

1

00:00:35,000 --> 00:00:37,000

Hello, everyone.

2

00:00:37,000 --> 00:00:40,066

Uh, so glad you're here, whether it's live or in replay.

3

00:00:40,133 --> 00:00:43,183

Today's topic is a continuation

4

00:00:43,200 --> 00:00:47,500

of September's episode about negotiating Rimblocks,

5

00:00:48,299 --> 00:00:52,549

which you can find September's episode on Planner

6

00:00:52,549 --> 00:00:56,750

Protects YouTube channel simply called at Planner Protect.

7

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

So my name is Heather Reid, and I use

8

00:00:59,816 --> 00:01:05,383

she, her pronouns, and for those that are using accessibility technology.

9

00:01:05,450 --> 00:01:08,683

I'm a 61 year old female, and I've

10

00:01:08,683 --> 00:01:11,799

got ash colored hair, red glasses, and I

11

00:01:11,816 --> 00:01:14,983

am wearing a navy top, and coming to you from my home office.

12

00:01:15,049 --> 00:01:18,349

As a reminder for every single episode,

13

00:01:18,349 --> 00:01:22,599
I am not a lawyer, and nothing that we discuss

14
00:01:22,616 --> 00:01:26,266
here should be considered legal advice.

15
00:01:26,333 --> 00:01:29,033
This is all about education.

16
00:01:29,099 --> 00:01:32,500
It's about insights and practical strategies offered

17
00:01:33,166 --> 00:01:37,233
by a seasoned, uh, event professional moi.

18
00:01:38,000 --> 00:01:41,150
So for those listening live or on replay,

19
00:01:41,150 --> 00:01:45,216
I would love to see your questions about negotiating

20
00:01:45,233 --> 00:01:47,566
room blocks in the comments.

21
00:01:47,633 --> 00:01:50,933
I am always curious about what you want to know,

22
00:01:50,933 --> 00:01:54,950
and I'm eager to help you find answers, whether it's in today's
episode

23
00:01:54,950 --> 00:01:57,283
or in future episodes.

24
00:01:57,349 --> 00:01:59,683
So let's get right into the learning.

25
00:01:59,750 --> 00:02:01,849

So today.

26

00:02:01,916 --> 00:02:04,916

Uh, last month,

27

00:02:04,916 --> 00:02:08,266

we talked about creating a thorough room

28

00:02:08,266 --> 00:02:11,683

block configuration by contracting very

29

00:02:11,699 --> 00:02:14,699

specifically for several items.

30

00:02:14,750 --> 00:02:18,583

Sleeping room type sleeping room design,

31

00:02:18,599 --> 00:02:23,150

occupancy, the number of beds per room, and

32

00:02:23,150 --> 00:02:26,916

the sizes of those beds, sleeping room view,

33

00:02:26,933 --> 00:02:31,250

featured amenities in the sleeping rooms, and then other considerations

34

00:02:31,250 --> 00:02:35,083

that are equally as important, such as connecting,

35

00:02:35,099 --> 00:02:39,050

adjoining, or adjacent rooms, uh, smoking rooms,

36

00:02:39,050 --> 00:02:42,816

pet friendly rooms, or hypoallergenic rooms.

37

00:02:42,900 --> 00:02:46,366

And then most certainly every client should

38

00:02:46,366 --> 00:02:51,166

be looking at whether they should block accessible or fully accessible rooms.

39

00:02:51,233 --> 00:02:55,849

We talked about negotiating the run of house room block.

40

00:02:55,916 --> 00:02:59,333

Um, configuration, and we also talked about room

41

00:02:59,333 --> 00:03:03,833

rate pricing formats, such as European, American,

42

00:03:03,833 --> 00:03:06,099

all-inclusive and complete meeting package.

43

00:03:06,233 --> 00:03:09,283

So this month, we're going

44

00:03:09,300 --> 00:03:12,716

to touch on several additional topics that we

45

00:03:12,716 --> 00:03:15,983

need to address to negotiate a thoroughly complete

46

00:03:16,733 --> 00:03:21,166

and balanced contract with that has a room block component in it.

47

00:03:21,233 --> 00:03:26,683

And I want you to know that these are tip of the iceberg tips.

48

00:03:26,750 --> 00:03:29,750

And I hope I've chosen a few that may be lesser known.

49

00:03:29,816 --> 00:03:33,050

Um, uh, and we just couldn't possibly

50
00:03:33,050 --> 00:03:36,349
cover everything in 230 minute episodes.

51
00:03:36,416 --> 00:03:39,583
So this month, we're going to look at sleeping room rate

52
00:03:39,599 --> 00:03:44,400
surcharges, and how we can contract those things like the resort

53
00:03:44,400 --> 00:03:47,033
fee and potential additional fees.

54
00:03:47,099 --> 00:03:50,150
We're going to look at 2 reservation

55
00:03:50,150 --> 00:03:52,416
procedures that should be negotiated.

56
00:03:52,500 --> 00:03:55,500
One around reservation deposits,

57
00:03:55,500 --> 00:03:58,016
and dishonored reservations.

58
00:03:58,133 --> 00:04:01,300
And then we're going to wrap things up by looking strategically

59
00:04:01,316 --> 00:04:04,733
at contracting how the supplier and

60
00:04:04,733 --> 00:04:07,966
the client negotiate to calculate sleeping

61
00:04:07,966 --> 00:04:11,683
room pickup by looking at revenue that is included

62
00:04:11,699 --> 00:04:13,916

in the pickup calculation.

63

00:04:13,966 --> 00:04:17,683

And then also the net inventory provision that

64

00:04:17,699 --> 00:04:19,850

should also be negotiated.

