, to really get over some of their initial concerns. And really, at the end of September, they decided to disengage.

And so by bringing our proposal public, which we think is very friendly to shareholders, very friendly to franchisees, both businesses or franchise companies, it really gives us the opportunity to explain our offer to a larger group of stakeholders and hopefully get a constructive engagement with Wyndham going, again, to really drive what I think could be a really value-creating opportunity for their shareholders, our shareholders, and both sets of companies’ franchisees.

Brian Sozzi:

So Patrick, this really blew up on Tuesday, lots of focus on the deal. In the hours since, have you heard from Wyndham?

Patrick Pacious:

Not directly. They put out their comments on why they disengaged. And again, I think the areas of disagreement are all resolvable through constructive engagement, and so we’re hopeful that through the conversations we’re having with their shareholders, with their franchisees, and I’m sure we’ll be back in touch with them, we would hope to get back to the table and have constructive engagement to really put together, I think, a company where both of us are better together and is really a pro-competitive, pro-shareholder and pro-franchisee opportunity for everybody involved.

Brian Sozzi:

There really is a good bit of shareholder overlap. Vanguard, BlackRock, a lot of big institutions invested in both your companies. Those companies and many others have long viewed hotels as a really good bet. Have you started sounding out some Wyndham shareholders to see if they would support your deal ultimately?

Patrick Pacious:

Absolutely. We’ve been engaged in those conversations in the last two days. It’s one of the benefits of making our proposal public, is it allows us to now engage that set of stakeholders. And everybody sees the strategic rationale, and I think a lot of our shareholders, their shareholders, particularly the ones you mentioned, Brian, that overlap, would like to see a deal get done. And the way that happens is we return to the negotiating table and have some constructive engagement.

Brian Sozzi:

Is it fair to say the ball is in now Wyndham's court? Just given what you just said about shareholders supporting what you have put forth, is Wyndham... They have to come back to the table, it sounds like. No?

Patrick Pacious:

Well, that's up to them, and I'm not going to speculate how they may take this forward. We're in this, we're determined, we're disciplined. If it takes a long time to get back to the table, we're willing to put in the time and the effort to do that. We've got great advisors on our side. I know they do as well. And so I think when you get right down to the brass tacks, there's a real opportunity here that everybody sees. And so getting back to the table is really what we would hope they would be willing to do, and we're certainly willing to work on our end to make that happen.

Brian Sozzi:

Do you foresee a proxy battle?

Patrick Pacious:

Look, we're well advised. We know what the options are. As I said, I think constructive engagement is probably the right path forward here, but everything is on the table. This makes so much sense for their shareholders and ours, for their franchisees and ours, that I think getting to the table and doing this in a more constructive manner makes a lot more sense.

Brian Sozzi:

And Patrick, I've been doing this for a while. I've covered a lot of deals. I have to say I was surprised by how Stephen Holmes, the chairman and former CEO of Wyndham came out against your company in a very long presentation talking about underwhelming sales, underwhelming margins. State your case. Why is Choice Hotels better fundamentally than Wyndham?

Patrick Pacious:

Brian, I can start with the earnings multiple. We have had a two to three times earnings multiple above theirs for the past five years since they've been a standalone company. The market has spoken, our business is a higher growth business. And their math is simply wrong. We offered, as I said earlier, on the 5th of September, to do a unique one-way NDA, "Come in and let us show you the value of our company." They actually sent over a diligence list. We returned it. And that's why we were so surprised three weeks later that they disengaged. They didn't want to see the real map.

And so that's really what we're hoping is that they would come to the table. Our offer still stands. If they want to come in and look at our books, we're happy to share that with them, to really demonstrate that our value of our stock is significant. And that, as a key part of the component here, is really beneficial for Wyndham shareholders. We've heard that from some of our overlapping shareholders. They want to be participants in the combined company on a go-forward basis.

Exhibit 1.3

https://www.wsj.com/business/deals/choice-hotels-offers-to-buy-wyndham-for-7-8-billion-d35c2018

WSJ NEWS EXCLUSIVE | DEALS

Choice Hotels Unveils $7.8 Billion Takeover Offer For Wyndham

Wyndham rejects offer, saying it involves significant business and execution risk

By Lauren Thomas Follow

Updated Oct. 17, 2023 12:22 pm ET

Wyndham said Choice's stock-and-cash proposal undervalues the company's growth potential.
PHOTO: BRIDGET BENNETT/BLOOMBERG NEWS

Choice Hotels CHH **-1.98%** ▼ made public a $7.8 billion offer to buy Wyndham Hotels & Resorts WH **0.29%** ▲ , a bid to unite two of the biggest budget hotel owners in the country.

