



Update on the Hyatt Labor Disagreement
June 20, 2012

SBL members may have been given the wrong impression by a recent UniteHere automated letter campaign. The SBL Council and the AAR Board, through their executive staff, have been in regular contact with each other over issues related to a UniteHere boycott of Hyatt hotels in Chicago, the location of the 2012 Annual Meetings. Indeed, in an exchange of ideas in May, it seemed that outstanding issues related to the Chicago meeting were relatively minor. Please see the previous [FAQ](#). This update is intended to give some further background to the thoughtful process and evaluation the SBL Council has brought to this matter. Furthermore, in early May SBL requested a meeting of the subcommittees of the AAR and SBL Boards to address these issues and work on options for our members.

[AAR's position](#) itself might also be misunderstood from the UniteHere campaign. The AAR Board did not endorse the boycott, and they have repeatedly assured SBL that they will not break Hyatt contracts.

SBL's Proactive Response

We want to assure everyone to the fact that SBL quickly alerted members of the boycott. That message was posted on the SBL site March 30, because we felt our members had a right to know and needed to make hotel accommodations with that knowledge *and the freedom to choose*. We posted it in three locations on the site, so it could not be missed, especially when the member was registering.

Furthermore, several steps and decisions were arrived at early on or initiated by SBL, and these were not acknowledged by the UniteHere letter:

- 1) We negotiated reductions in our obligations to the Hyatt, and those negotiations included removing a standard confidentiality clause that would have prevented us from informing our members that we did, in fact, reduce usage of the Hyatt.
- 2) We agreed at the same time as AAR to make arrangements for disabled and shomer Shabbat members who do not want to stay in the Hyatt.
- 3) We agreed at the same time as AAR to move the childcare service to the McCormick Center.
- 4) We have been discussing with the AAR executive and staff the location of Employment Center's private interview rooms, so as not to burden employers or candidates.

- 5) We initiated the discussion with AAR executive staff on long-term policies to reduce the threat and risk of such predicaments in the future, and to develop joint responses if and when they do arise.

SBL did make a decision not to move program sessions out of the Hyatt. The Hyatt was intended only for as overflow meeting space, and moving these to the Hilton (4 miles away) would put those session participants in a position of having to take a cab or shuttle across town to attend one session and then return. The travel time to and from can be well over an hour, and that would become a significant obstacle to attending other sessions and to conducting job interviews.

SBL also made the decision not to move complimentary rooms from the Hyatt, due to the high costs of replacing them. The Chicago meeting is already a very expensive one for the organization, because to accommodate the larger joint meeting with AAR, we used the McCormick Convention Center *and the Hyatt*. The accommodation of the joint meeting requires using shuttles that cost an additional \$200,000.

We want to reiterate, too, information given in the FAQ: the cost of breaking the contract with the Hyatt is approximately \$750,000 for this year. Not only would such a penalty result in an undue financial burden on SBL members and staff, it would place both organizations in a long-term disadvantage in future negotiations with hotels.

SBL's Responsibilities

Due to the size of our joint conferences, it is necessary to make arrangements years in advance, and we currently have contracts for the Annual Meetings through 2021. These contracts carry severe financial penalties that escalate as the event draws nearer. We have a responsibility to honor these contracts for the sake of our members, and we have a responsibility to AAR, with whom we cosigned these contracts and entered into a joint venture, as spelled out in the Letter of Intent. Indeed, the joint nature of the contracts we sign currently leaves one organization responsible for fines and penalties even in event the other organization unilaterally breaches a contract.

The SBL takes very seriously its fiduciary responsibilities to its members. Legal counsel has advised the SBL Council that diverting significant membership dues and fees for social advocacy of causes outside its core [mission](#) would jeopardize its non-profit status.

Our efforts have been to give our members as many choices as possible, within the financial and legal constraints outlined above, which are based on our responsibilities to our members. We will continue our conversations with AAR, and we feel the joint conference serves all of our members well. We are committed to the ongoing relationship, and we look forward to serving you.

Sincerely,

John F. Kutsko
Executive Director

John Strong
Chair of Council

