

THE WAY IT WORKS

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THE JOHN B. HYNES VETERANS MEMORIAL CONVENTION CENTER



WELCOME TO THE HYNES

This booklet was designed to give people a better understanding of how the Hynes Veterans Memorial Convention Center works. We'll take a look at how the Hynes operates and how it serves as an economic catalyst for the Commonwealth.

Like most convention centers in the United States, the Hynes is publicly supported. However, unlike an exposition center that raises revenue through gate shows attended by local residents (like home or boat shows), the Hynes helps to fuel the economy by bringing large meetings and conventions here from out of state. Conventioneers who go to restaurants, stay in hotels, and shop in surrounding retail stores.



It's these people who set off a chain reaction of spending that ultimately has a positive economic effect on the entire state.

Consequently, you can't measure the success of a convention center the way you would most businesses. You have to look at more than just the bottom line. You have to evaluate both the direct and indirect impact the Hynes has on the Massachusetts economy. Bell Associates, an independent research company in Cambridge, has compiled this data in a report entitled *John B. Hynes Veterans Memorial Convention Center 1990 Economic Impact Report* (Bell Report). We'll be citing this report on the following pages along with studies conducted by Market Probe International for *Meetings & Conventions* magazine.

We'd like to thank everyone who has helped to make the Hynes one of the premier convention centers in the country. We'd also like to thank you for your interest and support.



HOW IT WORKS

Every visiting convention group has different needs. So it's important that a convention center be flexible enough to provide the same level of comfort and service to a group of 20,000 as it does to a group of 2,000. Often, all at the same time.

"A series of truly splendid spaces."

The New York Times

The Hynes' award-winning architectural design allows it to compete with the finest convention facilities in the nation. Its 360,000 square feet of exhibit, pre-function and reception space can be broken up into countless configurations, each providing privacy and convenience for its guests. There are four spacious exhibit halls and an auditorium that can hold over 4,000. A grand ballroom that seats 2,200 is easily subdivided to accommodate three smaller events. In addition, there are a total of thirty-eight meeting rooms including an

elegant V.I.P. suite that overlooks historic Back Bay—all appointed with the latest in lighting, acoustic and audiovisual equipment.

"The service was wonderful, and the quality of the food would rival any first class restaurant."

*—Rosemary Hall
Coordinator of Meeting Services
Mary Kay Cosmetics*

Imagine serving a sit-down dinner for 2,000. One of the most important things a professional meeting planner has to consider is the quality of the food that will be provided. That's where the Hynes' acclaimed food service comes in. With some of Boston's most talented chefs, a dedicated service staff and a kitchen bigger than most single family houses, the Hynes can beautifully accommodate the culinary needs of any group.

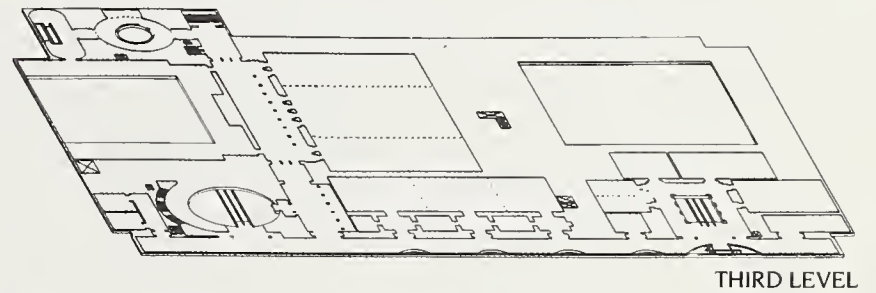


Major Conventions at the Hynes since 1988.

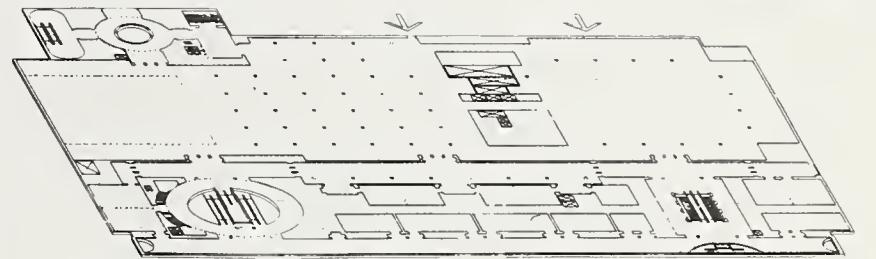
The following is a partial list of major conventions held at the Hynes since it re-opened in 1988.

