

COMMON ACRONYMS USED IN HOTEL NEGOTIATIONS

Learning Objective

To provide a quick look resource that defines key acronyms used by the hotel industry.

Audience

Conference Organizers & IEEE Organization Units

Benefits

By utilizing this list of key terms you can save time when reviewing and negotiating hotel contracts.

Remember, you can always reach out to MCE for assistance when it comes to contract negotiations. Take advantage of IEEE contract experts, who can help you obtain the best deal possible. You can request assistance by sending an email to conference-contracts@ieee.org.

HOTEL INDUSTRY ACRONYMS

ACRONYM	DEFINITION
24-Hour Hold	A term used to describe the type of reservation made on function space within a venue (hotel, convention center, etc.). An event organizer who has 24-hour hold on a space has exclusive use and access to that space for a period of 24-hours, usually 12:01am-12:00pm.
ADA	Americans with Disabilities Act. U.S. legislation passed in 1992 requiring public buildings (offices, hotels, restaurants, etc.) to make adjustments meeting minimum standards to make their facilities accessible to individuals with physical disabilities.
ADR	Alternative Dispute Resolution – method for resolving disputes without going to court.
AP	American Plan. A type of hotel rate that includes the price of the room and all meals. Also called FULL AMERICAN PLAN, DEMI-PENSION, EUROPEAN PLAN, MODIFIED AMERICAN PLAN.
Amenity	A hotel amenity is something of a premium nature provided in addition to the room and its basics when renting a room at a hotel.
ASCAP & BMI	American Society of Composers, Authors, and Publishers. A membership organization that represents individuals who hold the copyrights to music written in the United States and grants them licensing agreements for the performance of that music. Broadcast Music, Inc. is a music licensing organization that represents individuals who hold the copyrights to music written in the United States. It grants licensing agreements for the performance of music.

Attrition	The difference between the actual number of sleeping rooms picked-up (or food-and-beverage covers or revenue projections) and the number or formulas agreed to in the terms of the facility's contract. Usually there is an allowable shortfall before damages are assessed.
AV	Audiovisual (A/V). Equipment, materials, and teaching aids used in sound and visual presentations, such as television monitors, video, - can also be the term used for the team providing these services.
BEO	Banquet Event Order. A form most often used by hotels to provide details to personnel concerned with a specific food and beverage function or event room set-up.
COI	Certificate of Insurance
Complimentary Ratio	The number of rooms provided at no cost based on the number of occupied rooms.
Concessions	Merchandise or refreshments sold on site, to individuals, in conjunction with an event. Also, a contractual agreement where one party provides something of value to the other party in exchange for something else, pending certain conditions.
CSM	Convention Services Manager. Professional at a hotel, convention center or convention bureau who is responsible for event operations management at all levels.
CVA/CVB	Convention and Visitors Authority. Also CONVENTION AND VISITORS BUREAU.
CWT	Abbreviation for "hundred weight." This is the unit of measure used in drayage and freight shipments.
DMC	Destination Management Company – a professional services company possessing extensive local knowledge, expertise and resources, specializing in the design and implementation of events, activities, tours, transportation and program logistics. Depending on the company and the staff specialist in the company, they offer, but are not limited to, the following: creative proposals for special events within the meeting; guest tours; VIP amenities and transportation; shuttle services; staffing within convention centers and hotels; teambuilding, golf outings and other activities; entertainment, including sound and lighting; décor and theme development; ancillary meetings and management professionals; and, advance meetings and onsite registration services and housing.
Drayage	Delivery of exhibit materials from the dock to an assigned exhibit space, removing empty crates, returning crates at the end of the event for re-crating, and delivering materials back to dock for carrier loading.
ECB	Event-Contracted Block (the rooms that are contracted for by an event organizer with hotel(s) or housing facility(s) for a particular event.)
F & B	Food and Beverage.
Force Majeure	An event (e.g. war, labor strike, extreme weather, or other disruptive circumstances) or effect that cannot be reasonably anticipated or controlled: a "fortuitous event." (ACT OF GOD also used, refers to an extraordinary natural event, such as extreme weather).
Guarantee Guarantee (continued)	A promise of commitment to provide a minimum amount of sleeping rooms, F&B, or other revenues. Usually there is a financial liability if the commitment is not met. The final number of persons to be served is usually required at least 48 hours in advance of a food & beverage event.
ICW	In Conjunction With. An event or function that occurs because of another event.
Indemnification	A contract clause in which one party agrees to pay damages or claims that the other

