



Hotels Are Big Business

- ❖ The U.S. lodging industry is the 3rd largest retail industry behind automotive and food stores. (*Lehman Brothers*, January 2005).
- ❖ Full service hotels, the largest subset of the lodging industry, generate more than \$80 Billion in annual revenues, according to Smith Travel Research.
- ❖ In 2005, hoteliers sold \$22 Billion worth of hotels and hotel companies in the hottest hotel transaction market in two decades.
 - ❖ In the first 6 months of 2006, another \$22 Billion worth of hotels have changed hands, meaning that 2006 has broken the record sales of 2005.

The Big Chains Dominate the Industry

- ❖ Marriott, Hilton, Starwood, and Hyatt employ 25% of the full service hotel workers in the U.S.
- ❖ Marriott, Hilton, Starwood, and Intercontinental own most of the brands (names) we are familiar with in the U.S. hotel industry.
 - ❖ Marriott: Marriott, Courtyard by Marriott, Residence Inn
 - ❖ Hilton: Hilton, Conrad, Embassy Suites, Doubletree, Hampton Inn, Hilton Garden Inn
 - ❖ Starwood: Sheraton, Westin, W, Four Points, Le Meridien, aloft
 - ❖ Intercontinental: Intercontinental, Crowne Plaza, Holiday Inn, Indigo

2006 Is a Be a Record Year for Profits

- ❖ The industry has fully recovered from the depression caused by the events of 9/11.
- ❖ Analysts estimate 2006 will be a record year for profits in the industry. The overall lodging industry earned an estimated \$20.8 Billion in profit before taxes in 2005, and those earnings are expected to increase by 21% in 2006. (*Wall Street Journal*, 12/8/05)
 - ❖ In the second quarter of 2006, Marriott's net income rose 100% over the 2005 quarter.
- ❖ "Revenue per available room was up 8.4% last year [2005], the most in more than 20 years." (*Wall Street Journal*, 2/2/06). Revenue per available room is the standard industry metric, and is defined by multiplying occupancy rate times average daily room rate.

Employment

- ❖ The hotel industry employs roughly 1.3 million workers in this country.
 - ❖ Approximately 500,000 work in full service hotels.
- ❖ The workforce in hotels represents the diversity of America
 - ❖ Large percentages of women, people of color, immigrants, single parents and welfare-to-work participants characterize industry employment
 - ❖ City center hotels are a large base of urban employment.

UNITE HERE & Hotels

- ❖ UNITE HERE represents approximately 90,000 full service hotel workers in the U.S. and Canada.
- ❖ Contracts at over 400 hotels with 160,000 rooms expired or will expire in 2006.
- ❖ Expiring contracts cover approximately 60,000 hotel workers.
- ❖ Hotels throughout the U.S. and Toronto expire in 2006, including the following markets with large numbers of hotel expirations:
 - ❖ San Francisco (expired 8/04, not yet settled)
 - ❖ Toronto (expired 1/31/06)
 - ❖ New York and Hawaii (Both expired 7/1/0, New York has settled.)
 - ❖ Monterey, CA (expired 7/31/06)
 - ❖ Chicago (Expired 8/31/06. Hilton has settled)
 - ❖ Boston and Los Angeles (expire 11/30/06)
- ❖ Hilton Hotels, Starwood Hotels, and Global Hyatt combined employ 26,000 union members, or a little more than 40% of the workers with contracts expiring in 2006.

Marriott International

- ❖ Marriott employs approximately 56,000 full service hotel workers in the US, making it the largest employer in the industry.
- ❖ Marriott is expected to earn \$682 Million in net profit in 2006.

Global Hyatt

- ❖ Hyatt employs approximately 25,000 full service hotel workers in the US.
- ❖ Hyatt is privately owned by the Pritzker Family of Chicago and does not publish profit figures.

Housekeeping Wage Comparisons

- ❖ Average national wage for housekeepers is \$8.67 per hour, according to the BLS. That's an annual salary of \$17,340, assuming 40 hours per week of work.
- ❖ The poverty line for a family of 4 was \$19,157 in 2004
- ❖ Average Union wage for housekeepers is \$13.00 per hour, or \$26,000 per year.

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For more information contact: www.hotelworkersrising.org