

Pirates, Poachers & Thieves:

Where's The Risk?





Room Block Poaching

Initial Research Findings
APEX Room Block Poaching Workgroup



About the Convention Industry Council



Organization

Federation of 30+ industry associations, national and international; founded 1949.

Mission

Promotion of a strong convention, meeting, event and exhibition industry.

Values

Events deliver value

Excellence in business practices

The power of collaborative and collective action

About APEX



An initiative of the

Convention Industry Council

Rich History

Efficiency in core business processes
Standard RFPs, Event Specifications,
Post Event Reporting
Prescriptive standardization

Modern Look

Refocused on timely, relevant content
Wide scope on trends and issues
facing industry Knowledge, best
practices and insight



APEX Mission

APEX fosters a strong meetings, conventions, exhibitions, and events industry by providing industry professionals with awareness and knowledge, best practices and strategic insight regarding key issues.



What APEX Does

PROJECTS

- Industry Trends & Issues Scans
- Issue Workgroups
 - High Speed Internet Access (HSIA) for Meetings & Events
 - Efficiencies in eRFP Systems
 - Room Block Poaching/Piracy
- APEX Industry
- Glossary
- Legacy Documents



What APEX Does

CONTENT FORMATS

- Whitepapers
- Articles, blogs
- Best practices
- Webinars
- Face-to-Face Education

Poaching Workgroup Members

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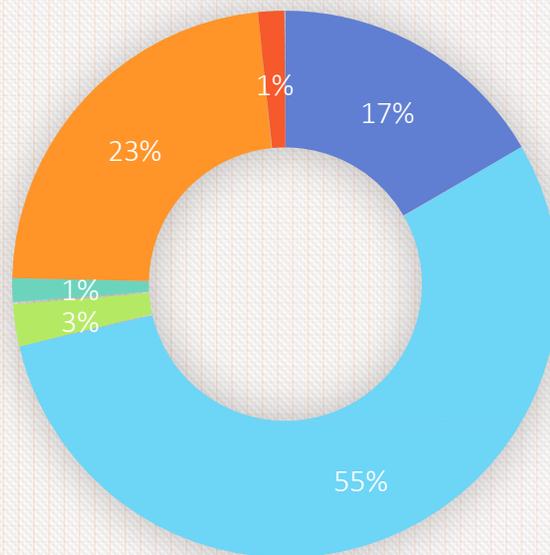


Survey Results

Preliminary Results and Findings

Workplace

Sector



- Corporation
- Trade Assoc. or Prof. Society
- Charitable Government/
- Military
- Independent / Third Party / PCO
- University/College

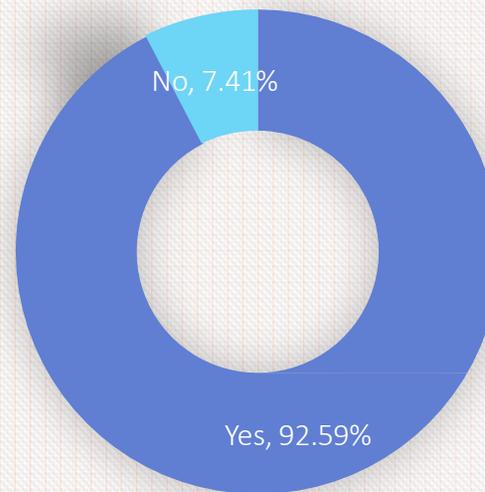


Primary Industry Represented

Industry	%
Nonprofit	21.6%
Healthcare & Pharmaceuticals	17.0%
Education	14.8%
Business Support & Logistics	6.2%
Telecom, Technology, Internet & Electronics	4.8%
Finance & Financial Services	4.4%
Government	4.4%
Manufacturing	4.4%
Retail & Consumer Durables	4.2%
Advertising & Marketing	2.8%
Utilities, Energy, and Extraction	2.8%
Construction, Machinery, and Homes	2.6%
Insurance	2.4%
Agriculture	1.8%
Food & Beverages	1.6%
Entertainment & Leisure	1.4%
Automotive	1.2%
Real Estate	0.8%
Airlines & Aerospace (including Defense)	0.6%

