

### **For Immediate Release**

#### **BARTER, THE OUT OF THE BOX FINANCIAL TOOL**

New York, NY "Unsold inventory represents more than just lost revenue. It's like leaving money on the table that could have been invested," said renowned hotel industry consultant Sean Hennessey, President of Lodging Investment Advisors, LLC.

Barter - utilizing the value of available rooms as currency - is one of the best strategies for building your marketing spending power and boosting profit. Regardless of the economy, hotels in all segments need to stay ahead in their competitive sets - but without breaking their budgets. In planning financial allocations for sales and marketing, hotel groups and independent properties should tap barter as a financial tool just as companies do, to increase revenue and profit.

Rosewood Hotels & Resorts, Ian Schrager Hotels, Extended Stay America, independent properties such as The Breakers Palm Beach, and other hotel firms retain the barter services of Innovative Travel Marketing (ITM) to maximize their annual budgets. Using barter, hotels can expand their advertising budgets, engage new clients, and increase their buying power above and beyond available cash. ITM utilizes the value of unsold rooms as credit to purchase desirable ad placements and marketing services that will impact sales. As an important bonus, the bartered rooms - in turn - will be used by ITM's clients to bring in new business and incremental revenue.

Hoteliers know available hotel rooms represent unrealized revenue that can never be recovered. Barter presents an alternative to discounting, as it avoids loss of room revenue and presents an opportunity to recover full value in trade credit. Plus, as customers are directed to the property, hotels enjoy increased occupancy, average rates and revenue.

In addition, the IRS ruled in 1982 that any company can barter their services at fair market value provided that taxes are paid.<sup>1</sup> Upon departure, ITM clients pay taxes directly to the hotel. "Clearly, barter is a hot industry right now, because it is a viable and intelligent way of doing business," says Jody Merl, President of ITM. "If a hotel has rooms, why write a check for important marketing services when those rooms can fund your wish list to boost your bottom line?" Hotels should include a barter line in their budget to fund ad placements, reward programs, printing services and capital improvements.

About ITM Established in 1992 by Jody Merl, Innovative Travel Marketing (ITM), is the only company that specializes in hotel and travel advertising using barter to expand buying power. The firm integrates expertise in strategic media planning and buying, with the financial intelligence of barter - the exchange of unsold room inventory for advertising placements and services. ITM's clients, which include some of the finest hotels, resorts and airlines worldwide, benefit from cash-saving strategies to expand marketing budgets, increase occupancy rates and profitability.

With a focus on the hospitality industry, ITM associates have more than 25 years of sales and marketing experience. Over 90% of ITM's clients repeat their advertising campaigns annually. For information on Innovative Travel Marketing, call (973) 331-8171, ext. 10., or visit [www.innovativetravelmarketing.com](http://www.innovativetravelmarketing.com).

[1] The Tax Equity and Fiscal Responsibility Act of 1982; the International Reciprocal Trade Association worked with the US Congress to pass the barter tax compliance provisions of this Act.