

**HLAGH  
MISSON  
STATEMENT:**

*THE MISSION OF THE  
HOTEL & LODGING  
ASSOCIATION OF  
GREATER  
HOUSTON IS TO  
IMPROVE THE  
LODGING  
INDUSTRY IN THE  
GREATER  
HOUSTON  
AREA THROUGH  
EDUCATION,  
GOVERNMENTAL  
AFFAIRS AND PUBLIC  
AWARENESS OF THE  
TRAVEL  
INDUSTRY  
ECONOMIC  
IMPACT.*



*The Staff and the Board of Directors of the  
Hotel & Lodging Association of Greater  
Houston hope that you, your family, and staff  
have a joyous holiday season!*

**2011 Winter Newsletter ~ Chair's Message**

Dear HLAGH Members:

Wow it is hard to believe that this year is almost over - and what a year it has been! While we all suffered through the summer with our record heat and no rain, on the bright side the Houston hotel market continued to improve and grow. While the year had it ups and downs, I know most of us ended 2011 on a good business note with high hopes for 2012.

HLAGH continues on a steady path with solid financials and a defined course for our future. Recently we celebrated our 6th Annual Hospitality on Parade. It was a great evening at the InterContinental Houston Near The Galleria. Celebrating our successes and the wonderful achievement in recognizing the "Best of the Best" of the greater Houston hotel community. Other highlights of the evening for me included Joe Palmieri winning the "General Manager of the Year" award and Don Henderson receiving the "Lifetime Achievement" award. A special thank you to Raymond Vermolen and his staff at the InterContinental, Doug Horn, Stephanie Haynes, Janeen Utz and Amanda Hanson for their hard work in making this such a special evening.

The first week of December brought our annual Bike Building competition benefiting Child Advocates. Twenty seven teams comprised of our Hotel Members and Allied Members joined forces at the George R. Brown Convention Center to put an early holiday smile on the faces of many children who left the Center with a new bicycle. Thank you to all of our sponsors and to all of you who participated - it was a fun event and if you did not participate this year, I hope you will consider next year!

A special year end thank you to our President Stephanie Haynes and Membership Services Manager Janeen Utz - they are the backbone of our organization and it is only through their hard work and dedication to our organization that makes all of these events happen!

Another event worthy of note is that news that HLAGH will have new location with the big move coming next week - the new offices will be located at 1331 Lamar, 7<sup>th</sup> Floor, Houston, TX 77010. Watch for a formal announcement in an upcoming email.

In closing, please remember that the Texas Hotel & Lodging Association's 67<sup>th</sup> Annual Short Course is coming up in January. This is a great opportunity to support your associates and considering sending someone to this excellent program.

On behalf of the Association, I want to extend the best wishes for a great holiday season and the best to all in the New Year. It is my honor and pleasure to serve as the Chair of this great organization and I know that 2012 is going to be a great year for all of us!

Happy Holidays!



**Tom Mathews**  
HLAGH Chair and  
General Manager of  
Holiday Inn  
Hotel & Suites  
Medical Center

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**Hotel & Lodging Association of Greater Houston**

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# Hotel & Lodging Association of Greater Houston ~ Winter 2011



## WELCOME NEW MEMBERS:

**Comfort Suites Tomball**  
Muhammad Owais, General Manager

**Doctor's Express**  
JoAnnie Hall, Sales & Marketing Representative

**Hampton Inn Houston—Humble**  
Denise Chastain, General Manager

## CHANGES IN THE INDUSTRY:

**Days Inn West**  
Khalid Kajani, General Manager

**Hampton Inn Baytown**  
Lindsey Parrish, General Manager

**Holiday Inn Houston—Reliant Park Area**  
William Daniels, General Manager

**Houston Uniform & Apparel**  
Angela Dispensa, Major Marketing Representative

**Reliant Energy**  
Leah Shiels, Energy Marketing Manager

## THLA 67TH ANNUAL SHORT COURSE

Have you been seeking a way to keep your 'star' employees motivated and train them to be 'Super Stars'?

Texas Hotel & Lodging Association's 67th Annual Short Course is scheduled for January 9-13, 2012. This is a one of a kind, all-in-one hospitality training event that has been awarded best Educational Program in the nation by the International Society of Hotel Association Executives.

The 2012 Short Course is a unique training and motivational opportunity for hospitality professionals to assist them with career advancement. It's a small investment with a guaranteed profit.

### Sign up today!

Class size is limited to maximize the learning experience. Therefore, registration is on a first-come, first-served basis. You will receive a confirmation of acceptance from THLA prior to the course.

### Early Registration Rates (Before 12-19-2011)

- THLA Members (\$275)
- Non-THLA Member (\$355)

### Late Registration Rates (After 12-19-2011)

- THLA Member (\$375)
- Non-THLA Member (\$455)

### Hotel Accommodations

Registration for the conference does not include hotel room reservations. The Hilton University of Houston Hotel has blocked sleeping rooms on a first-come, first-serve basis at the rate of \$99 plus 17% tax.