Clause	party may be required to pay for another. For example, if a hotel sued by an attendee that is injured at an event due to the fault of the group, an indemnification clause might require the group to pay back the hotel. Sometimes the law requires one party to indemnify another even without a specific clause. Generally, the terms of the clause will be followed over the state law. Also HOLD HARMLESS, a type of indemnity clause that requires one party to fully protect the other from a claim asserted.
IPO	Individual Pays Own. Also EPO, PAYS OWN.
LAV	Short for Lavatory or Lavalier Microphone.
LOC	Letter of Credit (L/C). A document issued by a bank per instructions from a buyer of goods, authorizing the seller to draw a specified sum of money under specified terms. A CONFIRMED LETTER OF CREDIT is a letter of credit, issued by a foreign bank, whose validity has been confirmed by an American bank. An exporter whose payment terms are a confirmed letter of credit is assured of payment even if the foreign buyer or foreign bank defaults.
MA	Master Account. A record of transactions during an event where the resulting balance is paid directly by the group. May include room tax, incidentals, food and beverage, audiovisual equipment, décor, etc. Also called Master Bill.
MOD	Manager on Duty. Person at a facility in charge of operations and/or guest relations for a certain period of time.
Occupancy Rate	In hotel /motel industry, the percentage of total number of available sleeping rooms actually occupied. Derived by dividing the total number of rooms occupied during a given time period (night, week, year) by the total number of rooms available for occupancy during the same period.
PCO	Professional Congress Organizer. European term for DMC (Destination Management Company). Local supplier who can arrange, manage, and/or plan any function or service an event.
PEAK NIGHT	Referring to the night during an event when most rooms are occupied by those in attendance.
PER	Post Event Report. A report of the details and activities of an event. A collection of post event reports over time will provide the complete history for an event.
Rack Rate	Facility's standard, pre-established guest room rates.
RevPAR	Revenue Per Available Room. A performance measurement commonly used in the hotel industry. It is calculated by dividing a hotel's net rooms revenue by the total number of available rooms, or by multiplying a hotel's average daily room rate (ADR) by its occupancy.
RFP	Request For Proposal. A document that stipulates what services the organization wants from an outside contractor and requests a bid to perform such services. Same as BID MANUAL/SPECIFICATIONS.
Room/Space Ratio	Room to space ratio – Calculation/guidelines set by hotel revenue management team for evaluation of business based on group's requested room night and how it aligns with function/meeting space requirements. Space-intensive meetings come up against this frequently as a reason for declining RFPs.
Run-of- the-House	Rooms given at random according to availability when the reservations are made. Also refers to a flat rate for which a hotel or motel group agrees to offer any of its available rooms (with the exception of suites) to a group. Final assignment of rooms is at the discretion of the hotel.

Service Charge	A mandatory and automatic amount added to standard food and beverage charges, usually used to defray the cost of labor, such as housemen, servers, technicians, etc. and which the facility receives a portion of the charge. In return, the guest is relieved the responsibility of tipping. Also, a fee charged to a client by a travel agent in addition to the commissions paid to him or her by his or her principals.
SOE	Schedule of Events. Table of time and location for all functions related to an event. This information should be included in the specifications guide for an event.
Walk	Guest holding confirmed sleeping room reservation is denied accommodations at the hotel where the reservation is being held upon their arrival and is relocated to another hotel.
Wash	The difference between number of reservations at cut-off date and the number of final reservations at the end of an event. Can be positive or negative and be expressed as a number or percentage.