

1

00:00:33,000 --> 00:00:35,866

Hello everyone it is Heather Reid here.

2

00:00:36,166 --> 00:00:38,316

I'm honored to be here with you today.

3

00:00:38,333 --> 00:00:41,566

My pronouns are she her and for those folks

4

00:00:41,566 --> 00:00:44,983

with using accessibility technology today, I'm

5

00:00:45,000 --> 00:00:48,116

a 60 year old white female sitting in my home

6

00:00:48,116 --> 00:00:51,533

office with wall to wall bookcases behind me.

7

00:00:51,533 --> 00:00:53,750

I'm wearing a navy blue blouse.

8

00:00:53,750 --> 00:00:57,883

I have ash colored curly hair and I'm wearing red glasses.

9

00:00:58,366 --> 00:01:01,666

Now before we jump into today's topic,

10

00:01:01,666 --> 00:01:06,816

I need you to know that I am not legal counsel,

11

00:01:06,833 --> 00:01:10,433

and the discussions here to day do not in any

12

00:01:10,433 --> 00:01:14,150

way reflect that I am providing or

13

00:01:14,150 --> 00:01:17,750

suggesting legal advice or legal language.

14

00:01:18,116 --> 00:01:21,116

and the second thing is I know that you're going

15

00:01:21,116 --> 00:01:24,883

to have questions now or during the replay, so please

16

00:01:24,900 --> 00:01:28,666

don't hesitate to put them in the comments wherever you are viewing this,

17

00:01:28,666 --> 00:01:32,266

and I will do my best to get back to you either

18

00:01:32,266 --> 00:01:36,883

today if I can or in future episodes or wherever you leave the comment.

19

00:01:37,250 --> 00:01:42,000

so today we're discussing case studies inforce majour

20

00:01:44,250 --> 00:01:47,700

I think it would be insensitive of

21

00:01:47,700 --> 00:01:52,250

me to day if I did not take a moment to acknowledge

22

00:01:53,750 --> 00:01:56,750

the real world force majeure like events

23

00:01:56,750 --> 00:02:00,166

that are currently impacting our communities

24

00:02:00,166 --> 00:02:02,383

and the events industry.

25

00:02:02,400 --> 00:02:05,633

These are more than just contract terms.

26

00:02:05,633 --> 00:02:08,866

They are the lived realities of so many people,

27

00:02:08,866 --> 00:02:11,500

including our industry colleagues.

28

00:02:11,816 --> 00:02:15,416

I would ask you to reflect on the resilience

29

00:02:15,416 --> 00:02:19,316

of those affected and to consider how our work

30

00:02:19,316 --> 00:02:22,783

as event professionals can adapt and respond to these

31

00:02:22,800 --> 00:02:27,000

challenges with compassion and with responsibility.

32

00:02:27,466 --> 00:02:30,933

so let's use the next 25 minutes to not only deepen

33

00:02:30,949 --> 00:02:34,783

our understanding of force mature clauses, but also

34

00:02:34,800 --> 00:02:38,266

to think about the broader context in which we operate.

35

00:02:39,166 --> 00:02:43,183

So a contract is a legal instrument

36

00:02:43,199 --> 00:02:48,300

used to allocate risk between parties.

37

00:02:48,300 --> 00:02:51,466

I like the word entities, um

38

00:02:51,466 --> 00:02:54,816

in our industry, the parties are the entities are

39

00:02:54,833 --> 00:02:57,349

typically a client or group

40

00:02:57,900 --> 00:02:59,900

and a supplier.

41

00:02:59,900 --> 00:03:02,449

And force majeure is a legal

42

00:03:02,449 --> 00:03:06,466

term that refers to an unexpected or

43

00:03:06,466 --> 00:03:11,866

extraordinary or unforeseen event that prevents

44

00:03:11,866 --> 00:03:15,883

one of those entities or parties to the contract

45

00:03:16,250 --> 00:03:19,250

from fulfilling their contractual obligations,

46

00:03:19,250 --> 00:03:23,199

and the term is French for superior force,

47

00:03:23,216 --> 00:03:27,416

and I almost wish it was superior force, because I don't say force majeure also well.

48

00:03:28,500 --> 00:03:31,666

in a contract, the force majeure clause is the

49

00:03:31,666 --> 00:03:35,566

clause that is intended to remove liability

50

00:03:35,566 --> 00:03:39,766
for catastrophes that are preventing one or

51
00:03:39,766 --> 00:03:43,483
both of the entities from fulfilling their obligations.

