

Advanced Solutions for International Meetings



Learner Outcomes:

- Plan for unique international meetings
- Explore emerging locations and their challenges
- Identify which key strategic partners can help you navigate international waters

Round table Topics:

Session participants were asked to join one of 6 roundtable discussions on the following topics:

1. Contracting & Negotiations
2. Customs & Shipping
3. Budget & Finance
4. Emerging Destinations
5. Risk Management
6. Bidding on International Conference

Notes from Table Discussions:

Moderator, Claire Smith, CMP, Vancouver Convention Centre

1. Contracting & Negotiations – Session Leader, Roberta Kravitz, ISMRM

- Be flexible! Do not necessarily expect to go into negotiations with your own contract and expect immediate or even complete agreement to your clauses. Suggestion: Take your standard clauses and prioritize. Be ready to give on a couple.
- In many parts of the world, business relationships are not established by email as they are in North America. Plan, budget, and expect to travel to the site numerous times in order to establish the relationship, with telephone being important for follow-up. This relationship is extremely important in negotiating. Note: Email exchanges and emailed documents are legal in North America. In other places around the world emailed documents are not legal, but faxes are. In others, original documents only. Do your homework!
- Negotiation can be much more aggressive in other parts of the world than in North America. . .with everything being negotiated from food to consumer goods to space. First price quoted should not necessarily be price accepted.
- For larger programs, tying your hotel contracts with convention center availability is not always possible. *Force majeure* clauses are crucial for all contracts, with specificity important, especially in today's world.
- In countries where English is not as prevalent as others, the contracts for major centers can be as short as two pages and hotels as short as one. Make sure that terms & conditions are not outlined in some document referred to but not attached. Just because it's not there doesn't mean it's not an issue.
- Establish, nurture, and utilize your network of friends and colleagues. This can prove to not only be a lifesaver, but you will reap immeasurable personal satisfaction and enrich your life from your relationships with your culturally diverse friends and colleagues from around the world.



2. Customs & Shipping – Paul Griggs, Events on the Move

Overview:

The session began with a quick round table to see what concerns and issues were top of mind for attendees. We then spoke on each topic that was brought up and addressed some possible solutions. Rather than a 'meeting of the minds' or a collaboration, this session was more about questions directed to me and then my reply to them. The conversations were very specific and we drilled quite quickly into the issues and possible solutions.

Issue: What is a Customs Broker?

Meeting planners were confused as to the difference between a customs broker and a freight forwarder or shipper. Do you need both?

Solution:

A brief overview as to the roles and responsibilities was presented to outline the differences and similarities between the two types of suppliers. Customs Brokers specialize in the processing of paperwork to ensure goods are cleared through Customs – generally in the country that the Broker is working. They are generally regulated by a local government agency but are generally non-government organizations. They are there to help ensure your goods clear customs timely and are released to ensure on time delivery and to assess any duties and taxes that may be owing. Freight Forwarders or Shippers generally are responsible for the movement of goods either on their own equipment or - in the case of the freight forwarder on other people's equipment. Sometimes you can find Customs Brokers that are also Freight Forwarders. In all cases it is important to find a supplier that specializes and understands the meetings and special event industry. These materials are time sensitive and are often eligible for certain entry privileges that can avoid duty and tax.

More information was made available through the handout supplied at the end of the session.

Issue: Cost for the meeting organizer

Concerns over perceived or unknown costs associated with shipping internationally. Anywhere from having to bribe 'officials' to get your things released, excess taxes and duty and unknown charges from Customs Brokers. The main concern was not knowing and not being able to budget for these items - particularly when the organization had a substantial amount of shipping materials. Mexico was brought up (as it often is) as a place where meeting planners seem to need US cash for release of goods. These types of expenses are not planned for and often (in the case of cash) tough to handle on site.

Solution:

Getting a *rate schedule* in writing from the Custom Broker will help ensure that costs are budgeted for with regards to Customs Fees. Duties and Taxes can also be explored prior to shipping if the meeting planner asks in advance. Producing locally can help mitigate duty and tax. In all cases, items can be entered into the country in a certain way to mitigate against duty and tax (through Temporary imports and carnets). In the case of Mexico – more investigation was needed

Issue: Exhibitors perceptions of delays and costs

Planners were concerned with their exhibitors telling them they are very worried about customs and often not supporting a meeting going international. Exhibitors will make up a significant portion of revenue and attendance building for the event. Their concerns are twofold: one being the extra incurred *costs* of shipping internationally and the second is the *hassle, delays and increased risk* of their materials not getting through customs



Solution:

Most often worries are alleviated by education and the establishment of a good knowledge base prior to deciding on the country they are considering. To learn about the process and costs prior to talking to exhibitors will help mitigate immediate concerns from exhibitors when the city selection is announced. When exhibitors truly understand the process – the ‘worry’ tends to dissipate. It is often possible to have the customs broker at the year prior to alleviate any concerns that exhibitors may have. However, the issues of increased costs are real. It does cost an exhibitor more when shipping internationally both in the shipping costs and also in the extra fees that customs brokers will charge. Planners can take a proactive role is negotiating with their broker a reasonable fee for exhibitor services prior to signing a contract. They can also get creative with the broker and come up with flat fees for services that can be included in the booth space costs. Can the CVB in the host city help with off setting costs?

