



**INTERNATIONAL  
CAKE  
& EXPLORATION  
SOCIETE**

## **MEMORANDUM**

DATE: July 2018

TO: ICES Board of Directors

FROM: ICES Attrition Special Committee

RE: Interim Report and Recommendations

At the 2017 ICES General Membership Meeting in Mobile, AL, the membership approved a motion to create a special committee to develop a plan for a positive resolution to our attrition problem. This report comprises the results and recommendations of that committee's work to date.

### **BACKGROUND AND HISTORY**

When a group books a hotel for an event such as an ICES Convention, the host hotel for the event set aside a contracted number of rooms for a contracted number of nights for the client's exclusive use over the course of the event. Because those rooms are reserved for that client's exclusive use and cannot be rented to other parties, the client is responsible to ensure they are rented. The "room block" consists of the total of "room nights" reserved for the course of the event. A room block is usually under a firm agreement and is for a set period of time.

In the contract between the client and the hotel is an Attrition Clause. When the client doesn't live up to the room-block commitment--typically the rental of at least 80% of the total room block is required--a payment is required to make up for the rooms not rented, according to the terms of the clause in the contract.

For most, but not all, of its history, ICES has had no problem meeting the contracted room block. Recently, however, ICES has had to pay attrition fees to hotels.

It was determined that the problem and its solutions are multi-faceted. As a result, the committee discussion focused on multiple areas to address:

1. Attendance at ICES Convention has been trending downward for several years, and room booking at the host hotel has been declining even faster.
2. Many who do come to Convention are opting to stay at locations other than the host hotel.

3. Last year in Spokane we did a promotion that if you stayed at the host hotels you would receive a button for a complementary meal on ICES. That was a fun way to get members to stay but again our cost was high for the rooms that were blocked.
4. This year with Cincinnati we have a different situation that there is another event happening in the city that makes it very limited for our members to go to another hotel.
5. With Little Rock we have been looking at the past numbers and lowered our block and that amount we need for each day of the convention.

We are now looking for the next location for the 2020 and don't see the need to continue this special committee till we have other conventions contracted.

The special committee moves that we dissolve this committee due to no other ICES conventions for 2021 has been scheduled