

Extraordinary Matters:

Contract Guidance

March 2020

The Meetings Industry Association (mia) is calling for fairness and solidarity across the industry to help mitigate the impact of Coronavirus COVID-19 on trade.

Nearly three-quarters of the mia member venues have had events cancelled as a result of fears of Coronavirus COVID-19 and there are serious concerns about the future of the industry since the UK moved from its current containment phase to delay and further restrictions predicted.

Venues are even more concerned over cancellations and how to manage them, as well as uncertainty over contracts with suppliers and agents.

The mia brought together over 140 members, venues booking agents, caterers and other industry representatives, on 9 March to discuss the challenges and issues surrounding contracts and future business planning.

As a result of discussions the mia promised to create a set of guidelines to help steer considerations and decisions for venues across the UK. A working group was formed to help test the guidelines and ensure the recommendations were realistic, supportive and achievable.

In order to mitigate the impact of Coronavirus COVID-19 on all our businesses, it's essential that the industry works in solidarity and that fairness comes first, which is why we created this document to help guide the industry in their approach to cancellations and postponements. We want to keep events alive and continue to encourage organisers to book events for the future, we see this very much as a working guidance and will continue to update our recommendations.

Jane Longhurst

CHIEF EXECUTIVE, MIA

For more information, you can register for regular updates on
<https://www.mia-uk.org/Coronavirus>

Cancellation & Postponement Terms Pre-existing Contracts during Coronavirus delay phase

This is not a prescriptive solution; it is recommended best practice.

For all cancellations:

- consider your relationship with the client
- consider the total impact on your business
- consider the impact on your partners, AV providers and caterers
- consider alternative solutions before levying a cancellation charge
- where discretionary discounts are noted this can be a standard set across your organisation or can reflect the relationship you have with your client

ASCERTAIN REASON FOR CANCELLATION

FORCED	FORCED	FORCED	CLIENT CHOICE
Mandated travel restrictions in areas affecting the client at point of origin (venue open and operating)	Mandated travel restrictions at venue location (venue closed)	Mandated maximum numbers for gatherings	Coronavirus Concerns Company Policy Speakers, delegates cancelled
<p>Charge cancellation fee, including catering, in line with your terms and conditions.</p> <p>Offer a discretionary re-book discount for bookings before the end of 2020</p>	<p>Option 1 Offer re-booking date to client at seasonal rate</p> <p>Option 2 Refer to other location or mia member venue</p> <p>Option 3 Cancel booking without charge and return deposit</p>	<p>Option 1 Be flexible about numbers; offer percentage reduction and share the impact with the client i.e reduction of 100 delegates required to meet mandated maximum delegates split 50/50</p> <p>Option 2 One free of charge move during 2020 subject to availability, hold deposit and charge less than 14 day catering. Re-contract; no further cancellation opportunity</p> <p>Option 3 Cancel and apply usual cancellation terms and condition</p>	<p>Charge 100% cancellation fees, including catering, according to your terms and conditions</p> <p>Offer a discretionary re-book discount</p>

COMMITMENT TO BOOKING AGENTS

<p>Pay commission on cancellation fee</p> <p>Pay commission on re-booking less client discount</p>	<p>For Option 1 Pay commission on new date at event point</p> <p>For Option 2 Commission paid by accepting venue (notify venue and booking agent on transfer)</p> <p>For Option 3 No commission payable</p>	<p>For Option 1 Pay commission for reduced delegate numbers</p> <p>Option 2 Pay commission on new date at event point and pay commission on less than 14 day out catering</p> <p>Option 3 Pay commission on cancellation fee</p>	<p>For Option 1 Pay commission for reduced delegate numbers</p> <p>Option 2 Pay commission on new date at event point and pay commission on less than 14 day out catering</p> <p>Option 3 Pay commission on cancellation fee</p>
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Cancellation & Postponement Terms for contracts signed after Monday March 16th for events March – July 2020

(applies during delay phase only after that period revert to standard contracts)

This is not a prescriptive solution; it is recommended best practice and designed to give buyers confidence to place bookings with your venue during the containment and delay phase.

- consider your relationship with the client
- consider the total impact on your business
- consider the impact on your partners, AV providers and caterers
- consider alternative solutions before levying a cancellation charge

ASCERTAIN REASON FOR CANCELLATION

FORCED	FORCED	FORCED	CLIENT CHOICE
Mandated travel restrictions in areas affecting the client at point of origin (venue open and operating)	Mandated travel restrictions at venue location (venue closed)	Mandated maximum numbers for gatherings	Coronavirus Concerns Company Policy Speakers, delegates cancelled
<p>Option 1 One free of charge move during 2020 subject to availability, hold deposit. Re-contract with no further cancellation clause. Charge catering on events to be held within 14 days to reduce impact on caterer/incurred costs</p> <p>Option 2 If you are not holding a deposit charge 100% of contract plus catering (if within 14 days of event) and issue a credit of 90% against a future event date for events held within 2020.</p> <p>Option 3 Cancellation fee in accordance with your standard terms and condition</p>	<p>Option 1 Offer re-booking date to client at seasonal rate</p> <p>Option 2 Refer to other location or mia accredited venue</p> <p>Option 3 Cancel booking without charge and return deposit</p>	<p>Option 1 Be flexible on numbers; offer percentage reduction share the impact with the client, i.e reduction required of 100 delegates split 50/50</p> <p>Option 2 Cancel and apply usual cancellation terms and conditions</p> <p>Option 3 1 free of charge move during 2020 subject to availability, hold deposit and charge catering if 'short term'. Re-contract; no further cancellation opportunity</p> <p>Option 4 Cancel and charge the lowest cancellation fee in your terms and conditions or 25% of the total contract</p>	<p>Option 1 One free of charge move during 2020 subject to availability, hold full payment a deposit and charge the catering where applicable (if within 14 days of arrival). Re-contract and no further cancellation opportunity.</p> <p>Option 2 If you are not holding a deposit charge 100% of contract plus catering (if within 14 days of event) and issue a credit of 80% against a future event date for events held within 2020.</p> <p>Option 3 Cancel the event and charge the lowest cancellation fee in your terms and conditions or 25% of the total contract</p>

COMMITMENT TO BOOKING AGENTS

<p>For Option 1 Pay commission on new date at event point and pay commission on less than 14 day out catering charge</p> <p>For Option 2 Pay commission on 10% and catering pay 100% commission on future event.</p> <p>For Option 3 Pay commission on cancellation fee</p>	<p>For Option 1 Pay commission on new date at event point</p> <p>For Option 2 Commission paid by accepting venue (notify venue and booking agent on transfer)</p> <p>For Option 3 No commission payable</p>	<p>For Option 1 Pay commission for reduced delegate numbers</p> <p>For Option 2 Pay commission of 50% and a further 100% when re-booked event takes place</p> <p>Option 3 Pay commission on new date at event point and pay commission on less than 14 day out catering</p> <p>Option 4 Pay commission on cancellation fee</p>	<p>For Option 1 and 3 Pay commission on cancellation fee Pay commission on re-booking less client discount</p> <p>For Option 2 Pay commission on 20% and catering pay 100% commission on future event.</p>
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