

Meeting the Planning Challenge

Location, Technology Options Increase

By Tom Schuman

September 11, 2001, obviously will go into history as a day that changed America forever. The loss of lives is well documented; the impact on future generations is a subject of frequent analysis.

The business implications of that day are a little less clear. An economy that was already slumping suffered another evident setback, with the depth of the damage depending somewhat on the type of industry involved.

On a related issue, 9/11 played a part in changing the world of meeting and event planning. The immediate slowdown in business travel and the cost-first mentality mandated by the economic woes combined to open up additional opportunities. Technology jumped into the fray and plays a larger role than ever.

Talk to meeting planners and others in the industry – we did – and the level of change over the last few years varies. All, however, present an interesting perspective on an evolving aspect of the business world.



Company facility

As manager of guest relations and corporate events for Rolls-Royce in Indianapolis, Donna Hurtman oversees everything from one visitor to conferences as large as several hundred people. While key customer events for an international company involved in the automobile industry still evolve around the Indianapolis Motor Speedway and its signature races, numerous day-to-day activities now take place at the UAW Rolls Royce Training Center.

"We're not paying rental and catering. It has more meeting space than any hotel, and we have an on-site catering company," Hurtman explains of the facility that opened in 2000. "We still do a lot of business with the hotels because some events are not conducive to the training center."

In addition to in-house use, the training center is available for rent for other organizations.

Rooms within the training center and several in the company offices are equipped for videoconferencing. With the parent company located in the United Kingdom, Hurtman says, "There is definitely a push to do more of that."

Association outlook

Kelly Favory, director of member services for the Associated General Contractors of Indiana, spoke just days after that organization's annual convention. As in the past, bringing together statewide members requires a centrally based hotel. The two-day event, however, may be in need of some new approaches.

"No hotel wants our business," Favory states, "because we don't have that many room nights. We need a lot of meeting space, and we have large food and beverage costs. Hotels have to come up with some creative ways to work with us."

Although not ready to move its convention, Favory says AGC/I may look at casino properties for other meetings. A teleconferencing attempt for one of those meetings drew a very poor response.

"Right now, our group is just not ready for that," Favory claims, adding that having a newly elected president each year may lead to future movement in that direction.

AGC/I combines with five other associations for an annual national event. More exotic locales of the past have given away to remaining within the continental United States in the last few years.

Betting on business

Indiana's 10 (soon to be 11) riverboats are in the gambling business. They use hotels, golf courses, restaurants – and meeting facilities – to bring people into their casinos. While the facilities are often made available at little or no cost for community organiza-



The UAW Rolls Royce Training Center in Indianapolis serves a number of needs for the company and other organizations.

tions, they are also becoming a growing player in the business/ association meeting and convention field.

The Belterra casino in Switzerland County, in rural southeastern Indiana, has had to turn away a number of interested groups due to a lack of space. An expansion in the works is bringing 33,000 square feet of meeting space and an additional 300 hotel rooms.

Kim Hutcherson is group sales manager for the state of Indiana. Many of the groups Belterra has hosted the last few years, she says, have come from Kentucky and Ohio. The goal is to increase Indiana business and expand from meetings that average two days to conventions that span longer periods of time.

"There's nothing around here that can hold those size groups," according to Hutcherson. "The closest convention-type space is in Cincinnati or Northern Kentucky."

Back to school

If golf and gambling aren't part of the agenda, more companies and organizations are looking to university settings. The universities – facing similar financial crunches as private industry in the form of decreased state support – are making a pitch to come to their campuses.

The Association of Collegiate Conference and Events Directors International represents more than 600 colleges and universities with active conference operations. The selling points include unique facilities, access to educational resources/expertise, the latest technology and, at times, lower costs.

Purdue University hosts 600-plus conferences and meetings a year with more than 70,000 attendees. The university has 10 conference coordinators, including three certified meeting planners. Chris Sharp, sales and marketing coordinator for the Purdue University Conference Division, notes that working with corporations and associations has become a big business



Neal Rothermel and the VMS team believe technology augments existing meetings and conferences.

in the last five years.

"The unique quality is that we require an educational component to be linked. There has to be an exchange of continuing education," Sharp declares. "A lot of our business does come from our faculty and staff who want to bring their associations and groups in."

Purdue will host the Presbyterian Youth Triennium in July 2004, an international event bringing 7,000 young people who will "utilize every aspect of campus." Having dormitory rooms available in the summer makes that event possible. Football stadium suites for company receptions, a 6,000-seat theater and outdoor concert facility are among the other unique attributes the university boasts.

In the Lafayette-West Lafayette area, Sharp says Purdue often partners with others and that universities should not necessarily be viewed as competitors.

