

Next Meeting:
October 16th
Wyndham Hotel
at LAX



LOS ANGELES

International Association of
Hospitality Accountants

OCT. 1997 ISSUE



Shami Siddiqui, Controller at Hilton, LAX takes a bull by the horns at the IAHA Calgary Stampede in September. Shami made us proud! Also in attendance from LA were: Herb Hammann, Gabe De La Rosa, Quynh Tran, John Nendick, and Eden Slegr.

PRESIDENT'S MESSAGE

Our dinner meeting at the Park Hyatt in September was excellent and attended by almost 50 members and guests. Many thanks to Victor Kapusta, Controller at the Park Hyatt, and his General Manager, Cormac O'Modhrain, for graciously treating us to a great dinner. Thank you also to Al Weitz, Credit Manager, Four Seasons Beverly Hills, for arranging our speaker from American Express.

This month we will take a turn to a different subject ... REITS! They are a hot topic in the news and we have

all followed Starwood Lodging (and several others) with their major hotel acquisitions this year. Paul Prescott from Arthur Andersen L.L.P. will be our guest speaker. He specializes, and has significant expertise in the taxation of partnerships, S Corporations and REITS. Paul has over 16 years experience providing tax and business advisory services to clients in a number of industries, including hospitality. He is an author of numerous articles and a frequent speaker on current tax and other developments affecting the real-estate industry, including co-author of "Federal Taxes Affecting Real Estate," a treatise.

(Continued on page 3)

Wyndham Hotel LAX

6225 West Century Blvd.
Los Angeles
(310) 670-9000

Thursday, October 16th
Doors open at 6:00 PM!
Cocktails 6:00 - 6:45 PM
Speaker 7:00 PM
Dinner 8:00 PM

Our speaker will

be

PAUL PRESCOTT

from

Arthur Andersen L.L.P.

Speaking on:

REITS

Please see President's Message for more information

The price for all members
and first-time guests

\$35.00 per person.

All others pay \$45.00.

Please make checks

payable to "IAHA"

("No Shows" will be billed)

*

Call (626) 836-1222 for
reservations or fax the
enclosed **RSVP form**
by Monday, Oct. 13th



Bruce Reichenbacher,
Controller of the Sheraton Long Beach
and Los Angeles Board Member, was
recognized at the IAHA Convention in
Calgary for recently earning his CHAE
designation. Along with earning a
CHAE, Bruce has a new baby at home
keeping him up nights, working over-
time as Starwood purchased his
property earlier this year, and
attending IAHA Board Meetings as
well. Congratulations to Bruce for
being a master juggler!
The Certified Hospitality Accountant
Executive is a prestigious designation
and is given as a symbol of achieve-
ment and competence in the hospitality
industry. The designation is given to
individuals who meet the requirements
and pass an exam demonstrating their
knowledge and proficiency. For more
information and for upcoming dates for
CHAE exams, please contact the IAHA
International Office.

**The L.A. Chapter
welcomes
NEW MEMBERS**

ALLEN BERTA
Controller, Le Montrose Hotel

HEATHER RONING
KPMG Peat Marwick

IHAB SABRY
Assistant Controller
Intercontinental Hotel

SHARON verDOORN
President, Management Solutions

ROBERT WALTHER
Controller, Marriott Long Beach

Year 2000 and Beyond...

was the title of a general session during the 1997 IAHA Annual Convention in Calgary late last month. This well-attended session was presented by John Cahill, CHTP, CHA and Michael Kasavana, Ph.D., CHTP, and focused on the hospitality industry and technology trends for the future. I made a few notes and thought I would share them with you. The predominant thought was "if it works, it's obsolete!"

First, they predict reservation inventories to be brought back to one place rather than being fragmented and allocated. They expect this inventory to reside on the internet and predict internet reservations to increase dramatically in the next several years with corresponding significantly reduced costs to properties.

Another thought, a global guest history. A guest checking into a property would be equally recognized whether they stayed at that property 50 times in the past year or 50 times, each in different properties of the same company anywhere in the world.

As for telecommunications, expect seamless connectivity of applications and telecommunications, desktop-to-desktop communications. Also, they strongly suggested that you only consider and install TCP/IP as a common protocol. Do not consider anything less than TCP/IP as this will be the standard.

With regard to computers in rooms, the debate still rages and the jury is still out as to whether internet access will be best through the guest room TV, or through wired hookups for laptops. Perhaps both?

Guest self-help capabilities will continue to expand in rooms. Voice mail has been popular and has become

the norm. In-room local shopping as well as restaurant and entertainment reservations will become more available as well.

