

Discover the Power of Bed Bug Prevention

Stop the Bites...Prevent
the Infestation...Preserve
the Reputation

FOCUS...Uncovering the Bed Bug Prevention Market in the *Hospitality Industry*

BACKGROUND. Bed bugs pose a serious problem for hoteliers, impacting the two key drivers for hotel success: *guest satisfaction* and *profitability*. The cost of bed bug treatment, loss of revenue from rooms withdrawn for treatment, compensation paid to affected guests and money paid to defend lawsuits all immediately subtract from a hotel's bottom line. Less obvious, but equally important, is the impact an unhappy guest's negative review on social media can have on a hotel's profitability.

The power of social media is undeniable, and the financial impact is huge. According to a University of Kentucky study "Bed Bugs 'Bite' the Wallet of Hotel Owners," a single posting about bed bugs impacted the demand for the hotel so negatively that room prices dropped by \$38 a night per room for business travelers and \$23 per room for leisure travelers. Preventing bed bug incidents will not only reduce direct expenses for the hotelier but also increase hotel revenues.

In 'Discover the Power of Prevention', we explore the current bed bug situation and outline how a pest management professional (PMP) can execute a proven-effective prevention program with ActiveGuard Mattress Liners; the "best liner of defense" between bed bugs and guests. PMPs will learn how to help their hotel clients maximize profits, bolster their reputations, and secure guests for life. In return the PMP will become a crucial partner with the general manager with the potential to develop similarly strong relationships with other hotels. These relationships can lead to an excellent recurring revenue stream.

THE PROBLEM – THE WORSENING HOTEL/BED BUG LANDSCAPE

What a PMP Needs to Know to Effectively Sell Bed Bug Prevention

The stark reality is that the present landscape of bed bugs is worsening. Responding reactively is simply not enough to make a difference. According to Jeffrey Lipman, Attorney-at-Law and Polk County Magistrate Judge Consumer Class Action Bed Bug Litigator, "Reactive-based measures alone, however implemented, for effective bed bug management and control is an ancient and ineffective way of dealing with bed bugs in hotels and will assuredly create legal peril for hotel property owners." Hotels are starting to realize that they must find proactive preventive bed bug solutions to remain competitive.



BED BUG PREVENTION

FACTS



80% of all hotels were treated for bed bugs last year – and four out of 10 nationwide were treated last month. Almost 50% of all hotels are subject to bed bug litigation; costs for treatment and litigation can be as high as \$23,560. “*Study: Bed Bug Infestations Cost Hotel Thousands*” — 2017 Orkin/Bantam Group Study



Bed bugs accounted for 21% of U.S. business liability claims. U.S. claims involving bed bugs increased 50% between 2014 and 2015; projected totals for 2016 indicate similar trending. Commercial bed bug claims averaged \$5,660 per incident. *Allianz Global Corporate & Specialty Unit*



75% of Pest Management Professionals reported problems with bed bugs in hotel rooms. “*2015 Bugs Without Borders*” Survey from the National Pest Management Association and the University of Kentucky

One out of five Americans have been touched by bed bugs.



Over 60 million Americans have had a bed bug infestation in their home or knows someone who has encountered bed bugs at home or in a hotel. “*Bed Bugs in America*” Survey by the National Pest Management Association and 2017 United States Census

64% of Pest Management Professionals believe bed bug infestations continue to be on the rise. “*2015 Bugs Without Borders*” Survey from the



National Pest Management Association and the University of Kentucky

ACTIVEGUARD – THE CENTERPIECE OF A PREVENTIVE BED BUG CONTROL PROGRAM



ActiveGuard Mattress Liners are the centerpiece of a preventive bed bug control program.

The Benjamin Franklin quote “An ounce of prevention is worth a pound of cure” speaks to the power of preventive behavior. **PMPs need to direct their hospitality clients to consider reputational impact, loss of rooms out-of-service, guest compensation, in addition to the direct operational costs of remediation in any cost/benefit analysis. For hotels, the risk of bed bug introductions from a highly transient customer base plus strong industry competition makes facility-wide prevention a must.**

According to Pest Management Strategies for Bed Bugs (2017), “Although proactive IPM (integrated pest management) approaches for bed bugs may initially generate substantial additional costs, these long-term programs may eventually make economic sense as the best ways to effectively manage bed bugs.”