65

00:04:19,916 --> 00:04:22,916

So it's going to be a full 30 minutes.

66

00:04:22,966 --> 00:04:25,966

But remember, you can always go

67

00:04:25,966 --> 00:04:29,500

back and check the episodes out on YouTube channel.

68

00:04:29,566 --> 00:04:32,866

So, So let's begin 1st with

69

00:04:32,866 --> 00:04:35,500

resort fee surcharges.

70

00:04:35,566 --> 00:04:39,399

These are often associated with sleeping rooms.

71

00:04:39,466 --> 00:04:42,633

Um, they're quite popular and not

72

00:04:42,649 --> 00:04:46,716

necessarily restricted to resort properties.

73

00:04:46,800 --> 00:04:49,850

Um, I've seen resort fees

74

00:04:49,850 --> 00:04:53,449

actually named destination fees, which I

75
00:04:53,449 --> 00:04:55,716
think is kind of purposely misleading.

76
00:04:55,800 --> 00:04:59,633
But they're created to, uh, by

77
00:04:59,633 --> 00:05:03,100
the supplier to cover the offering of additional

78
00:05:03,116 --> 00:05:05,266
services and amenities.

79
00:05:05,333 --> 00:05:08,750
So it could cover a wide range of items.

80
00:05:08,816 --> 00:05:11,566
Um, access to fitness facilities.

81
00:05:11,633 --> 00:05:16,000
It could include internet, parking, shuttle

82
00:05:16,016 --> 00:05:20,083
services, uh, dining credits in some cases, bike

83
00:05:20,100 --> 00:05:23,750
rentals, and the list of possibilities is endless.

84
00:05:23,816 --> 00:05:26,866
Um, you know, anything that

85
00:05:26,866 --> 00:05:31,483
is particular or specific to that property may be included.

86
00:05:31,550 --> 00:05:34,600
And then there's usually some standard things that are included.

87
00:05:34,666 --> 00:05:37,666

So what I want to do here is to give

88

00:05:37,666 --> 00:05:41,316

you 4 contracting tips about

89

00:05:41,333 --> 00:05:45,949

resort fees when they are attached to sleeping room rates.

90

00:05:46,016 --> 00:05:48,166

So the 1st tip.

91

00:05:48,233 --> 00:05:51,583

Itemize all services

92

00:05:51,600 --> 00:05:56,149

and amenities that are included in the resort

93

00:05:56,149 --> 00:05:58,416

fee at the time of contracting.

94

00:05:58,500 --> 00:06:01,850

My experience with contracts,

95

00:06:01,850 --> 00:06:06,649

it will say, um, includes items such as um, in the contract.

96

00:06:06,716 --> 00:06:09,883

Well, go to the website, go to

97

00:06:09,899 --> 00:06:13,199

your proposal that you received, and cross reference

98

00:06:13,199 --> 00:06:16,616

and make a complete list of what is included

99

00:06:16,616 --> 00:06:20,866

in the quote, resort fee at the time that you are contracting.

100

00:06:21,000 --> 00:06:24,050

And itemize that, and ask

101

00:06:24,050 --> 00:06:27,699

for it to be included in writing that all of these items

102

00:06:27,716 --> 00:06:31,983

are included in the resort fee at the time of contracting.

103

00:06:32,699 --> 00:06:35,566

Websites can change.

104

00:06:35,633 --> 00:06:37,633

Uh, proposals are forgotten about.

105

00:06:37,633 --> 00:06:40,250

Um, and what really lasts is the contract.

106

00:06:40,316 --> 00:06:43,483

So make sure that you have a fully itemized

107

00:06:43,500 --> 00:06:46,800

list in that drafted and negotiated contract.

108

00:06:46,850 --> 00:06:49,966

Then I would encourage you to

109

00:06:49,966 --> 00:06:54,033

identify in writing, whether the resort fee

110

00:06:54,050 --> 00:06:59,383

is a charge that is assigned per person, or per room.

111

00:06:59,516 --> 00:07:02,566

And if it is

112

00:07:02,566 --> 00:07:06,283

charged per night, or per stay.

113

00:07:06,350 --> 00:07:08,866

So there's a couple of different valuables.

114

00:07:08,933 --> 00:07:12,399

You could have, you know, it's assigned per person or by the room.

115

00:07:12,466 --> 00:07:15,516

So if you've got 3 people, um, it

116

00:07:15,533 --> 00:07:20,866

could be 3 different resort fee charges or it could be one charge that covers 3 people in the room.

117

00:07:21,000 --> 00:07:24,233

And you also want to specify,

118

00:07:24,233 --> 00:07:29,566

is it per night charge or is it for the entire duration of their stay?

119

00:07:29,633 --> 00:07:33,166

And I would add here that you also want to negotiate

120

00:07:33,166 --> 00:07:37,899

that it would be for their pre-event and post-event night stays as well.

121

00:07:37,966 --> 00:07:40,966

The 3rd

122

00:07:40,966 --> 00:07:44,683

tip is to identify in the negotiated

123

00:07:44,699 --> 00:07:49,000

contract, whether the resort fee is fixed.

124

00:07:50,000 --> 00:07:53,100

So it's locked in, it's not going to change,

125

00:07:53,100 --> 00:07:57,000

and it's locked in at the time of signing, or if

126

00:07:57,000 --> 00:08:00,300

it will be whatever is the current rate at the time of the event.

127

00:08:00,350 --> 00:08:03,466

I would encourage clients to do their very best to

128

00:08:03,466 --> 00:08:08,500

get it negotiated, even if it is to the year prior to your event.

