

I've just returned from MPI's 2009 Meet Different Conference in Atlanta; where it came as no surprise that the dominate topic of conversation throughout the meeting was the economy and its impact on the meetings and events industry. But what truly impressed me was the consolidated meetings industry response authored by MPI, US Travel Association, AH&LA, DMAI, IAEE, NBTA, PCMA and SITE to address the media and government frenzy which is lambasting meetings as evil and economically counterproductive.

The recent high profile cancellations of meetings by AIG and Wells Fargo are just the tip of the iceberg. Ask any meeting or event professional and you'll hear that their portfolio of business (planner and supplier alike) is down; and for many, this equates to massive economic losses.

Let there be no mistake, in a time when we are all rightfully irate that poor performing corporate executives have received huge payouts in the face of miserable performance, we need to focus our anger on those inexcusable excesses while simultaneously communicating support for meetings and events that reward rank and file employees (and independent agents and contractors) of companies who excel and help their companies perform more profitably.

The travel, tourism, meetings and events industry is one of America's largest employers and should be recognized as a major catalyst for economy recovery. Meetings and events have a significant impact on local economies and the tax dollars generated by meetings help fund basic services in our community. Meetings provide employment for hotel employees, shuttle and taxi drivers, restaurant workers and others while offering educational and networking opportunities for attendees. Travel and meetings are not inherently bad; and I urge the media to stop slamming companies which have meetings when these events are held for the right reasons: recognizing peak performers, improving organizational efficiencies, providing training and enhancing profitability.

We have an obligation to take a stance on these issues. The following are talking points crafted and approved by MPI and other industry groups which I urge you to share widely; talk them up with your friends, family, colleagues, clients, bosses and politicians:

- **Meetings and Events are Critical to American Economy** – Corporate meetings and events are absolutely critical to strengthening the American economy. Meetings and events are responsible for 15% of all travel in America, create more than \$100 billion in spending annually, generate one million American jobs and provide \$40 billion in tax revenue.
- **Communities, Workers Unintended Victims of Cuts in Meetings and Events** – The current environment of demonizing corporate meetings and events is hurting local communities across the country and is contradictory to fixing America's economy. If we're serious about creating jobs and strengthening the economy, we have to encourage companies to get out on the road.
- **Ask your political leaders to Help by Embracing Responsible Travel** – There are three ways you can help protect meetings and events: (1) ask your political leaders to tone down the rhetoric, (2) ask that no legislation is passed that would further weaken the economy by placing fear in the hearts of those that have and have not taken emergency government lending, and (3) embrace the standards for responsible meetings and events that our industry put forward as a means of ensuring that beneficial activities continue. Surf to the link below for access to these standards

http://www.mpiweb.org/CMS/uploadedFiles/Inside_MPI/Press_Releases/2009_Press_Release/ExamplesModelBoardPolicyandLegitimateMeetings.pdf

If you're a corporate meeting professional or serve the corporate market – take note below. You'll find a model policy for the approval of meetings, events and recognition travel. These were developed by MPI, US Travel Association, AH&LA, DMAI, IAEE, NBTA, PCMA and SITE and specifically address the meetings, events and incentive travel industries. These offer clear, workable guidelines designed to ensure responsible business travel practices for companies whether they received emergency government lending or not. I urge you to use them to create a business case for managing meetings and events during and beyond this economic crisis.

Model Board Policy for Approval of Meetings, Events and Incentive/Recognition Travel