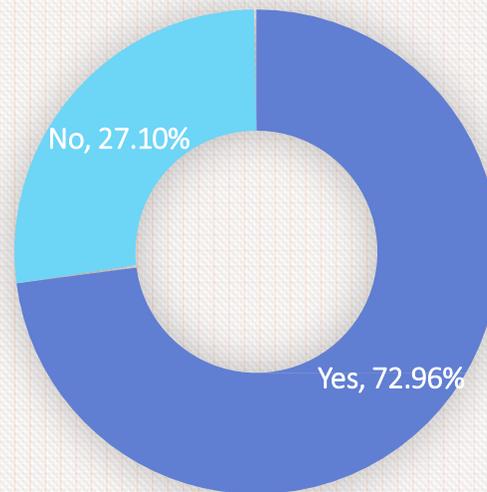
Poaching Awareness

Are you familiar with the issue of "room block poaching" or "room block piracy"?



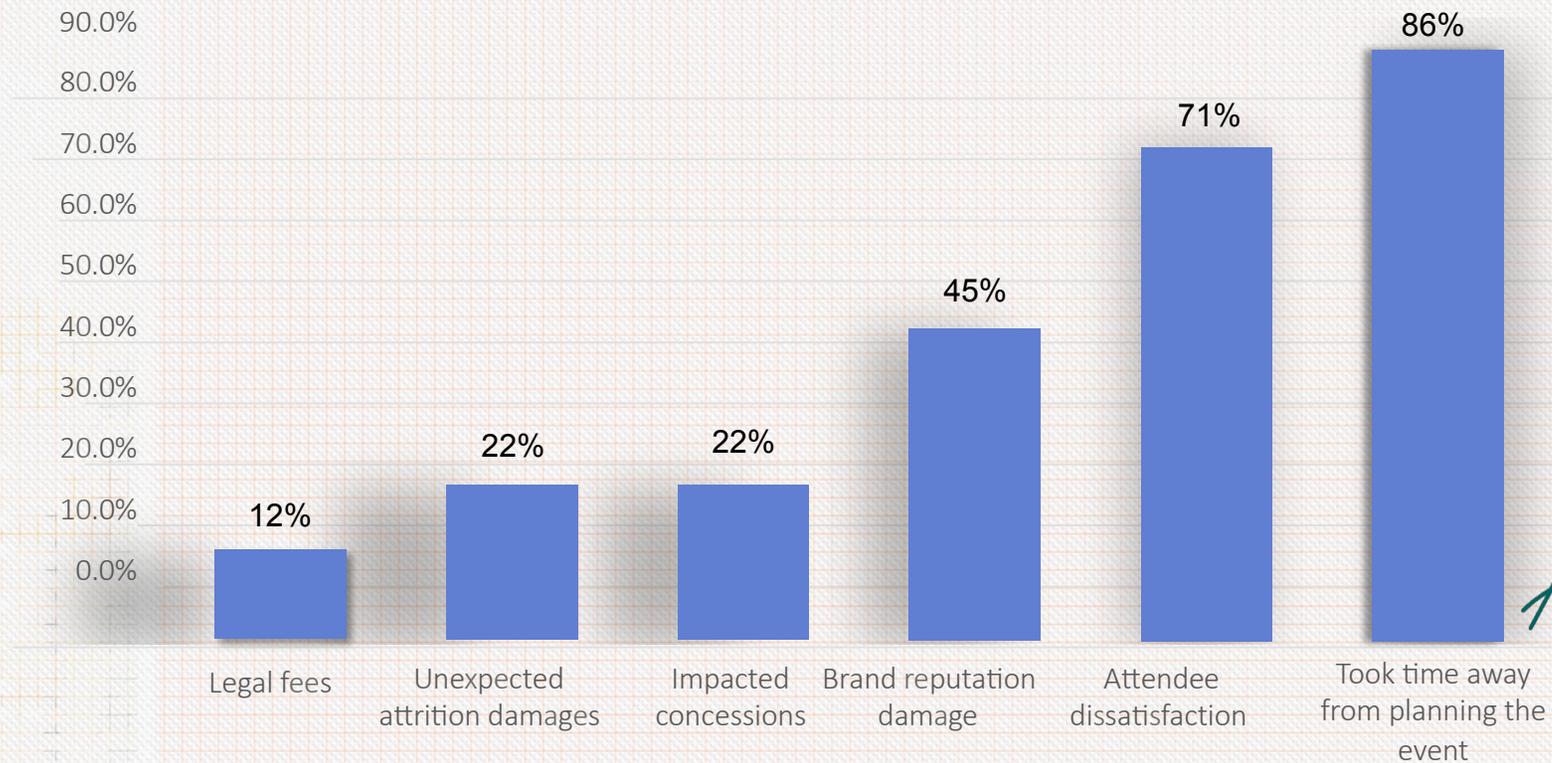
Hit by Poaching?