Rooms are available by calling them directly at 866.327.1161. Be sure to ask for the special group rate for THLA's Short Course. The cut-off date for the conference rate and room block is December 16, 2011.

### Questions?

Contact Peggy DeVaney, Short Course Coordinator  
512.474.2996 / 800.856.4328 or [Email](#)

## THLA 6TH ANNUAL **ADVANCED** SHORT COURSE

You know the quality of the Award-Winning THLAs Annual Short Course! Now, another exceptional educational opportunity has been produced by THLA – the Advanced Short Course.

This first-of-its-kind course has been created to complement the experience for past students of Short Course. If you thought Short Course was an outstanding educational event, you won't want to miss the Advanced Short Course.

The programming is designed as the next step after Short Course for hoteliers "advancing" in their career. The incomparable quality of the speakers has been retained for the Advanced Short Course – the industry's top presenters are prepared to take the students to the next level.

### Early Registration Rates (Before 12-19-2011)

- THLA Members (\$195)
- Non-THLA Member (\$275)

### Late Registration Rates (After 12-19-2011)

- THLA Member (\$235)
- Non-THLA Member (\$375)

For Hotel Accommodations and Questions, see right.

## Congratulations To:

- Patrick Burkey with Omni Houston Westside
- Justin Edwards with Hilton Americas Houston
- Filemon Gonzales with Inn at the Ballpark
- Viridiana Lopez with Hilton Americas Houston
- Daxa Patel with Knights Inn
- Guadalupe Peralta with Courtyard by Marriott Houston Medical Center
- Robert Poerner with DoubleTree Houston Downtown
- Walker Valco with Holiday Inn Express Medical Center

**Each of these Hospitality Professionals are Recipients of a 2012 HLAGH Short Course or Advanced Short Course Scholarship!**

## Industry Happenings

**Autograph Collection, one of Marriott International's fastest growing brands, announced that Hotel ICON will join its unique collection of independent hotels from around the world.**



The 12-story, neo-classical property first debuted as a luxury hotel in 2004 following a \$35-million investment in the renovation and rehabilitation of the 1912 Union National Bank building.

Located in the heart of Houston's downtown historic district, the landmark now boasts 135 guestrooms and suites. Since opening, the hotel has played an integral role in the revival of the area, winning numerous awards and accolades in the process. The addition of Hotel ICON – managed by Sage Hospitality – will round out Autograph Collection's presence in the southwestern United States, which

currently includes hotels in New Mexico, Colorado and Nevada.

Autograph Collection is a group of exceptional, independent hotels, each hand-selected for their originality, character and uncommon details. To date, the Autograph Collection portfolio includes more than 22 properties in the United States, Europe and the British Virgin Islands, with projections to double by 2012.

"Autograph Collection is thrilled to welcome Hotel ICON to its portfolio with its exceptional design, amenities and location, plus an impressive list of hospitality awards. The property exemplifies the eclectic Autograph Collection spirit," said Kip Vreeland, vice president for Autograph Collection."

Under the direction of new building stewards, Canyon-Johnson Urban Funds and Centurion Partners, who took ownership of the property in December 2011, Hotel ICON is now in the midst of substantial capital improvements geared to further enhance the guest experience and engage the senses. An early result is the recent addition of LINE & LARIAT Restaurant and L&L Bar, named to reference the regionally inspired dishes that reflect the bounty of Texas' coast, waterways, farms and ranches.

Additional amenities include BALANCE Urban Spa, which incorporates four treatment suites and offers a complete range of services for both men and women; an expansive and state-of-the-art fitness facility with around-the-clock access; and approximately 8,000 square feet of unique and flexible function space, including the gracious ballroom, underground Wine Vault, intimate Den and mezzanine level Loft.

Steps from a myriad of top business and leisure attractions, ranging from the George R. Brown Convention Center and Discovery Green to Toyota Center and Market Square, Hotel ICON also offers guests direct access to the METRO light rail line with service to the Texas Medical Center, Rice University, Museum District, Hermann Park and Reliant Center sports and convention complex.

**The Days Inn West located in the heart of Memorial Houston is now ready to show off their newly renovated guestrooms.**

After a year of planning and executing, the Days Inn West is proud to announce its completion of 65 new Deluxe Guestrooms and 5 Deluxe Suites. Renovations included new carpet padding, carpet, paint, furniture, linens, flat screen TV's, bathroom tiling, hairdryers, bathroom countertops, pillow top mattresses and contemporary furnishings.

"From paint color to thread count, not one detail was left untouched, and from the feedback we have received, our guests are extremely happy with our decisions. Our goal is to offer a 5 Star stay at a value price and I believe we achieved that." New General Manager Khalid Kajani.



