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Showing San Diego is a site to be seen

City is hosting Super Bowl of convention, meeting trade

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With gestures big and small – from a \$500,000 donation by a major hotel chain to a complimentary beer-tasting by some area breweries – San Diego companies are preparing to pitch some major woo.

The object of so much desire? The American Society of Association Executives & The Center for Association Leadership has hit town.

For the uninitiated, this may be news that strikes with a dull thud. But for San Diego's \$8 billion tourism industry, which is heavily reliant on the money that business travelers spend at hotels, restaurants and attractions, the ASAE is considered the Super Bowl of the convention and meeting trade.

That's because the estimated 6,400 delegates to the annual ASAE convention, which runs today through Tuesday at the San Diego Convention Center, represent nearly 11,000 trade associations, societies and voluntary organizations that plan and select sites for thousands of other conventions and meetings each year.

Hosting the ASAE convention means an estimated \$31.2 million in immediate economic impact. But the real value is that by impressing the ASAE delegates, San Diego could secure bookings for more than \$1 billion in future meeting and convention business, local tourism leaders say.

“We are doing everything to ensure those who attend the events planned for them will want to book their next meeting or convention in San Diego,” said Carol Wallace, chief executive of the San Diego Convention Center Corp. “Given the current economy, hosting (this event) couldn't have come at a more ideal time.”

Indeed. San Diego's tourism industry suffered a troubling downturn in hotel occupancy in July, including a lackluster July Fourth holiday weekend that, rare in this



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At the San Diego Convention Center, Dexter Erb put the finishing touches on the Tucson booth as workers readied the exhibit hall for the four-day ASAE convention, which starts today.



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Workers prepared brochures for display. Some 6,400 delegates, representing 11,000 organizations, are expected to attend.

region, did not result in a hotel room sellout.

For the 29 days ended July 26, San Diego showed a 7 percent decrease in hotel occupancy, to 79.4 percent, from July 2007.

Bruce Baltin, a senior vice president of lodging experts PKF Consulting, predicted that San Diego hotel occupancy will fall to about 71.5 percent this year, from 73.5 percent last year. Next year, it will likely be down an additional 1 percentage point.

“San Diego is still a strong market,” Baltin said. “It's going to be more competitive, more challenging, and people will have to work a little harder, but it's not the end of the world.”

Given the state of the economy, and the winding down of a softened leisure tourism season, the fall and spring business-meeting season takes on even more importance as area hotels, restaurants, caterers and others scramble to secure bookings for coming months and years.

In the United States, trade associations and professional societies – from the American Medical Association to the American Soybean Association – spend more than \$79 billion annually to hold meetings, and are by far the dominant force in the \$119 billion meetings industry.

“Of our total market, association business is 70 percent to 75 percent of our entire business in the Convention Center,” said Steven Johnson, vice president of public affairs for the San Diego Convention Center Corp. “We anticipate approximately 300 to 400 of our top clients and/or potential clients will be attending the ASAE meeting and events tied to it.”

Area hotels also hope to book meetings for their own smaller conference rooms and ballrooms. Ted Kanatas, general manager of the Manchester Grand Hyatt, said about 75 percent of the hotel's business is group meetings, and of that, about two-thirds are the kind of association bookings that ASAE delegates bring.

Earlier this week, the Global Hyatt Corp. donated \$500,000 toward ASAE's diversity and inclusion initiative, a project to train associations to make their organizations more ethnically, age and gender diverse.

Locally, the Manchester Grand Hyatt, as well as several other corporate and civic sponsors, have kicked in a collective \$1.2 million to underwrite an opening reception for the ASAE delegates tonight in North Embarcadero Park, a finale block party Tuesday in the Gaslamp Quarter, and other perks for the ASAE delegates.

No other convention – including San Diego's biggest convention, Comic-Con International, which this year had about 125,000 participants – has attracted such sponsor-underwritten perks since 1999.

That was the last time the ASAE came to town.

“No one else gets this kind of treatment,” Johnson said. “It is the most important marketing thing we can do for the city, so we are priming the pump.”

Or, for Jim Crute, president of Lightning Brewery, the beer tap.

Crute's Poway brewery is one of about a dozen that are pouring beer for the delegates at tonight's reception. And even though the payback might not be evident – no hotel room to fill or meeting space to book – Crute wants to pitch in.

“If the ASAE brings in a whole bunch of other meetings to San Diego County, obviously we have accounts with downtown venues, and business travelers are always sniffing around for places to have good beer,” Crute said. “So we make out indirectly.”

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