Have any of your meetings or events been the target of room block poaching?



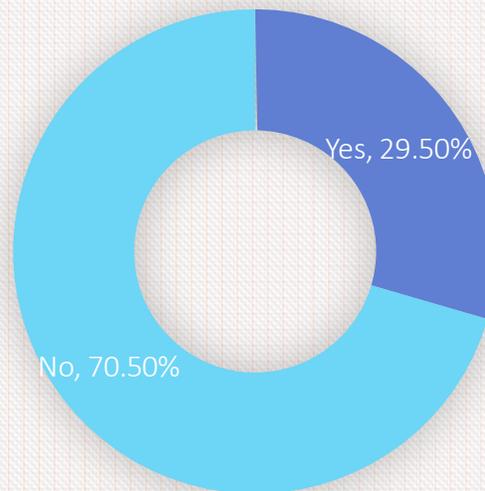
What Is the Effect?

Please indicate how room block piracy has affected your organization and its events



Best Practices?

Has your company developed best practices to avert room block poaching?





Findings

Initial Findings and Next Steps



Key Findings

The net is cast wide

A range of room rates, block sizes, industries and planner types reported.



Key Findings

Intangible impacts weigh heavy

Highest-reported impacts are non-monetary: *relationships, brand and reputation*, particularly with exhibitors. Exhibitors seem to be *holding the organizer responsible* when poaching happens.



Key Findings

There is a preparation gap

Most everyone knows about it (93%) but *the majority (70%) don't have practices in place.*



Top Three Techniques Planners Reported Using

1. Website Notices Regarding Poaching
2. Electronic Mail and Other Communication
3. Cease and Desist Letters



Poachers: How They Operate



Poachers: How They Operate

- Then, they inform the attendee all of the ***rooms in reserved block have been booked.*** In some cases, brazen poachers have even distributed a document showing a list of hotels with a ***superimposed line drawn through the convention hotels.***



**"We can get you
discounts on rates
up to *70 percent off*
the rate the hotel
itself offers you."**



Poachers: How They Operate

- Last, *they offer the attendee a room at a hotel outside the convention room block* which may or may not cost more than the convention rate. *Attendees are duped into booking the room so they can be assured of lodging for their event.*

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CONGRESSES - INCENTIVE PROGRAMS - SPECIAL EVENTS - GROUND SERVICES - ON SITE ASSISTANCE -
REGISTRATIONS ETC...

We speak English - On parle Francais - Si parla Italiano - Wir sprechen Deutsch
Hablamos Espanol - Wij spreken Nederlands - Parlemu Corsu

ADA 2014

AMERICAN DIABETES ASSOCIATION

(not affiliated with ADA AMERICAN DIABETES ASSOCIATION)

SAN FRANCISCO, from 6/13/2014 to 6/17/2014

50 rooms [CLIFT HOTEL SAN FRANCISCO](#)

[Click for Quote](#)

50 rooms [HYATT REGENCY EMBARCADERO S.F.](#)

[Click for Quote](#)

30 rooms [ORCHARD HOTEL SAN FRANCISCO](#)

[Click for Quote](#)

50 rooms [SERRANO HOTEL SAN FRANCISCO](#)

[Click for Quote](#)



Why Should You Care?