### NOTICE:

Earlier this year, the federal labor board announced that it had finalized a rule requiring employers to post notices advising employees of their rights under the National Labor Relations Act.

The poster should be placed where other workplace rights notices and personnel policies/rules are customarily posted. The notice must be posted in English and in another language(s) if at least 20% of the employees in the workplace are not proficient in English and speak another language. The requirement goes into effect on January 31<sup>st</sup>, 2012.

For more information and to obtain copies of the poster, please visit [www.nlrb.gov/poster](http://www.nlrb.gov/poster).

## Industry Happenings



### **Hilton Americas-Houston in Texas Near Completion of \$11 Million Dollar Renovation of Meeting Spaces and its 1,200 Guest Rooms**

Hilton Americas -Houston is adding the finishing touches and is near completion of the hotel's \$11 million major renovation of guestrooms and meeting spaces, a project that began earlier this year. Houston's largest hotel, located in the heart of downtown and directly connected to the George R. Brown Convention Center via indoor sky bridges, offers all new guestrooms, queen/queen rooms in addition to luxurious king rooms, an updated executive lounge, plus carpeting in guestroom corridors and meeting space.

"This renovation brings a sharp, crisp, modern and contemporary feel to our guestrooms, to match the excitement and luxury of our lobby and public spaces," said Joe Palmieri, general manager. "The bright new look offers a great, refreshed product with top-of-the-line bedding and sheets plus a new color scheme. The remodeled guest bathrooms feature all-new curved shower curtain bars and modern shower heads, all chosen to enhance the comfort of our guests."

Originally designed by architect Bernardo Fort-Brescia and opened in December 2003, Hilton Americas-Houston provides guests with the ultimate in comfort and functionality. The high caliber of materials, workmanship and customized appointments that are more typical of luxury resorts distinguishes the property from most convention hotels, contributing to its Four Diamond status.

All 1,200 guestrooms have been completely redesigned and offer new luxurious top-of-the-line Hilton Serenity Beds, flat screen television with high-definition channels, coffeemaker, granite-topped dresser and workstation with ergonomic chair. Cozy lighting and contemporary artwork add to the ambience of the room, with crisp white bedding and earth-tone carpeting and accessories completing the look. The renovated guest bathrooms feature granite countertops, new mirrors, curved shower curtain rods and water conserving, deluxe rain showerheads. The updated soft goods, drapes, sheers, light fixtures, chairs and lamps are joined by wall vinyl in baths and on headboard walls, plus carpeting in guestroom corridors.

Suites will be more luxurious than ever, each receiving a complete update including furnishings, carpeting and accessories. The Executive Lounge located on the 19th floor has new furnishings and fresh amenities including Apple computers with comfortable and functional places to meet and work. To complete the full renovation of the property, new carpeting has been installed throughout the hotels meeting facilities and pre function area.

Directly connected to the George R. Brown Convention Center, the Hilton Americas-Houston contains the city's largest number of guestrooms, ballrooms, hotel meeting space, and the most technologically advanced services available under one roof.

Conveniently situated between Toyota Center and Minute Maid Park, this AAA Four Diamond rated hotel boasts 1,200 luxuriously appointed guestrooms, 91,500 square feet of flexible, technologically advanced meeting space, two restaurants, lobby bar, coffee emporium, and full service spa and health club.

## Are You Paying Property Taxes For Your Business?

By: Mike Eckhoff

If you say yes, you are probably right, but you shouldn't be paying for such. An overwhelming majority of hotels are paying taxes on the value of their business, and that is money that should never leave your bottom line. In the state of Texas, only real estate (land and building) and tangible personal property (furniture, fixtures, equipment, inventory, etc.) are taxable. The tax code clearly states that intangible assets are not subject to taxation, which is exactly what brand affiliation/business enterprise value is.

The appraisal district is tasked with determining market value of all properties as of January 1 of the current year. As you might imagine, this is not an enviable assignment as they don't have the time, manpower, or data to complete individual appraisals for every property to ensure accurate assessment. Thus, the appraisal district must employ mass appraisal.

Mass appraisal is in essence a short-cut or tool utilized to value a large volume of properties in a short time period, with limited information based on parameters the appraiser chooses to use.

In regards to hotels, typically the most common parameters consist of average daily room rates, occupancy, and revenue per available room. Gross receipts are made available to the appraiser from the State Comptrollers Office. The data is entered in to an income pro-forma model and expenses are then estimated with resulting net operating income divided by a (supposed) market derived capitalization rate to result in an indication of value.

Sounds pretty straight forward, right? This seems like same methodology used by fee appraisers for purchases or refinances, so what is the problem? The problems are many to include that the indication of value from this analysis is indicative of a going concern value and includes business enterprise value, and not the value of just the real estate and business personal property.

