

# Options for your ICs

# IC commission splits:

- 70/30
- Upfront air, hotel, car, service fees, and leisure suppliers
- No backend commissions or GDS incentives
- Require all ICs to have tax id number rather than social security

# IC expense splits:

- 70/30
- Overnight delivery services
- After-hours fees
- Business cards
- OBT fees
- Travel expenses incurred by sales to manage, solicit accounts inclusive of hotel, air and ground transportation.
- Credit card processing fees
- Third party processing fees from each hotel commission line item
- Recall commission debit memos

# IC expense 100%:

- Debit memos and agent errors
- Workstation hardware
- Provided services:
  - Account management and assistance in closing new business
  - 20 comp days for back-up with full commission retention
  - Additional back-up days billed at \$250 per day
- GDS
- Phone
- Corporate reporting, commission tracking, QC, reception, and other automated systems
- IT support only with GDS, phone, and email

# IC Pros:

- 24/7 service to the clients
- Commission maximization
- Commission tracking and follow up
- Increase in production
- The greater the IC payroll, the greater the income for the agency
- Ramp up IC team for special projects such as large groups
- Overhead adjusts with economic conditions
- No account managers or sales agents
- Sharing of accounts between ICs and the house is always at 30%
- Incentive for house agents to transition to IC model
- Savings on taxes, paid holidays, additional benefits

# IC Cons:

- You work for them, your ICs are your clients
- Realize you have created monsters
- No group insurance for ICs
- Not setting work hours