Kickback Controversy

THERE'S NOTHING ILLEGAL about taking gifts from business partners, says Washington D.C.-based lawyer James Goldberg, but he adds that many organizations have ethics policies that limit gifts that employees may accept from suppliers, "and you could lose your job if you violate them."

Many corporations, including the multinational retail giant Wal-Mart, either destroy such gifts or give them to charity, according to Goldberg. But suppliers, particularly hotels and air carriers, frequently offer gifts to planners, who might walk away with anything from a suite upgrade to a luxury automobile.

There are, however, limits to what is appropriate. Over half of planners accept upgrades to higher classes of air service, or better hotel rooms, but only 2 percent of planners say they accept gifts valued at over $5,000. Says San Francisco event pro Loretta Lowe, "Hotels and vendors who offer these kinds of ‘carrots' are doing a great disservice."

ETHICS EXPOSED Accepting any gifts from suppliers is...-

Ethical  60%
Unethical  40%

Allowing gifts to influence my choice of suppliers is...-

Ethical  25%
Unethical  75%

Data from a February survey of 126 meeting professionals

By Ben Chapman

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Item Number: 9439110