Massachusetts Dental Society—Yankee Dental Congress
 Boston International Seafood Show
 New England Healthcare Assembly
 Northeastern Retail Lumber Association
 National Association of College Admission Counselors
 Professional Convention Management Association
 American Society of Association Executives
 American Association of Nurse Anesthetists
 Footwear Industries of America
 American College of Chest Physicians
 Network
 Ford Motor Company
 American Chemical Society
 American Nurses' Association
 Interex-International Association of Hewlett Packard Users
 American Dental Association
 Optcon-International Society for Optical Engineering

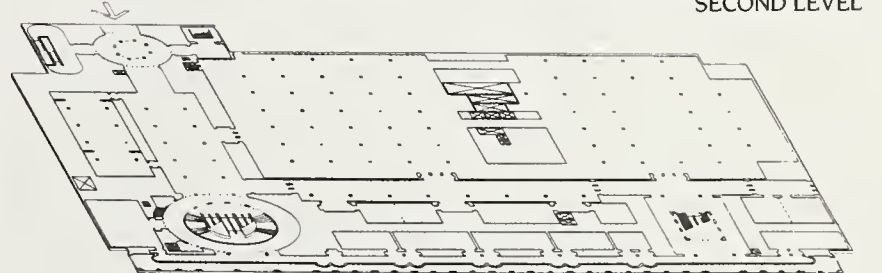
American Lung Association
 Risk and Insurance Management Society
 Retail Bakers of America
 American Association of Critical-Care Nurses
 American Society of Plastic & Reconstructive Surgeons
 American Urological Association
 American Society of Personnel Administrators
 American Bankers Association
 International Association of Corporate Real Estate Executives
 Tower Conference Management Company



