

**MPINCC** Annual Conference & Expo 2015



NORTHERN CALIFORNIA  
CHAPTER  
  
MEETING PROFESSIONALS INTERNATIONAL

# POINT – COUNTERPOINT: THE LAWYERS' DEBATE ON CONTRACTING

Presented by:

**Naomi R. Angel, Esq. and Steven M. Rudner, Esq.**

Howe & Hutton, Ltd.

Rudner Law Offices

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# Introduction

- State of the Industry
- Doing More With Less
- Patience with Civility
- Short-Term Contact But Long-Term Relationship





# So How Do We Reach Agreement?

- Know Your Needs
- Understand Other Party's Perspective
- Recognize Common Challenges
- Overcome Objections
- Reach Terms of Agreement





# **ATTRITION AND CANCELLATION CLAUSES SHOULD ALWAYS INCLUDE CREDIT FOR ROOMS RESOLD**





# **A HOTEL CANNOT CHARGE THE F&B SERVICE CHARGE ON ATTRITION OR CANCELLATION, SINCE NOTHING WAS SERVED**





**CANCELLATION CLAUSE THAT  
REQUIRES GROUP TO PAY 100%  
OF CONTRACTED ROOMS AND  
FOOD AND BEVERAGE REVENUE  
FOR A SHORT-TERM  
CANCELLATION IS  
ENFORCEABLE**



# A HOTEL CAN CHARGE TAXES ON ATTRITION OR CANCELLATION DAMAGES





**CITYWIDE CONTRACT IN WHICH  
GROUP DOES NOT COMMIT TO  
A ROOM BLOCK BUT SIMPLY  
PROMISES IT WILL TRY IN GOOD  
FAITH TO OCCUPY ROOM  
BLOCK IS NOT AN  
ENFORCEABLE CONTRACT**





**GROUPS SHOULD ALWAYS ASK  
HOTEL TO AGREE THAT NO  
OTHER GROUP IN-HOUSE WILL  
GET A LOWER RATE**





**GROUP IS ENTITLED TO LIST OF ALL ATTENDEES TO ENSURE IT GETS CREDIT FOR ALL OF ITS ATTENDEES WHO MAY HAVE BOOKED AROUND THE BLOCK, OUTSIDE THE BLOCK, ON PRE AND POST NIGHTS AND AT LOWER RATES**



**“CURTAILMENT OF  
TRANSPORTATION” AND  
“OTHER EMERGENCIES”  
SHOULD BE INCLUDED AS  
ITEMS TRIGGERING A FORCE  
MAJEURE CLAUSE**





# **A CONFIDENTIALITY CLAUSE IN AN ADDENDUM PRESENTS RISKS WHICH HOTELS SHOULD NOT ACCEPT**





# **GROUP SHOULD HAVE THE RIGHT TO GET OUT OF CONTRACT IF THERE IS CHANGE IN MANAGEMENT OR OWNERSHIP**

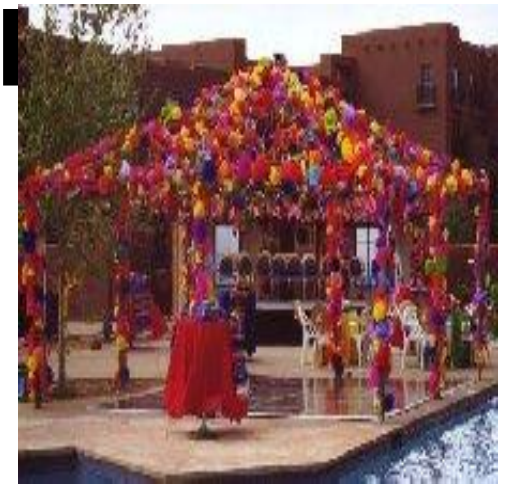




**HOTEL SHOULD DISCLOSE IN  
NEGOTIATION AND IN  
CONTRACT ALL FEES, COSTS  
AND EXPENSES THAT GUEST  
WILL BE REQUIRED TO PAY  
AND NOT BE ALLOWED TO  
CHARGE ANY UNDISCLOSED  
FEES AND AMOUNTS.**



# GROUP SHOULD HAVE UNFETTERED RIGHT TO USE ITS OWN VENDORS SUCH AS AUDIO/VISUAL, DMC, PROGRAMEX





**HOTELS WILL DISCLOSE IN  
NEGOTIATIONS AND FINAL  
CONTRACT ALL HOUSE RULES.**







**HOTEL SHOULD PROMPTLY DISCLOSE ANY GOVERNMENT OR AGENCIES CITATIONS AS TO HEALTH AND SAFETY OR LEGAL ACTIONS WHICH COULD IMPACT EVENT - AND STEPS IT IS TAKING TO REMEDIATE THE SITUATION.**



# What Else is On Your Mind?





## Follow Up

**Naomi R. Angel**

Howe & Hutton, Ltd.

20 North Wacker Drive, Suite 4200

Chicago, IL 60606

Phone: (312) 263-3001 • Email: [nra@howehutton.com](mailto:nra@howehutton.com)

**Steven M. Rudner**

RUDNER LAW OFFICES

12740 Hillcrest Road, Suite 240

Dallas, TX 75230

Phone: (214) 373-1900 • Email: [rudner@hotellawyers.com](mailto:rudner@hotellawyers.com)



**NAOMI R. ANGEL** is a partner with Howe & Hutton, Ltd., a law firm that specializes in the representation of individuals, firms and organizations in the travel, tourism, hospitality, incentive and meetings industries, as well as not-for-profit organizations, including trade associations, professional societies and other related organizations.

Naomi works with individuals and organizations in the meetings, travel and hospitality industries, including corporate and independent planners. Additionally, she serves as General Counsel to national and international trade associations of manufacturers, suppliers, and professionals, providing guidance in the areas of antitrust, intellectual property, standards development, certification and accreditation, governance, contracts, international organizational issues, product liability, and risk management. Naomi has appeared before federal and state agencies and worked with national research laboratories, advocating positions on behalf of client associations. She is a trained mediator with extensive commercial litigation experience at state and federal levels, and is admitted to practice before the Supreme Court of Illinois; the Trial Bar of the U.S. District Court, Northern District of Illinois; and the U.S. Court of Appeals, Seventh and Federal Circuits.

Naomi is a member of the American Society of Association Executives and serves on ASAE's Association Law & Policy Committee; the Association Forum of Chicagoland; and the Chicago Bar Association; and is a past chair of the Chicago Bar Association's Trade and Professional Association Committee. She is a graduate of UCLA and DePaul University College of Law where she was a member of the DePaul Law Review.



STEVEN M. RUDNER has been recognized by *Successful Meetings* as one of the top legal minds in the hospitality industry. Rudner's firm exclusively represents literally thousands of hotels, resorts and conference centers throughout the world from its offices in Dallas and San Francisco, and the firm's clients include some of the world's largest hotel companies, prestigious independent properties, management companies, luxury collections, conference centers and others. Rudner is Past-President of the Academy of Hospitality Industry Attorneys (AHIA), and a member of MPI, PCMA, HSMAI, RCMA and AH&LA. He is a member of the State Bars of New York, Texas, Arizona, Colorado and the District of Columbia. Rudner's creative approach to legal issues has twice captured the attention of *The Wall Street Journal*, and has made him one of the most popular speakers on issues of concern to the hospitality industry.

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