52
00:03:44,033 --> 00:03:47,333
A forced majeure clause generally covers

53
00:03:47,333 --> 00:03:51,466
natural disasters like hurricanes, tornadoes

54
00:03:51,466 --> 00:03:55,183
and earthquakes, and human actions

55
00:03:55,199 --> 00:03:58,966
such as armed conflict and human made disease.

56
00:04:00,500 --> 00:04:03,533
A forced mature clause should answer

57
00:04:03,533 --> 00:04:09,466
in writing in your contracts the following three questions.

58
00:04:09,466 --> 00:04:13,483
What constitutes a triggering event?

59
00:04:14,750 --> 00:04:17,933
Second, what impact must those

60
00:04:17,933 --> 00:04:23,750
triggering events have on the entity who is invoking the clause?

61
00:04:25,750 --> 00:04:29,516
And number three what effect should

62
00:04:29,516 --> 00:04:34,916
invoking the clause have on that party's contractual obligations?

63

00:04:35,933 --> 00:04:38,983

So I'm going to repeat those because I know that those are questions that

64

00:04:39,000 --> 00:04:42,233

you should be thinking of when you review proposed

65

00:04:42,233 --> 00:04:45,833

language and when you're working with your legal counsel, and

66

00:04:45,833 --> 00:04:49,066

I know that they've been put in the chat as well, so number one

67

00:04:49,066 --> 00:04:52,833

what constitutes a triggering event?

68

00:04:54,000 --> 00:04:57,000

number two what impact must

69

00:04:57,000 --> 00:05:02,633

those triggering events have on the entity that is invoking the clause?

70

00:05:02,633 --> 00:05:05,933

And number three what effect

71

00:05:05,933 --> 00:05:11,383

should invoking the clause have on the party's contractual obligations?

72

00:05:12,250 --> 00:05:15,300

So I know the title saidase

73

00:05:15,300 --> 00:05:19,066

studies enforce majeure, but in

74

00:05:19,066 --> 00:05:22,783

preparing for today, I can't do justice to more

75

00:05:22,800 --> 00:05:27,833

than one case study so I'm going to use just one as my teaching tools for today

76

00:05:28,433 --> 00:05:31,483

and in these uh broadcasts, I'll come

77

00:05:31,500 --> 00:05:34,666

back to the other one Sunday so the case study

78

00:05:34,666 --> 00:05:37,899

that I want to share today involved a hotel

79

00:05:37,916 --> 00:05:44,449

contract for an international weather dependent event.

80

00:05:45,500 --> 00:05:50,100

Now you may already be thinking well, I don't plan international events.

81

00:05:50,100 --> 00:05:54,750

I don't plan weather dependent events.

82

00:05:55,250 --> 00:05:58,250

However, I want you to stay tuned because what I

83

00:05:58,250 --> 00:06:01,483

know for sure is that the lessons that I share here

84

00:06:01,500 --> 00:06:03,500

will still apply.

85

00:06:04,500 --> 00:06:07,616

so to give you some context, I

86

00:06:07,616 --> 00:06:11,516

was hired to review the hotel contract

87

00:06:11,516 --> 00:06:15,649

for a national sporting organization that

88

00:06:15,649 --> 00:06:18,816

hosts international sporting events.

89

00:06:20,000 --> 00:06:23,333

It is an outdoor sport and it

90

00:06:23,333 --> 00:06:27,649

requires specific and conducive weather conditions

91

00:06:27,649 --> 00:06:32,016

and in this case snow and lots of it.

92

00:06:32,750 --> 00:06:35,800

So the hotel contract was being negotiated

93

00:06:35,816 --> 00:06:39,716

to house the athletes and the event staff,

94

00:06:39,716 --> 00:06:43,666

as well as conduct meetings and social functions,

95

00:06:44,566 --> 00:06:48,033

and the organization was hosting two sporting

96

00:06:48,050 --> 00:06:53,149

events back to back at the same sporting venue.

97

00:06:54,500 --> 00:06:57,766

So that's the context. so when I get

98

00:06:57,766 --> 00:07:01,716

the contract, I read it and in my written review,

99

00:07:01,733 --> 00:07:06,949

as I always do, I create two types of comments on the document.