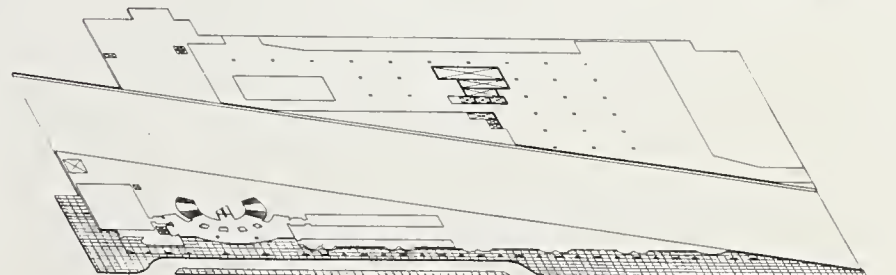
THIRD LEVEL



SECOND LEVEL



PLAZA LEVEL

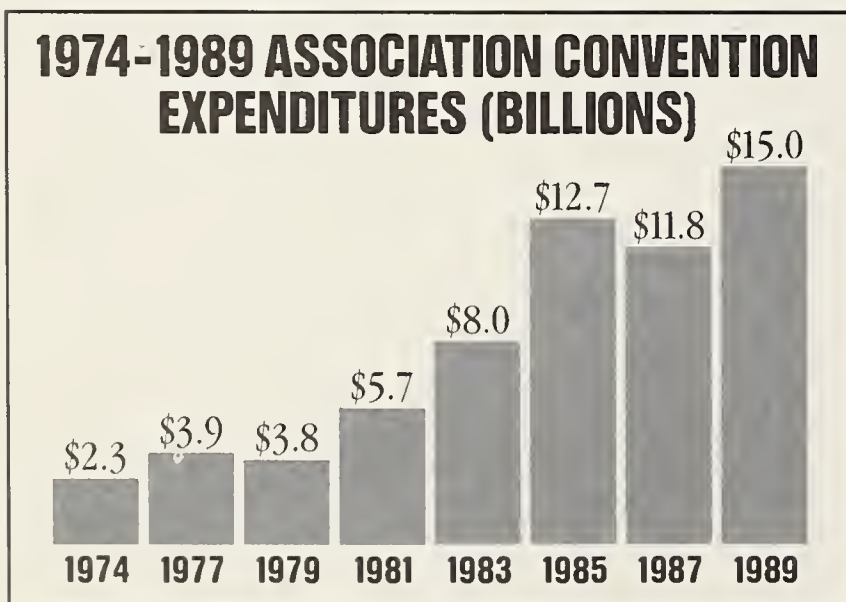


LOWER LEVEL

IT WORKS FOR MASSACHUSETTS

A convention center is a great way to raise revenue for the state. Since 1974, association convention expenditures have been on the rise.¹ That means each year more associations spend more money to hold off-premise meetings. In 1989, association spending exceeded \$1.61 billion.²

Chart A From *Meetings & Conventions*, March 1990.



But what's even more significant is delegate spending—money that is spent by the people who attend these meetings and conventions. In 1989, national delegate spending totaled \$13.44 billion.³ In addition, 41% of attending delegates were accompanied by their spouses who also spent money and patronized local cultural institutions and sporting events.⁴

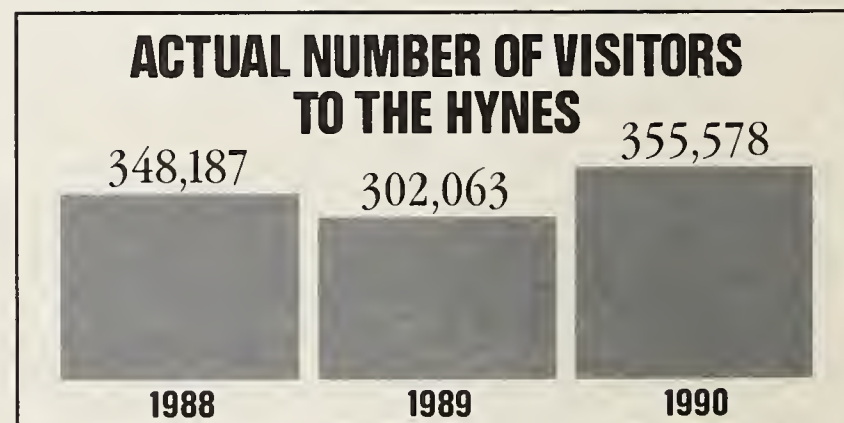
Chart B From *Meetings & Conventions*, March 1990.

	1979	1981	1983	1985	1987	1989
NUMBER OF CONVENTIONS	10,300	10,500	11,600	12,240	12,700	12,600
DELEGATES PER CONVENTION	775	899	1,044	1,106	848	1,078
TOTAL DELEGATES (MILLIONS)	8.0	9.5	12.1	13.5	10.7	13.6
PERCENT BRINGING SPOUSE	N/A	N/A	44%	41%	45%	41%

N/A=Not Available

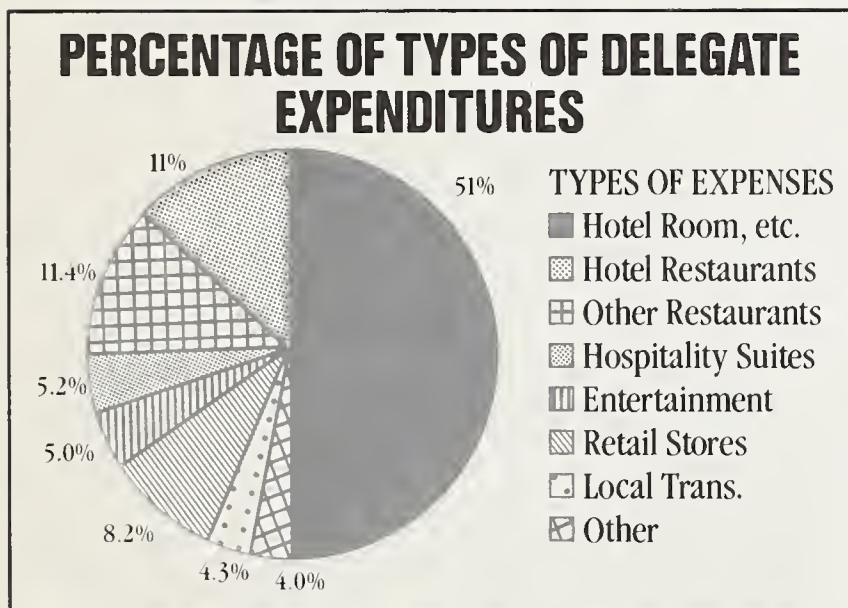
Now let's take a look at these trends as they relate to the Hynes. In 1990, the Hynes attracted 335,578 conventioners to Massachusetts.⁵

Chart C From Bell Report: Mar. 1989, Mar. 1990, Jan. 1991.