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Why Should You Care?

In the best of outcomes, attendees do, in fact, score room reservations at a discounted price -- but it might be at a ***lower-tier hotel far off the shuttle route.***

Worse, ***the cancellation penalties*** for such reservations ***can be harsh.***



Why Should You Care?

Attendees aren't the only victims...

Unofficial housing bureaus can ***undermine the relationship between meeting organizers and the hotels*** they contract with, not to mention the damage to ***overall business reputation of an event.***



Why Should You Care?

Attendees aren't the only victims...

Not only do groups run the risk of incurring ***stiff attrition penalties*** for not meeting their block pickup, other contractual obligations, such as ***food-and-beverage guarantees***, also can be affected.



Why Should You Care?

Attendees aren't the only victims...

And... *the more successful these housing companies are, the more damage can accrue to a group's ability to negotiate future rates and room blocks.*



So... What should you do?

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Sample Exhibitor Warning

Exhibitor Warning!

As an exhibitor at SupplySide West, you may receive an online solicitation from a company calling themselves Expo Guide/FairGuide.com/Construct Data Publishers. This company represents themselves as an online show directory and will invite you to update your company information to ensure your “free” company listing is correct. The listing is **not** “free” and Expo Guide/FairGuide.com/Construct Data Publishers is in no way associated with Virgo Publishing or SupplySide West. Please be aware that if you sign and return the form, you are contracted into a three year, non-retractable agreement and will be charged a significant amount of money. This has happened to many unsuspecting exhibitors and we strongly advise our exhibitors not to complete the form unless you wish to pay for your listing.

Beware of solicitation from unauthorized hotels and housing agencies

Attendees and exhibitors may be subjected to inappropriate solicitation from hotels or third-party housing agencies not affiliated with SupplySide West.

Poachers may sometimes offer a lower hotel rate than the rates offered in our official block. We have found that the reserved rooms are often not actually available at the hotel. The deposit you are being asked to give is being taken from the wholesaler, NOT the hotel. Their cancellation policies are often intolerant, and you do not have the support of SupplySide West should you need assistance with your reservation. Buyer beware. Even if they tell you otherwise, DO NOT make your reservations through one of these poachers.

VIRGO goes to great lengths to ensure that every aspect of your SupplySide West experience is of the highest quality and value. Poachers do not have your best interests in mind, nor are they committed to providing a high level of customer service.



How to fight back

- **Be Proactive**

- Always ***be on the lookout*** for the potential problems that target your clients. ***Develop a list*** of known poaching companies & ***continuously monitor*** to make sure those offenders aren't using their unique techniques, while also looking for new companies on the scene.



How to fight back

- **Be Proactive**

- For meeting planners that aren't working with a contracted housing provider, it's important to ***conduct their own searches*** online to ***address poaching issues before they escalate out of control*** and erode your room nights.



How to fight back

- **Keep Information Guarded**
 - Organizations often post attendee lists online in an effort to assist unregistered attendees in seeing the networking value, however, that ***listing information publicly can come back to haunt planners*** for their decision.



What's on the Horizon?

- **Unauthorized Show Directories**
- **Hotel Wholesalers**
- **Data Theft in Hotel Business Centers**
- **Threats from the “sharing economy”:** Airbnb
- **Yotels: upscale full-service micro “cabins”**
- **Cotels: Fully-Serviced Apartments**



More to Come from APEX

More data

Management and response

strategies Best practices

Resources and toolkits

Sample communications and letters

Web site notices

Legal articles

Case studies

Webinars & Face-to-Face Education

....and more

<http://www.conventionindustry.org/>

CONTACT INFO

If you have any stories or experiences with Room Block Poaching, please notify Michael Owen.

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