Canada was brought up a cost effective solution for saving duty and taxes on all goods that are brought in for the event.

Issues – paperwork, paperwork, paperwork

All the forms that need to be completed are daunting and are an extra thing that meeting planners and exhibitors need to worry about. Paperwork is often one of the main deterrents for exhibitors participating in the event. If paperwork is filled out inaccurately, not completed or not signed in just the right spot, their materials can get held up and miss the event. In most cases, people don’t know how to complete the paperwork and just crossed their fingers when the shipment leaves their office.

Solution:

Yes – Customs is very paper heavy. International importing and exported is heavily regulated by government agencies and tends to be very specific and in some case not easy to complete. Yes – if paperwork is not filled out correctly, then problems can incur. Paul suggested that you rely more on the carrier or customs broker to complete the paperwork for you. Ensure that the broker you are hiring will be willing and able to complete or review the paperwork before submitting it to Customs. This requires working with a customs broker who will take the time and energy to talk to you and your exhibitors. Not all shipping companies / customs brokers will do this. Find one that will. You are not experts in customs - that is why you are paying someone else to do that for you. Work your supplier and ensure they are giving you full value for the price you are paying them. For liability, some brokers will not complete paperwork – but they can review before shipping.

Issue – Electronic equipment and audio visual

AV equipment poses unique challenges when crossing the border. It is generally high value and requires special permits and paperwork because it is electronic equipment (or more specifically emits radio frequencies). Special care and attention needs to be taken when shipping these goods and particularly when shipping the goods back into the US to avoid paying US import tax

Solution:

In most cases, AV equipment can be imported under a temporary basis to avoid any import duty and tax. However, special forms need to be completed to ensure goods can enter back into the US. In this case, the AV attendee will talk to us find a good solution. In all cases, the AV supplier needs to use a Customs Broker. . Meeting planners agreed that in most cases, it makes better sense to rent locally, but in the case of the AV supplier – this was not a desired option. Shipping high value electronic equipment across the border can be done – just a little extra care and attention is needed.

3. Budget & Finance – David Kliman, CMP, CMM, The Kliman Group

- Recommend DMOs and other suppliers provide support and guidance for first time and novice meeting professionals with limited understanding regarding doing business in their region/country; address the needs of buyers “who don’t know what they don’t know regarding tax, currency and financial regulations”
- Room rental fees in China, Japan (and other countries) are perplexing to novice meeting professionals - i.e. US\$25,000 fee quoted at a Narita Airport hotel (Japan) for a 5 day meeting for 75 people – ultimately negotiated down to USD\$13,500 – most North American buyers find this level of pricing unimaginable and hard to justify
- Forward currency contracts are not well understood by many meeting professions – need to share information regarding this currency tool
- Buyers want access to high level reports outlining cost difference for various regions and countries
- Need best practices regarding ways to move money out of countries such as Brazil and Italy which have strict currency regulations for moneys earned inside their borders

4. Emerging Destinations – Paul Wilson, PDW Global Conference Consultants

The group considered the following venues as a small selection of possible emerging destinations: India, Latin America, Dubai, Istanbul, Prague, Mexico, Copenhagen, Rome, London, Hawaii.

The above destinations showed that the definition of what is considered an emerging destination depends on your viewing position. For example where many European buyers consider India, China, and the Middle East as emerging markets, American buyers also consider venues in Europe such as Rome and Copenhagen as an emerging destinations. Destinations that some may consider as defined are challenging themselves to innovate their brand and to show buyers that they are open for new ideas and business opportunities for all and can also be seen as emerging destinations.

This is an encouraging and refreshing view showing the market share and growth opportunity is not defined and there are possibilities for the new and better-known destinations.

Challenges:

- How destinations can evolve their current ways of working.
- Some established destinations might not have the freedom to develop, compared to the newer destinations that start with a blank piece of paper.
- To change or evolve an existing brand is often tougher than creating a new brand.
- Terrorism can be a consideration, but the group agreed that both visitors and hosts are fairly resilient and question how much impact this fear really has.
- To change or challenge pre conceived perceptions off a destination
- The extra time and resources required when planning and delivering in a new destination.
- How the media can influence perceptions by focusing and saturating the negative aspect.
- Be well prepared when justifying any risks associated in going to an emerging destination.