129

00:08:08,566 --> 00:08:11,916

Identify in writing, if

130

00:08:11,933 --> 00:08:15,699

you've been able to negotiate a discounted or

131

00:08:15,716 --> 00:08:19,316

a reduced resort fee, and also

132

00:08:19,316 --> 00:08:22,133

have them include what the original amount was.

133

00:08:22,199 --> 00:08:25,016

Sorry, the original amount, the dollar value.

134

00:08:25,133 --> 00:08:29,500

So you're showing both the reduced rate and the original rate.

135

00:08:29,633 --> 00:08:33,049

And then if you've been able to negotiate

136

00:08:33,049 --> 00:08:37,783

that the resort fee has been waived, then also get that in writing.

137

00:08:37,850 --> 00:08:41,083

When a contract is silent about something,

138

00:08:41,100 --> 00:08:45,600

That doesn't mean that you've been able to negotiate it out and it's not applied.

139

00:08:45,649 --> 00:08:49,850

You need to specifically put in the,

140

00:08:49,850 --> 00:08:54,216

the resort fee has been uh, negotiated, um, to be waived.

141

00:08:54,350 --> 00:08:57,350

So, and then again, I like to put

142

00:08:57,350 --> 00:08:59,750

in the original resort fee amount.

143

00:08:59,816 --> 00:09:03,416

Um, And then the final tip around resort

144

00:09:03,416 --> 00:09:06,883

fees I'm negotiating is identify

145

00:09:06,899 --> 00:09:10,916

how changes to the inclusions

146

00:09:10,916 --> 00:09:14,933

that are in the resort fee are going to

147

00:09:14,933 --> 00:09:17,033

be communicated to the client.

148

00:09:17,100 --> 00:09:20,399

And then how the supplier will

149

00:09:20,399 --> 00:09:24,833
compensate the client if there are significant negative

150
00:09:24,833 --> 00:09:28,549
changes to the amenities and the services included.

151
00:09:28,666 --> 00:09:32,200
So if you think about, I

152
00:09:32,216 --> 00:09:36,833
don't know, something that would be contingent to, um, you know,
you're choosing a property.

153
00:09:36,899 --> 00:09:39,950
Maybe it's complementary access to the golf course.

154
00:09:40,016 --> 00:09:42,016
I don't know

155
00:09:42,016 --> 00:09:46,016
But then they decide, no, the resort fee no longer includes
complementary access.

156
00:09:46,066 --> 00:09:50,866
Well, 1st of all, you have it documented that there was complimentary
access.

157
00:09:50,933 --> 00:09:54,533
But if they choose not to honor that in

158
00:09:54,533 --> 00:09:57,766
the resort fee, then how is the supplier going

159
00:09:57,766 --> 00:10:00,166
to compensate you, the group?

160
00:10:00,233 --> 00:10:04,183
I'm for this change in resort fees.

161

00:10:04,250 --> 00:10:07,416

And then how is that going to be communicated to you and when?

162

00:10:07,500 --> 00:10:09,500

Okay.

163

00:10:09,500 --> 00:10:10,633

All right.

164

00:10:10,633 --> 00:10:16,366

Then we get to some additional potential fees or surcharges.

165

00:10:16,433 --> 00:10:18,433

Now this looks like a lot.

166

00:10:18,466 --> 00:10:20,466

Just take a snapshot of it.

167

00:10:20,466 --> 00:10:23,266

I, I wanted to highlight some

168

00:10:23,266 --> 00:10:26,566

of the more common ones and perhaps there's one or 2 in

169

00:10:26,566 --> 00:10:28,600

here that you haven't thought of before.

170

00:10:28,666 --> 00:10:31,899

And I'd also encourage anyone listening

171

00:10:31,916 --> 00:10:34,066

to throw it into the comments.

172

00:10:34,133 --> 00:10:36,583

If you have seen an additional chart.

173

00:10:36,649 --> 00:10:38,649

It's not on here.

174

00:10:38,649 --> 00:10:40,666

There's lots of them, and every planner should be

175

00:10:40,666 --> 00:10:45,216

creating a master list of things that are potential charges.

176

00:10:45,299 --> 00:10:48,299

So, I, I would say

177

00:10:48,299 --> 00:10:51,899

1st if a charge that you see

178

00:10:51,899 --> 00:10:57,466

referenced here or somewhere else is not referenced in your negotiated contract.

179

00:10:57,533 --> 00:11:00,583

Then specifically mention it, that these

180

00:11:00,600 --> 00:11:05,516

charges will not be created after contract signing, or

181

00:11:05,516 --> 00:11:08,683

that the client will not be responsible for

182

00:11:08,700 --> 00:11:14,100

creating sleeping room related surcharges after contract signing.

183

00:11:14,149 --> 00:11:17,750

So, here we have things like parking.

184

00:11:17,816 --> 00:11:22,966

Is it self parking, valet parking, unattended parking?

185

00:11:23,033 --> 00:11:25,033

Is there long term parking?

186

00:11:25,033 --> 00:11:27,950

Make sure all of those are identified and have

187

00:11:27,950 --> 00:11:32,916

prices per day or per day or that they are complementary?

188

00:11:33,000 --> 00:11:37,250

Uh, portorage or bell service.

189

00:11:37,316 --> 00:11:41,149

Is there a fixed fee for transporting

190

00:11:41,149 --> 00:11:47,016

invent, sorry, individual guests, luggage to and from their rooms?

191

00:11:47,033 --> 00:11:52,250

Or is that a voluntary um, gratuity to the bell person?

192

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

Is there a fixed fee for group arrivals?

