

Working with the Hotel

Building and Maintaining your Relationship

A great event starts with great staff, including hotel staff

Relationship between hotels and meeting planner is crucial and needs to be a partnership

Not all visions or goals are shared but should be understood and respected

Good communication is key

Meeting planner pet peeves

- Feeling nicked and dimed by hotels
- Hotel staff turn overs

How Hotels Value Business

Hotels have a limited and perishable inventory with only one opportunity to sell it a day

The hotel has to decide whether to book your group today or wait to see if there is a better piece of business that would provide the hotel higher revenue and profit

- The decision to book a Group's business is like trying to find the best parking space at the mall

How Hotels Value Business

Key variables that influence pricing, include but not limited to:

- Arrival/departure pattern
- Seasonality
- Lead time
- Transient demand
- Rooms to space ratio
 - Blocking 200 rooms in a 225 room hotel has more leverage than blocking 200 rooms in a 500 room hotel
- Potential food and beverage revenue
- Risk

Event Profile

What should the Event Profile included:

- Contact information
- Goals and objectives of the event
- Attendee profile
- Preferred dates and pattern
- Number and type of guest rooms, including complimentary rooms, suites

Event Profile

- Range of acceptable guest room rates
- Number, size and usage of meeting rooms, along with estimated times they are needed including set-up/tear-down times
- Tentative program schedule
- Office and storage requirements
- Registration area needs

Event Profile

- Dates, times and types of food and beverage services
- Space and services needed for exhibits, displays, internet cafes, hospitality lounges and other special activities
- Special requirements, including accessibility for those with physical disabilities
- Audio/visual requirements
- Added value concessions

Event Profile

- Event history:
 - Dates and locations
 - Past event attendance
 - Room block pick up and room rates, including host and overflow hotels
 - Amount of meeting and exhibit space used
 - Audio/visual usage
 - Food and beverage guarantees and actual consumption

The Request for Proposal

What should the Request for Proposal (RFP) included:

- Event name
- Organization hosting the event contact information
- Key contact person's contact information
- Event specifications/profile details
- Due date for proposals
- Decision date

The Convention and Visitors Bureau

Utilize the local convention and visitors bureau (CVB):

- Assistance with RFP preparation and sourcing
- Coordinating site visits
- Assistance in confirming/negotiating contracts
- Lists of local suppliers for products and services
- Transportation information
- List of restaurants, activities and attractions
- Staffing assistance
- Promotional materials

Many of these services are provided complimentary.

The Site Visit: City

The city site visit should include:

- A tour of the city and general orientation
- Review of local transportation system and facilities
- List of events, activities, and attractions that will coincide with event
- Tours of hotels, convention centers and other facilities and attractions, if applicable to event
- A review of event-related rules, policies and/or licenses required by the city, including local taxes and union contract specifications

The Site Visit: Hotel

The hotel site visit should include:

- Meet various staff members including the general manager, front desk personnel, salespeople, housekeeping staff, catering staff, convention services staff, in-house vendors such as audio/visual
- A tour of meeting space with salesperson and convention services staff
- View a single and double guest room and suites

The Site Visit: Hotel

- Review of food/beverage outlets, fitness center, pools and other recreational services, if provided at the hotel
- Review the event profile with salesperson and convention services staff
- Take photos and video when needed
- Ask questions and discuss ideas
- Spend time on your own to experience the hotel as an attendee would

Understanding Attrition

The difference between the actual number of sleeping rooms picked-up (or food-and-beverage covers or revenue projections) and the number or formulas agreed to in the terms of the facility's contract. Usually there is an allowable shortfall before damages are assessed.

Understanding Attrition

Room Block

- Feel comfortable with the room block
- Right to reduce the room block before the meeting
- Attrition should be based on total rooms not per day
- Receive credit for resold rooms
- Receive credit for rooms outside of your room block
- Guest room audit
- Back out any fees and taxes from attrition penalties

Understanding Attrition

Food and Beverage

- Minimum guarantee
- Less cost of food not purchased
- Credit for revenue generated by affiliates/ICWs
- Back out any fees and taxes from attrition penalties

Terms and Conditions/Clauses

Various terms and conditions that are included in hotel contracts:

- Preamble/options status
- Event details
- Sleeping rooms details
- Function space
- Food and beverage events
- Outside vendors

Terms and Conditions/Clauses

- Value added concessions
- Billing arrangements
- Termination/Force Majeure/Acts of God
- Cancellation and attrition
- Indemnification
- Insurance Coverage

Terms and Conditions/Clauses

- Dispute resolution and governing law
- Miscellaneous
- Authority of signatures

Sample Clauses

Cancellation clause - sliding scale for hotel and group

Either the Hotel or Group may cancel this contract without cause upon written notice to the other party at any time prior to the event and upon payment of an amount based on the following scale, plus applicable taxes:

179 days or less from the start of the official event dates / 80% of Rooms, 40% of Food & Beverage, and Rental

364 days to 180 days from the start of the official event dates / 70% of Rooms, 30% of Food & Beverage, and Rental

729 days to 365 days from the start of the official event dates / 50% of Rooms, 25% of Food & Beverage, and Rental

Contract signing to 730 days from the start of the official event dates / 40% of Rooms, 15% of Food & Beverage, and Rental

Payment due as a result of this cancellation option shall be made by the canceling party to the non-canceling party at the time this Agreement is canceled by written notice.