Opportunities:

- To create a new product for your organization
- The buyer has to be clear about its aim and can then meet its objective
- There are various possibilities for growth both financially and in education.
- A new environment can energize your organization
- The spouse would be more interested
- Change outdated or wrong perceptions of some parts of the world
- Widen your general audience and increase your global reach
- Increase your membership, which assists both financially and intellectually.

Solutions:

- Ensure you start your marketing earlier than usual.
- Disseminate information on the destination effectively.
- Work with convention bureaus.
- Have representatives from the new destination at the previous event.
- Visit the new destination more regularly than normal.

- Show your stakeholders how you believe your attendance can increase.
- Understand the positive financial impact and use information effectively.
- Think and act as you would when making a business decision.

Conclusion:

- Are there risks? - Yes
- Can the risks be managed effectively? - Yes
- Are there are rewards? - Absolutely
- Are emerging destinations interesting to PCMA members? - Yes that's why we are here!

5. Risk Management – Behroz Daroga, CMP, MEC-USA Meeting Event Communications

The Hot topics were :

1. Insurance

Case Study - Liquor Liability

During an event, one of the delegates got drunk. The Meeting Planner and the Convention Director of the Association were informed by the waiters.

They had to intervene and escorted the delegate along with a Security Staff to his room.

Regretfully, he woke up around midnight, went down had a couple of drinks again and then whizzed off in his car.

The end was drastic as he crashed and killed himself.

The Association and the Meeting Planner were sued by his family for serving excessive LIQUOR and for lack of Protection.



Open Discussion

Very lively discussion took place and very useful suggestions were put on the table. Some of them being :

- Limit serving drinks to only 2 coupons per person;
- Make sure that the Bartender/s attending to guests were TIPS (certified Bar Tenders);
- Make sure that if a similar case occurs at your meeting, a Security Guard is placed in front of the door of the drunk delegate. In this way, if he tries to get out, the Security Guard is there to stop him;.
- Make sure your suppliers co-insure the Association and you as a Planner on their insurance policy;
- Make delegates sign a Waiver Form, Holding Harmless and Indemnifying the Association, its Officers, its Planner.
- One of the participants had a challenge on this issue as she served the Bar Association and none of them would sign it.

2) Case Study - Choosing the right partner for International Meetings

A Medical Association was leaving for a Meeting in Italy a week after 9/11. They were booked at the Excelsior Westin Hotel just across the American Embassy.

What did the local DMC do in order to guarantee safety and security to the delegates?

How was this achieved:

She renegotiated with Westin to release rooms without penalty. Contacted the Scientific Attache' of the American Embassy in Rome and with him chose a hotel close to the Ambassador's Residence, so that if a similar event took place, help was across the street. In Taormina - Sicily, she contacted the American Base in Sigonella and made sure the Group was closely followed and monitored.

End Results

Pay more and avoid sleepless nights

Local DMCs and PCOs know the ins and outs of their country and are there 24 hours a day at your service; Make sure that the Transportation Bus Company has an Insurance Policy for at least \$5,000.000 or Euros as this is another issue that could get you into trouble should there be an accident.

3) Miscellaneous items

Dance Floors and delegates hurting themselves. How to avoid this;

Shipping - is it worth choosing a broker and holding him responsible financially for loss of packages;

Prepare Awareness and Preparedness Plan - Hold suppliers responsible to prepare one and post it on Meeting's Website.

End Result

Here too, Insurance and Waiver Forms played an important role

6. Bidding on International Conference

The “bidding for international association events” focused on a number of key areas and items:

- The importance of excellent research
 - Looking at the right sources of information – the ICCA database (the International Congress & Convention Association – www.iccaworld.com) is an excellent starting point to collect information about upcoming international conferences
 - Knowing your own communities – many destinations have set up local “ambassador” programs which are set up with the local academic community
 - Assessing your chances – the importance of knowing about the decision-making structure for the association event you are bidding for, the relationship with the national association (who are normally the ones who invite)
- The commitments needed
 - The commitment needed and support from the local community to bid for an event (the importance of a CVB, Mayor’s office etc- all different in different environment)
 - Before you start bidding for an event, assess the investment needed for the event (both from a financial point of view but also from a personnel and time point of view)
 - Depending on the situation – which is different for each location – commitment from the Convention Centre, CVB, national association, local organizers, meeting planning structure (if international consider a Professional Congress Organizer (PCO) or DMC)
- Consider that each event is different and need a different approach

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