100

00:07:07,750 --> 00:07:10,800

so first I included comments and requests

101

00:07:10,800 --> 00:07:13,966

that were directed to the supplier in this case the

102

00:07:13,966 --> 00:07:17,199

hotel that I knew that the client needed

103

00:07:17,216 --> 00:07:20,633

to have included in the contract to balance

104

00:07:20,633 --> 00:07:24,883

the contract and balance the risk and protect the client,

105

00:07:25,250 --> 00:07:28,666

and I also included comments that were notes

106

00:07:28,666 --> 00:07:32,133

or questions or concerns to the client.

107

00:07:32,149 --> 00:07:39,050

so when I came to the language that referenced force monsieur,

108

00:07:39,750 --> 00:07:44,149

I found very typical boilerplate,

109

00:07:44,149 --> 00:07:48,516

actually short language, and I

110

00:07:48,533 --> 00:07:52,850

debated whether to throw it in the comments, but I don't want any one

111

00:07:52,850 --> 00:07:56,500

knowing that this is good language and I'm not providing

112

00:07:56,516 --> 00:08:01,916

it to you, but I will read what this hotel contract said verbatim

113

00:08:02,266 --> 00:08:04,266

in draft form.

114

00:08:04,266 --> 00:08:07,199

It said this agreement may

115

00:08:07,199 --> 00:08:12,050

be terminated by either party without liability

116

00:08:12,050 --> 00:08:14,500

upon written notice

117

00:08:15,500 --> 00:08:19,016

within five days if a

118

00:08:19,016 --> 00:08:22,916

party's performance under this agreement is subject

119

00:08:22,916 --> 00:08:27,416

to acts of God, war, government

120

00:08:27,416 --> 00:08:31,733

regulation, terrorism, disaster, strike,

121

00:08:33,750 --> 00:08:37,200

civil disorder, a travel restriction

122

00:08:37,200 --> 00:08:41,149

issued by a governmental agency, curtailment of

123

00:08:41,149 --> 00:08:45,216

transportation facilities, or any other emergency

124

00:08:45,233 --> 00:08:49,666

of a comparable nature beyond the party's control

125

00:08:50,266 --> 00:08:53,433

that in each case make it illegal

126

00:08:53,450 --> 00:08:59,083

or impossible to perform its obligations under this agreement.

127

00:09:00,350 --> 00:09:03,399

So this is typical language that

128

00:09:03,416 --> 00:09:06,716

we see, and I am going to repeat it for you, but I don't want to put it down

129

00:09:06,716 --> 00:09:09,649

in writing because it's not sufficient.

130

00:09:09,649 --> 00:09:11,649

It's not bad language.

131

00:09:11,649 --> 00:09:14,916

It's not sufficient language that helps

132

00:09:14,933 --> 00:09:17,566

clients protect their events.

133

00:09:17,933 --> 00:09:21,100

so in essence it said that this agreement can be terminated

134

00:09:21,116 --> 00:09:24,583

by either party without liability,

135

00:09:24,600 --> 00:09:29,566

it had to be written notice within five days of the force measure event,

136

00:09:30,416 --> 00:09:33,533
and if the party's performance is

137

00:09:33,533 --> 00:09:37,233
subject to things like acts of God, war, terrorism,

138

00:09:38,566 --> 00:09:44,266
strike, civil disorder, at curtailment of transportation facilities,

139

00:09:44,866 --> 00:09:47,866
and that it makes the performance by that

140

00:09:47,866 --> 00:09:51,583
party illegal or impossible.

141

00:09:53,216 --> 00:09:56,216
So does this actually reflect

142

00:09:56,216 --> 00:10:00,950
the situation that the client is in?

143

00:10:00,950 --> 00:10:03,350
This is an international event?

144

00:10:03,350 --> 00:10:06,466
It is a weather dependent, and in this

145

00:10:06,466 --> 00:10:10,600
case I just saw Jones comment about aren't all events weather
dependent?

146

00:10:10,616 --> 00:10:14,633
In fact, they are the ability to get to them, the ability to host
them.

147

00:10:14,633 --> 00:10:18,583
This one required a advance

148

00:10:18,600 --> 00:10:22,200

good weather to provide snow so there had to be a

149

00:10:22,200 --> 00:10:26,333

certain threshold um there for the event to proceed.

150

00:10:26,633 --> 00:10:30,533

So I had numerous requests for the hotel's consideration.

151

00:10:30,533 --> 00:10:35,500

I have four that I want to share with you today as teaching points.

