

Meeting Rooms Past the Gates

By AMY ZIPKIN MAY 26, 2014

About once a month, Therese Hampton flies from Portland, Ore., where her home office is based, to the Seattle-Tacoma International Airport, a 35-minute flight, to meet with co-workers.

She does not go far from there.

She joins her colleagues, many of whom also fly in, from the Public Generating Pool, a clearinghouse for 11 public utilities in Oregon and Washington State, where she is executive director. They meet in a room at the airport's Conference Center, which has 8,220 square feet of meeting space, including an auditorium and individual rooms from 450 to 1,100 square feet that can be combined for larger spaces.



*A meeting of the Pacific Northwest Consulting Engineers Health and Welfare Trust in a conference center at Portland International Airport.
Credit Julie Keefe for The New York Times*

Typically the daylong event will have guest presentations about emerging industry issues. She flies out the same day.

As travel budgets shrink and companies scrutinize productivity, business travelers may discover that the next meeting destination is not a plush resort or downtown hotel, but an airport.

“Regional and district meetings with an element of training have replaced the longer getaway in some cases,” says Kristin D. Kurie, president of the Wilderman Group, a hospitality management company in Charleston, S.C. They also hold the appeal of not spending an additional night on the road.

It was not always this way. Before Ms. Hampton arrived at the company last year, the group met in hotels, she said. But she knew from experience that getting to hotels ate up time, and once there, participants watched the clock to make sure they had time to catch their flights. Now, she has become a proponent of the airport meeting. “The airport conference center minimizes travel logistics and complexity,” she said.

Seeing the demand, airports have been reconfiguring areas not suitable for other concessions. “It may be up or down a flight of stairs, less likely to be seen by folks drawing up the concourse,” says Henry Harteveltdt, travel analyst for the Atmosphere Research Group.

Portland International Airport and Cleveland's Hopkins International Airport have long had conference facilities. In recent years they have been joined by SeaTac, Lambert-St. Louis International Airport, Indianapolis International Airport and Ronald Reagan Washington National Airport, among others.

And they are busy. SeaTac said it handled 1,200 bookings last year, although some 500 were internal meetings, up from 845 in 2008. Reagan National said it received approximately 50 bookings a year, mostly by word of mouth.

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And with airline consolidation, airports have also become more competitive with one another. The chief beneficiaries are airport hubs, where hotels tend to sell out quickly. Statistics from STR, a travel research company in Hendersonville, Tenn., shows occupancy rates for airport hotels so far this year were 70 percent, while overall hotel occupancy has dropped below 60 percent. "Airports tend to run higher levels of occupancy," says Jim Holthouser, executive vice president for global brands at Hilton Worldwide.

These airport meeting rooms also provide competition to nearby airport hotels, which may require a shuttle or van to reach. The hotels are more convenient, and less expensive, than their downtown counterparts.

The airport sites try to be competitive. For example, Reagan National charges \$95 an hour for a conference room for 40 people with a day rate of \$500. By comparison, a 15-to-30-person meeting room at the nearby Hilton Crystal City runs \$350 a day.

These efforts do not surprise Christina Cassotis, a vice president with the management consulting firm ICF International. "The airports in the U.S. started acting more and more like businesses rather than public utilities," she said.

As a result, airport hotels are renovating to meet the competition. Radisson operates a full-service hotel close to John F. Kennedy International Airport. The hotel, a franchise that is co-owned by Amaya Hospitality and Vista Hospitality, is undergoing a renovation of at least \$2 million, and had previously converted some guest rooms to meeting space. Darin Miller, a vice president at Vista, estimates it hosts 150 to 175 meetings a year. And the Crowne Plaza Phoenix Airport Hotel completed an \$8 million renovation in January. The Courtyard by Marriott Cleveland Airport North has also completed a major renovation of its guest rooms.

With a compressed time frame for meetings, travelers are also forgoing eating downtown. Stephani Robson, a senior lecturer at the Cornell University School of Hotel Administration, said her research showed that meeting space was more profitable at airport hotels than other types of properties, in part because, "You're probably not going to schlep into town to go to dinner."

Some travelers prefer an airport hotel. Roy S. Kobert, a bankruptcy lawyer at Gray Robinson in Orlando, Fla., is one. He conducts mediations, he said, and he has discovered the best way to make progress on a case is a face-to-face meeting. In choosing a location, he gives weight to price, location and direct service. Then he rents hotel conference rooms and orders catering, "So nobody has to leave," he said. He said he might request an additional nonadjacent conference room on the same floor.

To be sure, some travelers may find an airport pedestrian. Those who opt to eat at Reagan National may find themselves choosing among Dunkin' Donuts or Einstein Bros Bagels, although catering from outside is available.

And groups that want to meet into the early evening may find they need to plead their case. While the conference rooms at Cleveland's airport are open around the clock with advance notice, SeaTac's are open only from 7:30 a.m. to 5 p.m., with requests for longer hours. St. Louis handles extended meetings on a case-by-case basis.

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Beyond that, there is the ambience. Depending on location, flight schedule and weather, experts say, some travelers may get a not-so-subtle reminder of their surroundings when planes are refueling, although engineers can manipulate outside air and minimize any odor.

Still, business has been strong, and some airports are taking it a step further, with their own hotel.

Dallas-Fort Worth International Airport owns a Grand Hyatt inside Terminal D. Denver International Airport is building an attached Westin, expected to open in late 2015. And Hartsfield-Jackson Atlanta International Airport is considering building an airport hotel either inside or connected to the domestic terminal.

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