

Schwarzenegger Terminates California's State Meetings

By Sari Krieger

New York—California Governor Arnold Schwarzenegger issued an executive order last month that effectively halts almost all government meetings in the state due to budget constraints. Many in California's meetings industry understand the situation but expect the order to have

Mr. Freeze: Halting meetings to save budget.

a major impact on their businesses or the businesses of their associates.

In January, the governor declared California in a state of fiscal emergency, and the state legislature passed some measures to ease the fiscal crisis. However, Schwarzenegger said more needed to be done. The order puts a freeze on all non-essential spending, which includes discretionary travel for seminars, conferences, and training; restricts agency, department, division, and business-unit meetings that require travel to essential participants only; mandates videoconferencing and teleconferencing; and requires meet-

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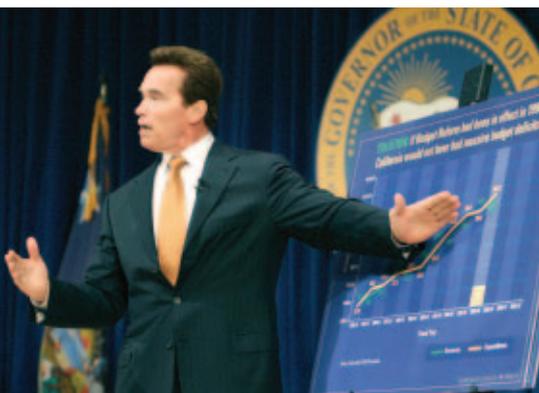
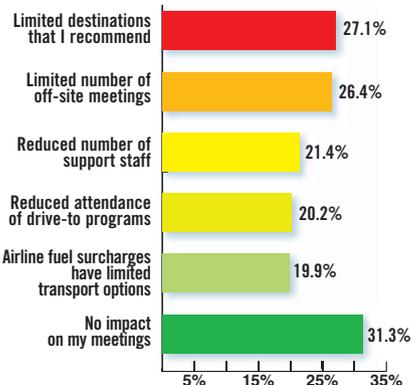


Photo: AP/Photo/Sieve Yeater

MeetingNews Exclusive Research

How have increased oil prices affected your programs?



Source: MeetingNews survey of 387 meeting planners
Note: Multiple responses allowed

Oil Pressure Gauge

Web Extra

Many haven't, but lots of planners are feeling the effects of oil prices on their events. *see page 22*

Southwest's Grounding Leaves Riders Up in Air

By A.E. Smith

Dallas—In the wake of federal criticism, low-cost carrier Southwest Airlines took swift action earlier this month, grounding 44 aircraft as part of an internal investigation into claims that it had failed to properly inspect its planes.

Operations were back to normal the following day, but the groundings resulted in the cancellation of 130 flights nationwide, about 4 percent of those scheduled. A statement from Southwest said the action was taken after the airline discovered "an ambiguity" in its testing records as part of an internal audit. In addition, Southwest suspended three workers and hired an outside investigator to look into the accusations, signaling that there may be more shakeups to come for an airline that has been considered one of the safest and best managed in the industry.

The internal probe was *continued on page 56*

Hotels & Resorts

FOXWOODS POISED TO DOUBLE MEETINGS BIZ

Casino resort has high hopes for MGM Grand complex set to debut in May. *see page 10*

WI-FI AT GAYLORD HOTELS EXTENDS PROPERTY-WIDE

Firm cuts the cord—literally—for Internet access in all areas of its four resorts. *see page 10*

FAIRMONT CHICAGO USERS DECLARE 'MYSpa' THEIRS

New spa concept personalizes treatments to satisfy highly specific needs. *see page 10*

CVBs

HIGH-TECH ANSWER FOR FASTER RFP RESPONSES

Two software firms team up to automate group lead distribution for bureaus. *see page 16*

ATLANTA CHIEF RETIRING

Spurgeon Richardson will step down at year end, but plans to remain active. *see page 16*

International

WEAK DOLLAR COMPELS STRONGER PROMOTIONS

International hospitality suppliers hone deals that lock in favorable rates. *see page 20*

MANCHESTER UNITES CONVENTION COMPLEX

New support spaces will improve walkability and add services between venues. *see page 21*

Destination Insider

CLEVELAND

I-X Center unwraps South Hall for auto show. *see page 28*

MISSISSIPPI GULF COAST

Mississippi Coast Coliseum & Convention Center has eyes on a convention hotel. *see page 30*

WISCONSIN

Harley-Davidson museum, motorcycle-themed hotel roll into Milwaukee. *see page 36*

LAS VEGAS

Report has the latest in resorts, incentives, teambuilding, and entertainment. *see page 38*

MN Exclusive Research

Resourceful planners find ways to deal with oil price hikes

By Nancy Lazarus

Meeting planners are feeling the pressure as oil prices recently crossed the \$100-per-barrel threshold. In a survey of 387 meeting professionals conducted by *MeetingNews*, more than two-thirds reported adverse impact on their programs. More than half of these planners have taken specific steps to reduce their meetings' oil and fuel consumption.

Skyrocketing oil prices and higher transportation costs have led nearly one-third of corporate planners to limit the destinations they recommend.