152

00:10:35,516 --> 00:10:38,516

First, I asked the

153

00:10:38,516 --> 00:10:41,566

hotel to include language

154

00:10:42,750 --> 00:10:45,950

that expanded the words subject to

155

00:10:45,950 --> 00:10:50,566

in order that it was broader, so

156

00:10:50,566 --> 00:10:53,799

that unforeseen events beyond what

157

00:10:53,816 --> 00:10:59,333

they listed could be considered as a triggering event.

158

00:11:00,500 --> 00:11:04,016

so subject to acts of

159

00:11:04,016 --> 00:11:07,616

God, war, strike, etc.

160

00:11:07,616 --> 00:11:11,383

seems quite narrow, and it had gone on to

161

00:11:11,399 --> 00:11:14,750

say that it had to be of a comparable nature.

162

00:11:15,500 --> 00:11:18,649

Well, in none of that was there a weather related

163

00:11:18,649 --> 00:11:25,366

I'm trigger ah so ah the event was international.

164

00:11:25,366 --> 00:11:29,200

The client needed to be protected against borders closing

165

00:11:30,000 --> 00:11:33,166

against curtailment of international travel,

166

00:11:33,166 --> 00:11:37,299

the inability to secure visa uh entries

167

00:11:37,316 --> 00:11:40,616

for the athletes, and so we needed to

168

00:11:40,616 --> 00:11:44,033

work with the hotel property for them to create

169

00:11:44,033 --> 00:11:47,383

language that addressed those possibilities.

170

00:11:49,250 --> 00:11:52,316

and the client was at a potential risk

171

00:11:52,316 --> 00:11:56,083

of not being able to fulfill its obligations

172

00:11:56,100 --> 00:11:59,866

of this particular contract if the

173

00:11:59,866 --> 00:12:06,216

sporting venue was unavailable due to matters beyond its control

174

00:12:07,250 --> 00:12:11,866

because this was just an housing a contract.

175

00:12:11,866 --> 00:12:14,916

The sporting event was being held elsewhere, and

176

00:12:14,933 --> 00:12:18,533

the force mur clause didn't address anything about

177

00:12:18,533 --> 00:12:22,250

the other facility in the impact of its unavailability

178

00:12:23,000 --> 00:12:26,266

to this contract, so the sport

179

00:12:26,266 --> 00:12:29,916

venue required a scientifically demonstrated

180

00:12:29,933 --> 00:12:33,533

amount of snow to be able to host the event,

181

00:12:33,533 --> 00:12:37,433

so there was a really good strong connection in case it

182

00:12:37,433 --> 00:12:41,383

needed to be made what if the venue was not available?

183

00:12:41,700 --> 00:12:44,816

And my teaching point is you

184

00:12:44,816 --> 00:12:48,233

may um I have heard me talk like if there's if

185

00:12:48,233 --> 00:12:52,133

you're hosting an event in hurricane zone in hurricane

186

00:12:52,133 --> 00:12:56,383

season, you're supposed to have hurricanes listed as a triggering

187

00:12:56,399 --> 00:12:59,933

event because a reasonable person

188

00:13:00,716 --> 00:13:03,833

would expect that there would be hurricanes, or

189

00:13:03,833 --> 00:13:07,250

there could be hurricanes, so in this client's

190

00:13:07,250 --> 00:13:12,350

case they knew that they needed a minimum threshold of snow.

191

00:13:13,250 --> 00:13:16,316

So that's the first point was subject

192

00:13:16,316 --> 00:13:19,666

to let's make it as broad as possible so

193

00:13:19,666 --> 00:13:22,966

that something that's not written as a

194

00:13:22,966 --> 00:13:26,683

possible triggering event can be considered.

195

00:13:27,750 --> 00:13:31,133

The second point was I asked the hotel to

196

00:13:31,133 --> 00:13:34,899

include language that expanded the negative impact

197

00:13:34,916 --> 00:13:38,566

on the client to include the condition of

198
00:13:38,566 --> 00:13:42,633
impracticable in order to supplement

199
00:13:42,649 --> 00:13:45,483
illegal or impossible.

200
00:13:46,500 --> 00:13:49,850
It is my understanding as a lay person that illegal

201
00:13:49,850 --> 00:13:53,683
and impossible are strictly defined

202
00:13:53,700 --> 00:13:57,716
legal terms and have very specific and high

203
00:13:57,716 --> 00:14:01,616
thresholds for the client to meet in terms of

204
00:14:01,616 --> 00:14:06,416
their ability to their inability to host an event.