Some problematic trends include voice communication revenue losses and declines due to a number of reasons which include high hotel charges which drive guests to making calls from the hotel lobby (sometimes in their bathrobes!); for example, rather than calling from the room. Calling card use is going way up. Also cell phones are becoming more prevalent and will soon give anyone instant world-wide access for very low costs. Again, this will reduce revenue. It was suggested you analyze your call history periodically and analyze your system trends to better manage your call revenues.

Expect 911 phone calls will have to be "room tagged" in the near future as this could become a national standard and required of all hotel properties. Also, expect a 35% computing power growth annually for the next several years at least.

As managers we must commit to change, we can't stay still! Make a plan 5 years out, commit resources, commit to training and education as you will increasingly need a computer literate staff! How about a Techno Concierge? Does your property need one? It soon may!

Other trends and perhaps not-too-distant reality includes scheduling your employees via the internet! How about virtual dining - guests sharing a meal at the same time but physically being in different hotels/restaurants?

Anyway, as you can see, this session was quite thought provoking and is available on video or tape from the IAHA International office in Austin if you wish more details about this fascinating subject.

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IAHA is moving!!!

IAHA will be moving offices this fall. The change is scheduled to occur after **November 1, 1997**.

The new address will be:
11709 Boulder Lane, #110
Austin, TX 78726

The phone number will remain
(800) 856-4242

(President's Message continued from page 1)

Paul will review some of the financing structures and features of REITS and will also discuss how you and your property may be affected internally if your property gets taken over by a REIT.

October's meeting promises to be an excellent one and we look forward to dinner at Windsor's restaurant at the Wyndham LAX. Hope to see you all there!

Eden Slegr



Mary Nowak, President, receives plaque from incoming President Eden Slegr, a big round of applause, and thank you's all around from a big turnout at the Park Hyatt in September. Mary Nowak was noted for her ceaseless dedication and contribution as President of the Los Angeles Chapter during 1996-1997. Previous to that, Mary was Vice-President 1995-1996 and secretary of the Board 1994-1995. Mary was instrumental in organizing many excellent monthly meetings and will continue to be active on the Board this coming year. Thank you from us all.

ON THE MOVE

Cliff Day
Controller, Mission Inn
Gary Ekman
Controller, The Argyle Hotel
Andy Grieg
Sprint Hospitality Group
moved to San Mateo
Al Kazmierski
Controller, Red Lion Costa Mesa
Guy Underkoffler
Controller, Westwood Marquis
Gary Wu
Controller, Hilton Ontario Airport

MARK YOUR CALENDAR !

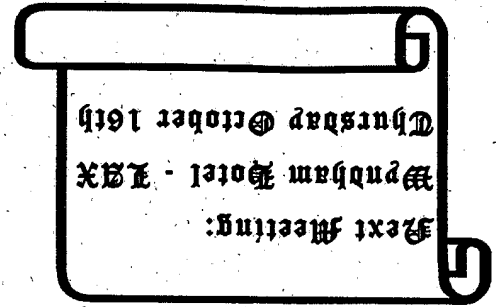
Half-day seminar planned for November 20th at the Los Angeles Omni Hotel

Please join us for a light lunch between 12 and 1PM to be followed by an afternoon of educational seminars which are currently being planned. The schedule will include four, approximately one-hour seminars including:

Personal investing: heading into year 2000 - presented by Dean Whitter Reynolds; **Driving Revenues** - presented by Shami Siddiqui, Controller LAX Hilton; **125 Ways of controlling food costs - bringing profits to the bottom line** - presented by Don Avalier, Hospitality Consultant, and former Corporate Food & Beverage Director of Club Corporation of America.

The afternoon seminar will be followed by a cocktail and hors d'oeuvres networking session. Stay tuned for further information and exact schedule in the next newsletter!

We hope all of you will attend this excellent event.




International Association of Hospitality
Accountants - Los Angeles Chapter
c/o Eden Siegr, Partner
Hospitality Network International
Global Hospitality Search
3579 E. Foothill Boulevard, #229
Pasadena, CA 91107

HITEC coming to Los Angeles!!

HITEC, the premiere Hospitality Industry Technology Exposition and Conference, is presented to you by IAHA. It will be held at the Los Angeles Convention Center June 16-18, 1998! For more information, please check www.hitecshow.org

Fax on Demand

Offers you information at your fingertips. Call (888) 813-INFO to get information on Membership, HITEC, Education and Professional Development Seminars. Also, you should check IAHA web site at www.iaha.org. This site is full of useful information including articles from past issues of "The Bottom Line."

Note: 
October Meeting: Thurs., 16th;
November meeting: Thurs., 20th; December meeting, Thurs., 18th!

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