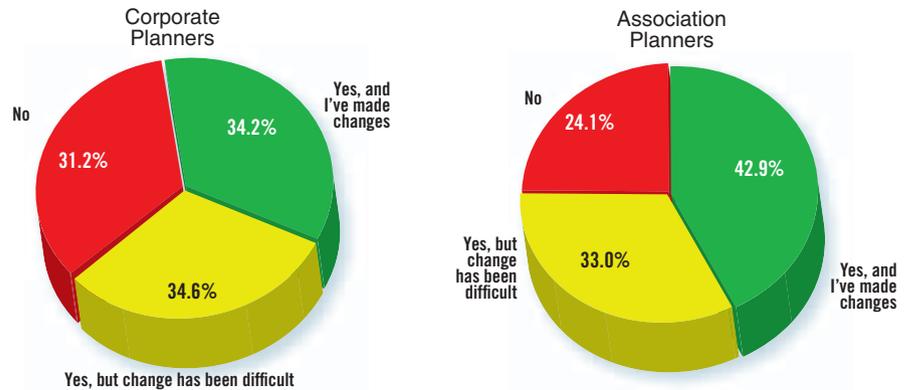
Web Extra Michael Hudson, president of Site Search & Select, in Brooklyn, NY, observed, "My corporate clients are looking for destinations that are closer to home to avoid excess travel expenses."

Four out of 10 corporate planners claimed they're now seeing fewer attendees at off-site programs. Stephanie Miller, training coordinator for conference services at UniGroup Inc., in St. Louis, said the moving business is experiencing the impact of oil prices firsthand. She said, "I've noticed that agents aren't sending as many people to the training workshops. So far, this hasn't led to a lot of cancellations, but I see that as a possibility later this spring."

Another side effect, particularly for corporate

Green Meetings Gain Traction

Have you become more aware of green meetings initiatives since oil prices have increased?



Source: *MeetingNews* survey of 387 meeting planners

planners, is a reduction of the number of off-site meetings held. David Oltman, co-founder, president, and CEO of Orion Mobility/Relocation Taxes in Wilton, CT, said, "For the past 20 years, we held a West Coast conference and an East Coast conference. Based on the higher costs these days, we have chosen to hold just one conference." He added, "Our clients are scrutinizing whether the particular meeting is necessary and, more importantly, who needs to attend."

Other responses involve tradeoffs. "We now use fewer support staff, and while we do save money, it takes away from internal development opportunities," said Oltman. In-person meetings are being tested by high-tech alternatives. "The feedback has been very positive for webcasts and videoconferences," Oltman said. "But we can't charge as much, and the number of attendees is significantly less."

Accessible Destinations

Some meeting professionals, especially association planners, are reacting to oil price inflation by using "walkable" destinations with good public transit systems. Amy Woodward, meeting specialist at the State and Territorial Injury Prevention Directors Association, in Atlanta, noted, "We try to hold meetings in larger cities that don't require the use of rental cars to and from the airport."

Deborah Taylor, meeting planner for the Connecticut Education Association, in Hartford, CT, added, "The walkable destinations and/or those with

effective public transportation are for our larger conventions and include cities such as Washington, DC; Philadelphia; Chicago; San Diego; and Atlanta."

Smaller cities can be walkable, too, noted Roy Benear, senior VP of the Austin Convention and Visitors Bureau. "Destinations such as Austin fare better when oil prices are an issue given the city's ability to draw from a large metropolitan population nearby," he said. "Attendees benefit from the convenience of everything being centrally located."

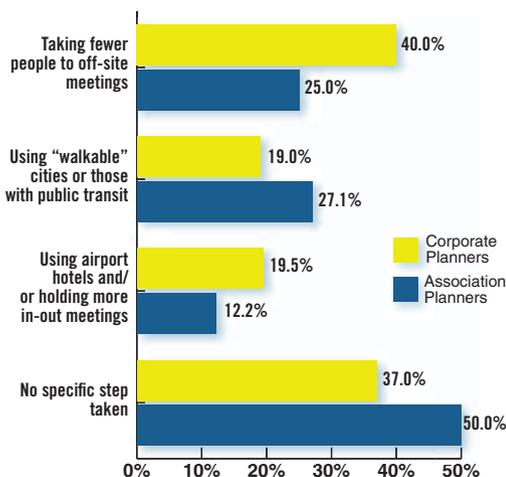
Green Meetings Initiatives Growing

Exorbitant oil prices have also caused green meetings initiatives to influence nearly three-quarters of the meetings professionals surveyed. Woodward described herself as a proponent of green meetings initiatives, but has encountered obstacles when trying to plan them. She admitted, "Getting budget approval for alternative locations and services from directors can be difficult." Nevertheless, she expressed hope that organizational changes will enable green meetings in the future.

Nina McCollum, communications and event specialist at law firm Thompson Hine, in Cleveland, is taking action. "I'm asking all my CSRs to give me their properties' green policies or describe what efforts are in place or under way to make my meetings as green as possible," she said. "This wasn't part of the decision-making process when these properties were booked, but it will be a consideration when deciding on properties going forward." ○

How Planners are Reacting

How have increased transportation costs affected your off-site meeting programs?



Source: *MeetingNews* survey of 387 meeting planners
Note: Multiple responses allowed