

GSA Scandal Fallout

Congress moves to cut federal conference spending

In the wake of the General Services Administration scandal about overspending and alleged malfeasance at a four-day, \$823,000 training conference in Las Vegas in 2010, both houses of Congress have passed bi-partisan bills that would drastically limit all government agencies' spending on conferences.

First up was the Senate, which on April 24 overwhelmingly approved an amendment to the 21st Century Postal Service Act of 2012, its postal reform bill. Sponsored by Sen. Tom Coburn (R-OK), the amendment would cut federal conference spending by 20 percent from 2010 levels, cap agency spending on a single conference at \$500,000, and limit to 50 the number of employees from a single agency traveling to an international conference.

What's more, the Coburn measure would require agencies to report quarterly on conference

spending, explain the costs and benefits of meeting in person versus virtually, and publicly post an itemized list of expenses online, along with all conference materials and presentations.

The next day, the House passed its own bill limiting federal spending on meetings. Part of the Digital Accountability and Transparency Act, or DATA Act, it was sponsored by Rep. Darrell Issa (R-CA) — who held hearings at which the GSA official responsible for the conference pleaded the Fifth — and includes the same mandates as the Sen. Coburn's measure. Issa's bill passed the House by a unanimous voice vote.

If either Coburn's or Issa's bill is approved by the opposite chamber, it will head to the president for his signature. "Congress has finally said 'the party's over' when it comes to conference spending," Coburn says. "We have seen scandal after scandal



Sen. Rand Paul (R-KY) used the GSA scandal in a partisan attack on Senate Majority Leader Harry Reid (D-NV) for a 2009 letter asking the president to allow government events in Las Vegas despite a ban on meeting in resort areas, and accused the travel industry of being in bed with Democrats

because Congress has failed to do oversight. The purpose of oversight is to prevent scandals, not respond to scandals."

Beyond that, Las Vegas is again in the crosshairs. Sen. Rand Paul (R-KY), has asked the House Oversight and Government Reform Committee to investigate all government conferences held in Las Vegas.

In response, the U.S. Travel Association called on Congress to

punish individuals, not industries.

"Any member of Congress who thinks this issue is about a particular destination is missing the forest for the trees," says U.S. Travel Association President and CEO Roger Dow. "Congress should hold accountable those individuals who choose to flout the federal travel rules and regulations, and strengthen oversight so those rules are followed in every part of the United States."

IMEX Revamps Association Day

Frankfurt event to include additional education sessions on big-picture topics

Noting nine consecutive years of growth in the number of association meeting planners in attendance, the IMEX Group has "completely revamped" its programming for IMEX Association Day, taking place on May 21, immediately preceding the 2012 IMEX Frankfurt trade show in

Germany.

Specifically, the new Association Day format will include double the number of education sessions arranged in specialist tracks, plus contributions from 25 speakers, including CEOs and executive directors from some of the largest associations in Europe

and the United States. These include the European CanCER Organisation (ECCO), the International Association of Public Transport, and the Optical Society.

"Our feedback shows that association executives want to be stretched and to step back from their day-to-day tasks to explore

some big-picture topics and long-term business challenges,” says IMEX Group CEO Carina Bauer. “Alongside new content with a harder strategic focus, we have introduced some highly specialized topics, such as ‘Managing Your Room Blocks.’ This ensures that there is excellent choice in the program — ranging from niche topics to broader strategic topics, such as ‘Generating New Revenues’ or highly topical sessions like ‘Online Learning and Sustainability.’”

Attendees also will enjoy brand new learning formats, such as “Deep Dives,” which will allow delegates to explore a number of single-issue topics over a three-hour period, and a new “Ask the Expert” clinic, which will provide complimentary, one-on-one consultancy. Three new education tracks have also been introduced — meetings, operations, and executive — to allow for further content refinement based on attendees’ roles and responsibilities.

The day will conclude with a

choice of more than 20 peer-to-peer roundtable discussions with topics chosen by attendees.

“I am delighted and really excited by the changes we’ve put in place for Association Day this year,” Bauer says. “This part of our show’s educational program is exceptionally strong and we take the need to get it right, and to justify attendees’ time investment, very seriously. More than ever, this year’s Association Day will be a power-packed, high-value event.”

IMEX Association Day typically

attracts around 300 association executives from more than 30 countries, 85 percent of whom are full-time senior association professionals. According to IMEX, most of the buyers attend as part of the show’s hosted buyer program, which means they will also attend the IMEX Frankfurt trade show May 22-24.

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Marriott: Group Business is Up

Marriott International reports first-quarter increase and expects strong performance all year

So far, 2012 has been a great year for Marriott International — driven in part by gains in group business — the company announced during its first-quarter earnings call.

According to Marriott, which added 24 properties to its portfolio in the first quarter, its net income in the first quarter of 2012 totaled \$104 million, up 18 percent from the first quarter of 2011. Meanwhile, revenue per available room (RevPAR) and average daily rate (ADR) grew 6.8 percent and 3.5 percent, respectively, worldwide; 5.9 percent and 2.7 percent, respectively, internationally; and 6.9 percent and 3.6 percent, respectively, in North America.

“Results were terrific in the first quarter of 2012,” said

Marriott International President and CEO Arne M. Sorenson during the call. “There is tremendous strength in global travel today; travelers are on the road, attending meetings, making sales calls, and taking family vacations.”

Results for corporate and group business were equally strong. For comparable Marriott Hotels and Resorts properties in North America, room revenue from negotiated special corporate business rose more than 9 percent in the first quarter, according to Marriott, which said group room revenue at comparable hotels

increased approximately 6 percent.

The rest of the year looks good, as well: At quarter-end, Marriott said, group room revenue bookings for North American comparable Marriott Hotels and Resorts properties for the remainder of 2012 were more than 11 percent higher than for such bookings at the end of the first quarter of 2011.

“Group business strengthened in the first quarter with increasing occupancy, room rates, and greater group spend on food, beverage, and other services,”

Sorenson said. “Transient business was also strong. Revenue from special corporate guests increased over 9 percent in the quarter with

increasing room rates. Our

largest customers tell us they expect to travel more in 2012.”

During the call, Sorenson elaborated further on Marriott’s group performance, per HotelNewsNow.com, which reported that group bookings for the remainder of 2012 are up 16 to 17 percent for smaller hotels, and that the company’s largest convention hotels are seeing “high single-digit” growth.

“What that should tell you is that it is the ... relatively smaller meetings which are leading,” Sorenson said, according to HotelNewsNow.com. “And by smaller, we don’t necessarily mean tiny, but we mean the meetings that are filling 300-, 400-, 500-, 600-, 700-room hotels, not necessarily the big marquee meetings that are filling 2,000-room hotels.”