Following are additional pitfalls with using mass appraisal:

- Gross receipts provided by Comptroller may not accurately reflect actual annual room revenue for calendar year due to non-booked refunds or other accounting variances.
- Expenses are estimated by appraiser. Different property types and revenue streams will require different expense ratios (limited service vs. full service).
- Sales of hotels have declined, and appraiser does not always know if capitalization rate reported is reflective of trailing 12 months revenue or projections. A cap rate based on projections that do not materialize dramatically overstates actual cap rate at time of sale. Additionally, sale price reflects purchase of all assets, including business, and not just taxable property.
- Brand and/or business enterprise value has not been identified and separated from going concern value to insure that only tangibles are assessed.

What is business enterprise value?

### **BUSINESS ENTERPRISE VALUE (BEV)**

"A term applied to the concept of value contribution of the total intangible assets of a continuing business enterprise such as marketing and management skill, an assembled work force, working capital, trade names, franchises, patents, trademarks, contracts, leases, and operating agreements." (*The Dictionary of Real Estate Appraisal*, 4th ed., Appraisal Institute)

Many appraisal districts have begun to concede that a business value deduction needs to be applied to determine fair assessment, however, as you might imagine in mass appraisal it's a "one size fits all" mentality and an arbitrary 10% adjustment does not accurately reflect business value across the board for all properties. We have found that the business value can be as little as 10% and as high as 35% depending upon the property.

Make sure you don't continue paying more than you should in property taxes. It requires expertise to value just the tangible portions of a hotel, and having the right property tax consultant on your team can be worth their weight in gold (even with today's prices)!



Mike Eckhoff is President of Assessment Advisors in The Woodlands, Texas. The firm provides property tax appeals nationwide for commercial real estate, with a focus on income-producing properties. Mr. Eckhoff can be reached at [mike@assessmentadvisors.com](mailto:mike@assessmentadvisors.com).



Westin Savannah Harbor, Savannah



Cabo Wabo Cantina, Las Vegas



Sugar Factory @ Paris Casino, Las Vegas

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*"If you are looking, like I was, for a design firm that is proactive, can provide options on the spot, is knowledgeable in all code compliance issues, and has the creativity to realize your dreams - Montgomery Roth Architecture and Interior Design is the firm of choice. This group is like a five star hotel and you are the guest - they make it happen!"*

Brad Ervin  
Senior Project Manager - Sugar Factory

Chateau Bourbon Hotel, New Orleans



# Hotel & Lodging Association of Greater Houston ~ Winter 2011

## Congratulations to the Hospitality on Parade 2011 Award Winners!

Hospitality on Parade 2011 Photos Available by Clicking:

[http://anthony-rathbun.smugmug.com/Events/Business-corporate/Hospitality-on-Parade-2011/20248004\\_Qj3Ldb#1600626792\\_2hntkkn](http://anthony-rathbun.smugmug.com/Events/Business-corporate/Hospitality-on-Parade-2011/20248004_Qj3Ldb#1600626792_2hntkkn)



**Houston Spirit Award Winner:**  
**Strike Force**  
**Courtyard/Residence Inn By Marriott Houston Medical Center**



**Sales/Marketing Convention Services Award Winner:**  
**Jason Purifoy**  
**Westin Houston Memorial City**



**Allied Member Award Winner:**  
**Sonya Yeglin**  
**Cintas**



**Lifetime Achievement Award Winner:**  
**Donald J. Henderson**



**Food & Beverage Award Winner:**  
**Scott Chapman**  
**Marriott Houston Energy Corridor**



**Operations Award Winner:**  
**Ronald Poole**  
**Hilton Americas—Houston**



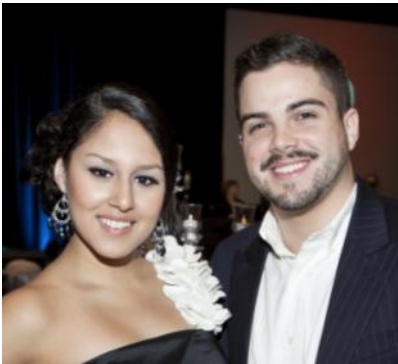
**General Manager of the Year Award:**  
**Joe Palmieri**  
**Hilton Americas—Houston**



**Guest Services Award Winner:**  
**Fidel Caballero**  
**Marriott West Loop**

# Hotel & Lodging Association of Greater Houston ~ Winter 2011

Hospitality on Parade 2011 Photos Available by Clicking:  
[http://anthony-rathbun.smugmug.com/Events/Business-corporate/Hospitality-on-Parade-2011/20248004\\_Qj3Ldb#I600626792\\_2hntkkn](http://anthony-rathbun.smugmug.com/Events/Business-corporate/Hospitality-on-Parade-2011/20248004_Qj3Ldb#I600626792_2hntkkn)