Sample Clauses

Cancellation clause – by hotel

If Hotel double books or is unable to provide guestrooms and function space over the Groups dates to the extent that is mutually agreed upon by both parties that such circumstance makes it impossible to operate the meeting or use the hotel facilities as agreed to in this agreement then such action constitute a breach of hotels obligation to Group and Group will be entitled to pursue all legal remedies for any damages it incurs from such an action.

Sample Clauses

Lowest rate clause

If Group's pickup is not cause for Hotel to offer a lower than the contracted group rate, Hotel agrees that the Group will be guaranteed the lowest rate in the hotel, over the peak nights for similar size meetings, food and beverage spend and booking patterns. Exceptions include negotiated volume corporate business, government accounts, airline crew rooms, FIT accounts or similar arrangements. This guarantee applies to rates made available to the general public, either through the Hotel's reservation department or website or any other and all Group's attendees who meet the restrictions of the lower rate or remove the lower rate from all distribution channels.

Sample Clauses

Attrition clause - addition

Group will get credit towards guest room minimum for any attendee staying at the Hotel regardless of how the reservation was made or at what rate.

Sample Clauses

Outside vendors/contractors

Group may select to contract audio/visual, exposition services, DMC, etc. outside of the Hotel without penalty with the exception of rigging and patch fees to house sound and electrical requirements. If an outside audio/visual services is selected. Hotel equipment and services will require the Hotel's in-house technician for all rigging. The Group will provide the Hotel with a list of all contractors and services to be performed. The Hotel may request proof of worker's compensation insurance for employees who will work on the Hotel's property and proof of adequate general liability coverage for outside contractors' activities while on the Hotel's property.

Sample Clauses

Conflict of interest clause

The Hotel agrees and understands that there are various related and affiliated groups or entities that may wish to reserve room blocks, meeting space and/or suites over the Group dates, which could create conflicts with the goals and objectives of the meeting. Therefore, the Hotel agrees not to rent facilities to the following groups or entities over the Group's dates without the express written consent of Group: The Hotel agrees to not contract with ABC Company, XYZ Company, etc. Hotel will seek Group's written approval for securing any meeting or events for any person or entities who work within the recycling and waste industry over the Group's dates.

Sample Clauses

Force Majeure clause - addition

The Hotel shall promptly notify the Group if there is a change in management company to terminate this agreement without liability upon written notice to the Hotel.

Group reserve the right to terminate commitments without penalty if Hotel secures other groups during Group's room blocked dates who represent the adult entertainment industry, music industry or college Greek system (fraternities and sororities), that may offend Group's attendees in any way.

Function Set-up Orders

The function set-up orders should include:

- Organization name
- Event name
- Day and date of event
- Meeting room or function space
- Set-up and dismantled times

Function Set-up Orders

- Function start time and end time
- On-site point of contact
- Expected attendance
- Number of speakers
- Staging requirements
- Audio/Visual requirements

Function Set-up Orders

- Food and beverage requirements
- Scheduled breaks for refreshing the room or function space
- Décor
- Security
- Accessible requirements
- Signage
- Utilities

Banquet Event Orders/Event Orders

Using the information provided in the function set-up orders along with information collected from in person meetings, telephone conversations and emails, the convention service manager (CSM) will create banquet event orders (BEO)/event orders (EO) for each function occurring at the event.

Group Specifications/Group Resume

A detailed overview of the event, including:

- Event history
- Attendee profile
- Event objectives
- Event requirements
- Operational details
- Billing arrangements

Pre-Event Meeting/Pre-Con

- Typically held 24-48 hours prior to event
- Provides an overview of the event, reconfirm and review event logistics and discuss any last-minute adjustments
- Opportunity to meet hotel staff representing the various departments in the hotel

Post-Event Meeting/Post-Con




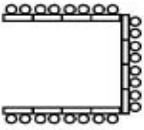

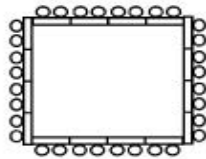
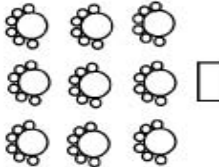
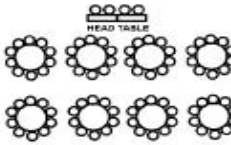
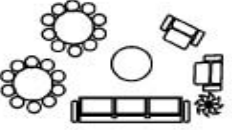
- Opportunity to evaluate the implementation of the event
- Review billing and highlight any discrepancies or concerns

Meeting Space and Set-up

Securing the correct type and amount of meeting space is fundamental to the success of the event.

- Many hotels print room capacities that are either impractical or impossible
- Hold rooms that require large or difficult set-up requirements on a 24-hour basis for each day (include set-up and dismantling time)
- Avoid making changes to the room set-ups during each day, some hotels will charge a labor fee each time the room is reset
- Negotiate in the contract any potential charges related to function rooms including electrical fees, sound equipment, ice water and glasses, etc.