205
00:14:07,000 --> 00:14:10,666
so by asking the hotel to include

206
00:14:10,666 --> 00:14:15,399
language that addressed the condition of impracticability,

207
00:14:15,416 --> 00:14:19,483
it allowed for the client's performance to be negatively

208
00:14:19,500 --> 00:14:22,966
impacted for reasons beyond their control

209
00:14:24,049 --> 00:14:28,483
but not necessarily either impossible or illegal.

210
00:14:29,250 --> 00:14:32,266

So that's the second teaching point is that we

211

00:14:32,266 --> 00:14:35,566
move beyond impossible or illegal, and

212

00:14:35,566 --> 00:14:40,366
really advocate for the condition of impracticable.

213

00:14:42,000 --> 00:14:45,233
and then we have the third element that

214

00:14:45,233 --> 00:14:49,366
I asked for, I asked the hotel to

215

00:14:49,366 --> 00:14:52,833
include language that indicated that the client had up

216

00:14:52,850 --> 00:14:56,316
to 10 business days, not

217

00:14:56,333 --> 00:15:01,899
five to invoke the clause after a forced majeure incident.

218

00:15:02,216 --> 00:15:05,750
I worked with associations for my entire planning career,

219

00:15:05,750 --> 00:15:09,583
trying to get major decisions made within five business days

220

00:15:09,600 --> 00:15:12,950
was next to impossible, and we all know how difficult

221

00:15:12,950 --> 00:15:18,350
it can be sometimes to get consensus on emerging situations.

222

00:15:18,350 --> 00:15:21,350
So we expanded, we doubled the amount of

223

00:15:21,350 --> 00:15:24,766

time that decision making could be made by the client.

224

00:15:25,133 --> 00:15:28,366

and then fourth, I asked the

225

00:15:28,366 --> 00:15:31,783

hotel to include language that addressed

226

00:15:31,799 --> 00:15:39,233

partial performance by the client despite a force monsieur event.

227

00:15:40,000 --> 00:15:42,000

So I'm going to repeat that.

228

00:15:42,000 --> 00:15:44,750

I ask them to include language that addressed

229

00:15:44,750 --> 00:15:52,000

partial performance by the client despite a force majeure event.

230

00:15:52,733 --> 00:15:56,083

So this language was requested I'm

231

00:15:56,100 --> 00:15:59,750

for the hotel to create to protect the client should

232

00:16:00,649 --> 00:16:04,549

they be impacted by a forced majeure like event,

233

00:16:04,549 --> 00:16:08,799

yet the client still decides to proceed

234

00:16:08,816 --> 00:16:11,816

with a reduced size event.

235

00:16:13,250 --> 00:16:17,333

So under these conditions the client may actually underperform

236

00:16:17,333 --> 00:16:20,983
its original responsibilities for guests

237

00:16:21,000 --> 00:16:24,600
rooms, for meeting space, for food and beverage,

238

00:16:24,600 --> 00:16:30,166
but the client should not be penalized for such under performance

239

00:16:30,766 --> 00:16:34,000
because the originating circumstances were beyond the

240

00:16:34,016 --> 00:16:38,516
client's control, and this under performance

241

00:16:38,516 --> 00:16:43,016
due to force measure is not the same as attrition.

242

00:16:44,250 --> 00:16:47,333
So that was the fourth and what I really considered to be

243

00:16:47,333 --> 00:16:51,399
probably one of the most important is that we're always

244

00:16:51,416 --> 00:16:55,016
thinking of we may like when we came out of COVID,

245

00:16:55,016 --> 00:16:58,483
for example, some events were able to be held,

246

00:16:58,500 --> 00:17:02,149
but they were significantly hampered

247

00:17:02,149 --> 00:17:04,250
by the number of attendees that they could

248

00:17:05,000 --> 00:17:08,450
host, and so any attrition

249

00:17:08,450 --> 00:17:12,283
damages, they're not attric damages because it's not

250

00:17:12,283 --> 00:17:16,183
at the client's capabilities to fulfill that contract.

251

00:17:16,183 --> 00:17:18,633
This a forced majeure like event has

252

00:17:19,250 --> 00:17:21,250
made it more burdensome.