"Our convention and visitors bureau is excellent at helping us all work together," she contends. "Other places don't have the 7,000 beds in the summer that we do, but parents come and stay in the hotels and eat in the restaurants. Programs that come to the communities benefit all of us."

Bouncing back

All is not lost, however, for the traditional community convention center. Although the impact of 9/11 and the slumping economy were felt strongly in Bloomington, a rebound is under way according to Linda Darnell, director of sales for the Bloomington Convention Center.

"People weren't having as many off-site meetings and they weren't spending as much," Darnell says of the post-9/11 days. "Food is a big factor. Some of the changes were letting attendees go on their own for dinner or having a reception instead of a meal."

Corporate and education,

Conferencing Instead of Congregating

Business travel slowed considerably following the September 11, 2001, terrorist hijackings of three airplanes. TelSpan, an audio and web conferencing business founded in Indianapolis in 1989 and serving clients around the country and world today, saw a six-week surge in business. Although the immediate boost in business slowed, the long-term conferencing trends remain.

Keith E. Locke, president and CEO of TelSpan, explains. "To me, the more important trend was that people turned to the tools that were available. They started to use those and began to see that they could not simply be as effective but **more** effective by not traveling.

"Fear motivated the search. The result was growth of new clients and expansion of existing clients."

A little more than a decade ago, audio conferencing involved frequent set-up calls, two-week advance scheduling and other logistical nightmares. Under the premise of "there must be more convenient ways to do things," TelSpan turned its focus to eliminating some of the inconveniences. In the late 1990s, it developed a reservationless system that allows businesses and organizations to conduct calls at any time, without advance scheduling or set-up.

Three versions of web conferencing at TelSpan allow customers to add a variety of visual elements to the mix. PowerPoint demonstrations, application sharing and chatting are a few of the tools available for groups from two to 2,500.

"From recent client survey responses that were independently analyzed, we discovered that over 80% of our current clients had an interest in exploring the use of web conferencing, so we definitely feel it is a key area for future growth in our business," adds Erin Wray, TelSpan's marketing specialist.

TelSpan practices what it preaches. Locke is located in Portland, Oregon. Sales offices are in Indiana, Florida and Texas. Quality assurance operations take place in Arizona. The headquarters remain in Indianapolis, with the sophistication of the logistics involved making the firm a "fully functional information technology company," says technical operations manager Garry O'Connor.

"We're not a virtual firm, but the concept is the same. What we're doing is serving our clients and doing what they want," Locke maintains, admitting that there is an unintentional competition if people are using audio and web services instead of traveling to events, staying in hotels or utilizing meeting facilities.

An old industry axiom states that 70% of all face-to-face meetings could be replaced with conferencing. Locke says there is room for both. He travels to Indianapolis once a month for company business and adds that many conferences, in particular, have important networking functions.

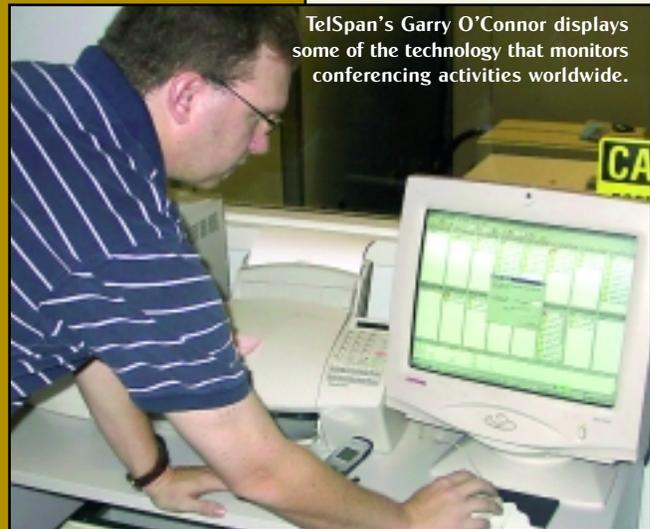
"They are also social events. To stay connected, you have to be there and shake hands."

The hand shaking, at least on the meeting end of the business, is taking place "virtually" for many. Audio conferencing was growing at a 33% rate until the last 18 months, with a \$2.3 billion industry in 2003 expected to grow to \$2.8 billion by 2008. Web conferencing is the new growth engine. Industry projections call for \$2.2 billion in 2008 compared to \$533 million today.