193

00:11:56,100 --> 00:12:00,000

And is it charged to the guest or is it charged to the group?

194

00:12:00,049 --> 00:12:04,899

You want to get those things, uh, itemized and clarified.

195

00:12:04,966 --> 00:12:06,966

Cleaning fees.

196

00:12:07,016 --> 00:12:10,133

What are the potential cleaning fees

197

00:12:10,133 --> 00:12:14,799

that are associated with sleeping rooms that an attendee might encounter?

198

00:12:14,933 --> 00:12:18,283

I can think of smoking in a non-smoking

199

00:12:18,299 --> 00:12:21,899

room, excess garbage, destruction of property.

200

00:12:21,950 --> 00:12:25,850

And you want to clarify who will

201

00:12:25,850 --> 00:12:29,016

be paying that cleaning fee.

202

00:12:29,100 --> 00:12:32,266

I have seen in contracts that regardless

203

00:12:32,266 --> 00:12:36,633

of who pays the, um, uh, room

204

00:12:36,649 --> 00:12:41,683

rate that the group assumes the responsibility for cleaning fees.

205

00:12:41,750 --> 00:12:44,750

Well, if your individuals are pay on

206

00:12:44,750 --> 00:12:48,049

their own, You want damages and

207

00:12:48,049 --> 00:12:51,166

cleaning fees to be pay on their own as well.

208

00:12:51,233 --> 00:12:54,533

So again, if the draft contract

209

00:12:54,533 --> 00:12:58,066

is silent on who is charged, and for

210

00:12:58,066 --> 00:13:00,633

what in relation to cleaning fees?

211

00:13:00,766 --> 00:13:05,566

Negotiate that very specific language into your contract.

212

00:13:05,633 --> 00:13:08,866

Early check-ins,

213

00:13:08,866 --> 00:13:12,700

more and more suppliers are indicating that

214

00:13:12,716 --> 00:13:16,433

there will be fees associated with attendees

215

00:13:16,433 --> 00:13:18,766

wishing to check in early.

216

00:13:18,833 --> 00:13:21,983

So please don't be, um, uh,

217

00:13:22,666 --> 00:13:25,783

quiet about this in your RFPs, ask if

218

00:13:25,799 --> 00:13:29,333

there is an early check-in fee, indicate that you,

219

00:13:29,333 --> 00:13:33,049

um, would like to negotiate that as a concession that, uh,

220

00:13:33,049 --> 00:13:37,066

attendees are not charged for early check-in, if rooms become available.

221

00:13:37,133 --> 00:13:40,850

The flip side is late checkout.

222

00:13:40,916 --> 00:13:44,383

Uh, can you, the client, negotiate

223

00:13:44,399 --> 00:13:47,216
that late checkouts are for no fee.

224

00:13:47,266 --> 00:13:51,166
And can they be even available to your attendees?

225

00:13:51,233 --> 00:13:54,233
Now, this may be more manageable with a very

226

00:13:54,233 --> 00:13:57,466
small room block, probably highly unlikely for a

227

00:13:57,466 --> 00:14:02,316
really large room block, but you can establish what the supplier is
prepared to do.

228

00:14:02,399 --> 00:14:05,333
Is there a fee for late checkout?

229

00:14:05,399 --> 00:14:10,366
Is it based on the number of hours that they stay past the checkout
time?

230

00:14:10,433 --> 00:14:13,483
Is it a set dollar value and

231

00:14:13,500 --> 00:14:15,533
get those details in writing?

232

00:14:15,600 --> 00:14:20,399
We also have early departure fees.

233

00:14:20,450 --> 00:14:23,750
So events that have multiple

234

00:14:23,750 --> 00:14:27,733
consecutive days in their room block.

235

00:14:28,000 --> 00:14:30,233

This potential fee is prudent.

236

00:14:30,299 --> 00:14:33,299

Uh, you may have an attendee that are books

237

00:14:33,299 --> 00:14:36,950

for the 4 nights of the, of the event, but arrives

238

00:14:36,950 --> 00:14:41,866

on site and says I'm only staying for 2 nights, and they're dropping the last 2 nights.

239

00:14:41,933 --> 00:14:45,649

So, will the supplier charge one

240

00:14:45,649 --> 00:14:49,250

night stay for those 3rd and 4th nights, or

241

00:14:49,250 --> 00:14:51,283

will it be a lower set amount?

242

00:14:51,350 --> 00:14:54,049

So if the room rate is 150?

243

00:14:54,116 --> 00:14:57,350

Perhaps the early departure fee is \$75

244

00:14:57,350 --> 00:15:02,266

or is the supplier going to charge one full night stay?

245

00:15:02,333 --> 00:15:06,100

And then what is the process for the attendees

246

00:15:06,116 --> 00:15:10,250

to notify the supplier of their intent to leave early?

247

00:15:10,316 --> 00:15:13,433

Um, usually it's the responsibility of

248

00:15:13,433 --> 00:15:16,899

the supplier to ask upon check in, but

249

00:15:16,916 --> 00:15:19,850

you want to be clear about that sort of um, process.

250

00:15:19,916 --> 00:15:23,149

And then because risk management

251

00:15:23,149 --> 00:15:26,500

is what we do, clients should also be

252

00:15:26,516 --> 00:15:30,716

contracting in case of emergency situations

253

00:15:30,716 --> 00:15:35,683

whereby an attendee may need to leave the event early or

254

00:15:35,700 --> 00:15:39,416

may not show due to a last minute emergency.

255

00:15:39,466 --> 00:15:42,883

So you may have a discussion with your uh,

256

00:15:42,899 --> 00:15:47,933

supplier rep, what are your expectations around emergency situations?