253

00:17:21,250 --> 00:17:23,866
So after so those were the

254

00:17:23,866 --> 00:17:27,333
four that uh four of the ones that I wanted to share with you that I
asked the

255

00:17:27,349 --> 00:17:30,733
hotel to consider on behalf of the client to

256

00:17:31,016 --> 00:17:34,433
make that language more balanced and

257

00:17:34,433 --> 00:17:36,583
to protect the interests of the client.

258

00:17:36,900 --> 00:17:40,066
So after all of the negotiations were

259

00:17:40,066 --> 00:17:43,716
completed, the hotel contract was signed and

260

00:17:43,733 --> 00:17:47,566
countersigned in September of 2023.

261
00:17:48,750 --> 00:17:51,950
The event was scheduled for the end of January

262
00:17:51,950 --> 00:17:56,500
2024, so just about a year ago.

263
00:17:57,900 --> 00:18:00,950
at the beginning of January 2024 on

264
00:18:00,950 --> 00:18:04,416
the 10th, I received an email from

265
00:18:04,433 --> 00:18:08,266
the organization indicating that the sporting

266
00:18:08,266 --> 00:18:11,733
venue was only able to provide

267
00:18:12,750 --> 00:18:16,433
enough snow to host one

268
00:18:16,433 --> 00:18:20,150
of the back to back events, which would

269
00:18:20,150 --> 00:18:24,233
dramatically decrease the number of sleeping rooms would

270
00:18:25,066 --> 00:18:28,716
decrease the meeting space and the social function space

271
00:18:28,733 --> 00:18:31,183
that the client required.

272
00:18:32,500 --> 00:18:35,933
The sporting venue had agreed to provide

273

00:18:35,933 --> 00:18:39,400

written document or a documentation to

274

00:18:39,416 --> 00:18:42,883

the hotel that rigorously laid out the

275

00:18:42,900 --> 00:18:47,516

industry standard minimum requirements of natural snow,

276

00:18:48,000 --> 00:18:51,250

their ability to manufacture snow,

277

00:18:51,750 --> 00:18:55,433

and that it could not possibly host two

278

00:18:55,433 --> 00:18:59,266

back to back events while maintaining the

279

00:18:59,266 --> 00:19:03,233

integrity of their product, which was snow

280

00:19:04,549 --> 00:19:07,599

and a base for this sporting event.

281

00:19:07,616 --> 00:19:10,916

So I was able to help the

282

00:19:10,916 --> 00:19:14,566

client put together the business case for them to

283

00:19:14,566 --> 00:19:18,400

invoke the forced mature clause and to request

284

00:19:18,416 --> 00:19:22,916

the ability to proceed with a reduced sized event

285

00:19:23,516 --> 00:19:26,483
without a negative financial impact.

286
00:19:27,500 --> 00:19:30,650
And so I want to highlight how those

287
00:19:30,650 --> 00:19:34,116
four items that I shared with you how they helped

288
00:19:34,133 --> 00:19:38,083
so the client the first one, the client was

289
00:19:38,099 --> 00:19:41,816
able to cite the sentence that the hotel created

290
00:19:41,816 --> 00:19:45,116
in the negotiated final contract that said

291
00:19:45,650 --> 00:19:49,116
this clause also applies if

292
00:19:49,133 --> 00:19:52,599
the host venue for this event is

293
00:19:52,616 --> 00:19:57,233
unavailable due to matters outside of the venue's control.

294
00:19:58,500 --> 00:20:01,849
That was a sentence that we worked really hard with with

295
00:20:01,849 --> 00:20:05,383
the hotel to protect the fact that the client

296
00:20:05,400 --> 00:20:09,166
was signing a hotel contract that was

297
00:20:09,166 --> 00:20:14,316
contingent on the execution of the actual sporting event.

298

00:20:14,750 --> 00:20:17,983

So lesson here if you're doing connected

299

00:20:18,000 --> 00:20:21,900

contracts, connect them if possible.

300

00:20:21,900 --> 00:20:25,250

Second point that I had requested,

301

00:20:25,250 --> 00:20:29,683

the client was able to use the premise of impracticable

302

00:20:29,700 --> 00:20:31,849

to support their situation.

303

00:20:31,849 --> 00:20:33,849

The situation was not illegal.

304

00:20:33,849 --> 00:20:36,400

The situation was not impossible,

305

00:20:36,716 --> 00:20:39,766

but it certainly was more burdensome to the

306

00:20:39,766 --> 00:20:43,666

client because of what was going on at the sporting event.

