

How to protect your next event from a possible labor dispute!

Excused non-performance language and how it can protect your organization

Most excused non-performance and force majeure clauses protect organizations from so-called “Acts of God.” However, many such clauses also address other extraordinary events such as labor disputes, and an increasing number of these clauses include language that indemnify organizations for meeting cancellations caused by labor disputes. Such language has been successfully used by many organizations for this purpose.

More and more meeting planners recognize the need to protect themselves and their organizations from the potentially negative effects of labor disputes in this manner.

With the right language, you should be able to cancel your meeting without penalty in the event of a labor dispute.

The following clause can help protect your group in case of a hotel labor dispute:

EXCUSED NON-PERFORMANCE DUE TO LABOR DISPUTES

Notwithstanding anything in this Agreement to the contrary, if performance hereunder would foreseeably involve [Group] in or subject it to the effects of a boycott, strike, lockout, picketing or other labor dispute and [Group] therefore withholds, delays or cancels performance, it shall have no liability there from, provided that [Group] may not withhold, delay or cancel performance based upon a labor dispute involving its own employees. In the event of a cancellation under this Section, neither [Group] nor its members shall have any future obligation under this Agreement, and any deposits or other payments made to the Hotel by [Group] or its members to reserve rooms or other space for use, and/or for services to be provided, shall promptly be refunded to [Group] or its members. This Section shall supersede all other provisions of this Agreement and shall be construed and enforced in accordance with the laws of the State of [Group’s home state here].

In addition, it is helpful to require that the hotel notify your group of any labor disputes:

NOTIFICATION OF LABOR DISPUTE

The Hotel agrees to notify [your Group] in writing within ten (10) days after it becomes aware of any labor relations dispute involving the Hotel and its employees including, but not limited to, union picketing, the filing of an Unfair Labor Practice charge by a union, the expiration of a negotiated labor contract, an existing or impending strike or lockout or any other matter which could reasonably be construed as a labor-management relations dispute.



Hotel and Convention Center Union Contract Expirations in WA

2009

Governor Hotel Olympia

December 2009

2010

Red Lion Hotel Seattle Airport

May 31, 2010

2011

The Westin Hotel Seattle

May 31, 2011

The Edgewater Hotel

May 31, 2011

Seattle Hilton Hotel

May 31, 2011

Washington Athletic Club

May 31, 2011

Doubletree Hotel Seattle Airport

June 30, 2011

Hilton Seattle Airport and Conference Center

July 15, 2011

Space Needle – Sky City Restaurant

May 31, 2011

2012

Red Lion Olympia

March 31, 2012

Washington State Convention Center

July 31, 2012

Coast Wenatchee Center

July 31, 2012

Hotel Murano Tacoma

December 31, 2012