



2015 STR/STR GLOBAL F&B STAR DATA REPORTING GUIDELINES

The STR/STR Global data reporting guidelines (“the guidelines”) were developed to align with the Uniform System of Accounts for the Lodging Industry, Eleventh Revised Edition (“USALI”). If you have questions or would like additional clarification on the guidelines, please contact us at support@str.com.

Reporting Food & Beverage Revenue

STR/STR Global tracks food, beverage and other revenue from three specific Food and Beverage revenue centers for hotels participating in the STR F&B STAR report. Only revenue generated from Catering & Banquets, Venues, and In-Room Dining operations should be included in F&B revenue figures reported to STR/STR Global for F&B STAR reporting purposes.

F&B revenue reported to STR/STR Global should be NET of service or product related rebates, refunds (allowances), overcharges and taxes and gratuities. Specifics of what should be included and excluded from F&B revenue reported to STR/STR Global for F&B STAR reporting purposes are provided below.

For STR/STR Global F&B STAR reporting purposes, INCLUDE all revenue generated in:

- **Catering and Banquets operations**
- **Venues**
- **In-Room Dining**

For STR/STR Global F&B STAR reporting purposes, F&B revenues INCLUDE:

- **Food Revenue** generated by the sale of consumable food and non-alcoholic beverages in:
 - Catering and Banquets operations
 - Venues
 - In-Room Dining
- **Beverage Revenue** generated by the sale of alcoholic beverages in:
 - Catering and Banquets operations
 - Venues
 - In-Room Dining
- **Other Revenue** generated by the sale of non-consumable products and ancillary services, surcharges and service charges including but not limited to:
 - Catering and Banquets operations – mandatory non-discretionary service charges, audio-visual, meeting room rental and set up fees
 - Venues - cover charges, mandatory non-discretionary service charges, (large party minimums, corkage charges, etc), souvenirs



- In-Room Dining - delivery charges, mandatory non-discretionary service charges, other non-consumable products, etc

Revenue generated by food and beverage sales through other revenue sources should be excluded from STR/STR Global F&B STAR reporting.

EXCLUDE from F&B STAR reporting any food, beverage, and ancillary revenue generated outside of the three designated Food and Beverage revenue centers⁽¹⁾. For example, do not report revenue generated through:

- Non-venue recreation/spa areas (snack cart on the golf course)
- Front desk
- Concierge or club lounge
- Consumable food and beverage sales in retail shops
- Vending machines

⁽¹⁾ *with the exception of food and beverage and ancillary revenue in the “non-room revenue” components of package rates, wherein the revenues are allocated directly to respective revenue centers included in F&B STAR reporting – Catering & Banquets, Venues, or In-Room Dining.*

EXCLUDE from F&B revenue figures reported to STR/STR Global:

- **Mini-bar revenue**
- **Product or service related rebates and refunds (allowances).** Rebates and refunds due to product or service related issues are typically a reduction to food and beverage revenue.
- **Group/Guest count attrition or cancellation fees.** Fees received due to cancellations - generally advance deposits for meetings, conventions, groups, catering event contractual commitments, etc. - should be excluded from food, beverage, and other revenue reported to STR/STR Global for F&B STAR reporting purposes. Revenue of this nature is usually credited to the “rentals and other income” section of the property’s financial statement.
- **Commissions and Fees – Group.** Rebates or subsidies granted directly to a group should be recorded as contra revenue (e.g. preferred partner agreements). Such rebates or subsidies should not be a reduction of food & beverage revenue.

Reporting Rooms Sold

Occupied rooms and respective revenue for F&B STAR reporting purposes will come from monthly results submitted for standard STAR reports. STR/STR Global data reporting guidelines for rooms sold apply.



Reporting Total Catering & Banquets Square Footage (Square Metres)

The total of the hotel's function space designed primarily for Catering & Banquets use,

EXCLUDING:

- Pre-function space
- Outdoor space
- Flexible space, generally not defined by four walls (courtyards, atriums, rooftop patios, etc)
- Parlors and/or suites included in overnight guestroom inventory

Reporting Venues Available Seats

A constant number for all F&B Venues combined, including private dining, bar stools and lobby bar seating. Outdoor seating not included unless it is available year-round; temporary seating not included.