During the average 4-night stay,⁶ each visitor spent money on hotels, food, transportation, entertainment and retail goods, paying state and local hotel/motel, meals and sales taxes. In 1990, delegate spending averaged \$1,032 per delegate per convention.⁷ The following pie chart shows a percentage breakdown of the types of delegate expenditures that have a direct economic impact on the state.

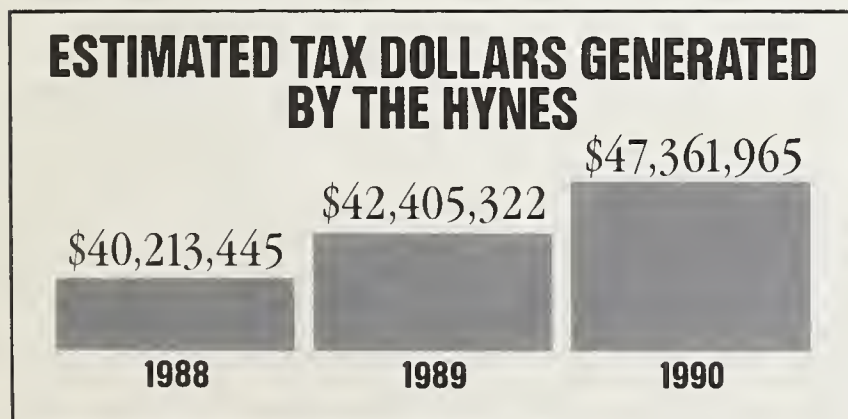
Chart D From Bell Report, January 1991.



In addition to the impact these dollars have, there are other, more indirect effects of delegate spending as the money is turned over in the economy several times. Each dollar spent generates a chain of buying and selling that continues indefinitely. Consider the labor, products and services necessary to meet the initial demand of convention delegates. Take, for example, the people who work for nearby hotels and restaurants. Once they are paid they, in turn, buy goods that support additional labor, consumption, taxes, and so on.

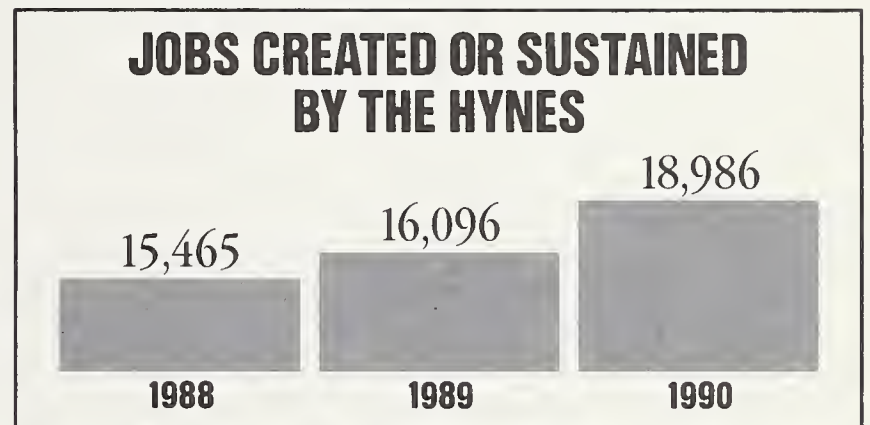
In 1990, the estimated direct revenues raised through hotel, meal, entertainment and sales taxes totaled \$47,361,965.⁸ That's an 11.7% increase over the figures reported for 1989.⁹

Chart E From Bell Report: Mar. 1989, Mar. 1990, Jan. 1991.



The level of economic activity generated by the Hynes last year helped to support over 18,986 jobs throughout the Commonwealth—jobs in the retail and service sectors, wholesale trade, finance, transportation, government, construction, and more.¹⁰

Chart F From Bell Report: Mar. 1989, Mar. 1990, Jan. 1991.



