



MEETINGS, EVENTS AND INCENTIVE TRAVEL: CRITICAL TO AMERICAN JOBS, COMMUNITIES AND BUSINESSES

Threats of federal regulation and sensational coverage are creating a paralyzing environment where companies across the country are canceling meetings and events for legitimate business purposes.

- Critics have mislabeled many meetings and events as unnecessary and frivolous – causing companies that have received federal government support and many that have not – to cancel planned and future activities.
- Whether a company has received emergency government lending or not, its inclination is to avoid the prospect of being ridiculed like AIG, Wells Fargo and others.
- No region of the country is immune to the economic impact of canceled meetings, events and incentive programs.

American workers and local communities pay the price as meetings, events and incentives decline.

- The U.S. Labor Department reported a loss of nearly 200,000 travel related jobs in 2008 and Department of Commerce data predicts a loss of an additional 247,000 travel-generated jobs in 2009.
- Business travel creates 2.4 million American jobs, \$240 billion in spending and \$39 billion in tax revenue. The meetings and events component of business travel is responsible for nearly 15 percent of all travel in the United States, drives \$101 billion in spending, generates one million jobs and creates \$16 billion in tax revenue at the federal, state and local levels.
- Without the one million jobs generated by meeting and event travel, the unemployment rate in the United States would jump from 7.6 percent to 8.2 percent.
- As meetings and events decline, local communities – nearly all of whom are dependent on visitor taxes – struggle to pay for essential services such as education, public safety and social services.

Business travel and events are a smart and cost effective way to retain and develop employee talent, generate ideas and share knowledge that drives future business growth.

- Meetings, events and incentives are essential tools for companies to strengthen business relationships; align and educate employees and customers; and reward business performance. Members of Congress share this practice when convening their annual retreats at resorts outside Washington, DC
- Incentive programs are two to three times more effective than cash at motivating employee performance. Companies can spend less on incentive travel than on cash compensation to achieve exceptional productivity from employees.
- The recipients of incentive travel programs are typically hardworking middle class Americans who have earned trips for their exceptional performance.
- According to a recent survey of Fortune 1000 Chief Marketing Officers, meetings and events provide the highest return on investment of any marketing channel.

Companies using taxpayer dollars must abide by best practices for meetings, events and incentives.

- Companies that have received emergency government lending have an obligation to operate in a transparent and accountable fashion.
- The travel community has addressed an urgent public need by developing clear, workable guidelines designed to ensure responsible business travel practices within companies that have received emergency government lending.
- Additional punitive policies to limit meetings, events and incentive travel will unite business, labor and local government leaders in opposition.