Reporting Total Customers

Tally of every customer served in an F&B Venue, no matter what the individual selects from the menu. Customer Served = Customer.

F&B STAR Program Definitions

Available Seat

A constant number for all F&B Venues combined including private dining, bar stools and lobby bar seating. Outdoor and other *seasonal seating* is not included unless it is available year-round; temporary seating is not included.

For F&B STAR reporting purposes, Available Seats in *seasonal venues* are included in the calculation of total available seats. Example: a pool bar wherein the pool is closed 6 months of the year.

Banquets

Hotel revenue center referring to Group events hosted in a hotel's Function Space that also include overnight guestroom commitments (Group segment). NOTE! Rooms revenue is not included in F&B STAR reporting.

Beverage Revenue

Revenue derived from the sale of alcohol

Catering

Hotel revenue center accounting for social or business events hosted in a hotel's function space; Catering events generally do not require overnight guestroom commitments.

Catering & Banquets

All revenue other than food and beverage generated from



Other Revenue	catering and banquet events, including but not limited to mandatory non-discretionary Service Charges, Room Rental, Audiovisual revenues.
Catering & Banquets Revenue	<p>All revenue captured by the Catering & Banquets department as defined in the Uniform Systems of Accounts for the Lodging Industry.</p> <p>This includes Other Revenue, such as Meeting Room Rental, Service Charges, and Audiovisual revenue. This also includes revenue generated and serviced by the hotel and provided outside of the hotel's immediate premises.</p>
Competitive (Comp) Set	A peer group of hotels that compete for business, selected by hotel management to benchmark the subject property's performance.
Customer	Calculated every time a person is served in an F&B venue, no matter what the individual selects from the menu. Customer Served = Customer
F&B Venues	The hotel's eating and drinking areas that are not part of Catering & Banquets. Per the USALI, revenue generated by in-room dining, mini bars, and food sold at the front desk are <u>not</u> included in F&B Venues reported revenues.
F&B Venues Other Revenue	<p>All ancillary revenue generated in F&B Venues other than from the sale of consumable food and beverage. Examples include but are not limited to mandatory non-discretionary service charges, cover charges, souvenirs, etc.</p> <p>F&B Venues Revenue <u>excludes</u> Room Service and Mini-bars.</p>
F&B Venues Revenue	Revenue generated by the sale of food, beverage and ancillary products and services in the F&B Venues; this includes "Other F&B" such as cover charges and souvenirs.
Food Revenue	Revenue derived from the sale of consumable food and non-alcoholic beverages - coffee, tea, soft drinks, water, etc.
In-Room Dining	All ancillary revenue generated through In-Room Dining



Other Revenue	other than from the sale of consumable food and beverage. Examples include but are not limited to delivery charges, mandatory non-discretionary service charges, and non-consumable products.
In-Room Dining Revenue	Food, beverage, and other revenue generated through in- room dining services; this includes delivery charges and mandatory non-discretionary service charges.
Market	<p>In the U.S., a market is defined as a geographic area composed of a Metropolitan Statistical Area (i.e. Atlanta, GA), a group of Metropolitan Statistical Areas (i.e. South Central Pennsylvania) or a group of counties (i.e. Texas North). Outside the U.S., a market can be defined as a city, region or country with at least 30 participating hotels.</p> <p>A market must contain a sufficient number of hotels to permit further subdivision into submarket and price segments.</p>
Meeting Space	Space that is designed primarily for Catering & Banquet events; space that is generally between four walls and is used for meal functions and meeting room sets. Outdoor space and pre-function space should <i>not</i> be included when calculating total square footage (metres).
Other Beverage	<p>Sales of consumable alcoholic beverages not designated as Catering & Banquets, Venues, In-Room Dining or Mini Bar* revenues. Examples of Other Beverage Revenue are alcoholic beverages sold in the property's concierge or club level lounge or on the golf course.</p> <p><i>*For F&B STAR reporting purposes, revenues generated outside of Catering & Banquets, Venues, and In-Room Dining revenue centers are <u>excluded</u>. Mini Bar revenue is <u>excluded</u> from F&B STAR reporting.</i></p>
Other Food Revenue	Sales of consumable food items and non-alcoholic beverages not designated as Catering & Banquets, Venues, In-Room Dining or Mini Bar* revenues. An example of Other Food Revenue is food sold at the property's front desk or on the golf course.