Finally, when we combine all these components using an industry accepted multiplier of 1.96,¹¹ we're able to determine that *the total economic impact generated by the Hynes in 1990 was \$678,810,628.*¹² Nearly a 12% increase over 1989¹³ and a significant contribution to the economic vitality of the state.

Chart G From Bell Report, January 1991.

	TOTAL ECONOMIC IMPACT	TOTAL TAXES GENERATED
1988	\$584,383,225	\$40,213,445
1989 (%Δ)	\$607,770,031 (4%)	\$42,405,322 (5.5%)
1990 (%Δ)	\$678,810,628 (11.7%)	\$47,361,965 (11.7%)

WE WORK FOR YOU

The Hynes is more than just a building. It's people. Restaurant workers, cleaning and set-up crews, security staff, operational managers and salespeople, administrative assistants, transportation providers, and tradespeople, to name a few.

Last year, convention activity at the Hynes provided jobs for over 18,986 people across the state.¹⁴ At a time when state unemployment rates are alarmingly high, each job is precious to the region's economy.

"Sure it's great to be getting a steady paycheck. But working at the Hynes means more to me than that. I'm proud to be a part of this place."

—Steve Ellenwood
Security Officer



The Hynes employs fewer than 60 full-time people—a skeleton staff of salespeople, tradespeople and administrators who oversee the operation of the Hynes as a whole. In fact, the Hynes was recently ranked as the region's largest meeting facility with the least number of full-time employees by the *Boston Business Journal* (January 28, 1991). The great majority of the jobs created by the Hynes are provided through independent contractors.

"Here's an example of the public and private sectors working together beautifully to provide cleaning and set-up service that is both first-rate and cost-effective."

—Steven C. Kletjian
Chief Executive Officer
UNICCO Service Co.

The Hynes has long-term contracts with three independent companies who manage three very different aspects of the convention business: food, cleaning and set-up, and security. Each company is responsible for staffing as necessary to handle the size and particular demands of each convention. The independent food contractor, for example, employs 40 full-time workers and 80 part-time workers. For cleaning and set-up, it's 86 full-time, 14 part-time.



“It’s exciting when we gear up for a major convention. We can have up to 80 people in the kitchen at one time. It’s almost like choreographing a big stage production.”

–Doug Bradley
Executive Chef
ARA Food Services

Let’s use the Hynes’ security contractor as an example. It has a base team of 45 full-time officers who provide general security and supervision. During any given week this team uses 1,500 man hours. In addition, there are another 40 event



security officers (some full-time, some part-time) who are trained to service the particular needs of each visiting group. Depending on the event and the amount of space leased in the building, this team can expend up to 3,000 man hours, as was the case with the American Dental Society.

“The Hynes is one of our biggest employers. They’re good to our people and our members enjoy working with them.”

–John Perry
Secretary-Treasurer & Business Agent
Teamsters Local Union, Chapter #82

In addition to the independent contractors, the Hynes provides jobs to members of the Teamsters Union, skilled laborers who work the loading docks and do all exhibit set-up.

The Hynes brings people together from all walks of life with the same goal. From pastry chef to window washer, office manager to Teamster, together we’re working to make the Hynes one of the greatest convention centers in the country.



IT'S WORKING

Meeting planners have ranked Massachusetts among the top seven states in the nation as a destination for their meetings and conventions.¹⁵ As a result, the Hynes is fast becoming a leader in the convention industry, with bookings already scheduled through the year 2010.

“Our members truly value and appreciate when there is a convention in the area—especially when they can see their bottom lines increasing. What’s more, by knowing ahead of time when conventions are coming, local restaurants and retailers can plan for the increased business.”

—Marianne B. Abrams
Executive Director
Back Bay Association, Inc.

At a time when the local economy can certainly benefit from it, the Hynes is poised to bring valuable revenue dollars

to the Commonwealth. In 1991, the Hynes can look forward to bringing even more conventioners and their spouses to Boston, generating more tax and indirect revenue for the state.

“These days, the Commonwealth needs every penny it can get to maintain the current level of services for our poor, elderly and disabled. If there’s one place where we’re still seeing tax revenue being generated, it’s the Hynes.”