# Hotel & Lodging Association of Greater Houston ~ Winter 2011

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[http://anthony-rathbun.smugmug.com/Events/Business-corporate/Hospitality-on-Parade-2011/20248004\\_Qj3Ldb#1600626792\\_2hntkn](http://anthony-rathbun.smugmug.com/Events/Business-corporate/Hospitality-on-Parade-2011/20248004_Qj3Ldb#1600626792_2hntkn)



## Hospitality Law Conference



**Make Sure Your Legal, Risk, HR, and Loss Prevention Teams Are  
Up To Speed on Issues Affecting Your Hotel  
Attend the 2012 Hospitality Law Conference – One-Day Pass Available**

The 2012 Hospitality Law Conference is scheduled for February 8-10, right here in Houston at the Omni Houston Hotel. This one-of-a-kind Conference is designed to keep hotel professionals current on issues that impact their properties.

From development deals to management agreements, alcohol and food liability to labor and employment, business interruption to recent gun legislation, the conference explores the latest challenges facing the hospitality industry and provides an opportunity for your legal, risk, and loss prevention teams to benchmark their current policies and procedures with other industry leaders.

The Pre-Conference Workshop on February 8th offers a full day of sessions on Management Agreements, legal and financial aspects of development deals, Risk Management & Loss prevention (including data privacy), and issues affecting Corporate Counsel.

The Hospitality Law Conference features break-out sessions in three different topic areas: Lodging, Human Resources & Labor Relations, and Food & Beverage.

- The **Lodging Breakout** covers firearms, third party leasing defending a Title III ADA Accessibility Claim, and a mock negotiation of a hotel management agreement.
- The **Human Resources and Labor Relations Breakout** addresses immigration compliance, a employment Law Issues for High Profile hotels, paying employees correctly under the FLSA, and defense strategies for class actions.

The **Food & Beverage Breakout** covers menu labeling, determining intoxication, strategies for preventing food and alcohol claims, and understanding the three tiers of the alcohol industry.

The conference is a can't-miss opportunity to bring your entire legal, risk, HR, and loss prevention teams up-to-date. You will also want to let your outside counsel know about this conference to be sure they are up to speed about your business.

Dr. Stephen Barth has extended a special per person rate of \$449 (full conference rate) for HLAGH members. If you cannot attend the full conference, members may attend the first full day of the Hospitality Law Conference on February 9 for only \$225.00 per person. This price includes all the breakout tracks on February 9, as well as that evening's Tenth Anniversary Celebration and Cocktail Reception. To register using the one-day pass, please send in the registration page found [here](#). To register for the entire Conference, please [click here](#). Simply select the Association/Educator Registration. When asked for the name of the affiliated association, enter "HLAGH."

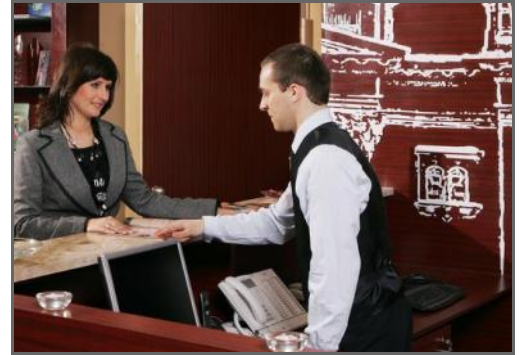
## Front Desk Upsell Training Can Increase RevPAR

By: Doug Kennedy

Although 2011 has provided a quicker rebound in terms of hotel occupancy and overall RevPAR, most hotels are still looking for ways to further increase their ADR. One great place to start looking is your hotel's front desk. Depending on your hotel's inventory of accommodation types, the potential impact of a comprehensive, focused upselling program will vary greatly. However when you sit down to do the math on the potential additional revenue to be generated even for hotels with minimal upsell opportunities, it becomes instantly clear that the effort can easily generate a significant ROI. Potential upsell opportunities include:

- Special room types, such as junior or one bedroom suites,
- Rooms or suites with special features such as whirlpool baths and kitchens.
- Preferred views or hotel locations.
- Special "exclusive" floors such concierge or executive level floors.
- Packages that include additional amenities, services, or activities.
- Adding on a second room at registration for a significantly reduced rate. (Such as offering the family of four a second room at 30% off.)

Of course one opportunity to upsell is when callers contact the reservations department or call center. Yet with so many guests booking online these days, the front desk registration experience might present the best opportunity of all.



- Guests may not be aware of upgraded options, especially when the reservation was made by third party such as a travel agent, administrative assistant, or function planner.
- Voice reservations agents may have failed to convey the value of the upgraded options, or worse yet, failed to mention them at all.
- The guest's needs might change while en route. Business travelers, for example, might have pop-up meetings or projects to work on, requiring additional workspace in their room.
- The impulse of the moment might cause guests to be more receptive to upgraded options, especially after a stressful day of travel. For example, when mom and dad were planning the trip it seemed like a good idea to share a room with the two kids, since "all we're going to do is sleep there anyway." Yet after 8 hours in the minivan the adjoining room or suite starts looking like a great option.