**For F&B STAR reporting purposes, revenues generated outside of Catering & Banquets, F&B Venues, and In-Room Dining revenue centers are excluded. Mini Bar revenue is excluded from F&B STAR reporting.*

Other Revenue

Revenue generated by the sales of services and all products that are not consumable food or beverage items captured on the F&B line of the P&L. This can include meeting space rental, mandatory non-discretionary service charges, delivery charges kept by the hotel for in-room dining, audio visual revenues etc.

Outdoor Space

Any space used for dining or events on or adjoining a hotel campus, outside of its defined, walled catering and banquet meeting space. Examples include beachfront, lawns, courtyards, patios, parking lots or other space used for scheduled or overflow events.

For F&B STAR reporting purposes, outdoor space is not included in the calculation of total Catering & Banquet meeting space.

**Percentage Change
(% Chg)**

Amount of growth or decline - this period versus same period last year (year to date, month to date etc). Calculated as $((TY-LY)/LY)*100$.

Pre-function Space

Indoor space that has been designed for F&B service adjacent to a main event location; often used for receptions before a meal or coffee breaks during a meeting or other event. Examples include foyers, atriums, patios, hallways, etc..

For F&B STAR reporting purposes, pre-function space is not included in the calculation of total Catering & Banquet meeting space.

Rev/Avail Seat

F&B Venues Revenue per available F&B Venue Seat.
*Calculated: $(Revenue / (Total Seats * \# of days in period))$*

**Rev/Available SqFt
(Sq Metres)**

Catering Revenue per Available Catering Square Footage (Square Metres).
*Calculated: $(Revenue / (Total Sq Ft * \# of days in period))$*
*Calculated: $(Revenue / Total SqM * \# of days in period)$*



Rev/Customer F&B Venues Revenue per Customer.
Calculated: (Revenue/ Total Customers)

Total F&B RevPAR The sum of total reported Catering & Banquets Revenue + F&B Venues Revenue + In-Room Dining Revenue divided by the number of available rooms for the period.
Calculated: (Total F&B Revenue / Available Rooms)

Other Data Reporting Issues

- **Partial month data:** Monthly data for hotels new to a company's portfolio (i.e. new construction, acquisitions, conversions) should be reported to STR/STR Global only if the property was open fifteen (15) or more days in the initial month of operation.
- **Hotel "Soft Openings":** Management of newly constructed hotels should provide STR/STR Global the correct physical room inventory, F&B Venues available seats, and Catering and Banquets available square feet/metres at the time of opening and should report full room night availability based on the current room count. As rooms are opened and added to the property count, management should provide STR/STR Global with updates on physical room inventory count, including date of room addition and number of rooms added, until the hotel reaches full availability.
- **Package rates:** Only the food and beverage revenue portion of package rates should be reported to STR/STR Global for F&B STAR reporting purposes.

To identify the food and beverage revenue component in package rates, the fair market value (FMV) of each package item should be determined. The FMV revenue percentage should then be applied to the package food and beverage allocation to determine the F&B revenue figure reported to STR/STR Global. Example: revenue from a \$150 package rate that includes guest room (FMV = \$100), F&B (FMV = \$50) and golf/spa (FMV = \$50) should be \$12.50, or 25% of the package rate. If no discount is applied to the total package rate, food and beverage revenue would be recorded at FMV.

- **Loyalty program redemptions:** Conservative average of prevailing fair market value (FMV) for similar food and beverage products and services in the hotel.

Should you have any questions about these reporting guidelines, please do not hesitate to contact us.