Seating Configurations

<p>CLASSROOM</p> <p>This format can accommodate most group sizes and is ideal when extensive notes are to be taken.</p> 	<p>THEATRE</p> <p>Appropriate for larger groups and lecture-style presentations.</p> 	<p>HERRINGBONE</p> <p>This format encourages audience participation, but utilizes more space than classroom format.</p> 
<p>U-SHAPE</p> <p>Excellent for groups of 10 to 30, allowing eye contact and encouraging participation.</p> 	<p>BOARDROOM</p> <p>Ideal for intensive group work, with 24 or fewer participants.</p> 	<p>HOLLOW SQUARE</p> <p>For groups of 30 to 40, this format facilitates discussion.</p> 
<p>1/2 ROUNDS</p> <p>Excellent for luncheon meetings with speakers. Very effective format for small group work.</p> 	<p>BANQUET</p> <p>Traditional for social functions, also very effective format for small group work.</p> 	<p>RECEPTION</p> <p>An informal set-up for groups with a more relaxed and casual atmosphere.</p> 

Food and Beverage

- Food and beverage is the hotel's greatest source of revenue after guest rooms
- Establish and work within a realistic budget
- Open communication with catering representative will help clarify needs of the group and provide the best value possible
- Towards the end of each food and beverage function, count the amount of food and beverage consumed or left over to track your attendees habits that will be helpful for future planning
- Provide special meal requests including, allergies, kosher meals, vegetarian, vegan, gluten free as early as possible so the hotel has adequate time to prepare a menu to accommodate these special meal requests

Gratuities and Service Charges

- Varies some from hotel to hotel, the current average is 22-24% (should be written in contract)
- Gratuities and service charges are mandatory charges
- Gratuities go to hotel staff in lieu of tips
- Service charges go to the hotel to off-set operational costs such as heat, air-conditioning, electrical for lights, meeting room cleaning and repair, etc.
- Service charges don't just apply to food and beverage functions, some hotels have service charges attached to audio/visual equipment rental or meeting space rental
- Often a portion or entire service charge is considered subject to the state's sales tax

Menu Planning

- Understand your attendee's likes and dislikes
- Ask attendees if they have allergies or other special meal requests (vegetarian, vegan, gluten free and kosher)
- Catering staff and/or Chef can provide menu assistance and custom menus to meet group's needs and budget
- Hotel's menu is flexible
- Serve an entrée salad, one portion of meat or poultry in a plated lunch can serve two or three people when in an entrée salad

Menu Planning

- Reserve the plated desert for the afternoon break
- Coordinate menus with other groups in-house
- Healthy and lighter food options are trendy
- Catering department often prepare 3-5% overset (meals above the guarantee) as vegetarian meals
- Menus should be planned and finalized at least 30 days in advance

Beverage Break

Morning Break

This is a general guideline.

	All male attendees	All female attendees	50/50
Regular coffee	Number of attendees x 60%	Number of attendees x 50%	Number of attendees x 55%
Decaf coffee	Number of attendees x 20%	Number of attendees x 25%	Number of attendees x 25%
Tea	Number of attendees x 10%	Number of attendees x 15%	Number of attendees x 10%
Soda	Number of attendees x 25%	Number of attendees x 25%	Number of attendees x 25%

Beverage Break

Afternoon Break

This is a general guideline.

	All male attendees	All female attendees	50/50
Regular coffee	Number of attendees x 35%	Number of attendees x 30%	Number of attendees x 35%
Decaf coffee	Number of attendees x 20%	Number of attendees x 20%	Number of attendees x 20%
Tea	Number of attendees x 10%	Number of attendees x 15%	Number of attendees x 10%
Soda	Number of attendees x 70%	Number of attendees x 70%	Number of attendees x 70%

Reception Bars

- Cash bar – attendees pay individually for their own drinks
- Open bar/hosted bar – charges are paid by the sponsor/host on a per-drink, per-bottle, per-person or per-hour basis
- Combination bar – includes both cash bar and open bar concepts
- Tickets may be given to attendees to limit consumption per person to be paid for by the sponsor/host
- One bartender for every 75-100 attendees if they are arriving at intervals/flowing through a reception
- One bartender for every 50 attendees is arriving in a group all at once
- Many hotels charge bartender fees, can be negotiated

Hotel Pirates

Unauthorized third party groups that misrepresent themselves to attendees in an effort to poach off room block and/or steal attendee's financial information.

How to protect attendee's and room block

- Unfortunately, there is no way to completely protect against hotel pirates.
- The meeting industry has formed a work committee to determine the best course of action to fight against hotel pirates, recommendations have not be released
- Add notice on your conference website and marking material notifying attendees the only official way to secure hotel rooms is directly with the host hotel and warning against booking through any third party housing coordinator
- Send a cease or desist letter

APEX Industry Glossary

- Developed by the meetings, convention and exhibition industry through the Accepted Practices Exchange
- www.conventionindustry.org/standardspractices/APEX/glossary.aspx

Thank you!

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