Another great advantage of upselling at registration is that it's possible to be very specific about what is offered by particular rooms or suites, since the front desk knows exact inventory.

### Front Desk Upselling Training Techniques

- Reconfirm the pre-reserved accommodation; reassure the guest that they already have a nice room. Avoid making the options they've already selected sound undesirable with statements like "Right now we've just got you in a standard room." Instead say "Mr. Johnson, we have you confirmed in one of our traditional rooms, which I'm sure you will find quite comfortable..."
- Probe to find out if the guest is aware of available upgrades with statements such as: "Did your (travel agent or assistant) have a chance to tell you about our \_\_\_\_ rooms?" or "When you booked online did you happen to notice our suite options?"
- Present the availability of upgrades as a unique opportunity by saying: "We've had some of our \_\_\_\_ rooms open up this evening..." or "We're offering a special rate to help familiarize our (repeat or first time) guests with our business suites. Does that sound like something you'd be interested in?"
- Utilize incremental sales techniques, especially since in their minds the original room rate has already been paid. "For only \$25 more, I can offer you one of our \_\_\_\_ rooms."
- Demonstrate the value received. Be as specific as possible. Rather than saying "Deluxe rooms have a view," say "In this room you can look out your window and see..." Rather than saying "The concierge floor has a lounge," say "As a guest on this floor you'll have 24-hour access to our executive lounge, which includes..." Rather than saying "This is a 600 square foot suite with a fully equipped kitchen," say "Since you're traveling with your family, you'll love having all the extra space this suite provides. And the kitchen will be nice if you want to make breakfast or bring back take-out one evening."

Continued on Page 12

## Front Desk Upsell Training Can Increase RevPAR

By: Doug Kennedy

Continued From Page 11

- Mention higher rates as a reference point to position lower rates as being a good value: "These rooms usually run \_\_\_\_\_, but because of (special circumstance) I can offer you a special rate of \_\_\_\_\_."
- When quoting rates to walk-ins, always offer a menu of options. Without training, front desk associates tend to offer only one room type to walk-ins, which is typically the least expensive. Instead, offer walk-in guests a range of accommodation types and rates. Offer to show the rooms where possible.
- Provide Front Desk Associates With Visual Aids. Many hotels are finding it helpful to display digital picture frames showing photos (from the website) of actual rooms and suites. You can also drop-in a slide with copy reading "Ask us about suite upgrades" or similar.

### Structuring Rates So That An Upgrade Is A Reasonable Value

Most properties market a range of rates to various market segments. However, groups, high-volume accounts, or guests participating in special discount programs, are only offered their special rate for the least expensive room type. Upgraded accommodations, if offered at all, are at rack rates. The end result is that the additional cost to upgrade does not justify the value received.

For example, if the rack rates are \$100 for a regular room and \$135 for deluxe, a \$35 difference seems reasonable. However, when a special corporate rate of \$79 is offered for the regular room only, the upgrade fee, which is now \$56, is effectively out of reach.

To work around this, many properties are implementing a "flat rate" for upgrading. In this scenario, the guest always has the option of upgrading for the same fee, regardless of what rate they qualify for. So whether it's a corporate, group, government, or promotional rate, the investment for the upgrade is reasonable. Best of all, additional revenue is created from rooms which might have been given away at lower rates anyway!

### Recognition And Incentive Programs



A key ingredient in any upsell program is to measure the results and to implement a recognition and/or incentive program. Front desk upsell incentives are especially easy to justify, as the upsell can be documented. (Associates simply do a print-out to document the change.)

Most incentives reward the individual associate for each upsell, with either a predetermined cash amount, with points that can be redeemed for prizes, or perhaps with days off with pay. (Cash incentives should be paid separately to help differentiate rewards from base salary.) Alternatives are team incentives where everyone who works during a given time period (i.e. shift, day, or week) is rewarded equally for upsells which occurred during that period.

Regardless of which incentive program is selected, it is important to post the results in a prominent area on a regular basis. This helps spark the competitive spirit, and reminds all associates of the potential to achieve the same rewards being earned by the top performers.

By focusing your front desk team's attention on upselling, by providing training tips for doing so, and by measuring and rewarding the results, your property can turn-on the faucet to this extra revenue stream. Along the way, your guests will enjoy utilizing the extra space, upgraded room features, and special services they might not have otherwise considered.