257

00:15:48,000 --> 00:15:51,600

Can um, cancellation fees be waived?

258

00:15:51,649 --> 00:15:53,983

Can early departure fees be waived?

259

00:15:54,049 --> 00:15:58,299

And what are the acceptable reasons for emergency?

260

00:15:58,366 --> 00:16:00,366

Okay.

261

00:16:01,250 --> 00:16:03,250

All right, next up.

262

00:16:03,250 --> 00:16:07,916

We have individual reservation deposits.

263

00:16:07,966 --> 00:16:11,566

And this is a topic that I don't think gets

264

00:16:11,566 --> 00:16:15,033

enough attention in negotiating a

265

00:16:15,049 --> 00:16:17,233

supplier's sleeping room contract.

266

00:16:18,049 --> 00:16:21,216

Um, 1st of all, the negotiated

267

00:16:21,233 --> 00:16:25,000

contract should specifically indicate if

268

00:16:25,016 --> 00:16:31,066

a deposit is required for an attendee's room reservation.

269

00:16:31,133 --> 00:16:34,250

Either way, there should be language

270

00:16:34,250 --> 00:16:38,866

included that confirms if a reservation deposit

271

00:16:38,866 --> 00:16:41,983

is or is not required.

272

00:16:42,600 --> 00:16:47,266

If a deposit is required.

273

00:16:47,399 --> 00:16:50,399

The negotiated contract should

274

00:16:50,399 --> 00:16:53,866

state when the deposit is to be

275

00:16:53,866 --> 00:16:56,083

received by the supplier.

276

00:16:56,149 --> 00:16:59,266

And or when the attendee's

277

00:16:59,266 --> 00:17:02,383

credit card will actually be charged.

278

00:17:02,516 --> 00:17:05,516

So some examples might be

279

00:17:05,516 --> 00:17:09,416

that it'll be charged directly at the time of reservation.

280

00:17:09,466 --> 00:17:11,466

So there's a difference.

281

00:17:11,466 --> 00:17:14,200

Do you have to put in your credit card and it gets, you know, it's in the system,

282

00:17:14,216 --> 00:17:17,083

but it's not actually charged until you leave.

283

00:17:17,216 --> 00:17:21,466

Or is there a charge coming off immediately upon reservation?

284

00:17:21,533 --> 00:17:24,650
Will the credit card be charged

285
00:17:24,650 --> 00:17:28,366
30 days prior to the 1st day of the event?

286
00:17:28,433 --> 00:17:30,433
I've seen that in contracts.

287
00:17:30,433 --> 00:17:33,650
Will the charge be taken

288
00:17:33,650 --> 00:17:36,950
24 hours prior to the 1st day of arrival?

289
00:17:38,250 --> 00:17:41,516
And part of this, you want to understand when will the

290
00:17:41,516 --> 00:17:45,116
venue or the supplier be receiving funds from your attendees?

291
00:17:45,166 --> 00:17:48,233
And you also want to do your um,

292
00:17:48,900 --> 00:17:52,016
due diligence in informing your attendees as to,

293
00:17:52,016 --> 00:17:54,766
um, the process of deposits.

294
00:17:54,833 --> 00:17:59,333
Next, a typical

295
00:17:59,333 --> 00:18:05,033
deposit equals the 1st room night's rate and then the taxes.

296
00:18:05,099 --> 00:18:08,216
Uh, some suppliers will process

297

00:18:08,216 --> 00:18:10,616
the entire stay.

298

00:18:10,666 --> 00:18:13,900
So, if you want clarity

299

00:18:13,916 --> 00:18:17,150
on that, which I would think you would, you want to state,

300

00:18:17,150 --> 00:18:20,616
is it going to be one night's, uh, room rate, or

301

00:18:20,633 --> 00:18:23,983
is it going to be all 4 nights that are charged as

302

00:18:24,000 --> 00:18:27,299
a deposit, uh, to the attendee's credit card?

303

00:18:27,416 --> 00:18:30,533
And then finally, this last one,

304

00:18:30,533 --> 00:18:35,500
as I said, this, again, is rarely included in a draft contract.

305

00:18:35,566 --> 00:18:38,616
So it's on us as clients and as

306

00:18:38,633 --> 00:18:40,666
event planners to negotiate it in.

307

00:18:40,733 --> 00:18:44,033
We should actually be negotiating

308

00:18:44,033 --> 00:18:47,866
that all individual reservation deposits,

309

00:18:47,866 --> 00:18:52,716
that are paid or processed, are fully

310
00:18:52,733 --> 00:18:57,883
refundable to the individual, in 2 cases.

311
00:18:57,950 --> 00:19:01,066
One cancellation of the contract

312
00:19:01,066 --> 00:19:04,966
by either the client or the supplier.

313
00:19:05,033 --> 00:19:08,333
So in either case, whether it's a voluntary

314
00:19:08,333 --> 00:19:12,833
cancellation, by the supplier or the client, if individuals

315
00:19:12,833 --> 00:19:15,950
have made reservation deposits, they've

316
00:19:15,950 --> 00:19:18,650
actually been charged, those need to be refunded immediately.

317
00:19:18,716 --> 00:19:22,483
And the 2nd situation is termination

318
00:19:22,500 --> 00:19:25,849
of the contract by either entities for

319
00:19:25,849 --> 00:19:28,849
reasons outlined in the negotiated contract.

320
00:19:28,916 --> 00:19:34,066
So that might be force majeure impossibility or breach of contract.

321
00:19:34,133 --> 00:19:37,549
And in what time frame, those refunds

322

00:19:37,549 --> 00:19:42,283

are going to be processed and returned to the attendee.