The companies were in talks for months before they broke off last month. Wyndham responded to the so-called bear hug later Tuesday, rejecting the offer as too risky and too low.

Choice said its latest proposal values Wyndham at $90 a share, $49.50 in cash and the rest in stock, for a 30% premium to Wyndham's closing price of $69.10 Monday.

Choice and Wyndham both mostly cater to budget-conscious travelers. Choice, whose brands include Quality Inn, Econo Lodge, Clarion and Comfort, has said that it wants to expand in the so-called upper-midscale and upscale segments, and combining with Wyndham would help with that effort. Wyndham's brands include Travelodge, Days Inn and La Quinta.

A merger of the two companies would also position the combined company to compete against much larger lodging rivals Marriott and Hilton, which cater more to higher-end travelers.

Choice initially offered Wyndham $80 per share in April, with 40% of the consideration in cash and the remainder in stock.

The Wall Street Journal reported in May that Choice had been seeking a deal with Wyndham and that it could choose to take an offer directly to shareholders if it got no joy.

Wyndham shares surged by about 10% Tuesday before being halted for pending news, giving it a market capitalization of more than $6 billion. Choice fell by about 5%, bringing its market value to a little under $6 billion.

The proposal undervalues Wyndham's growth potential and involves significant business and execution risks, Wyndham executives told the Journal on Tuesday. Wyndham's board also has concerns over the value of Choice's stock.

Any deal would involve an extended regulatory timeline, with an uncertain outcome that could result in franchisee churn and excessive leverage at the new company, the executives added.

Wyndham said that last month it held multiple conversations with Choice to discuss its concerns, but that Choice was unwilling to address them.

Wyndham said it told Choice on Sept. 27 that it was rejecting the offer.

Choice is no stranger to mergers and acquisitions.

In 2018, it acquired the WoodSpring Suites brand, a move that its Chief Executive, Pat Pacious, has said was in response to growing demand for midscale business travel.

Last year, it completed a $675 million deal for the franchise business, operations and intellectual property of Radisson Hotels Americas, which the company said helped to cement its core upper-midscale hospitality segment.

—Will Feuer contributed to this article.

Write to Lauren Thomas at lauren.thomas@wsj.com

Appeared in the October 18, 2023, print edition as 'Wyndham Rejects $7.8 Billion Bid'.

Wyndham rejects Choice Hotels' $7.8 billion takeover bid

By **Priyamvada C**

October 17, 2023 1:10 PM EDT · Updated 5 days ago

[1/2] Geoffrey Ballotti, CEO of Wyndham Hotels & Resorts, Inc. rings the opening bell at the New York Stock Exchange (NYSE) in New York City, U.S., June 5, 2023. REUTERS/Brendan McDermid/File Photo *Acquire Licensing Rights*

Oct 17 (Reuters) - U.S. budget hotel operator Wyndham Hotels and Resorts (WH.N) on Tuesday rejected rival Choice Hotels' (CHH.N) $7.8 billion cash-and-stock acquisition offer, calling it "underwhelming" and citing regulatory risks around a possible combination.

With nearly 1.5 million rooms worldwide between the two hotel groups, the combined entity could attract regulatory scrutiny, analysts said.

Wyndham's shares jumped as much as 13% to $78.48, but were well below the $90 per share offer price, which was at a 30% premium to the stock's close on Monday.

Earlier on Tuesday, Choice Hotels went public with its offer to buy Wyndham after months-long private talks collapsed.

A potential merger would have married Choice Hotels' brands such as Econo Lodge, Quality Inn and Clarion with Wyndham's Days Inn and Travelodge, offering inflation-hit customers a wide choice of affordable hotels.

Choice said it first approached Wyndham in April with an $80 per share offer, which it later bumped up to $85. Both companies were within a "negotiable range" on price a few weeks ago, the Rockville, Maryland-based company said on Tuesday.

Unit growth has been challenging for Choice, which has nearly 7,500 hotels in 46 countries and territories, and it has turned to acquisitions to grow, UBS analysts have said.

New Jersey-based Wyndham operates and franchises a hotel portfolio of 24 brands that are primarily located in secondary and tertiary cities, according to its annual filing.

Reuters reported in May about a potential deal between the two companies.

Choice's offer is "highly conditional, and subject to significant business, regulatory and execution risk. Choice has been unwilling or unable to address our concerns," Wyndham said on Tuesday, adding that the offer undervalued it.

Some analysts said the size of the combined company would mean some divestment would be needed.

"There are big questions that remain though with the largest being regulatory approval/antitrust given what would be a combined heavy concentration of Economy and Midscale rooms in the U.S." said Truist analyst Patrick Scholes.