*Doug Kennedy, President of the Kennedy Training Network, has been a fixture on the hospitality and tourism industry conference circuit since 1989, having presented over 1,000 conference keynote sessions, educational break-out seminars, or customized, on-premise training workshops for diverse audiences representing every segment of the lodging industry.*

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[www.KennedyTrainingNetwork.com](http://www.KennedyTrainingNetwork.com)

## 12th Annual HLAGH Bike Building Event

On Monday, December 5, 2011 HLAGH hosted the 12<sup>th</sup> Annual Bike Building Event. The 27 teams that participated worked as fast as they could to build 54 bikes for the children of Child Advocates. Child Advocates speaks up for abused children who are lost in the system in an effort to end the vicious cycle of abuse. Thank you to all who participated in helping to brighten the holidays for these children.



First Place ~ Bike Building Contest  
 "Marriott Westchasers" Marriott Houston Westchase



First Place ~ Relay Race  
 "Strike Force" Courtyard by Marriott / Residence Inn  
 Houston Medical Center



First Place ~ Holiday Card Contest  
 Hyatt Regency Houston



"Team Sheraton Cares"  
 Sheraton Brookhollow Team Members

### A Special Thanks To Our Sponsors

**Anonymous Donation in Remembrance of  
 Sasha Nicely ~ Helmet Gift Cards**  
**Yellow Cab ~ Bicycles, Art Supplies, Tool Kits**  
**ARAMARK ~ Food & Beverage**  
**Freeman Audio Visual Solutions ~ Audio Visual**  
**Freeman Houston ~ Signage, Pipe & Drape**  
**Houston First Corporation ~ Space, Staging, Parking**  
**The Bike Barn ~ Safety Inspectors**  
**Smart City Networks ~ Electrical**  
**Chale Mowry & Tori Landry ~ Masters of Ceremonies**

### Bike Building Teams

Aramark, "Cookie Crew" DoubleTree Guest Suites by Hilton Galleria, DoubleTree by Hilton Houston Downtown, Four Seasons Hotel Houston, Freeman, Greater Houston Convention & Visitors Bureau, Hilton Americas Houston, Hilton Houston Hobby Airport, "Blue Energy Thunderbolts" Hilton Houston Plaza/Medical Center, Houston First Corporation, Hyatt Regency Houston, InterContinental Houston Near The Galleria, Magnolia Hotel, "Marriott Westchasers" Marriott Houston Westchase, Montgomery Roth Architecture & Interior Design, Renaissance Houston Hotel, Scott Equipment/Cintas/HD Supply, "Team Sheraton Cares" Sheraton Brookhollow, Sheraton Suites Houston, Starwood Memorial City Complex, "Strike Force" Courtyard by Marriott & Residence Inn Houston Medical Center, Swank Audio Visual, Yellow Cab



Festively dressed, the Cintas/HD Supply/Scott Equipment, show their Christmas spirit in Santa hats and elf costumes.



# Make Some Links While Hitting Them!

**Spend a day of golf and business development.**

Join area hotel general managers and key hospitality industry decision makers.

## Sign Up Now

*for the*

Hotel & Lodging Association of Greater Houston's

# 17th Annual Golf Tournament

## Thursday, March 1, 2012

11 am Registration

12 pm Shotgun Start / Four Man Scramble

## BlackHorse Golf Club

12205 Fry Road, Cypress, TX 77433

For more information and to register contact:  
713.437.5250 or [director@houstonhotels.org](mailto:director@houstonhotels.org)

*Proceeds support the University of Houston's  
Conrad N. Hilton College Scholarship Fund & HLAGH*

# Hotel & Lodging Association of Greater Houston ~ Winter 2011

## HLAGH 17th Annual Golf Tournament ~ Thursday, March 1, 2012

_____	<b>Title Sponsor</b> Logo and Company Name on Each Cart Entitled to four (4) player positions Listed in Tournament Collateral and Signage	<b>\$10,000</b>
_____	<b>Golf Shirt Sponsor</b> Entitled to four (4) player positions Listed in Tournament Collateral and Signage	<b>Actual Cost of Product</b> Estimated \$6,500
_____	<b>Golf Towel Sponsor</b> Logo on Item for All Players Entitled to two (2) player positions Listed in Tournament Collateral and Signage	<b>Actual Cost of Product</b> Estimated \$2,500
_____	<b>Golf Ball Sponsor</b> Logo on Item for All Players Entitled to two (2) player positions Listed in Tournament Collateral and Signage	<b>Actual Cost of Product</b> Estimated \$2,500
_____	<b>Team Photography Sponsor</b> Entitled to two (2) player positions Listed in Tournament Collateral and Signage	<b>\$700 Plus</b> <b>Actual Cost of Product</b>
_____	<b>Beverage Cart or Promotional Sponsor</b> Entitled to two (2) player positions Listed in Tournament Collateral and Signage	<b>\$750 Plus</b> <b>Actual Cost of Product</b> Estimated Total \$1,650
_____	<b>Driving Range Sponsor</b> Entitled to one (1) player position Listed in Tournament Collateral and Signage at Hole	<b>\$850</b>
_____	<b>Contest Hole Sponsor (6 Available)</b> Entitled to one (1) player position Listed in Tournament Collateral and Signage at Hole	<b>\$850 Plus Prize</b> Estimated Total of \$950
_____	<b>Hole Sponsor (30 Available)</b> Entitled to one (1) player position Listed in Tournament Collateral and Signage at Hole	<b>\$800</b>
_____	Individual Player Position	<b>Before 2/15 - \$195; After 2/15 - \$225</b>
_____	Four Person Team	<b>Before 2/15 - \$595; After 2/15 - \$695</b>