323

00:19:42,349 --> 00:19:45,400

I, the 100s and

324

00:19:45,416 --> 00:19:49,016

100s and 100s of contracts that I reviewed, rarely is

325

00:19:49,016 --> 00:19:52,183

this, I'm, I almost am going to say,

326

00:19:52,250 --> 00:19:55,250

I don't think I've ever seen it, mentioned

327

00:19:55,250 --> 00:20:00,466

that what happens when a attendees credit card has been charged for a deposit.

328

00:20:00,533 --> 00:20:04,250

And then the contract is canceled or terminated.

329

00:20:04,366 --> 00:20:07,233

Obviously attendees need their funds back.

330

00:20:07,316 --> 00:20:10,316

All right, we are

331

00:20:10,316 --> 00:20:14,150

going to go on now to dishonored reservations.

332

00:20:14,216 --> 00:20:17,383

This is also known as

333

00:20:17,400 --> 00:20:21,000

walking or relocating attendees

334
00:20:21,000 --> 00:20:23,450
with confirmed reservations.

335
00:20:23,516 --> 00:20:26,750
So if the supplier dishonors

336
00:20:26,750 --> 00:20:30,166
a reservation, the walked attendee

337
00:20:30,166 --> 00:20:33,766
is entitled to negotiated and contracted

338
00:20:33,766 --> 00:20:37,833
mitigation measures, And the client

339
00:20:37,849 --> 00:20:41,683
should be entitled to negotiated and contracted

340
00:20:41,700 --> 00:20:43,849
mitigation measures as well.

341
00:20:43,849 --> 00:20:46,849
So that dishonored reservation affects

342
00:20:46,849 --> 00:20:49,966
your attendee, and it also affects you as the event.

343
00:20:50,033 --> 00:20:53,033
So with no charge to the

344
00:20:53,033 --> 00:20:57,950
attendee or the client, And the suppliers

345
00:20:57,950 --> 00:21:01,549
should be paying the room rate and

346
00:21:01,549 --> 00:21:06,733

the fees for that walked attendee at a different property.

347

00:21:07,500 --> 00:21:10,250

And so you want to negotiate what's going to happen.

348

00:21:10,316 --> 00:21:12,833

If an attendee is what?

349

00:21:12,900 --> 00:21:17,216

So, you want them to be in a comparable or better sleeping room?

350

00:21:17,266 --> 00:21:20,983

In a comparable or better property.

351

00:21:21,049 --> 00:21:25,250

That is in proximity to the event location.

352

00:21:25,316 --> 00:21:28,783

And for the duration of the attendee state.

353

00:21:28,849 --> 00:21:32,500

And you may go so far as saying proximity

354

00:21:32,516 --> 00:21:35,983

to me as the client means it's a 5

355

00:21:36,599 --> 00:21:40,200

minute drive or it is a 2 kilometer or mile

356

00:21:40,200 --> 00:21:42,950

distance from the original property.

357

00:21:43,016 --> 00:21:46,666

Be specific and ask for

358

00:21:46,666 --> 00:21:48,766

what would serve your attendee well.

359

00:21:48,900 --> 00:21:52,016

You ought to be asking for convenient

360

00:21:52,016 --> 00:21:55,783

and efficient transportation to and from the

361

00:21:55,799 --> 00:21:58,916

substitute property to the event location.

362

00:21:58,966 --> 00:22:02,566

And I know typically they offer one round trip.

363

00:22:02,633 --> 00:22:05,866

I would say, um, your attendees may want to go to

364

00:22:05,866 --> 00:22:10,299

the event in the morning, come back, refresh and go back for an evening function.

365

00:22:10,366 --> 00:22:12,583

Those round trips should be included.

366

00:22:12,650 --> 00:22:16,000

You also want it to reflect

367

00:22:16,016 --> 00:22:19,966

that the supplier's best effort to

368

00:22:19,966 --> 00:22:24,933

bring the attendee back after the 1st night will take place.

369

00:22:25,016 --> 00:22:28,483

So you want them to offer an apology amenity

370

00:22:28,500 --> 00:22:31,966

that has been approved by the client, a note from

371

00:22:31,966 --> 00:22:35,616
the management to the attendee, and if possible,

372
00:22:35,633 --> 00:22:40,783
the supplier or the venue will offer a complimentary upgrade in room type.

373
00:22:40,849 --> 00:22:44,566
Now, we're gonna

374
00:22:44,566 --> 00:22:48,166
go on to an extra slide, because the client

375
00:22:48,166 --> 00:22:52,416
should negotiate around these dishonored reservations.

376
00:22:52,500 --> 00:22:55,916
Um, the client should negotiate that a supplier

377
00:22:55,916 --> 00:22:59,383
is to provide a daily list of

378
00:22:59,400 --> 00:23:03,833
walked attendees, their name, and the name of the substitute property.

379
00:23:03,900 --> 00:23:07,616
So that the client can monitor for attendee

380
00:23:07,616 --> 00:23:11,933
safety, and to be able to track sleeping room data correctly.

381
00:23:12,000 --> 00:23:16,500
So you want that written assurance that you will be notified in writing.

382
00:23:16,549 --> 00:23:19,900
The client should also

383

00:23:19,916 --> 00:23:23,983
negotiate mitigation measures for themselves, regardless

384
00:23:25,066 --> 00:23:28,483
of whether the attendee returns to the supplier's property.

385
00:23:28,549 --> 00:23:31,599
So that looks like being given credit for

386
00:23:31,616 --> 00:23:34,316
any attendees that are displaced off site.

387
00:23:34,366 --> 00:23:37,183
In the calculation of room pickup.

