

#### **NEWSLETTERS**

# Barnes & Thornburg LLP Meetings, Travel & Hospitality Update - December 2013

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#### **Editor's Note**

Welcome to the inaugural edition of the *Meetings, Travel & Hospitality Update* - an electronic publication created by the attorneys in Barnes & Thornburg LLP's Associations & Foundations group. This month's edition focuses on the top trends in the meetings and hospitality industry.

While the meetings, travel and hospitality industry continues down the path to improvement, a number of trends have emerged impacting organizations – both corporate and nonprofit. Whether these trends are affecting your organization yet or not, it is important to prepare your organization for any contingency the industry might send your organization's way.

To read an article from this month's edition, click on any one of the hyperlinks in the article descriptions below. If you are not currently on our mailing list and would like to receive issues of this newsletter directly via email visit our subscription page here and select "Meetings, Travel and Hospitality" from the menu options. You can also request to be added to our Meetings, Travel and Hospitality mailing list by emailing btlaw.communications@btlaw.com.

- Barbara F. Dunn | Partner | Barnes & Thornburg LLP

### RFPs Provide Great Vehicle to Identify Requirements

Watch your head – the pendulum has swung back and it's a seller's market for groups. With a limited supply of full-service hotels and renewed demand in the business/corporate travel sector, many groups have been pushed to look at other cities or to change their dates or patterns. But with the right marketplace and timing, there still are great deals for groups. Remember in negotiations, if you don't ask, you don't get so ask away! The request for proposal (RFP) is a great vehicle to contain all of the various requirements and "wish lists" of groups. The RFP should also include key contract provisions.

For more information about what to include in an RFP, click on the headline above...

# **Strong Language in Contract Necessary to Address Hotel Cancellation**

With increased demand comes the possibility of hotels replacing

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contracted association business with corporate business. Other recent circumstances for hotel cancellations include hotel closure for renovations or so that the hotel may be converted in whole or part to condominiums. When cancellation by the hotel occurs – regardless of the circumstance – groups need to ensure that they are protected with strong language in the hotel contract which provides for the recovery of all costs associated with moving the meeting to an alternate hotel as well as indirect damages and attorney's fees.

For additional background and a sample clause regarding Cancelation by Hotel, click on the headline above...

### **Option, Cutoff Dates Matter in Hotel Contracts**

With increased demand for rooms and space comes the importance of the option and cutoff dates in hotel contracts. While many groups assume that the option dates will be automatically extended by hotels, many groups have discovered, to their unpleasant surprise, that the hotels will not extend the option dates as the hotels have alternate pieces of business ready to be booked. So if groups need more time to consider a contract, the groups should contact the hotel and secure a written modification to the option date. The cutoff date is also critical as many hotels seek to have this date extended to 30 days so that they can sell the remaining portion of the group's room block. As such, groups should ensure that they are comfortable with the cutoff date.

For additional background and a sample clause regarding the cut-off date, click on the headline above...

## **ARRRGH! No End in Sight for Pesky Housing Pirates**

With a busy marketplace and attendees striving for the best deal, many groups have fallen prey to the efforts of companies contacting their attendees and exhibitors under the guise of the group to sell them hotel rooms at a lower rate for the group's meeting. These so called "housing pirates" are back with quite a vengeance and their tactics have become increasingly more aggressive in noting that they are calling "on behalf of the group". While it is critical to send housing pirate a "cease and desist" regarding their unauthorized actions, it is equally important to notify attendees and exhibitors of the tactics of these companies and remind them of the proper channels for reserving hotel rooms for their conference.

For more information regarding strategies to manage housing pirate issues, click on the headline above...

# **About Our Group**

Attorneys in the firm's Associations & Foundations Practice Group represent hundreds of trade associations, professional associations, and foundations as well as organizations in the meetings, travel and hospitality industry. For more information, visit us online at <a href="https://www.btlaw.com/associationandfoundation/">www.btlaw.com/associationandfoundation/</a>.

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