307

00:20:43,666 --> 00:20:46,666

And then the client was able to

308

00:20:46,666 --> 00:20:50,866

use up to the ten business days that

309

00:20:50,866 --> 00:20:56,200

was necessary to get their decisions and their supporting documentation in order.

310

00:20:57,500 --> 00:21:00,533

And finally, number four, which I think is so

311

00:21:00,533 --> 00:21:04,299

important, the client was able to cite the

312

00:21:04,316 --> 00:21:07,966

sentence in their negotiated contract that

313

00:21:07,966 --> 00:21:14,016

said, the parties will work to negotiate an amendment to this agreement,

314

00:21:14,500 --> 00:21:18,299

setting forth agreed upon adjustments

315

00:21:18,299 --> 00:21:22,433

to accommodate the modified program, which may

316

00:21:22,433 --> 00:21:25,849

include decreasing rooms, food and beverage, and concessions

317

00:21:25,849 --> 00:21:29,683

that is language that the hotel provided at

318

00:21:29,700 --> 00:21:33,650

the prompt of our situation saying, hey, if

319

00:21:33,650 --> 00:21:36,883

we need to go ahead with a smaller event because of

320

00:21:36,900 --> 00:21:38,933

something beyond our control,

321

00:21:39,233 --> 00:21:42,983

we need to be able to minimize the financial impact.

322

00:21:43,750 --> 00:21:46,916
So while I was not a part

323
00:21:46,916 --> 00:21:50,216
of the final decision making regarding the actual

324
00:21:50,216 --> 00:21:53,866
size of the final event, I

325
00:21:53,866 --> 00:21:57,233
had calculated for them that for sleeping rooms alone,

326
00:21:58,066 --> 00:22:01,900
they would be relieved of over \$100,000 in damages.

327
00:22:01,916 --> 00:22:07,133
That is a lifeline for most organizations.

328
00:22:07,133 --> 00:22:10,599
So I'm looking at the time.

329
00:22:10,616 --> 00:22:13,849
It looks like I have like maybe five or six minutes left.

330
00:22:13,849 --> 00:22:19,116
I'm going to encourage you to throw any questions in the the comments.

331
00:22:19,433 --> 00:22:22,599
um, but I hope that this particular case study

332
00:22:22,616 --> 00:22:26,866
in a short little, you know, condensed format shows

333
00:22:26,866 --> 00:22:30,216
you the impact that thoroughly

334
00:22:30,233 --> 00:22:33,766
and strategically negotiating just one

335

00:22:33,766 --> 00:22:36,466

in this case, just one of the clauses

336

00:22:37,016 --> 00:22:42,583

in this organization's event contract, um the impact that that can have.

337

00:22:42,599 --> 00:22:45,900

So I'm just going to take a look here.

338

00:22:45,900 --> 00:22:47,900

Um

339

00:22:47,900 --> 00:22:50,933

So, okay, so Will asked, have you found

340

00:22:50,933 --> 00:22:56,799

frustration of purpose to be something valuable to try and include in hotel agreements?

341

00:22:56,816 --> 00:22:59,983

So Will, I am not a lawyer and my

342

00:23:00,000 --> 00:23:04,433

understanding of frustration of purpose, yes,

343

00:23:04,433 --> 00:23:07,966

we are encouraged by our hospitality legal

344

00:23:07,966 --> 00:23:13,299

folks and the educators that yes, we should be outlining

345

00:23:13,733 --> 00:23:16,783

what is the premise?

346

00:23:16,799 --> 00:23:20,333

What constitutes why we

347

00:23:20,333 --> 00:23:25,433

are holding this event and what would exasperate this event

348

00:23:27,000 --> 00:23:29,000

if things didn't go perfectly.

349

00:23:29,750 --> 00:23:32,816

So I'm I'm trying frustration of

350

00:23:32,816 --> 00:23:36,833

purpose is that the the fulfilling

351

00:23:36,833 --> 00:23:40,733

of the contract has been made burdensome by an external factor.

352

00:23:41,500 --> 00:23:44,633

So I would encourage we are encouraged to add that and

353

00:23:44,633 --> 00:23:48,883

I would do a better day so maybe I should just do another segment on that because I'd be better

354

00:23:49,433 --> 00:23:51,433

articulate it.

