



December 8, 2016

Clint Schmidt  
Director of the Conflict of Interest Program  
Pennsylvania State University  
The 330 Building, Suite 205  
University Park, PA 16802

Dear Director Schmidt,

My name is Evlondo Cooper, and I'm a Senior Fellow at Checks and Balances Project. We're a public watchdog blog focused on bringing greater accountability to government officials, corporate managers and lobbyists on behalf of our readers.

I am writing today to ask you to begin an inquiry into whether Penn State Professor John W. O'Neill, Director of the School of Hospitality Management's (SHM) Center for Hospitality Real Estate Strategy, has violated the following ethics policies:

- [Policy HR80 PRIVATE CONSULTING PRACTICE](#)
- [Policy RP06 DISCLOSURE AND MANAGEMENT OF SIGNIFICANT FINANCIAL INTERESTS](#)
- [Policy HR91 CONFLICT OF INTEREST](#)

On November 22, 2016, Checks and Balances Project sent a letter to Dr. Ann C. (Nan) Crouter, Dean of the College of Health and Human Development. We provided her with evidence that Professor O'Neill is operating a private consulting firm on Penn State's campus and asked if he had obtained an exemption from the above-referenced ethics policies to do so.

Despite a follow-up phone call and email, we still have not received a response from Dean Crouter.

In addition to operating a private consulting firm on campus, it also [appears Professor O'Neill is using the imprimatur of the University to increase the credibility of corporate-funded research on behalf of his current clients](#), which would violate both [RP06](#) and [HR91](#).

There are two studies, conducted by Professor O'Neill and paid for by the American Hotel & Lodging Association (AH&LA), the hotel industry's lobbying arm, that produced findings highly favorable to the hotel lobby, which deserve closer scrutiny for possible non-compliance.

Please note that Professor O'Neill also listed AH&LA as his consulting client during the production of both studies.

- In 2015, Professor O’Neill published [\*Extreme Minimum Wages: Effects on the U.S. Hotel Industry\*](#). This study was paid for by AH&LA, a lobbying association that is comprised of several Mr. O’Neill’s corporate consulting clients, including Marriott International, Hyatt and Hilton Worldwide. The study “concludes that the hotel industry in the U.S. would have a negative economic impact estimated at \$2.53 billion if the current national minimum wage proposal is approved.”
- This year, Professor O’Neill published [\*From Air Mattresses to Unregulated Business: An Analysis of the Other Side of Airbnb\*](#), a study also paid for by AH&LA. It finds, “Full-time operators offering units at least 360 days over the 12 months from October 2014 through September 2015 generated an even more disproportionate share of revenue. They represented only 3.5% of operators, but generated 26.0% of revenue.” The study is featured prominently on the AH&LA website and provides one of the [main lines of attack in the hotel industry’s fight against home-sharing platforms](#).

Additional evidence shows:


- Professor O’Neill is the lead academic supporting the hotel lobby with research and in the media. So much so, that when the University named him Director of SHM, he was praised for his “strong ties to industry.”
- Under Professor O’Neill’s leadership, the school formed an “industry advisory board” to “strategically advise SHM on industry trends.” The advisory board is comprised of more than 20 industry executives, including those from Marriott International, Hyatt and Hilton Worldwide.
- Professor O’Neill lists more than 40 consulting clients on his [CV](#) including Marriott International, the AH&LA and Hilton Worldwide, entities that are also closely associated with SHM.
- There is no discernible infrastructure for Professor O’Neill’s private consulting practice, including no standalone website, which is nearly universal among solo consulting service providers.
- Professor O’Neill’s LinkedIn profile links to his University biography at [www.personal.psu.edu/faculty/j/w/jwo3/](http://www.personal.psu.edu/faculty/j/w/jwo3/), a “personal” page that only lists his PSU contact information.
- And, his profile on a website designed for hospitality consultants run by the International Society of Hospitality Consultants (ISHC) also [lists his University contact information](#), with his address, phone number, fax number and personal website provided by Penn State.

[HR80 \(Private Consulting Practice\)](#) and [RP06 \(Disclosure and Management of Significant Financial Interests\)](#) provide strong and clear safeguards against the ethics conflicts Professor O'Neill appears to be creating.

We attempted to contact Professor O'Neill numerous times by phone to no avail. We sent him an email December 6, 2016, to ask about his potential conflicts of interests, but we have not received a reply.

Penn State has made a commitment to uphold the highest standards of ethical behavior. That is why we hope your office will conduct a thorough and fair investigation. The University has declared admirable ethical standards. We hope that they will not be ignored.

Regards,

A handwritten signature in black ink, appearing to read 'Evlondo Cooper', written in a cursive style.

Evlondo Cooper  
Senior Fellow  
Checks and Balances Project