



Strategic Contracts

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INNOV8 Meetings + Events

@INNOV8Meetings

Custom Hotel Contract

INNOV8 Designs
Your Custom
Contract (Ready For
Signature)

Clauses are pre-
approved by large
hotel chains

Performance
Clauses Based on
Profit, Not Revenue

Eliminate or
Reduce Hotel Fees
or Surcharges

Cost Savings & Risk
Mitigation Report
per contracted
meeting

Dispute Resolution
/ Hotel Audit /
Track Credits

Rate Integrity /
INNOV8 Placement
Fee Disclosure

Contract Risk
Reduction / Cost
Containment

Revenue Management

Understanding Your Value





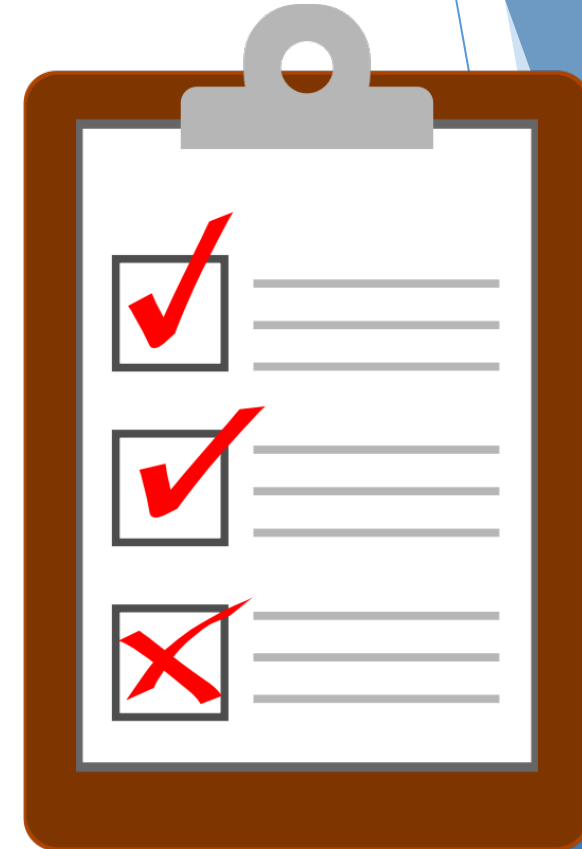
Food & Beverage

- ▶ F&B Discounts
- ▶ Know what the competing hotels (in the same area) are charging for F&B -what are their menu prices? Some hotels mark up their F&B more than others...
- ▶ Negotiate a max F&B escalator increase
- ▶ Negotiate max service charge increases.
- ▶ Hotels to serve 3% - 5% over guarantees
- ▶ Sliding scale discounts.

Hotel Fees & Surcharges

Be sure to address **ALL** possible Hotel Fees & Surcharges!

- Gratuities for Maid & Bellman
- Porterage
- Resort or Destination Fees (in hotels that are not “resorts”)
- Meeting Room Rental
- Mandatory Early Departure Fees
- Special Meeting Room Set-up Fees
- Meeting Room Set-up Fees
- Making hotel reservations via phone call
- Use of Meeting Room Electricity
- Hotel Audit Fee
- Fee to Phone In A Reservation
- Payment fees (i.e. credit cards)
- Early check-in fees
- Service Fees
- Gratuities
- Fees have been increasing



Service Level Guarantee

➤ Hotel Appropriately Staffed

- Need more staff to ensure new safety and cleanliness protocols, as well as F&B dietary needs
- Customer service (poor service due to labor shortages)

➤ Outlets Fully Operational

- Experience is compromised due to reduced hours at outlets

➤ Maintenance of Product

- What is the process when something is broken or not cleaned properly?

**Supply chain issues, labor shortages and
crop growing challenges, oh my!**

CUSTOMER SERVICE



Attrition

Attrition Savings

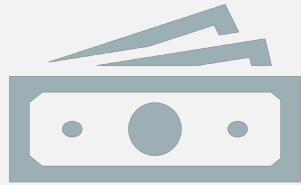
- Base attrition damages on the Hotel's Lost Profit NOT Revenue
- Show your formulas in the contract!
- Attrition - rebook & resell
- No attrition must be listed in the agreement or you will owe 100%.

Rate Integrity

Publish Rate Savings

- Hotel may not promote or publish a lower rate
- If Hotel publishes a Lower Rate - the rate will be removed or honored for your Group
- Does not include special promotional rates
- Group to receive credit for rooms booked around the block

EARLY DEPARTURE



Meeting Planners

No early departure fees

Group to receive credit for any early departure fees that are collected

In the event of emergency, Hotel to waive fee

Review on a case-by-case basis



Hotels

Early departure fees up to \$175.00

Hotel will not credit fees towards attrition (if any)

Will not define an “emergency”

Function Space

Meeting
Planners



Hotels

Hotel will use best efforts in meeting space to effectively social distance group set-ups.

Hotel to provide additional space to Group (at no charge), per CDC guidelines.

Hotel will not move or change meeting space without prior written approval from Group.

Hotel to ensure that the Group is free from loud noise or distractions

Hotel to provide electronic signs outside of each meeting room at no charge

Hotel to provide tables and chairs at no charge.

Confirm start and end times (24-hour hold) include time for set-up and teardown

Hotel may change space and then notify Group.

Hotel to provide a limited number of tables and chairs per contracted group size.

Fees for special set-ups

Relocation

Meeting Planners

- Group to receive credit for any rooms that are relocated
- Hotel to provide a room for each night that the guest is relocated at a comparable Hotel within 5 miles.
- Hotel will not walk any VIP guests
- Hotel will notify Meeting Planner prior to guest relocation
- Hotel to provide a Group reception complimentary, upon return back to Hotel.

Hotels

- Hotel may relocate Group at any time
- Hotel does not need to notify group
- Hotel does not need to provide Group credit for rooms that are relocated

Cancellation

Meeting Planners

- **Mutual cancellation!**
- What will happen in the event that the Hotel cancels?
- Sliding scale cancellation (stretch dates)
- No cancellation damages if cancelled at one year out.
- Only pay lost profit on F&B if meeting dates are 60 days out.
- Rebook/Resell on Cancellation
- During COVID19 - Extend/freeze cancellation tiers

Hotels

- 100% of Hotel's lost revenue projections to be paid
- Add tax + resort fee
- Tighten up of cancellation tiers - especially within a year
- Non-mutual cancellation
- Cancellation for "Change of Venue Clause" - 100% damages

Thinking Ahead... Contract Trends

Mutual Cancellation is a MUST!

More organizations are moving towards using a custom contract

Increased 2nd option contracts

Very FIRM Option Dates & Rate Deadlines

Language is evolving and changing with the current marketplace/needs - Adding new clauses

Longer contracts - more language to be covered

Tools You Can Use QUESTIONS?

- Bridging the Gap - Contract Strategies
- Key Deck Slides
- Contract Clause Language / Questions

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