

# BALTIMORE BUSINESS JOURNAL

Friday, August 15, 2003

## Vacations for members only

TAN charges wholesale rates and fills accommodations

Baltimore Business Journal - by [Tania Anderson](#) Contributor

Brad Callahan knew exactly what he was going to do after graduating from Towson University in 1990: Start a travel company.

After working in the travel industry throughout college, Callahan, 37, saw an opportunity to launch a company that offered consumers low-priced vacations to popular destinations like Disney World and Cancun.

More than 10 years later, Travel Advantage Network or **TAN ([www.planwithtan.com](http://www.planwithtan.com))** is a profitable company with about 40 employees and adding 300 to 500 new clients per month.

The company, which grows in revenue 15 percent per year, was recently given the Torch Award by the Better Business Bureau of Maryland for "superior ethics" and "customer service."

"Our standing policy is that the customer needs to be 100 percent happy with their purchase," said Callahan, who would not share specifics on the financials of the company. "If they're not, we'll do everything in between to make them happy."

TAN, which was launched in 1992 by Callahan and another partner who sold his ownership to Callahan a year and a half later, sells memberships for vacation packages.

An annual TAN membership is \$219. Members can buy a block of week-long vacations for a few hundred dollars apiece based on how many weeks they buy. The price covers only lodging.

For example, a TAN customer could buy 10 week-long vacations for \$300 apiece to be used over the next five years. The price covers lodging for the week and varies depending on how many weeks you buy. Customers pay extra for certain upgrades such as taking their week during a holiday weekend or for an extra room.



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The company charges wholesale rates, which are significantly cheaper than retail, according to Callahan. One of the company's properties in Myrtle Beach, for example, would range between \$400 to \$1,200 a week retail, but goes for as low as \$188 and up to \$700 with every possible upgrade at wholesale.

Callahan and a group of investors own each vacation accommodation and make sure they are filled throughout the year, allowing the company to charge the cheaper rates.

TAN had 39,500 members at the end of June. Most customers hear about the company through telemarketing or word of mouth.

Nick Greaves, president of the Better Business Bureau of Maryland ([www.baltimore.bbb.org](http://www.baltimore.bbb.org)) said TAN won the Torch Award based on its membership in the Cooperative Association of Resort Exchangers, a nonprofit organization that requires a high level of ethics and standards among its members, who are resort developers and resort service companies.

Greaves said the company also earned the award because of its ability "to turn itself around." The BBB had received some complaints about TAN in the early '90s, says Greaves.

With the hits taken by the travel and hospitality industry since Sept. 11 and the downturn in the economy, Callahan said his company has been able to thrive because consumers are looking for cheaper vacations.

"Five years ago we'd hear from people that they'd rather stay at the Ritz Carlton," he said. "Now those same people are saying that our condos are great."

The company makes money by keeping its properties booked. TAN does this by offering members a chance to buy someone else's week if they need to cancel.

An e-mail is sent every Friday to all TAN members alerting them of open slots due to cancellations. Interested members can pay \$188 for the week-long slot and not lose their regularly scheduled vacation packages.

The slots are given on a first come, first serve basis.

TAN's product is geared to people who are not looking for high-end accommodations like the Ritz Carlton or exotic vacations to unusual places. The accommodations are simply clean and comfortable, says Callahan.

TAN has destinations throughout the United States, except in South Dakota, as well as in Mexico, the Caribbean and the Bahamas. Callahan is thinking about expanding to Europe.

Callahan said vacation spots are chosen with the help of members and are based on whether they are an easy car ride.

TAN surveys customers about the trips and service received, and has a 40 percent response rate.

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