388
00:23:38,250 --> 00:23:40,250
Complementary room credit.

389
00:23:40,250 --> 00:23:43,000
And commission or rebate payments.

390
00:23:43,066 --> 00:23:46,233
If that attendee has been moved off site,

391
00:23:46,250 --> 00:23:50,750
they fall off the data of your group, but you

392
00:23:50,750 --> 00:23:54,466
should be given, um, credit, and, um,

393
00:23:54,466 --> 00:23:59,016
they should be acknowledged as still being your attendees sleeping
rooms.

394
00:23:59,099 --> 00:24:02,216
You should, as the client also

395
00:24:02,216 --> 00:24:07,233

proactively negotiate language, indicating that the supplier,

396

00:24:08,000 --> 00:24:11,150

Well, this is my preference, that the supplier will not displace

397

00:24:11,150 --> 00:24:16,666

any guests in your room block, except for emergency reasons.

398

00:24:16,799 --> 00:24:20,099

And around that, we put typically that,

399

00:24:20,099 --> 00:24:24,833

that they're the last guests to be walked, those that are in your room block.

400

00:24:24,950 --> 00:24:30,283

So as a client, we would want transient rooms to be walked.

401

00:24:30,349 --> 00:24:33,583

We would maybe want a smaller group, which is

402

00:24:33,599 --> 00:24:38,816

hard to say, but you know, if you, uh, you know, negotiate what you can.

403

00:24:38,866 --> 00:24:42,516

When in the priority list is your attendee going to be walked.

404

00:24:42,599 --> 00:24:45,599

Um, and if you're not able

405

00:24:45,599 --> 00:24:49,500

to negotiate that, then negotiate that the supplier will

406

00:24:49,500 --> 00:24:53,099

not displace attendees on your master account.

407

00:24:53,150 --> 00:24:55,416

Except for emergency reasons.

408

00:24:55,500 --> 00:24:59,099

So typically those might be your staff, they may be your VIPs,

409

00:24:59,099 --> 00:25:02,400

your speakers, your board, um, and then along

410

00:25:02,400 --> 00:25:05,700

with that is if it becomes necessary, that

411

00:25:05,700 --> 00:25:09,000

the supplier will consult with the client, um,

412

00:25:09,533 --> 00:25:13,183

their contact on site, to be able to prioritize.

413

00:25:13,250 --> 00:25:17,083

Maybe it does make sense that the staff will go to another, um,

414

00:25:17,099 --> 00:25:21,116

property and leave attendees and master account focus on site.

415

00:25:21,166 --> 00:25:23,266

All right.

416

00:25:23,333 --> 00:25:25,733

Then we get to.

417

00:25:25,916 --> 00:25:28,916

Sleeping room pickup and

418

00:25:28,916 --> 00:25:32,333

the calculation of the room block,

419

00:25:32,333 --> 00:25:36,650

and all of the things that are outside of the room block, if you will.

420

00:25:36,716 --> 00:25:39,950

So, in calculating sleeping room

421

00:25:39,950 --> 00:25:42,283

revenue that comes from the room block.

422

00:25:42,349 --> 00:25:47,383

The client wants as many sleeping rooms as possible.

423

00:25:47,516 --> 00:25:51,049

To be included for the purpose of calculating pickup,

424

00:25:51,049 --> 00:25:53,616

and revenues for sleeping rooms.

425

00:25:53,750 --> 00:25:56,799

So to do this, don't leave

426

00:25:56,816 --> 00:26:00,833

it vague, please, be specific in itemizing

427

00:26:00,833 --> 00:26:08,083

what rooms, room types, um, uh, like, well, I'm going to give you a list here.

428

00:26:08,150 --> 00:26:11,383

What are you looking for to be included in

429

00:26:11,400 --> 00:26:14,700

the calculation of sleeping room revenue?

430

00:26:14,750 --> 00:26:16,966

So, here are some examples.

431

00:26:17,099 --> 00:26:20,566

Rooms that are paid by your attendees

432

00:26:20,566 --> 00:26:22,966
over the room block dates.

433
00:26:23,033 --> 00:26:26,150
Regardless of whether the rooms were reserved

434
00:26:26,150 --> 00:26:29,566
before or after the cutoff date.

435
00:26:29,633 --> 00:26:32,750
Rooms paid by

436
00:26:32,750 --> 00:26:35,916
the client's attendees over pre-event and

437
00:26:35,933 --> 00:26:39,533
post-event dates at full room rate or higher.

438
00:26:39,650 --> 00:26:42,950
Rooms that have been room

439
00:26:42,950 --> 00:26:46,716
reservations that have been canceled by the client's attendees

440
00:26:46,733 --> 00:26:52,483
and that have paid a cancellation fee that is at the full room rate.

441
00:26:52,616 --> 00:26:55,966
You also want to include rooms

442
00:26:55,966 --> 00:26:59,316
that have been canceled by clients' attendees, and they've

443
00:26:59,333 --> 00:27:03,233
paid an early departure fee at the full room rate.

444
00:27:03,299 --> 00:27:06,349
You want to include rooms

445

00:27:06,349 --> 00:27:09,883

that were allocated as no shows, and rooms

446

00:27:09,900 --> 00:27:13,916

that attendees paid for no show fees at full room rate.

447

00:27:13,966 --> 00:27:17,083

You want to

448

00:27:17,099 --> 00:27:20,400

be given credit for nights that have been displaced by the

449

00:27:20,400 --> 00:27:26,150

supplier due to dishonored or walked or relocated reservations.

450

00:27:26,216 --> 00:27:30,983

You want credit for the complimentary rooms earned.