- General policy statement: **The CEO shall be responsible for implementing adequate controls to assure that meetings, events and incentive/recognition travel organized by the company serve legitimate business purposes and are cost justified.**
- All proposed meetings, events and incentive/recognition travel organized by the company must serve one or more specified legitimate business purposes (see representative listing attached). Each proposed meeting, event or incentive/recognition travel with a cost exceeding \$75,000 must be supported by a written business case identifying a specific business purpose.
- Total annual expenses for meetings, events and incentive/recognition travel shall not exceed 15 percent of the company's total sales and marketing spend.
- The amount spent for an employee performance incentive/recognition event shall not exceed two (2) percent of the total compensation of eligible participants or 10 percent of total award earners' compensation.
- The process for approving meetings, events and incentive/recognition travel, and the procedures for assuring adherence to this policy, will be subject to independent audit to confirm policy adherence.
- At least 90 percent of incentive program attendees shall be other than senior executives (as defined by applicable Treasury Department guidelines) from the host organization.
- Performance incentives shall not promote excessive or unnecessary risk taking or manipulation of financial results.
- All internal meetings or events attended only by senior executives (as defined by applicable Treasury Department guidelines) and/or board members shall be devoted to specific business purposes, and participating senior executives shall be responsible for any expenses incurred for non-business related activities.
- The CEO of the company shall certify to the board at least annually that the foregoing policies are being followed, and are sufficient to provide reasonable assurance that the company's expenditures for such purposes are not excessive.
- These policies shall be subject to modification only with board approval stating the specific business rationale for the change in policy.

Corporate Standards for Meetings, Events and Incentive/Recognition Travel - Talking Points

- The business practices of our customers impact the welfare of our industry, our employee base and the economic health of the communities where we do business.
- Meetings, events and incentive travel are smart, cost effective ways to retain and develop employee talent, build engagement, generate ideas and share knowledge that drives business growth. Critics have mislabeled many meetings and events as unnecessary and forced businesses – those that have received federal government support and many that have not – to cancel planned and future activities.
- When businesses cancel productive meetings and events, the American worker and local communities from coast-to-coast are the unintended victims.
- Many prudent companies already have in place policies that ensure travel expenditures are reasonable, justifiable and verifiable. The standards we have issued are an aggregation of best practices that we are recommending our business clients follow.
- Our standards support the Treasury Department's recent call for the board of directors of companies that have received emergency government lending to develop guidelines on conferences, events and employee recognition programs.

These guidelines demand accountability and transparency, including:

- Events exceeding \$75,000 must be supported by a written business case identifying a specific business purpose and positive return on objective and investment metrics;
- At least 90% of incentive program attendees shall be other than senior executives (as defined by Treasury Department guidelines) from the host organization; and
- Total annual expenses for meetings, events and incentive/recognition travel shall not exceed 15% of the company's total sales and marketing spend.

- Clear standards requiring transparency and accountability protect taxpayers, our industry, more than one million employees and the communities where we do business.
- Meetings and events are responsible for 15% of all travel spending and generate more than one million jobs and nearly \$40 billion in tax revenue.
- Bellmen, maids, wait staff and other hourly wage employees are the first to lose their jobs as meetings, events and travel incentives decline.
- The Labor Department reported a loss of 200,000 travel related jobs in 2008 and Commerce Department data predicts a loss of an additional 247,000 travel related jobs in 2009.
- Undue restrictions on companies receiving government assistance to conduct productive meetings and events stifle their ability to recover and place them at a competitive disadvantage.

Urge you to take political and personal action. Stay on top of the facts by surfing to www.ustravel.org and www.mpiweb.org for updates regarding all key issues.

Contact our Senators and members of the House. It's easy to cut and paste right from this article and create your own letter. Noted below is communication contact information for our California Senators; be sure to also contact your representative in the House of Representative via the link below:

CALL, FAX AND SEND LETTERS TO:

Senator Barbara Boxer

Phone: 202.224.3553

Fax: 202.224.0454

<http://boxer.senate.gov/contact/email/index.cfm>

Senator Dianne Feinstein

Phone: 202.224.3841

Fax: 202.228.3954

<http://feinstein.senate.gov/public/index.cfm?FuseAction=ContactUS.EmailMe>

To find the member of the House of Representatives that represents you, please click here: http://clerk.house.gov/member_info/index.html

Special thanks to Roger Dow, Christine Duffy and Bruce MacMillan and many others at MPI, US Travel Association, AH&LA, DMAI, IAEE, NBTA, PCMA and SITE for their remarkable work in leading the way in this process and for crafting the talking points and policy statements used in this article.

Stay aware and take action now! The future direction of our industry is at stake.

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