Scholes added that during conversations on Tuesday, Choice Hotels was confident in gaining regulatory approvals and believed that the combination would have been "pro-competitive."

Choice had offered $49.50 in cash and 0.324 shares of its common stock for each share of Wyndham. Including debt, the deal was valued at about $9.8 billion.

As of Monday's close, Choice had a total market capitalization of $6.29 billion, while Wyndham's stood at $5.82 billion.

Reporting by Priyamvada C, Shivansh Tiwary in Bengaluru, Doyinsola Oladipo in New York; Editing by Shinjini Ganguli

Wyndham suitor is unprepared to check in just yet

18 Oct 2023 | By Jonathan Guilford   Follow @JMAGuilford

No vacancy. Wyndham Hotels and Resorts is understandably demanding some room service. The budget lodging chain rejected a **takeover bid** from Choice Hotels International, a $10 billion entreaty its rival made public on Tuesday after months of private negotiations. Despite a 38% premium to Wyndham's stock price back before talks surfaced in media reports, the valuation lacks comparative oomph and the offer also glosses over competition risks.

The two sides have been at loggerheads since Choice **first made** its unsolicited proposal in April. Combining the two companies makes strategic sense: both focus on the mid-tier to discount hotel segments, where occupancy rates were less brutally hit by the pandemic than more upscale peers. Each also serves similar types of franchisees and can unite to cut costs and possibly lift revenue.

Moreover, a merger offers Wyndham shareholders a way to check out of a nagging valuation funk. Choice is willing to pay about 14.5 times Wyndham's expected full-year EBITDA, well above its 12 times average trading multiple this year, according to LSEG. It's also offering 45% of the consideration in its shares, which fetch a much higher multiple.

Even so, the valuation is only on a par with peers such as Marriott International, rather than offering a notable premium for control. Choice might have limited room to maneuver, however. Take the $150 million of extra profit it estimates can be generated mainly from slashing expenses, and the deal would deliver an implied return on invested capital that's as low as 6%, based on estimates of Wyndham's expected profitability gathered by LSEG. The union also would saddle the enlarged hotelier with debt equivalent to nearly 6 times EBITDA, a concern if Wyndham shareholders are to keep a sizeable stake.

A higher proportion of cash would help solve that problem. A bigger concern, however, is that aggressive trustbusters will want a close look. Together, Choice and Wyndham account for 17% of U.S. hotel rooms and a quarter of the budget market, according to Morgan Stanley analysts. There's little reassurance from Choice on the implications, but it could throw in a hefty fee if the deal fails to pass regulatory muster or offer to pay more if competition authorities drag their feet, or even a dividend upfront. For now, Choice has yet to provide a sufficient security deposit to warrant checking in.

Context News

Choice Hotels International on Oct. 18 unveiled a $90 per share offer for budget-focused rival Wyndham Hotels and Resorts on Oct. 18, valuing the target at $9.8 billion, including debt. The cash and stock bid follows months of private negotiations between the two rivals that stretch back to April. Choice Hotels said it made the approach public after Wyndham "disengaged" from conversations.

Wyndham rejected the offer later the same day, saying it carries too much regulatory risk and undervalues the company. It added that Choice Hotels "refused to sign a mutual confidentiality agreement."

Choice shares closed down 7% on Oct. 18 while Wyndham's gained 9%, but at $75.29 remained below the offer price.

Exhibit 1.6

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NEWS

Choice Hotels aims to acquire Wyndham in $7.8 billion hostile takeover

Advertiser disclosure

Cameron Sperance

Oct. 17, 2023 • 7 min read

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The battle of the budget hotel brands is moving to all-out war.

Choice Hotels, owner of brands like Cambria Hotels and Comfort Inn, announced Tuesday morning a proposal to acquire Wyndham Hotels & Resorts — owner of brands like La Quinta and Ramada — for $7.8 billion. Factoring in Wyndham's debt, Choice leadership claims the deal values its takeover target at nearly $10 billion.

The company also noted it had been engaged with Wyndham regarding a deal for six months before those talks stalled. Wyndham made a "decision to disengage from further discussions with Choice," per the announcement.

Wyndham later in the day on Tuesday announced its board of directors unanimously rejected Choice's "unsolicited" acquisition offer. The company claims the takeover presents "significant business and execution risks" and "undervalues Wyndham's future growth potential."

"Choice's offer is underwhelming, highly conditional, and subject to significant business, regulatory and execution risk. Choice has been unwilling or unable to address our concerns," Stephen P. Holmes, chairman of the Wyndham board of directors, said in a statement. "While our Board would support a value-maximizing transaction, given the substantial, unmitigated embedded risks and value destruction potential presented by the proposed transaction, our Board determined it is not in the best interests of Wyndham shareholders."