—Judith C. Meredith
President
Meredith & Associates (A lobbying firm that specializes in advocacy on behalf of low income people.)

With the taxpayers’ support, these numbers will continue to increase, enabling the Hynes to work harder than ever for the economy and for the people of Massachusetts.

“I am extremely supportive of the Hynes. Every major city needs a major convention center to remain competitive from a hotel standpoint. In addition to increasing our overall occupancy, the



Hynes allows us to market the city during non-peak months, giving us the potential to build off-season business.

—Liam Madden
General Manager
Lafayette Hotel
President
Greater Boston Hotel Association

“1990 was the year the Hynes Convention Center proved itself an outstanding facility. It’s the backbone of Boston’s strong convention and meeting revenue. 1990’s accomplishments speak well for its future potential.”

—Stephen Foster
General Manager
Sheraton Boston Hotel & Towers



Facts about the Hynes:

The total economic impact generated by the Hynes in 1990 was \$678,810,628, an increase of 11.7% over the previous year!¹⁶

An estimated \$47,361,965 in direct tax dollars was raised by the Hynes in 1990, an increase of 11.7% over 1989!¹⁷

During 1990, the Hynes brought 335,578 conventioners to Boston through conventions, trade shows and meetings!¹⁸

The average conventioner spends \$1,032 per visit!¹⁹ 56.2% on lodging and hospitality suites, 22.4% on food, 8.2% in retail stores, 4.3% on transportation, 5% on entertainment, and 4.0% on other miscellaneous expenses.²⁰

In 1990, the Hynes helped support 18,986 jobs throughout the Commonwealth.²¹



APPENDIX

The following is a list of sources for the information provided in this booklet. All information used to create this document is available to the public. See the following page to find out how to receive a copy of the 1990 Bell Report.

- ¹ Market Probe International. "1990 Meetings Market Study," *Meetings & Conventions*, March 1990, p.7.
- ² Ibid., p.7.
- ³ Ibid., p.7.
- ⁴ Ibid., p.12.



- ⁵ Bell Associates Inc. "John B. Hynes Veterans Memorial Convention Center 1990 Economic Impact Report," Cambridge, Massachusetts, January 1991, p.1.
- ⁶ Ibid., p.4. (The average convention delegate spends 4.1 nights in hotels during convention-type events nationally, based on figures determined by the International Association of Convention and Visitors' Bureaus, IACVB).
- ⁷ Ibid., p.6b. (Gate shows not included).
- ⁸ Ibid., p.1.
- ⁹ Ibid., p.1.
- ¹⁰ Ibid., p.1.
- ¹¹ Ibid., p.5. (The U.S. Department of Commerce, Bureau of Regional Economic Analysis develops actual multiplication factors for different regions of the United States and for different industrial classifications. For the classifications that relate to the hotel, lodging, entertainment, retail trade and service categories the multiplier ranges from 1.92 (communication) to 2.05 (miscellaneous services). The multiplier used for this analysis is 1.96.)
- ¹² Ibid., p.1.
- ¹³ Ibid., p.1.
- ¹⁴ Ibid., p.1.
- ¹⁵ Market Probe International, p.67.
- ¹⁶ Bell Associates Inc., p.1.
- ¹⁷ Ibid., p.1.



- ¹⁸ Ibid., p.1.
¹⁹ Ibid., p.6b.
²⁰ Ibid., p.4.
²¹ Ibid., p.1.

Bell Associates Inc.

Based in Cambridge, MA, Bell Associates Inc. is a ten-year-old independent firm that supplies market research, management consulting and executive search services to corporate, government and non-profit organizations. The firm was hired by the Massachusetts Convention Center Authority to gather the information presented in the 1990 Bell Report.



To receive a copy of the 1990 Bell Report, contact:

Marketing Department
The John B. Hynes Veterans Memorial Convention Center
900 Boylston Street, Boston, MA 02115
(617) 954-2100

Meetings Market Study

Since 1974, *Meetings & Conventions* magazine has sponsored this biennial report. Conducted by Market Probe International, Inc., the 1990 Meetings Market Study was designed to measure the dimension and track the changes in both corporate and association off-premise meetings.