To succeed, bed bug prevention must be more cost-effective than reactive remediation. This must be true from both the service provider and hotelier’s vantage points. Hoteliers will always consider the impact on bottom line profits as they weigh the risk-versus-reward of spending money on bed bugs. **By using a preventive program supported by renowned national research entomologists and leading top 100 Pest Management Professionals, PMPs can establish a reputation as great hotel partners AND earn regular recurring revenue. PMPs instituting preventive programs enjoy greater revenues than those simply treating bed bug occurrences. Hotels that often require PMP bed bug treatments, with little improvement in reported incident frequency, may be driven to change to service providers offering strong preventive strategies.**

Key to the success of any preventive program for hotels (and increased PMP revenues) are *ActiveGuard Mattress Liners*. **ActiveGuard Mattress Liners prove that not all product protection is created equal.** This unrivaled industry product:

Prevents new bed bug infestations before they establish for two years.

Starts killing bed bugs in just 10 minutes of contact.

Kills bed bugs in bedding (mattresses, box springs, air mattresses, and sofa beds).

Stops bed bug re-infestations.

Is useful as a long-term control of adult bed bugs and their juvenile forms.

Works as a bed bug monitor where bed bugs are most likely to infest...the bed.

ACTIVEGUARD – A DEEPER LOOK

‘Best Liner of Defense’

Bed bugs can cause as much damage to hotel profits as a fire or flood. Hotels likely have the best fire and flood coverage. Why not ensure that your hotel clients have the best bed bug coverage?

Bed bug prevention is critical, and ActiveGuard Mattress Liners are the perfect centerpiece to any effective, long-term program. Since 85% of bed bugs are found within a five-foot radius of the bed, placement of *ActiveGuard* on the mattress or box spring is ideally situated to prevent infestations before they establish. Installation of *ActiveGuard* is a one-technician job — the fitted sheet installs easily on either the box spring or mattress. Once positioned, *ActiveGuard* kills bed bugs for two years, including those newly introduced — the only bed bug product labeled to outlive the life cycle of these long-lived pests. This provides unique and unparalleled value unmatched in the industry. Not only will the hotelier view their partner PMP as a contributor to the hotel’s bottom line, but hotel-wide installations can allow PMPs

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Cornell School of Hotel Administration.



to enjoy significant replacement revenue every two years with no maintenance and significantly fewer call backs.

ActiveGuard kills bed bugs and cutting-edge research demonstrates that, after only 10 minutes of contact with *ActiveGuard*, bed bugs stop feeding and females do not drop their eggs. Bed bugs that do not bite the guest and therefore cannot reproduce, do not create additional complaints and call backs for the PMP.

“We’ve had them on our mattresses for years, with no confirmed bed bugs. It’s the only solution for the problem,” said Rick Adie, General Manager, The Statler Hotel, Cornell School of Hotel Administration.

Other treatments commonly used for bed bugs in hotels are not designed

to prevent new bed bug infestations. Encasements protect against fluids and stains, and may protect the capital expense of replacing a mattress, but they do not prevent infestations. They are also subject to ripping and tearing. And, while interceptors are excellent for monitoring, and may catch one or two bed bugs, they, too, do not control bed bugs or prevent infestations. Use of canines is a superior inspection method, but detection dogs are often called after an incident takes place and treatment is still required if bed bugs are found. *ActiveGuard* Mattress Liners are the only registered products labeled for bed bug control and prevention of infestations in bedding for two years; they also bear no usage restrictions or cautionary statements.

ACTIVEGUARD FIELD PROOF-OF-CONCEPT

PUBLISHED CASE STUDY CONFIRMED

The use of *ActiveGuard* for prevention was evaluated in a major brand name hotel and showed a significant reduction in reported bed bug incidents and infestations. This field study was conducted in a 1,600-room facility representing approximately 3,000 beds. The hotel had a persistent bed bug problem. The historical reported incident rate was two per week, spread consistently over a typical year.

A two-year composite of data (2013-2015) indicated that ActiveGuard Mattress Liners installed on box springs hotel-wide as the centerpiece of a preventive program resulted in:

- 100% reduction in infestations
- 92.5% reduction in reported incident frequency
- Reduction in over 180+ treatments over two years

- Immeasurable savings by preservation of brand reputation
- \$500,000+ cost savings per annum resulting from significantly reduced treatment costs, room closures and guest compensation.

These field results confirming the preventive capacity of *ActiveGuard* were published in an advertorial in PCT magazine (December 2015) entitled, “*ActiveGuard* Mattress Liners for Bed Bug Control in a Large Metropolitan Hotel.”