The potential tie-up, first reported in the Wall Street Journal in May, has been the talk of the hotel industry for months — especially as competitors like Marriott and Hilton enter the more affordable end of the hotel market where Choice and Wyndham have significant market share.

Choice Hotels would not comment further on the deal. Wyndham CEO Geoff Ballotti declined to answer a reporter's question regarding the then-rumors of a potential deal during a press roundtable at a recent Wyndham owners' conference in Southern California.

"We have long respected Wyndham's business and are confident that this combination would significantly accelerate both Choice's and Wyndham's long-term organic growth strategy for the benefit of all stakeholders," Choice Hotels CEO Patrick Pacious said in a statement. "For franchisees, the transaction would bring Choice's proven franchisee success system to a broader set of owners, enabling them to benefit from Choice's world-class reservation platform and proprietary technology to drive cost savings and greater investment returns."

"Additionally, the value-driven leisure and business traveler would benefit from the combined company's rewards program, which would be on par with the top two global hotel rewards programs, enabling them to receive greater value and access to a broader selection of options across stay occasions and price points."

Pacious alluded to the now-hostile takeover nature of his company's bid for Wyndham and noted that, a few weeks ago, the two companies were "in a negotiable range on price and consideration" over the deal before

Wyndham walked away. The Choice CEO claimed both companies saw value in the deal.

"While we would have preferred to continue discussions with Wyndham in private, following their unwillingness to proceed, we feel there is too much value for both companies' franchisees, shareholders, associates, and guests to not continue pursuing this transaction," Pacious said. "Importantly, we remain convinced of both the many benefits of the combination and our ability to complete it."

Wyndham's rebuttal later in the day blamed a lengthy period between deal announcement and likely closing as a major factor in the decision to drop talks with Choice Hotels. Wyndham's board felt that the timeline — more than a year, the board claimed — would present vulnerability, including the potential for current hotel owners to decamp for competing companies.

"We have engaged with Choice and its advisors on multiple occasions to explore these risks. However, it became clear the proposed transaction likely would take more than a year to even determine if, and on what terms, it could clear antitrust review, and Choice was unable to address these long-term risks to Wyndham's business and shareholders," Wyndham's Holmes said.

"We are disappointed that Choice's description of our engagement disingenuously suggests that we were in alignment on core terms and omits to describe the true reasons we have consistently questioned the merits of this combination – Choice's inability and unwillingness to address our significant concerns about regulatory and execution risk and our deep concerns about the value of their stock."

Why a Choice and Wyndham marriage makes sense

Choice and Wyndham joining forces makes sense in a world where companies like Hilton, Marriott, Hyatt and IHG Hotels & Resorts are all signaling in various ways a need to compete in more affordably priced territory.

Most investor analysts saw the arrival of Hilton's new premium economy Spark brand as one that would start to siphon business away from Choice and Wyndham, and they're not wrong: The first Spark hotel was formerly a Days Inn, a brand owned by Wyndham. Having a larger combined company would help Choice and Wyndham defend their turf, so to speak.

Choice Hotels appeared to allude to those concerns by noting the combined company's rewards program would be on par with the world's largest loyalty programs. Hilton leadership has been vocal about using Spark as an affordable entry point into the Hilton Honors ecosystem.

From Choice's perspective, it also rounds out a robust acquisition streak, as the company last year acquired Radisson's Americas operation — bringing in a mix of affordable and mid-tier brands like Country Inn & Suites as well as higher-end offerings like Radisson and Radisson Blu.

Wyndham's brand portfolio skews heavily toward midscale and economy brands, but there is also the Wyndham Alltra all-inclusive brand as well as the luxury Registry Collection Hotels imprint.

What travelers could get from the deal

Choice Hotels touted the combined company would offer a rewards and loyalty program on par "with the top two global programs in hospitality" — Marriott and Hilton — and will offer "best-in-class" program benefits.

Choice also touted the expanded reach of the combined company. Wyndham, along with its Americas reach, has a significant global presence throughout Europe, the Middle East and Asia. Further, the combined operation would mean there are more options for customers to stay in the Choice-Wyndham ecosystem while traveling.

The long-standing logic in hotel ownership is that one of the worst things that can happen would be to have a loyalty customer go to a city where your company doesn't have a hotel, try the competition and then never come back to one of your hotels.

While a deal between Wyndham and Choice doesn't appear certain, it definitely appears Wall Street likes the sound of it: Shares of Wyndham's stock briefly surged in pre-market trading Tuesday morning.