



## Investing in Hospitality Minnesota

Hospitality is a dynamic industry, and our members range from single location operations to large mixed property management companies and from multi-generational, family-owned to multi-national corporations. All of our members have at least one very important thing in common, you are welcoming guests and creating distinct experiences at your Minnesota hospitality business.

Our goal is that every hospitality business views membership in Hospitality Minnesota as an essential, affordable investment in a powerful business asset that contributes to your business success. As we set out to design our new member dues investment model, we talked with our board and members like you. We came up with three key organizing principles:

1. Make it simple;
2. Make it transparent
3. Make it fair

### **So what does this mean for you?**

For you, as a renewing member, the new investment model means a simplified invoice renewal process and a fee structure built on your business results from the prior year's economic environment. It's a real-world approach that right-sizes your annual investment each year, taking your entire enterprise into account.

The new investment model is revenue-based and encompasses your entire hospitality business portfolio in Minnesota. That means the investment for lodging properties will no longer be based on a per key calculation and for our resorts and campgrounds, the annual membership will no longer be calculated using a flat rate plus a per bedroom/campsite fee. For our restaurants and foodservice businesses, this new model will be most familiar though the revenue ranges have been broadened. We believe this will bring you the greatest value, because you'll pay one amount on one invoice to cover all operations, regardless of the business types under your umbrella. **All your employees are considered members**, with access to a wide array of cross-sector benefits to help them and your business grow and thrive. We know this is increasingly important to support your organization with professional development and training opportunities, along with helpful connections and industry insights.

We also believe this approach makes the most sense in light of the impact the pandemic likely had on your business directly and the industry as a whole. Each year, your annual investment will flex by taking into account your actual operating conditions and sales results. It's a more fair and realistic way to calibrate your investment, one that should be on par, or less than, in past years. Even as your investment category changes over time, your access to HM member benefits remains the same.

### **Here's how it works.**

The model is designed on the foundation that all owned, licensed and managed properties across all hospitality sectors will be included in your membership investment calculation. We know that if we do our job well by providing the essential resources and information you need, a strong ROI will follow. Your business will improve, and your association will get stronger.

(OVER)

You can complete your membership investment in four easy steps:

<p><b>Step 1:</b> Determine your total annual revenue for the businesses in your hospitality portfolio.</p>	<p>Keep in mind:</p> <ul style="list-style-type: none"> <li>▪ Use either your fiscal year or the calendar year; it's up to you.</li> <li>▪ No documentation is needed; we're relying on the honor system.</li> </ul>																																							
<p><b>Step 2:</b> Select the Category that reflects your annual revenue in Minnesota for <b>your entire hospitality enterprise</b> and communicate it to us by replying to this email.</p> <p>If you wish to support the association with an additional one-time contribution, please tell us that amount too.</p>	<table border="1"> <thead> <tr> <th colspan="2"><b>Annual Gross Revenue for Entire MN Portfolio</b></th> <th><b>Annual Investment</b></th> </tr> </thead> <tbody> <tr> <td>Category A</td> <td>\$0 (Institutional, Under Construction, Start-Up)</td> <td>\$195</td> </tr> <tr> <td>Category B</td> <td>\$1 - \$499,999</td> <td>\$375</td> </tr> <tr> <td>Category C</td> <td>\$500,000 - \$1.49 million</td> <td>\$485</td> </tr> <tr> <td>Category D</td> <td>\$1.5 - \$2.49 million</td> <td>\$625</td> </tr> <tr> <td>Category E</td> <td>\$2.5 - \$3.49 million</td> <td>\$850</td> </tr> <tr> <td>Category F</td> <td>\$3.5 - \$4.99 million</td> <td>\$1,250</td> </tr> <tr> <td>Category G</td> <td>\$5.0 - \$6.49 million</td> <td>\$1,750</td> </tr> <tr> <td>Category H</td> <td>\$6.5 - \$9.99 million</td> <td>\$2,350</td> </tr> <tr> <td>Category J</td> <td>\$10 - \$24.9 million</td> <td>\$3,950</td> </tr> <tr> <td>Category K</td> <td>\$25 - \$49.9 million</td> <td>\$5,275</td> </tr> <tr> <td>Category L</td> <td>\$50 - \$74.9 million</td> <td>\$7,250</td> </tr> <tr> <td>Category M</td> <td>\$75 million+ or Corporate Rate</td> <td>Call HM</td> </tr> </tbody> </table> <p>You can also help us extend our reach and impact by contributing above your annual investment renewal level. (See box at left).</p>	<b>Annual Gross Revenue for Entire MN Portfolio</b>		<b>Annual Investment</b>	Category A	\$0 (Institutional, Under Construction, Start-Up)	\$195	Category B	\$1 - \$499,999	\$375	Category C	\$500,000 - \$1.49 million	\$485	Category D	\$1.5 - \$2.49 million	\$625	Category E	\$2.5 - \$3.49 million	\$850	Category F	\$3.5 - \$4.99 million	\$1,250	Category G	\$5.0 - \$6.49 million	\$1,750	Category H	\$6.5 - \$9.99 million	\$2,350	Category J	\$10 - \$24.9 million	\$3,950	Category K	\$25 - \$49.9 million	\$5,275	Category L	\$50 - \$74.9 million	\$7,250	Category M	\$75 million+ or Corporate Rate	Call HM
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<p><b>Step 3:</b> Receive and pay the invoice that reflects the category you've selected. (And optional contribution as noted).</p>	<p>Within a few days, we'll send your invoice via email:</p> <ul style="list-style-type: none"> <li>▪ You may print the invoice and mail it with your payment.</li> <li>▪ You may also join/pay online via credit card on our website. <a href="https://hospitalitymnassoc.weblinkconnect.com/atlas/forms/2">https://hospitalitymnassoc.weblinkconnect.com/atlas/forms/2</a></li> </ul>																																							
<p><b>Step 4:</b> Help us update your contact information.</p>	<p>Provide us with the contact information for your employees so they can directly access benefits that help your business grow and thrive. You can add names now, or at any time during the year as people join your team or move into new roles.</p> <p>Here's what we need on each person you want to include:</p> <ul style="list-style-type: none"> <li>▪ Name</li> <li>▪ Email address</li> <li>▪ Position</li> </ul> <p>Note: this information is safe-guarded and not shared with outside parties.</p>																																							

Hospitality Minnesota is committed to be a resource for hospitality businesses like yours all across Minnesota. Our voice is stronger and our impact more powerful when our members stand as one. Your investment in your industry association will make that possible. Please let us know what questions you may have and how we can help. Thank you!