

## Negotiating and Contracting Tips :

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Experts suggest that planners be ever-mindful of legal issues when meeting outside of the U.S. Sourcing, booking, and contracting for space in other countries, particularly in Europe, Latin America, and Asia, can be quite different than here. Of course, other countries aren't nearly as litigious as Americans, so that's a plus.

Here are some areas to pay particular attention to, especially as they relate to working with a non-U.S.-based hotel.

### In Europe



**Negotiation Style:** The style of contract negotiations differs from what Americans are used to. While you'll find some items are less negotiable than in the States, you'll discover that others might actually be more flexible. For example, according to Jort Wassenaar, chair of the Professional Convention Management Association's International Task Force and director, business to business, of the Netherlands Board of Tourism and Conventions, cancellation clauses can be "more negotiable than in the U.S. and the clauses are more flexible. In Europe, they want to have a constant dialogue with their clients," he says, suggesting planners "pick up the phone and call their hotel salesperson. You will see that you will build a far better rapport with them through a phone conversation than through an e-mail. A good rapport is as important as a contract."

**Holding Space:** Still, getting the details in writing is crucial. Before you even get to the contract stage, you'll likely run into "options." "First option means you have first right of refusal," says Carolyn Zusi, regional director for HelmsBriscoe, based in Woodlands, Texas. "You'll have to confirm that they are holding the space for you and when the option is up. Second option means someone else is currently holding the space before you and their option date is not yet due." She adds that it's especially important to make sure the guest rooms and meeting rooms are on the same option or you might find yourself able to book one but not the other.

**Language:** Expect the language of the contract to be in English, widely accepted in Europe as the international business language. Even in English, though, there can be differences in terminology; for example, a U.S. *breakout room* is a European *syndicate room*, while our *general session* is a plenary. Be sure everyone agrees on definitions of terms.

**Daily Delegate Package:** This is a common way of packaging meeting space with hotel accommodations and food and beverage. The details may vary so confirm whether breakfast, coffee breaks, taxes, and gratuities are included and what exactly is included within each of those categories. However, Wassenaar notes that such items are not typically packaged for groups of more than 100.

**Meeting Room Rentals:** If not packaged as part of a daily delegate rate, meeting rooms will need to be paid for separately. Such rental fees typically include room set-up, furniture, and room changes. Even with a daily delegate rate, Zusi points out that if the amount of space that the group needs is considered above the norm, additional charges might be incurred for the meeting rooms.

**Deposit Schedules:** Unlike in the U.S., most European hotels will require full payment before the date of the meeting. "Try to negotiate to settle the last day," says Zusi. "If you've paid everything before you walk in the door, you have no bargaining power once you're on site."

**Comp Policies:** While comp policies are not the norm, Zusi notes that they are negotiable and "it depends on how much the hotel wants your business." She adds that the approach is similar to upgrades and other amenities: "The hotel might not budge," she says, "but you definitely won't get it if you don't ask."

**Guarantees:** Guarantees are typically due in Europe far earlier than here, as much as three or four weeks in advance of an event.

**Attrition:** "The word literally doesn't exist in some countries in Europe," says Zusi. Still, the concept does. "It's normally called 'room block reduction,' and generally falls into the hotel's cancellation clause." Wassenaar notes that this is one area where Europeans tend to be more flexible than Americans and willing to negotiate. Also within the cancellation clause, be sure there's a force majeure addition, which allows the meeting to be cancelled without penalty in the event of certain occurrences outside of your control, such as acts of war, terrorism, weather, labor strikes, and so on.

## In Latin America

**Negotiation Style:** One of the ways that rapport can help is in the execution of the contract. "Contracts in Latin America tend to be more about the spirit of the contract rather than the letter of the contract," says Eli Gorin, CMP, owner of gMeetings, Aventura, Fla. "If you've built a relationship, they'll go out of their way to make sure to provide you with whatever it takes to make the meeting successful, instead of being determined to give you exactly what the contract says. They're not about the fine print and are not as legally oriented as we are."

**Language:** On the negative side, that flexibility with language can also extend to timelines. "'Give me a minute' means an hour," laughs Gorin, "and, 'Give me five minutes,' loosely translated, means they'll get back to you eventually."

## General Contracts

**Never Assume:** As noted earlier, meeting space is not complimentary for a meeting with a large sleeping room block in Europe. Similarly, assumptions about breakfast menus in Europe do not apply to a Mexican meeting. The only way for the facility and the planner to make sure they agree on the details is to put it in writing.

**Governing Issues:** A meeting contract should also include a governing language, choice of currency, and governing law for dispute resolution. Each of these points is essential to avoid differences between the meeting host's home country and the meeting location.

Designating a governing language averts disputes when different language versions of a contract conflict because of the translation.

Choosing an official currency protects the parties against value fluctuations that can affect meeting pricing.

And the governing law for resolving disputes is also very important. Depending on the country, the court system may be very efficient or very slow. Without an agreement on which country's laws will apply in the event of a dispute, both sides will try to resolve the matter in their courts. This can cause confusion and delay, and will likely make it more difficult to put the matter to rest.

**Accommodating Disabilities:** Americans expect meetings to follow the rules of the Americans with Disabilities Act (ADA), but the rules of other countries on this matter — if there are any — will likely differ. The dilemma is that persons requiring special accommodations will likely expect the meeting host to follow their home country's rules, regardless of the meeting location, so it is essential for a meeting organizer to provide by contract for whatever facilities and equipment are needed for disabled persons.

**Data Protection:** Particularly with corporate gatherings, information is exchanged among attendees, such as customer lists, marketing strategies, and business data. This information could harm the sponsoring organization if it is distributed to unauthorized persons or lost. A meeting planner should avoid locations where valuable information cannot be protected. This means skipping hotels with poor security records, and even whole countries if they lack laws to protect a meeting sponsor's property. •

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