The results of this report were sufficiently compelling that the editorial staff of PCT magazine followed up with a feature article titled, “Do Not Disturb,” which examined the question: “Could a preventive treatment program be the answer to managing populations, while



An article in the June 2016 issue of PCT magazine addressed the topic of how preventive programs could help manage bed bug populations in the hospitality industry.

lowering treatment and litigation costs?” (June 2016)

After two years, the hotel program was so successful that the ActiveGuard preventive program was renewed. A second renewal is pending. And as every pest management professional knows, the acid test demonstrating efficacy of any product or service is repurchase!

BED BUG PREVENTION



INSTITUTING BED BUG PREVENTION

The ABCs of the Program

Once committed to the concept, how do PMPs institute bed bug prevention with their hotel clients? Initially, consider a Basic Prevention program:

- **Install *ActiveGuard*** on every bed in every hotel room to enjoy control and prevention against bed bug infestations for two years.
- Make certain to have a Standard Operating Procedure manual to properly handle any bed bug-related incidents using written procedures and

training instructions, including:

- Educating staff on how to monitor rooms for bed bug incidents through inspection (e.g., check *ActiveGuard* for signs of activity and dead bed bugs).
 - How to respectfully and confidently work with hotel guests that file a bed bug report in a property.
 - Working with you, the hotel pest professional, to treat bed bug incidents early and avoid full-fledged infestations.
- Quarterly canine or human visual monitoring.

While the 'Basic' program should become the cornerstone of a hotel's preventive solution, consider perfecting the program by adding additional features. An Enhanced Program encompasses the features of a Basic program plus:

- Placement of a silica-based desiccant or other insecticidal dust around switch plate and outlet covers, basement moldings and bed frames.
- Installation of passive monitors under

bed legs and strategic areas throughout the room. Consideration may be given to using active monitors/interceptors (including a lure) for enhanced sensitivity in monitoring.

- If already installed, PMPs may retain encasements on the mattress, but should replace those on the box spring by using *ActiveGuard* as an active preventive tool. PMPs must ensure that mattress encasements used for protection against fluids and stains are regularly inspected for rips and tears to prevent the inadvertent creation of sites for bed bugs to hide. Torn encasements can harbor and protect bed bugs from detection and subsequent treatments, if required, and may provide opportunities to avoid contact with the *ActiveGuard* Mattress Liner.

The extensive use of *ActiveGuard* in bed bug preventive programs has reduced bed bug infestations by more than 85-98% in hotels and other transient facilities. Even higher levels of prevention can be expected when implementing the elements of the 'Enhanced Program' above.

CONCLUSION

From the hotelier's perspective, an *ActiveGuard*-based prevention program:

- Significantly lowers bed bug infestations and the need for treatment, which improves profitability and reduces disruption of normal operations
- Reduces housekeeping and staff time required for inspection
- Helps reduce the risk of introducing bed bugs to staff and guests
- Creates a hypo-allergenic sleeping environment with the added benefit of dust mite abatement
- Preserves shareholder equity
- Protects against legal liability, and
- Significantly decreases the risk of negative social media posts, which maximizes occupancy and hotel room revenues.

The overwhelming benefits of bed bug prevention afford the service provider with a novel service opportunity that increases their revenues. As compared to reactive treatment strategies resulting from guest or staff discovery of a bed bug issue, prevention programs require less manpower to institute; reduce callbacks; and, with *ActiveGuard*, provide a two-year renewable income stream. Pest management professionals, in concert with their strategic-minded hoteliers, are outfitting hotel beds with *ActiveGuard* Mattress Liners to provide unrivaled prevention against bed bug infestations.

Instituting preventive steps to assure your client's hotel rooms are bed bug-free enormously increases guest confidence. Maintaining brand reputation is vital!



Reducing guest-reported bed bug incidents through proactive prevention provides your customer with a unique selling proposition that distinguishes their hotel from unprotected competitor properties; a distinct edge in today's hospitality market. **Provide the edge to your hotel clients today!**

For more information about *ActiveGuard* and information to assist in selling bed bug prevention to your hotel clients:

- www.hotelbedbugprevention.com
- Reduce Legal Liability to Protect Guests
- Protect Guests from Bed Bug Bites
- Protect Brand Reputation & Maximize Room Occupancy
- Provide Bed Bug Prevention & Control for 2 Years