355

00:23:51,433 --> 00:23:54,533

But yes, the legal educators in

356

00:23:54,533 --> 00:23:57,766

our industry encourage us to use frustration

357

00:23:57,766 --> 00:24:01,233

of purpose and where you would put that and where it could be defended

358

00:24:01,250 --> 00:24:04,549

is when you use a purpose of the event

359

00:24:05,266 --> 00:24:08,316
clause in the contract or

360

00:24:08,333 --> 00:24:11,750
you would attach a an attachment

361

00:24:11,750 --> 00:24:16,666
to the contract that has your purpose of the event fully outlined.

362

00:24:16,666 --> 00:24:19,666
There are a series of nine questions that

363

00:24:19,666 --> 00:24:22,966
I'm aware of that a client can use to really build out

364

00:24:23,400 --> 00:24:26,516
why this event is being held, who

365

00:24:26,516 --> 00:24:30,533
this event is for, where are attendees coming from?

366

00:24:30,533 --> 00:24:33,583
What are the risks associated with this, the

367

00:24:33,599 --> 00:24:38,633
known risks, what would make this event frustrated

368

00:24:38,633 --> 00:24:41,383
in trying to present it?

369

00:24:41,400 --> 00:24:43,849
So I hope that answers your question will.

370

00:24:45,000 --> 00:24:48,000
I want to leave you with two things when

371

00:24:49,433 --> 00:24:52,966

COVID struck, um I reached out to

372

00:24:52,966 --> 00:24:56,616
a colleague of mine and we interviewed

373

00:24:56,633 --> 00:25:00,533
38 Canadian professional event planners.

374

00:25:01,000 --> 00:25:04,250
and we did a study of those 38

375

00:25:04,250 --> 00:25:07,716
planners in the events that they were currently working on

376

00:25:07,733 --> 00:25:10,250
that were impacted by COVID.

377

00:25:10,250 --> 00:25:13,416
And we did a full report and

378

00:25:13,433 --> 00:25:17,683
we have videos and it's on a website called chronicling

379

00:25:17,700 --> 00:25:21,599
lessonsearned.ca.

380

00:25:22,000 --> 00:25:25,316
Now, I'll spell it because chronicling is such a fun word.

381

00:25:25,316 --> 00:25:30,766
Chronicling C hr IC

382

00:25:30,766 --> 00:25:37,233
ling lessons learned.ca.

383

00:25:37,250 --> 00:25:39,349
There is a free report there.

384

00:25:39,349 --> 00:25:41,349

You can download.

385

00:25:41,349 --> 00:25:43,250

You can watch all of the videos and it'll give you a lot of

386

00:25:43,250 --> 00:25:46,116

of insight into a forced mure

387

00:25:46,549 --> 00:25:49,666

um time in our industry that

388

00:25:49,666 --> 00:25:52,666

um planners live through and how they work through that.

389

00:25:52,666 --> 00:25:55,783

And the second thing is in regards to our colleagues today,

390

00:25:55,799 --> 00:25:59,700

search foundation.org For almost

391

00:25:59,700 --> 00:26:03,166

30 years, search foundation has provided funds to

392

00:26:03,166 --> 00:26:08,616

provide financial assistance to event meetings and catering professionals

393

00:26:09,000 --> 00:26:13,666

who are faced with a life threatening illness or catastrophic occurrence.

394

00:26:13,666 --> 00:26:16,783

I've made a donation and if you are able, perhaps

395

00:26:16,799 --> 00:26:19,500

consider search foundation.org.

396

00:26:20,000 --> 00:26:22,000

So I think my time is up.

397

00:26:22,000 --> 00:26:25,000

I don't I'm actually just allow me here a

398

00:26:25,016 --> 00:26:27,233

minute to just go back up in

399

00:26:28,250 --> 00:26:30,250

uh the comments

400

00:26:32,400 --> 00:26:39,049

yeah I'm

401

00:26:39,049 --> 00:26:42,466

not I'm not seeing any what I do know you can reach me at

402

00:26:42,466 --> 00:26:46,183

Heather@ planner protect.ca and I hope you will reach out

403

00:26:46,200 --> 00:26:49,616

if I can be a sounding board a resource

404

00:26:50,633 --> 00:26:53,633

if you can put my expertise to use that would be great

405

00:26:53,633 --> 00:26:57,766

so thank you for tuning in today or wherever you are um

406

00:26:57,766 --> 00:27:03,033

thanks be safe be kind and until next time folks um

407

00:27:03,766 --> 00:27:06,233

happy contracting bye for now.