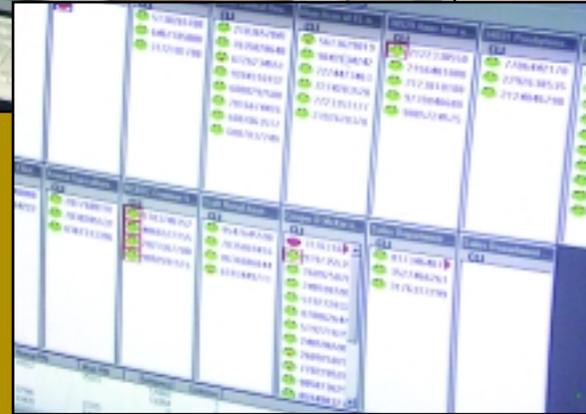
Technological improvements are a constant, Locke asserts. New generations of software, insertion of video clips, streaming media, wireless innovations and IP (Internet protocol) convergence are a few of the projects in the works. Such improvements will only enhance a TelSpan effort that already includes such events as a worldwide audio and web conference hosted in Japan, featuring primary speakers in England and in Massachusetts, with participants throughout the United States.

Global connections such as these are sure to increase in a rapidly changing business world.

Resource: TelSpan at (317) 631-6565 or www.telspan.com



TelSpan's Garry O'Connor displays some of the technology that monitors conferencing activities worldwide.





Slayter Center, Purdue University's outdoor amphitheater, offers a unique venue for meeting or conference events.

working closely with Indiana University, customers are the key markets for the 40,000-square-foot facility. A stronger holiday season at the end of 2003 was a good sign, with a pickup in conference bookings already for this year and next.

Having advanced communication and Internet access in all meeting rooms is a change from the past, Darnell admits. The Bloomington facility doesn't receive many inquiries about audio or videoconferencing as part of existing events. More conference leaders and speakers, she observes, are bringing their own equipment for PowerPoint and other presentations.

Industry overview

Two professional meeting planners have seen changes in destinations, technology use and more. Neal Rothermel is president and CEO of Indianapolis-based VMS, previously known as Virtual Meeting Strategies. Carol McCormack is a national account manager for the Conferon Sales Network after a lengthy career in hotel sales and marketing.

Rothermel acknowledges the irony of a company with "virtual" in its name primarily working in all aspects of traditional face-to-face meetings. Key clients include pharmaceutical companies in Chicago, Indianapolis and New Jersey, with events taking place nationally and internationally.

He cites the economy as a factor, but adds that he hasn't seen a decrease in meetings.

"The volume is still there, but it may be there are more regional meetings or just a different format." Rothermel gives the example of an audio conference bringing attendees together in advance and eliminating a portion of a scheduled two-day seminar.

Rothermel offers an interesting perspective on technological advances in the industry.

"Ten years ago people looked at technology as replacements for meetings, not enhancements. Technology brings people together who never would have gotten together before," he reasons. "Technology's role, through CDs and DVDs, is to capture events for those not in attendance and keep communications going between events."

Rothermel adds that he often uses a computer analogy when discussing the topic. "Everyone said paper would be obsolete (with the onset of computers). Now everyone has a printer on their desk. We use paper more than ever before."

VMS has been integrating technology into its events. Audience response systems provide immediate feedback and sometimes allow organizers to tailor the meeting agenda around those audience preferences. Interactive discussions and the use of case studies are popular today. A new role, data warehousing and providing information to clients in real time, is an anticipated future focus.

Bottom line

McCormack, who works with a variety of corporations and associations, says it's a "buyer's market" at this point with venues offering good deals in order to regain some

of the lost business of the last few years. That is a situation likely to change as the economy picks up.

“Cost is a big factor right now for everyone,” she confirms. “On the corporate side, people are getting away for the one or two big meetings and breaking out into a smaller, regional focus to minimize the travel involved.”

Fun and games are taking a back seat to practicality for some.

“It’s more a perception than anything,” McCormack says of companies moving away from freewheeling, high-dollar events at resort locations. “They’re maintaining more of a business-like atmosphere.”

Although she has not booked meetings in university settings, McCormack does acknowledge that there has been a much more aggressive effort to attract business by higher education institutions. The nature of the meeting is often a determining factor in what makes the best location, she says.

Like Rothermel, she has not seen remote conferencing replacing face-to-face events. “For a lot of organizations, something is missing if you’re not having people physically together. There’s a certain type of energy missing if they’re not together.”

No matter the location or meeting method, the bottom line remains the same – accomplishing pre-stated objectives at reasonable costs.

“There’s definitely a trend toward accountability of time,” Rothermel surmises. “There’s a focus on value and how we quantify all aspects of a meeting. The big term we talk about today is return on education.”

INFORMATION LINK

Resources: Donna Hurtman, Rolls-Royce, at (317) 230-3422

Kelly Favory, Associated General Contractors of Indiana, at (317) 656-8899

Kim Hutcherson, Belterra casino, at (812) 290-5464

Chris Sharp, Purdue University, at (765) 496-6205

Linda Darnell, Bloomington Convention Center, at (812) 336-3681

Neal Rothermel, VMS, at (317) 805-6600

Carol McCormack, Conferon Sales Network, at (317) 841-0740