451

00:27:31,500 --> 00:27:34,916

You want credit for the occupied at discounted

452

00:27:34,916 --> 00:27:40,433

rates, such as staff or complementary upgrades for VIPs.

453

00:27:40,500 --> 00:27:43,500

I've seen those specifically not included.

454

00:27:43,549 --> 00:27:47,500

Um, and those are still paid at the full room rate.

455

00:27:47,566 --> 00:27:50,683

Um, And then rooms occupied with

456

00:27:50,700 --> 00:27:53,566

more than one room, so example being suites.

457

00:27:53,700 --> 00:27:56,866
And then finally,

458
00:27:56,866 --> 00:28:00,466
we're going to bring this and wrap this up with what don't

459
00:28:00,466 --> 00:28:04,066
we want included if we are facing an

460
00:28:04,066 --> 00:28:06,633
attrition situation with our room block.

461
00:28:06,766 --> 00:28:10,233
And there's something, uh, I

462
00:28:10,500 --> 00:28:12,533
I learned it years ago, but I didn't know it.

463
00:28:12,599 --> 00:28:15,766
Um, I should have, but

464
00:28:15,766 --> 00:28:19,483
it's called the net inventory provision, which I

465
00:28:19,500 --> 00:28:23,216
believe is severely underused by clients, and

466
00:28:23,216 --> 00:28:26,983
it's included to proactively require the supplier,

467
00:28:27,000 --> 00:28:32,150
to disclose its actual inventory over the event dates.

468
00:28:32,216 --> 00:28:35,266
Because this helps the client to

469
00:28:35,266 --> 00:28:38,016
mitigate sleeping room attrition damages.

470

00:28:38,099 --> 00:28:41,450

So the net inventory provision

471

00:28:41,450 --> 00:28:46,716

removes the following items from the suppliers

472

00:28:46,733 --> 00:28:50,983

sleeping room inventory before the

473

00:28:51,250 --> 00:28:54,950

calculation of sleeping room attrition is conducted.

474

00:28:55,016 --> 00:28:58,066

So it is unreasonable for the

475

00:28:58,066 --> 00:29:02,200

supplier to expect that 100% of

476

00:29:02,216 --> 00:29:05,516

their inventory is available to the group

477

00:29:05,516 --> 00:29:11,516

or to be sold before, um, it affecting the group's attrition.

478

00:29:11,566 --> 00:29:15,099

So, things to consider, sleeping rooms

479

00:29:15,116 --> 00:29:18,349

that cannot be sold because of being out of

480

00:29:18,349 --> 00:29:22,666

order, under renovation, or due to repair.

481

00:29:22,733 --> 00:29:25,849

Sleeping rooms that are not available

482

00:29:25,849 --> 00:29:30,049
because of preferred relationships such as airline

483
00:29:30,049 --> 00:29:34,416
crews, government, uh, employees and reward programs.

484
00:29:34,500 --> 00:29:39,299
Sleeping rooms that have been given away free by the supplier.

485
00:29:39,349 --> 00:29:42,166
That could be their reward points or other programs.

486
00:29:42,233 --> 00:29:45,883
Unsold suites or specialty

487
00:29:45,900 --> 00:29:49,549
rooms that aren't typically sold every single night.

488
00:29:49,616 --> 00:29:52,666
And then sleeping rooms,

489
00:29:52,666 --> 00:29:56,133
which is including attrition, consolation or

490
00:29:56,150 --> 00:29:59,616
no shows, that are billed to other groups

491
00:29:59,633 --> 00:30:05,450
or individuals over your event date over your broom block.

492
00:30:05,516 --> 00:30:08,683
So there you have

493
00:30:08,700 --> 00:30:11,400
uh, a quick uh, summary.

494
00:30:11,450 --> 00:30:15,283
So, I don't see any comments coming

495

00:30:15,299 --> 00:30:17,516

up on my screen, which doesn't mean that they're not.

496

00:30:17,566 --> 00:30:23,266

Um, but I, I'm not seeing any and knowing that we're quite at time.

497

00:30:23,333 --> 00:30:26,983

I do want to, um, say to

498

00:30:27,000 --> 00:30:30,766

you, As I said earlier, that these tips

499

00:30:30,766 --> 00:30:34,233

last month and this month are the tip of the iceberg, when

500

00:30:35,033 --> 00:30:38,683

we are strategically and when we are thoroughly negotiating

501

00:30:38,700 --> 00:30:41,150

a sleeping room block with a supplier.

502

00:30:41,216 --> 00:30:44,216

I will say that the content goes on

503

00:30:44,216 --> 00:30:47,933

for a long, long, long, long time in the certified

504

00:30:47,933 --> 00:30:51,099

event contract professional, credentialed program.

505

00:30:51,166 --> 00:30:54,400

And if you want to know more, I

506

00:30:54,416 --> 00:30:57,583

would encourage you and be thrilled if you would check out,

507

00:30:57,599 --> 00:31:02,216
uh, our website, CECP.plannerprotect.ca.

508
00:31:02,266 --> 00:31:06,233
And then finally, before you leave, there are 3 things.

509
00:31:06,500 --> 00:31:08,500
I hope you will register for next month.

510
00:31:08,500 --> 00:31:11,733
We're going to talk about event agendas and avoiding contract pitfalls.

511
00:31:12,466 --> 00:31:16,116
I want you to remember that all planner protect episodes.

512
00:31:16,200 --> 00:31:19,316
This is start of year 2 of

513
00:31:19,316 --> 00:31:22,549
these monthly episodes, so you can check out all of

514
00:31:22,549 --> 00:31:26,750