Tournament Registration Form

Company Name: \_\_\_\_\_

Contact Name: \_\_\_\_\_

Address: \_\_\_\_\_

Phone Number: \_\_\_\_\_ Email Address: \_\_\_\_\_

Please fax completed registration forms to 713-223-0760  
Deadline for Registration, Player Names, and Handicaps is Friday, February 17, 2012

Payment Method (All non-members must pay in advance)  
 Payment Enclosed  Invoice Company  Credit Card  Monthly Payment Plan

Hotel & Lodging Association of Greater Houston ~ P. O. Box 1043 ~ Houston, TX 77251-1043  
If you have any questions, please contact 713-437-5250 or [director@houstonhotels.org](mailto:director@houstonhotels.org).



## April 2012: HLAGH 2nd Annual Sharing Our Hospitality Month

All year, every year, members of the Hotel and Lodging Association of Greater Houston donate hundreds of thousands of dollars in time and money in making this Texas community a stronger, healthier and more caring place to live.

From building houses to providing shelter for families in emergencies, from helping raise money to fight deadly diseases to providing temporary escape to children facing incurable illnesses, from cleaning roadways and ditches to bringing truckloads of bedding and clothes to the homeless, the hospitality industry time and again demonstrates the meaning of true hospitality.

These selfless and generous acts have not been done for recognition. However, in April, 2012, the Association would like to bring recognition to the impact one industry can make on improving the community of which it is a vital part.

Sharing Our Hospitality Month will be a month in which we ask all our members to involve themselves and their employees in a charitable event that contributes to the betterment of the Houston community and beyond.

What kind of event?

As members are already involved in such a myriad of causes, the May event does not need to be anything new. If already involved in a charitable cause, just schedule something already planned for some day or days during the month of April, 2012.

If not involved or unable to schedule a separate event for that month, the Association will be gathering information from other members on events needing more volunteers. Form teams and join others in building and repairing homes, walking to raise money for charity, helping the needy or lonely and many other efforts that require only time and enthusiasm.

Through a variety of efforts, including a publicity drive by our public relations firm, Customer First, the Association will seek to bring media and public attention to Sharing Our Hospitality Month and to the individual efforts of Association members. We will help promote the event before it happens and maintain a full calendar of Sharing Our Hospitality Month events.

In addition, we will seek to get television and print media coverage of charitable activities while they happen throughout the month, bringing attention not just to what good things the activities themselves are accomplishing but to the huge contributions Association members make as team members in the Hospitality Industry.

Please contact us as soon as possible indicating your interest to participate. If you already have an event you can schedule at any time during April, 2012, please send the details. If you would like to have help finding an event your team can be a part of, let us know. Email us at [director@houstonhotels.org](mailto:director@houstonhotels.org).

## UPCOMING 2012 HLAGH EVENTS

Mark your calendars with the following HLAGH events.

For more information, or if you are interested in hosting a luncheon or event, please contact us at 713-437-5250 or via email at [director@houstonhotels.org](mailto:director@houstonhotels.org). Please note dates subject to change.

**Thursday, January 19, 2012**

HLAGH Membership Luncheon

Location To Be Determined

**Thursday, February 16, 2012**

HLAGH Membership Luncheon

Location To Be Determined

**Thursday, March 1, 2012**

17th Annual HLAGH Golf Tournament

BlackHorse Golf Club

**Thursday, April 19, 2012**

HLAGH Membership Luncheon

Location To Be Determined

**Thursday, May 17, 2012**

HLAGH Membership Luncheon

Location To Be Determined

## UPCOMING 2012 HLAGH EVENTS

Mark your calendars with the following HLAGH events.

For more information, or if you are interested in hosting a luncheon or event, please contact us at 713-437-5250 or via email at [director@houstonhotels.org](mailto:director@houstonhotels.org). Please note dates subject to change.

### **Thursday, June 21, 2012**

HLAGH Membership Luncheon

Location To Be Determined

### **Thursday, July 19, 2012**

HLAGH Membership Luncheon

Location To Be Determined

### **Thursday, August 16, 2012**

HLAGH Membership Luncheon

Location To Be Determined

### **Thursday, September 20, 2012**

HLAGH Membership Luncheon

Location To Be Determined

### **Wednesday, October 24, 2011**

Hall of Honor Luncheon

Conrad N Hilton University of Houston