For information about the Hynes, contact:

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900 Boylston Street, Boston, MA 02115
(617) 954-2000

1522 K. Street N.W., Suite 220
Washington, DC 20007 (202) 898-0909

Marketing Department

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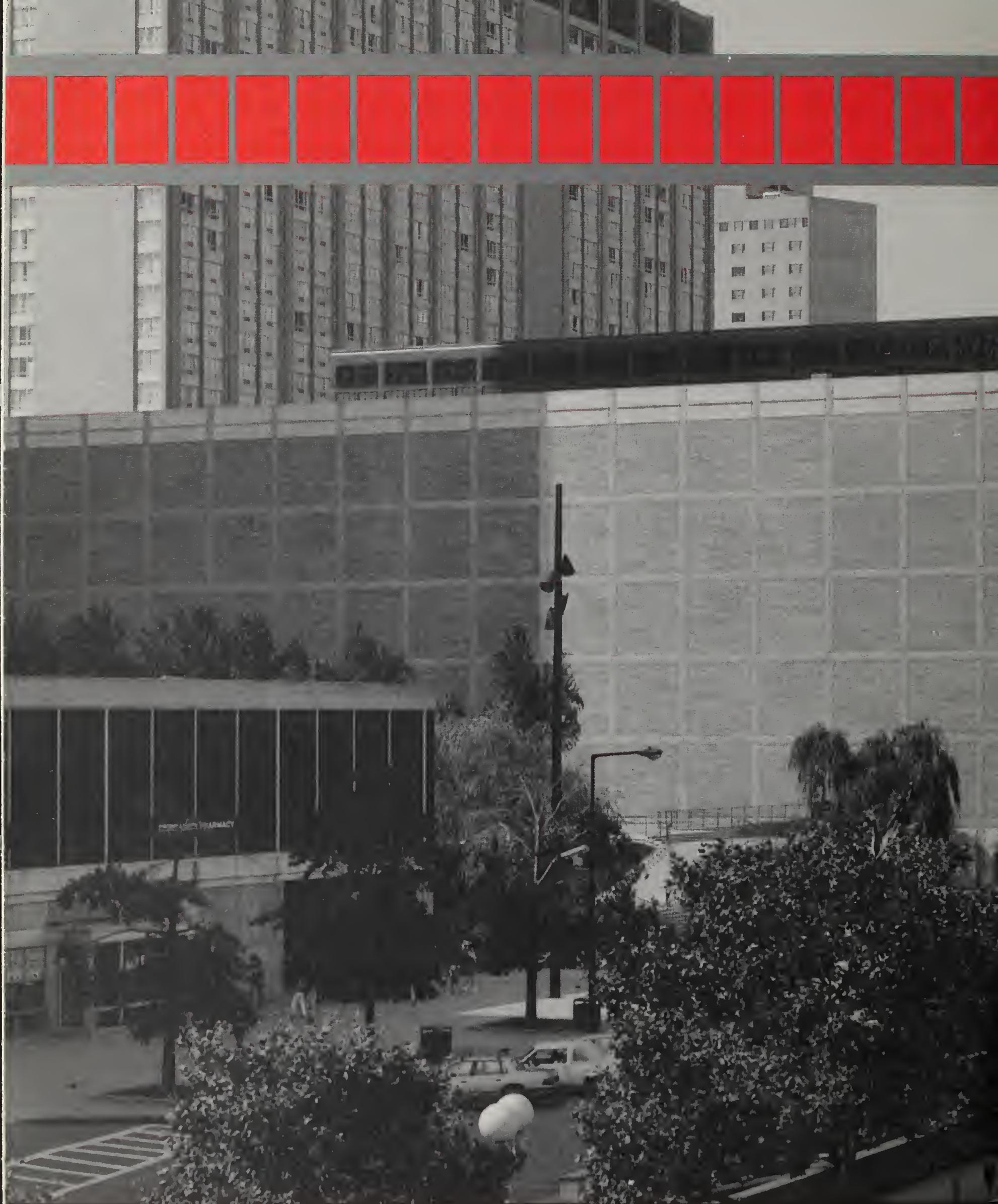


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MASSACHUSETTS CONVENTION CENTER AUTHORITY

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